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RECORDATION NO. 21686 - M FILED

OCT 10 '06 3-45 PM

SURFACE TRANSPORTATION BOARD
OF COUNSEL
URBAN A. LESTER

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

October 10, 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 August 1, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memoranda of Railcar Lease and Memorandum of Amendment of Lease previously filed with the Board under Recordation Numbers 21686-G and 21686-J, respectively.

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

Bank:	The Bank of Edwardsville 330 West Vandalia Edwardsville, Illinois 62025
Assignor:	Midwest Railcar Corporation 4949 Autumn Oaks Drive Maryville, Illinois 62062

Mr. Vernon A. Williams
October 10, 2006
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A description of the railroad equipment covered by the enclosed document is:

51 railcars: now MWCX 460574 - MWCX 460624, and formerly within the series GRPX 944013, GRPX 944442, GRPX 944452 and CEFX 15000 - CEFX 15742; CEFX 17061 - CEFX 17754 and CEFX 151877 - CEFX 152300, as more particularly set forth in the equipment schedule attached to the document.

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 \$32.00 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

THE BANK OF EDWARDSVILLE
("BANK")

AND

MIDWEST RAILCAR CORPORATION
("ASSIGNOR")

RECORDATION NO. 21686-M FILED

August 1, 2006

OCT 10 '06 3-45 PM

SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease is hereby entered into as of this 1st day August, 2006 by and between The Bank of Edwardsville, 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 fifty-one (51) 4,750 c.f., covered hopper cars, as evidenced by that certain Schedule No. 07 to Master Railcar Lease, made as of June 11, 2003, as amended by an Amendment No. 1 to Lease Schedule No. 07, dated as of April 21, 2005, and as extended by an Extension to Lease Schedule No. 07, dated as of October 31, 2003, and as further extended by an Extension to Lease Schedule No. 07, dated as of March 29, 2006 ("Schedule No. 07"), by and between PCS Nitrogen Fertilizer, L.P. (the "Lessee"), and The CIT Group/Equipment Financing, Inc. ("CIT") and subsequently assigned by CIT to Midwest Railcar Corporation ("Lessor") on August 1, 2006, incorporating the terms of that certain Master Railcar Lease, made as of September 17, 1998, by and between the Lessee and CIT (the "Master Lease Agreement") (Schedule No. 07, incorporating the Mater Lease Agreement, as it relates only to the 51 railcars, the "Lease"), and any other Equipment Riders and 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 August 1, 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 re-incurred, 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.

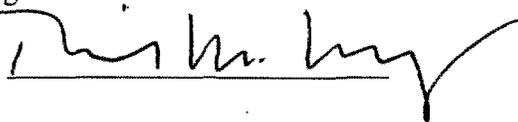
THE BANK OF EDWARDSVILLE
as Bank

By: 

Name: William D. Barlow

Title: Senior Vice President

MIDWEST RAILCAR CORPORATION
as Assignor

By: 

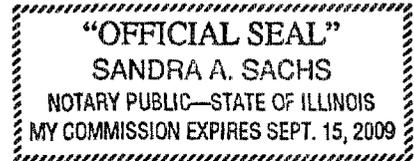
Name: Richard M. Murphy

Title: President

STATE OF Illinois)
) ss.
COUNTY OF Madison)

On this 1 day of August, 2006, before me personally appeared William D. Barlow, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of THE BANK OF EDWARDSVILLE, 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: Sandra A. Sachs



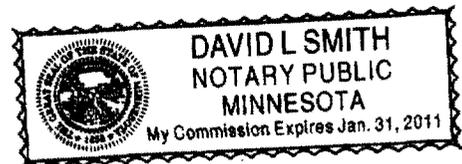
My commission expires: Sept. 15, 2009

STATE OF MD)
) ss.
COUNTY OF Shelburne)

On this 1 day of August, 2006, 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: 1-31-11



SCHEDULE "A"
 To Memorandum of Assignment of Lease
 SCHEDULE OF RAILCARS
 One Page
 Fifty-one (51) Units

SCHEDULE OF RAILCARS

Fifty-one (51) 4,750 c.f., covered hopper cars with the following marks and numbers:

<u>Prior</u> <u>Car Number</u>	<u>New</u> <u>Car Number</u>	<u>Prior</u> <u>Car Number</u>	<u>New</u> <u>Car Number</u>
CEFX 15000	MWCX460574	CEFX 17163	MWCX460605
CEFX 15003	MWCX460575	CEFX 17168	MWCX460606
CEFX 15006	MWCX460576	CEFX 17189	MWCX460607
CEFX 15010	MWCX460577	CEFX 17198	MWCX460608
CEFX 15014	MWCX460578	CEFX17203	MWCX460609
CEFX 15015	MWCX460579	CEFX 17383	MWCX460610
CEFX 15023	MWCX460580	CEFX 17453	MWCX460611
CEFX 15027	MWCX460581	CEFX 17714	MWCX460612
CEFX 15032	MWCX460582	CEFX 17754	MWCX460613
CEFX 15034	MWCX460583	CEFX 151877	MWCX460614
CEFX 15043	MWCX460584	CEFX 151898	MWCX460615
CEFX 15054	MWCX460585	CEFX 151910	MWCX460616
CEFX 15055	MWCX460586	CEFX 151946	MWCX460617
CEFX 15062	MWCX460587	CEFX 151954	MWCX460618
CEFX 15066	MWCX460588	CEFX 151977	MWCX460619
CEFX 15074	MWCX460589	CEFX 152012	MWCX460620
CEFX 15079	MWCX460590	CEFX 152300	MWCX460621
CEFX 15091	MWCX460591	GRPX 944013	MWCX460622
CEFX 15097	MWCX460592	GRPX 944442	MWCX460623
CEFX 15256	MWCX460593	GRPX 944452	MWCX460624
CEFX 15296	MWCX460594		
CEFX 15433	MWCX460595		
CEFX 15671	MWCX460596		
CEFX 15728	MWCX460597		
CEFX 15742	MWCX460598		
CEFX 17061	MWCX460599		
CEFX 17078	MWCX460600		
CEFX 17107	MWCX460601		
CEFX 17131	MWCX460602		
CEFX 17153	MWCX460603		
CEFX 17159	MWCX460604		