

OSTER
Researching Services

12897 Colonial Drive • Mt. Airy, MD 21771
Phone: 301-253-6040
Fax: 301-253-6040
maryannoster@adelphia.net

RECORDATION NO. 25887 FILED

OCT 07 '05 12:07 PM

SURFACE TRANSPORTATION BOARD

October 7, 2005

Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Security Agreement dated 8/5/05 including the following parties and railroad equipment:

Secured Party: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue So., Suite 700
Minneapolis, MN 55402

Debtor: Midwest Railcar Corporation
4949 Autumn Oaks Drive
Maryville, IL 62062

Equipment: 25, 4000 cf 100-ton Flat Bottom Rotary Gondolas
KCS 804000-804024

Please record this agreement as a primary document. The filing fee of \$33 is enclosed.
Thank you.

Summary: Memorandum of Security Agreement dated 8/5/05 between Wells Fargo Equipment Finance, Inc. as Secured Party and Midwest Railcar Corporation as Debtor including 25, 4000 cf 100-ton Flat Bottom Rotary Gondolas, KCS 804000-804024.

Sincerely,



Mary Ann Oster
Research Consultant

Enclosures



Wells Fargo Equipment Finance
Investors Building, Suite 700
733 Marquette Ave So
Minneapolis, MN 55402

Memorandum of Security Agreement

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 5th day of August, 2005, by and between Midwest Railcar Corporation, an Illinois corporation ("Debtor"), and Wells Fargo Equipment Finance, Inc., a Minnesota Corporation ("Secured Party").

A. The Debtor is or may become indebted to the Secured Party pursuant to certain agreements executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated August 5, 2005 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Twenty-Five (25) 4000 cubic foot, 100-ton, Flat Bottom Rotary Gondolas originally built by Ortnier in 1982 and 1983 with the following markings (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

- KCS 804000 KCS 804005 KCS 804010 KCS 804015 KCS 804020
- KCS 804001 KCS 804006 KCS 804011 KCS 804016 KCS 804021
- KCS 804002 KCS 804007 KCS 804012 KCS 804017 KCS 804022
- KCS 804003 KCS 804008 KCS 804013 KCS 804018 KCS 804023
- KCS 804004 KCS 804009 KCS 804014 KCS 804019 KCS 804024

RECORDATION NO. 25887 FILED

OCT 07 '05 12-07 PM

SURFACE TRANSPORTATION BOARD

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;

(e) all rent, damages and other moneys from time to time payable to or receivable by the Debtor in respect of the Railcars; and

(f) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

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

Midwest Railcar Corporation

Wells Fargo Equipment Finance, Inc.

By: [Signature]
Title: President & CEO

By: [Signature]
Title: AVP

STATE OF MN
COUNTY OF Sherburne



On this 30 day of Sept, 2005, before me, a Notary Public of the City and State aforesaid, personally appeared Richard M. Mullaney to me personally known, who being by me duly sworn, says that he is the President & CEO of Midwest Railcar Corporation an _____ corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

David L. Smith
Notary Public

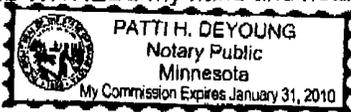
My commission expires: 1-31-06

STATE OF Minnesota
COUNTY OF Hennepin

On this 5th day of October, 2005, before me a Notary Public of the City and State aforesaid, personally appeared Jacqueline P. Barragan, to me personally known who being by me duly sworn, says that (he/she) is a AVP of Wells Fargo EquiFin that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) 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)



Patti H. DeYoung
Notary Public

My commission expires: 1/31/2010