

RECORDATION NO. 25907-B FILED

OCT 14 '05 4-35 PM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A. LESTER

October 14, 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 Lease, dated September 28, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Rider No. 10 which is being filed with the Board under Recordation Number _____.

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

Bank: First National Bank in Staunton
Troy Banking Center
304 Bargraves Boulevard
Troy, Illinois 62294

Assignor: Midwest Railcar Corporation
4949 Autumn Oaks
Suite B
Maryville, IL 62062

Mr. Vernon A. Williams
October 14, 2005
Page Two

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

3 railcars: MWCX 550000 through MWCX 550002, inclusive.

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

Memorandum of (Collateral) Assignment of Lease

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 LEASE

BETWEEN

FIRST NATIONAL BANK IN STAUNTON
("BANK")

AND

MIDWEST RAILCAR CORPORATION
("ASSIGNOR")

RECORDATION NO. 25907-B FILED

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SURFACE TRANSPORTATION BOARD

September 28, 2005

This Memorandum of Assignment of Lease is hereby entered into as of this 28th day of September, 2005 by and between First National Bank in Staunton, an Illinois corporation ("Bank"), and Midwest Railcar Corporation, an Illinois corporation ("Assignor").

W I T N E S S E T H:

The Assignor hereby assigns, transfers and sets over unto Bank, all of the Assignor's right, title and interest in (but not its obligations) and to the lease of (3) Railcars evidenced by that certain Rider #10 dated effective July 29, 2005 which incorporates by reference that Full Service Master Lease Agreement dated effective February 15, 2002 by and between Assignor (as Lessor) and General Mills Operations, Inc. (as Lessee), and any other Exhibits or 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 Assignor (as "Debtor") to Bank (as "Secured Party") as provided for in the Commercial Security Agreement dated September 28, 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 Assignor to Bank of any and all indebtedness of the Assignor to Bank arising under the Agreement and the Promissory Note, while no default exists under any of the other provisions thereof. If such payment in full is made by the Assignor 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 Assignor, the Assignor 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 may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Assignment of Lease.

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

FIRST NATIONAL BANK IN STAUNTON
as Bank

By: David W Gansner
Name: David W Gansner
Title: Vice President

MIDWEST RAILCAR CORPORATION
as Assignor

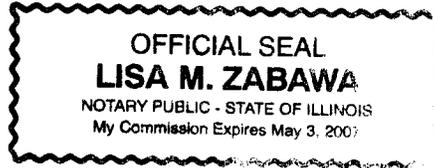
By: Richard M. Murphy
Name: Richard M. Murphy
Title: President

STATE OF Illinois)
COUNTY OF Madison) ss.

On this 28th day of September 2005, before me personally appeared David W Gansier to me personally known, who being by me duly sworn, says that he is the Vice President of FIRST NATIONAL BANK IN STAUNTON, 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: Lisa M Zabawa

My commission expires: 5-3-1

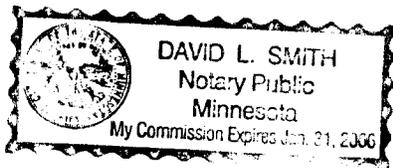


STATE OF MN)
COUNTY OF Sherburne) ss.

On this 23 day of September 2005, before me personally appeared Richard M. Murphy III, to me personally known, who being by me duly sworn, says that he is the President & CEO of MIDWEST RAILCAR CORPORATION, that the foregoing instrument was signed on behalf of said limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: David L Smith

My commission expires: 1-31-06



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

SCHEDULE OF RAILCARS

Three (3) Railcars bearing the following reporting marks and numbers:

MWCX 550000 through MWCX 550002, inclusive