

RECORDATION NO. 26175-A FILED

FEB 03 '06 3-54 PM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL  
URBAN A. LESTER

February 3, 2006

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 as of December 23, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Schedule #10 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  
115 South Elm Street  
Staunton, Illinois 62294

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

Mr. Vernon A. Williams  
February 3, 2006  
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A description of the railroad equipment covered by the enclosed document is:

11 gondola cars: MRMX 100290, MRMX 100292, MRMX 100295, MRMX 100299, MRMX 100301, MRMX 100304, MRMX 100306 - MRMX 100307, MRMX 100310 - MRMX 100311 and MRMX 100314.

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,



Edward M. Luria

RWA/anm  
Enclosures

MEMORANDUM OF (COLLATERAL) ASSIGNMENT  
OF LEASE

BETWEEN

FIRST NATIONAL BANK IN STAUNTON  
("BANK")

AND

MIDWEST RAILCAR CORPORATION  
("ASSIGNOR")

December 23, 2005

RECORDATION NO. 26175-A FILED

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SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease is hereby entered into as of this 23rd day of December, 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 (11) Railcars evidenced by that certain Schedule #10 dated effective August 15, 2005 which incorporates by reference that Full Service Master Lease Agreement dated effective November 24, 2003 by and between Assignor (as Lessor) and American Steel Processing Co. (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 December 23, 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 23rd day of December 2005, before me personally appeared David W Gansner, 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: 5-3-7

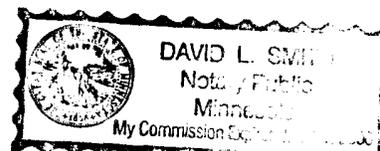


STATE OF MN )  
COUNTY OF Sherburne ) ss.

On this 21 day of December 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**

Eleven (11) Railcars bearing the following reporting marks and numbers:

MWCX 100290, MWCX 100292, MWCX 100295, MWCX 100299, MWCX 100301, MWCX 100304,  
MWCX 100306, MWCX 100307, MWCX 100310, MWCX 100311, MWCX 100314