RECORDATION NO. 24420-55 FILED

APR 22 '05 11-44 AM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036

(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

April 22, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Commercial Security Agreement Modification Agreement, dated as of March 4, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Commercial Security Agreement which was previously filed with the Board under Recordation Number 24420.

The names and addresses of the parties to the enclosed document are:

Secured Party: First Mid-Illinois Bank and Trust
12616 State Route 143
Highland, Illinois 62249

Debtor: Midwest Railcar Corporation
3 Professional Park Drive, Suite B.
Maryville, Illinois 62062

A description of the railroad equipment covered by the enclosed document is:

30 boxcars within the following series as more particularly set forth in the equipment schedule attached to the document:

IATR 375502 – IATR 375516 (7 cars - not inclusive).
MDW 1803 – MDW 1891 (17 cars - not inclusive).
SRY 4252 – SRY 4257 (6 cars - inclusive).

A short summary of the document to appear in the index is:

Memorandum of Commercial Security Agreement Modification Agreement.

Also enclosed is a check in the amount of $32.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/anm
Enclosures

RECORDATION NO. 24420-JJ FILED

APR 2 2 '05 11-44 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT

dated March 4, 2005

by and between

MIDWEST RAILCAR CORPORATION,
as Debtor

and

FIRST MID-ILLINOIS BANK & TRUST, NA
as Secured Party

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT

THIS MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement) is made this 4th day of March, 2005, by and between **MIDWEST RAILCAR CORPORATION**, an Illinois corporation ("the "Debtor"), and **FIRST MID-ILLINOIS BANK AND TRUST, NA**, a state-chartered Federal Reserve Member bank organized under the laws of the State of Illinois ("the Secured Party"), witnesseth:

RECITALS

A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of January 9, 2003 first amended May 30, 2003, and further amended March 5, 2004 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.

B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Commercial Security Agreement dated as of January 2, 2003, pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, certain railcars.

C. A Memorandum of Commercial Security Agreement (the "Memorandum of Commercial Security Agreement) was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C 11301 (a) on April 23, 2003 at 4:01 p.m. under Recordation No. 24420.

D. The Debtor subsequently purchased Thirty (30) boxcars (collectively, the "Railcars") described on **Exhibit A** attached hereto.

E. The Secured Party and the Debtor executed a Commercial Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Commercial Security Agreement by adding the car marks and numbers of the Railcars to the collateral listed therein.

F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Commercial Security Agreement.

TERMS

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

1. The facts set forth above are true and accurate in each respect.

2. The Memorandum of Commercial Security Agreement is hereby amended as follows: **Exhibit A** attached to the Memorandum of Commercial Security Agreement is amended by adding the car marks and numbers of the Railcars.

3. The term "this Memorandum" as used in the Memorandum of Commercial Security Agreement shall mean the Memorandum of Commercial Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.

4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois.

5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

_____

MIDWEST RAILCAR CORPORATION

By: _____
Richard M. Murphy, III, President

WITNESS:

Karen L. Ward

FIRST MID-ILLINOIS BANK AND TRUST, NA

By: Gordon D. Smith
Gordon D. Smith, Community Bank President

STATE OF MN, City of Elk River

On this 4th day of March, 2005, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and the acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

(Seal)

_____
Notary Public

My commission expires: 1-31-06

DAVID L. SMITH
Notary Public
Minnesota
My Commission Expires Jan. 31, 2006

STATE OF ILLINOIS, County of Madison

On this 4th day of March, 2005, before me, a Notary Public of the County and State aforesaid, personally appeared Gordon D. Smith, to me personally known, who being by me duly sworn, says that he is a Community Bank President of FIRST MID-ILLINOIS BANK AND TRUST, NA, that the seal affixed to the foregoing instrument is the seal of First Mid-Illinois Bank and Trust, NA, that said instrument was signed and sealed on behalf of First Mid-Illinois Bank and Trust, NA by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of First Mid-Illinois Bank and Trust, NA.

AS WITNESS my hand and notarial seal

(Seal)

"OFFICIAL SEAL"
KRISTIN SCHMIDT
NOTARY PUBLIC—STATE OF ILLINOIS
MADISON COUNTY, IL
MY COMMISSION EXPIRES APRIL 24, 2007

Kristin Schmidt
Notary Public

My commission expires

EXHIBIT "A"
DESCRIPTION OF RAILCARS

Thirty (30), 1976 built, 60 ft., Plate E 100-ton boxcars bearing reporting marks as follows:

IATR 375502
IATR 375508
IATR 375511
IATR 375513
IATR 375514
IATR 375515
IATR 375516
MDW 1803
MDW 1805
MDW 1813
MDW 1814
MDW 1819
MDW 1829
MDW 1842
MDW 1848
MDW 1857
MDW 1858
MDW 1861
MDW 1863
MDW 1865
MDW 1869
MDW 1873
MDW 1886
MDW 1891
SRY 4252
SRY 4253
SRY 4254
SRY 4255
SRY 4256
SRY 4257