

RECORDATION NO. 26263-B FILED

MAR 28 '06 2-12 PM

SURFACE TRANSPORTATION BOARD

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

March 28, 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 March 16, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Schedule No. 2 being filed with the Board under Recordation Number \_\_\_\_\_.

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

Bank: Susquehanna Bank  
100 West Road  
Baltimore, Maryland 21204

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

Mr. Vernon A. Williams  
March 28, 2006  
Page 2

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

19 railcars: MRMX 130108 - MRMX 130126.

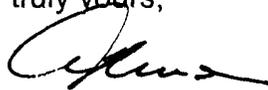
A short summary of the document to appear in the index is:

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

SUSQUEHANNA BANK  
("BANK")

AND

MIDWEST RAILCAR CORPORATION  
("ASSIGNOR")

RECORDATION NO.

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SURFACE TRANSPORTATION BOARD

March 16, 2006

This Memorandum of Assignment of Lease is hereby entered into as of this 16 day of March, 2006 by and between Susquehanna Bank, a Maryland Commercial Bank ("Bank"), and Midwest Railcar Corporation, an Illinois corporation ("Assignor").

WITNESSETH:

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 (19) 2700-2929 c.f., 100-ton covered hopper railcars built between 1976 and 1979 as evidenced by that certain Schedule No. 2 dated effective May 31, 2005 which incorporates by reference that Master Railcar Lease Agreement dated effective May 31, 2005 by and between Assignor (as Lessor) and US Silica Company (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 "Grantor") to Bank (as "Lender") as provided for in the Commercial Security Agreement dated March 16, 2006 (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 their respective corporate officers as of the date and year first above written.

SUSQUEHANNA BANK  
as Bank

By: 

Name: William Jenne

Title: Vice President

MIDWEST RAILCAR CORPORATION  
as Assignor

By: 

Name: Richard M. Murphy

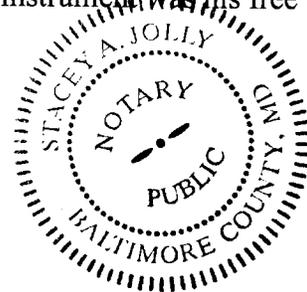
Title: President & CEO

STATE OF Maryland )  
 ) ss.  
COUNTY OF Baltimore )

On this 14 day of March 2006, before me personally appeared William Jeme, to me personally known, who being by me duly sworn, says that he is the Vice President of SUSQUEHANNA 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: Stacey A. Jolly

My commission expires: 3-1-06

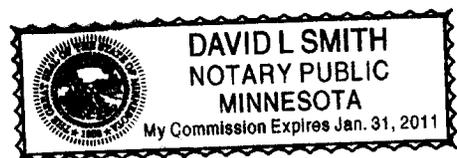


STATE OF MN )  
 ) ss.  
COUNTY OF Sherburne )

On this 16 day of March 2006, before me personally appeared Richard M. Murphy, 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: 1-31-11



SCHEDULE "A"  
To Memorandum of Assignment of Lease  
SCHEDULE OF RAILCARS  
One Page  
Nineteen (19) Units

**SCHEDULE OF RAILCARS**

Nineteen (19) railcars bearing the following reporting marks and numbers:

MRMX 130108  
MRMX 130109  
MRMX 130110  
MRMX 130111  
MRMX 130112  
MRMX 130113  
MRMX 130114  
MRMX 130115  
MRMX 130116  
MRMX 130117  
MRMX 130118  
MRMX 130119  
MRMX 130120  
MRMX 130121  
MRMX 130122  
MRMX 130123  
MRMX 130124  
MRMX 130125  
MRMX 130126