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January 5, 2006

RECORDATION NO. 26101 FILED

JAN 05 05 11-12 AM

SURFACE TRANSPORTATION BOARD

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 Loan and Security Agreement dated 12/22/05 involving the following parties and railroad equipment:

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

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

Equipment: 22, 4750 cf Covered Hoppers
MWCX 460181-460202

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

Summary: Memorandum of Loan and Security Agreement dated 12/22/05 between Wells Fargo Equipment Finance, Inc. as Secured Party and Midwest Railcar Corporation as Debtor including MWCX 460181-460202.

Sincerely,



Mary Ann Oster
Research Consultant

Enclosure

REGISTRATION NO. 26101

JAN 03 2006

**MEMORANDUM OF
LOAN AND SECURITY AGREEMENT** SURFACE TRANSPORTATION

THIS MEMORANDUM OF LOAN AND SECURITY AGREEMENT (this "Memorandum") is made this 22nd day of December, 2005, by and between Midwest Railcar Corporation an Illinois corporation ("Midwest"), and WELLS FARGO EQUIPMENT FINANCE, INC, a Minnesota Corporation ("WFEFI").

A. Midwest has assigned all of its right, title and interest in and to that certain Schedule # 1 made as of August 4, 2005 to Full Service Lease Agreement dated August 4, 2005 between Synsil Products, Inc. as Lessee and Midwest Railcar Corporation as Lessor to WFEFI pursuant to that certain Loan and Security Agreement dated December 22, 2005 (the "Note") executed by Midwest Railcar Corporation in favor of the WFEFI.

B. To secure Midwest' obligations to WFEFI, Midwest executed and delivered to WFEFI a Loan and Security Agreement dated December 22, 2005 pursuant to which Midwest granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Twenty Two (22) 4750 cf Covered Hoppers described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(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 Lessor 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 of otherwise, in respect of any defect in the Railcars or any part thereof;

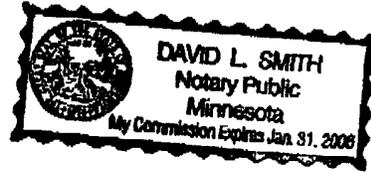
IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

MIDWEST RAILCAR CORPORATION

WELLS FARGO EQUIPMENT FINANCE, INC.

By: [Signature]
Its: President

By: [Signature]
Its: AVP



STATE OF MN
COUNTY OF Sherburne

On this 23 day of Dec, 2005, before me, a Notary Public of the City and State aforesaid, personally appeared Richard Murphy to me personally known, who being by me duly sworn, says that he is the President & CEO of Midwest Railcar Corporation, an IL 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.

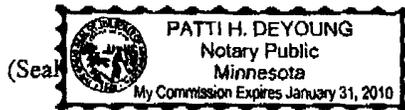
David L. Smith
Notary Public

My commission expires: 1-31-06

STATE OF Minnesota
COUNTY OF Hennepin

On this 23rd day of December 2005, before me a Notary Public of the City and State aforesaid, personally appeared Jacqueline P. Bart... to me personally known who being by me duly sworn, says that (he/she) is a AVP of Wells Fargo Equipment Finance Inc., 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.



Patti H. DeYoung
Notary Public

My commission expires:

Schedule A

Twenty Two (22) 4750 cf Covered Hoppers bearing the following markings

MWCX 460181 - 460202, inclusive