

25762-B

RECORDATION NO. \_\_\_\_\_ FILED

AUG 08 '05

3-08 PM

ALVORD AND ALVORD  
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WASHINGTON, D.C.

**SURFACE TRANSPORTATION BOARD**

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

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August 5, 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 (Collateral) Assignment of Leases and Rents, dated as of June 29, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Assignment and Assumption Agreement which is being filed with the Board under Recordation Number \_\_\_\_\_.

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

Bank: The Business Bank  
11100 Wayzata Boulevard  
Suite 150  
Minnetonka, Minnesota 55305-5530

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

Mr. Vernon A. Williams  
August 5, 2005  
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A description of the railroad equipment covered by the enclosed document is:

30 gravity hopper cars within the series NAHX 63609 - NAHX 64245 and NAHX 483552 - NAHX 488755 as more particularly set forth in the equipment schedule attached to the document.

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

Memorandum of (Collateral) Assignment of Leases and Rents.

Also enclosed is a check in the amount of \$33.00 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

MEMORANDUM OF (COLLATERAL) ASSIGNMENT  
OF LEASES AND RENTS  
BETWEEN

RECORDATION NO.

25762-B  
FILED

THE BUSINESS BANK  
("SECURED PARTY")

AUG 08 '05

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SURFACE TRANSPORTATION BOARD

AND

MIDWEST RAILCAR CORPORATION  
("DEBTOR")

June 29, 2005

This Memorandum of Assignment of Lease and Rents is hereby entered into as of this 29th day June of 2005 by and between The Business Bank, a Minnesota corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Borrower").

WITNESSETH:

The Borrower hereby, assigns, transfers and sets over unto The Business Bank (hereinafter, the "Lender"), all of the Borrower's right, title and interest in and to the lease of Thirty (30), 4,750 c.f. 100 ton (263,000 lb GRL) Gravity Hoppers. Car Numbers NAHX 64245, 63628, 488608, 487629, 487945, 63611, 485063, 488740, 485111, 64241, 483552, 63646, 485092, 63623, 488654, 63609, 488672, 63619, 63613, 63633, 487897, 488588, 63622, 63642, 63651, 488679, 63644, 488755, 488748, 487618, as evidenced by that Rider #132 made effective April 1, 2004 which incorporates therein by reference the Car Leasing Agreement No. 3722-09-00 dated January 1, 1988 by and between Borrower (as Lessor) and Occidental Chemical Corporation, a New York Corporation, (as Lessee), and any other Equipment Riders and schedules thereto (together, the "Lease") and all rents and other sums due thereunder, and all proceeds therefrom with respect to those certain railcars identified on the attached Schedule "A" hereto (the "Railcars"), and all rents, renewal rents, proceeds of settlement for the Railcars which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the Lease, including but not limited to, the payment of any purchase option price paid by the Lessee pursuant to the Lease, as well as any and all subleases of the Railcars.

This Assignment is given and intended as continuing collateral for the payment of the indebtedness of the Borrower to the Lender as provided for in the Commercial Security Agreement dated June 29, 2005 (the "Agreement"), including but not limited to any and all promissory notes executed thereunder (the "Promissory Notes"), including any and all interest thereon and expenses therefor and any and all extensions and/or renewals of the referenced indebtedness, whether such indebtedness shall at any time or from time to time have been reduced or paid in full and thereafter increased or reincurred,

and no renewal of, or extension of time of payment of the subject indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this Assignment or the security afforded hereby, save payment in full by the Borrower to the Lender of any and all indebtedness of the Borrower to the Lender arising under the Agreement and the Promissory Notes, while no default exists under any of the other provisions thereof. If such payment in full is made by the Borrower while no such default exists or if any such payment in full is made while any default exists and all such defaults are subsequently corrected by the Borrower, the Borrower shall be entitled to have this Assignment discharged.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement. This Memorandum of Assignment of Lease and Rents may be executed in any number of counterparts, each executed counterpart constituting an original but together only one memorandum of Assignment of Lease and Rents.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

THE BUSINESS BANK  
as Lender

By:

Name:

Title: Vice President

MIDWEST RAILCAR CORPORATION  
as Borrower

By:

Name:

Title:

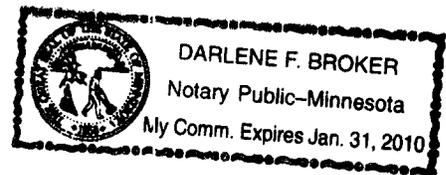
STATE OF MN )  
 ) ss.  
COUNTY OF Hennepin )

On this 29<sup>th</sup> day of June 2005, before me personally appeared Brian R. Munderloh, to me personally known, who being by me duly sworn, says that he is the Vice President of The Business Bank, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC:

*Darlene F. Broker*

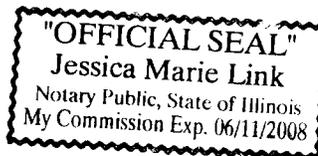
My commission expires: 1-31-2010



STATE OF )  
 ) ss.  
COUNTY OF )

On this 27 day of June 2005, before me personally appeared Richard M. Murphy, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, that the foregoing instrument was signed on behalf of said Corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC:



My commission expires: 6-11-2008

*Jessica Marie Link*

SCHEDULE "A"  
To Memorandum of Assignment of Lease and Rents  
SCHEDULE OF RAILCARS  
One Page  
Written Number (Number in Numeric) Units

Thirty (30), 4750 c.f. 100 ton (263,000 lb GRL) Gravity Hopper. Car Numbers NAHX -  
64245, 63628, 488608, 487629, 487945, 63611, 485063, 488740, 485111, 64241,  
483552, 63646, 485092, 63623, 488654, 63609, 488672, 63619, 63613, 63633, 487897,  
488588, 63622, 63642, 63651, 488679, 63644, 488755, 488748, 487618.