

RECORDATION NO. 25863 FILED <sup>A</sup>

NOV 06 '07 -2 00 PM

SURFACE TRANSPORTATION BOARD

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November 6, 2007

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 an Assignment of Lessor's Interest in Lease, dated as of November 1, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Security Agreement previously filed with the Board under Recordation Number 25863.

Assignor: Southern Rail Associates, Inc.  
523 Turtle Hatch Lane  
Naples, FL 34103

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

Mr. Vernon A. Williams  
November 6, 2007  
Page 2

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

74 railcars: MRMX 130000 - MRMX 130075 (excluding MRMX 130004  
and MRMX 130069).

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

Assignment of Lessor's Interest in Lease.

Also enclosed is a check in the amount of \$35.00 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/sem  
Enclosures

NOV 06 '07 -2 00 PM

SURFACE TRANSPORTATION BOARD

ASSIGNMENT OF LESSOR'S INTEREST IN LEASE

THIS ASSIGNMENT OF LESSOR'S INTEREST IN LEASE (this "Agreement") is made as of this 1st day of October, 2007 between SOUTHERN RAIL ASSOCIATES, INC., a Florida corporation (the "Assignor"), and Midwest Railcar Corporation, an Illinois corporation (the "Assignee").

RECITALS

A. Assignor is the owner of the railroad rolling stock described on Exhibit A hereto (the "Railcars") and leases the Railcars pursuant to a lease and other documents described on Exhibit B hereto (collectively, the "Lease").

B. The Assignor has, pursuant to the Purchase and Sale Agreement of even date herewith (the "Agreement of Sale"), sold to the Assignee all of the Assignor's right, title and interest in and to the Railcars.

C. In connection with such sale of the Railcars, Assignor desires to assign to the Assignee all of the Assignor's right, title and interest in and to and obligations under the Lease, which Assignee expressly desires to assume.

AGREEMENTS

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, the Assignor and the Assignee agree as follows:

1. Assignment and Assumption. The Assignor hereby assigns to the Assignee all of the Assignor's right, title and interest in and to and obligations under the Lease, including, without limitation, all rent payable with respect to the Railcars from 11/1, 2007. The Assignee hereby accepts the assignment of such right, title and interest of, and assumes the obligations of, the Assignor under the Lease accruing after the date of this Agreement. Notwithstanding anything to the contrary contained in the Lease, the Assignee agrees that as of the date of this Agreement, the Assignor shall have no obligations of any kind accruing under the Lease on or after the date of this Agreement and that the Assignee shall be the party responsible for the performance of such obligations under the Lease.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee the following:

- (a) to the Assignor's knowledge, there are no defaults or events of defaults under the Lease;
- (b) the Lease is presently in full force and effect as to Assignor;
- (c) no rent under the Lease due after the date hereof has been paid in advance;
- (d) the Assignor has not assigned, encumbered or transferred in any way its interest in the Lease except for liens released on or before the date hereof and the Assumed Indebtedness as defined in the Agreement of Sale; and
- (e) a complete copy of the Lease has been delivered to Assignee or its counsel.

3. **Additional Instruments.** The parties shall execute and deliver such further instruments and take such actions as shall be reasonably required in order to carry out the transactions contemplated by this Agreement.

4. **Miscellaneous Provisions.**

(a) **Entire Agreement.** This Agreement, the Agreement of Sale, the Notice and Acknowledgment (as defined in the Agreement of Sale), and the Bill of Sale (as defined in the Agreement of Sale) comprise the complete understanding of the parties and there are no understandings, either written or oral, except as specifically set forth in this Agreement. No changes may be made in this Agreement unless specifically reduced to writing and accepted by both parties. All prior negotiations and understandings of the parties are deemed merged into this Agreement.

(b) **Amendment and Waiver.** This Agreement may be amended, or any portion of this Agreement may be waived, provided that such amendment or waiver shall be in writing, executed by the parties to which any particular provision specifically relates and all such amendments and waivers made shall be binding upon the parties. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

(c) **Inurement to Benefit of Assigns.** All of the terms and provisions of this Agreement shall be binding upon, apply and inure to the benefit of the parties, their respective successors and assigns.

(d) **Severability.** Each of the terms and provision of this Agreement, except for the payment of the purchase price to Assignor, is and is deemed to be severable, in whole or in part, and, if any term or provision or their application in any circumstance should be invalid, illegal or unenforceable, the remaining terms and provisions or their application, to circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected and shall remain in full force and effect.

(e) **Exhibits and Schedules.** All exhibits and schedules attached to this Agreement are incorporated and made a part of this Agreement by reference.

(f) **Paragraph Headings.** All paragraph and subparagraph headings are for convenience only and do not in any way limit to construe the contents of the paragraphs.

(g) **Rights and Remedies.** All rights and remedies granted any of the parties under this Agreement shall be cumulative.

(h) **Survival of Representatives and Warranties.** All representations, warranties and indemnifications shall survive the closing of the transactions contemplated by this Agreement.

(i) **Governing Law.** The law of the State of Illinois shall govern all questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement.

(j) **Construction.** As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural. This Agreement and all instruments executed to consummate the transactions

contemplated shall be deemed to have been mutually negotiated, prepared and drafted, and in the event of its interpretation no consideration shall be given to the issue of which party prepared, drafted or requested any term, condition or agreement.

[Signatures Appear On Following Page]

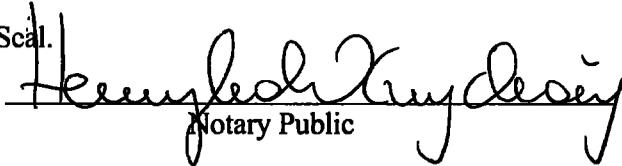




STATE OF MARYLAND )  
 ) SS:  
CITY OF BALTIMORE )

On this \_\_\_\_ day of October, 2007, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is Executive Vice President of MIDWEST RAILCAR CORPORATION, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed 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.

  
Notary Public

(SEAL)

My Commission Expires:

HENRYKA W. GRYC CRAIG  
NOTARY PUBLIC STATE OF MARYLAND  
County of Baltimore  
My Commission Expires September 20, 2008

EXHIBIT A

to Assignment of Lessor's Interest in Lease

DESCRIPTION OF RAILCARS

MRMX 130000 – MRMX 130003,  
MRMX 130005- MRMX 130068,  
MRMX 130070 – MRMX 130075

EXHIBIT B

to Assignment of Lessor's Interest in Lease

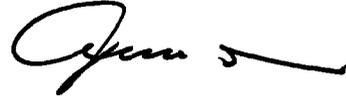
DESCRIPTION OF LEASE

Full Service Master Lease Agreement dated December 11, 2003 between Southern Rail Associates, Inc. (as successor in interest to Midwest Railcar Corporation) and Badger Mining Corporation and Schedule #5 thereto dated December 11, 2003, and Schedule #6 thereto dated December 11, 2003, and Schedule #7 thereto dated December 11, 2003, and filings recorded with the STB under Recordation Numbers 24864, 24864-A, 24864-B 24866, 24866-A, 24866-B, 24867, and 24867-A, 24867-B and 25863.

**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 11 / 6 / 07



\_\_\_\_\_  
Robert W. Alvord