

Note: This document secures future advances up to a maximum principal amount of \$685,000,000. Loans and advances up to this amount, together with interest, are senior to indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

This document was prepared by and after filing should be returned to:

CRAVATH, SWAINE & MOORE
 Worldwide Plaza
 825 Eighth Avenue
 New York, New York 10019
 Attention: Todd M. Roberts, Esq.

MODIFICATION AGREEMENT dated as of January 18, 1990 (the "Agreement"), to the MORTGAGE, DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT, dated as of October 27, 1989, (the "Mortgage") made by CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation ("CNTC"), MIDWESTERN RAILROAD PROPERTIES, INCORPORATED, a Delaware corporation ("MRPI"), NORTH WESTERN LEASING COMPANY, a Delaware corporation ("NWL") and WISCONSIN TOWN LOT COMPANY, a Wisconsin corporation ("WTL") (CNTC, MRPI, NWL and WTL together with their successors and assigns, collectively, the "Mortgagors"), each having a principal office at One North Western Center Chicago, Illinois 60606, to CHEMICAL BANK, a New York banking Corporation, as collateral agent (together with any successor or successors as collateral agent and any additional mortgagees or trustees appointed and acting as mortgagees or trustees from time to time hereunder, collectively or as the context suggests, the "Mortgagee") for the lenders (the "Lenders") and the issuing bank (the "Issuing Bank") each from time to time party to the Credit Agreement dated as of August 14, 1989 (as the same may be amended, supplemented and restated from time to time, the "Credit Agreement") among Chicago and North Western Acquisition Corp., CNTC, Chicago and North Western Holdings Corp., CNW Corporation, the Issuing Bank, the Lenders and Chemical Bank, as Agent. The address of Chemical Bank is 277 Park Avenue, New York, New York 10172.

Compared

IND.
 REC.
 PAGE

FILED NO. **1542**
 BOOK 155 PAGE 72
 90 JAN 29 AM 9:35
 MARY E. WELTY
 RECORDER
 MADISON COUNTY, IOWA
 Fee \$60.00

[2303-968(1)/MSWWI/60A]

W I T N E S S E T H

WHEREAS the Mortgage was recorded in the appropriate real property recording office for the counties, and with the recording information, indicated on Schedule A hereto.

WHEREAS the Term Loans (capitalized terms used and not defined herein shall have those meanings ascribed to them in the Credit Agreement or the Mortgage) of \$480,000,000 evidenced by the Term Notes secured by the Mortgage have been reduced by \$3,000,000 to \$477,000,000;

WHEREAS, pursuant to an amendment to the Credit Agreement which will become effective as of the date hereof, the maturity date of certain of the notes secured by the Mortgage is extended as follows: the \$477,000,000 of Term Loans evidenced by Term Notes maturing no later than August 14, 1997 referred to in the Mortgage as in effect prior to this modification have been converted into (i) \$277,000,000 of Merger Facility Term Loans evidenced by Merger Facility Term Notes maturing not later than August 14, 1997, and (ii) \$200,000,000 of Term Facility Loans evidenced by Term Facility Loan Notes maturing not later than January 18, 2000 (all such Merger Facility Term Notes and Term Facility Notes having been executed by the same makers and made payable to the same Lenders as the above-described Term Notes); and

WHEREAS as a condition to the effectiveness of the amendment to the Credit Agreement referred to above, the Mortgagors have agreed to execute and deliver for recordation this Agreement;

NOW THEREFORE in consideration of the above premises, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Mortgagor hereby agrees as follows:

SECTION 1. Liens and Security Interests. Each Mortgagor hereby confirms to the Mortgagee the liens and security interests granted pursuant to the Mortgage securing the due and punctual payment and performance of the Obligations (as defined in the Mortgage), including without limitation, the due and punctual payment of all principal and interest on all Revolving Loans, Standby Loans, Merger Facility Term Loans and Term Facility Loans from time to time outstanding (as the same may be modified, renewed, extended or replaced from time to time).

SECTION 2. Continuing Effect. Except as hereby modified, the Mortgage shall continue in full force and effect. References to the Mortgage in the Loan Documents shall, unless the context otherwise suggests, be deemed references to the Mortgage as modified hereby.

SECTION 3. Expenses. Each Mortgagor agrees, jointly and severally, to pay all reasonable out-of-pocket expenses incurred by the Mortgagee in connection with the preparation of this modification, including the reasonable fees and disbursements of counsel for the Mortgagee.

IN WITNESS WHEREOF, each of the Mortgagors has caused this Agreement to be signed in its corporate name by its President or Vice President, and its corporate seal to be hereunto affixed and the same to be attested by the signature of its Secretary or an Assistant Secretary, all as of the date herein set forth.

CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY,

[Corporate Seal]

by J. E. Voldseth
Name: J. E. Voldseth
Title: Vice President-Finance

ATTEST:

L. M. Fanelli
Name: L. M. Fanelli
Title: Assistant Secretary

In the presence of:

R. Bourne-Caris
Name: R. Bourne-Caris

A. E. Keating
Name: A. E. Keating

MIDWESTERN RAILROAD PROPERTIES
INCORPORATED,

[Corporate Seal]

by J. E. Voldseth
Name: J. E. Voldseth
Title: Vice President-Finance

ATTEST:

L. M. Fanelli
Name: L. M. Fanelli
Title: Assistant Secretary

In the presence of:

P. L. Menchey
Name: P. L. Menchey

K. A. Dombrowski
Name: K. A. Dombrowski

L227-10 (1)

NORTH WESTERN LEASING COMPANY,

by J. E. Voldseth

Name: J. E. Voldseth
Title: Vice President-Finance

[Corporate Seal]

ATTEST:

L. M. Fanelli

Name: L. M. Fanelli
Title: Assistant Secretary

In the presence of:

P. L. Menchey

Name: P. L. Menchey

K. A. Dombrowski

Name: K. A. Dombrowski



[Corporate Seal]

WISCONSIN TOWN LOT COMPANY,

by J. E. Voldseth

Name: J. E. Voldseth
Title: Vice President-Finance

ATTEST:

L. M. Fanelli

Name: L. M. Fanelli
Title: Assistant Secretary

In the presence of:

R. Bourne-Caris

Name: R. Bourne-Caris

A. E. Keating

Title: A. E. Keating

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, Jacquelyn F. Burns, a notary public in and for said county and state, hereby certify that J. E. Voldseth, who resides at 426 North Prospect, Park Ridge, Illinois 60068, and L. M. Fanelli, who resides at 1909 Clydesdale, Wheaton, Illinois 60187, whose names as Vice President-Finance and Assistant Secretary, respectively, of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the 12th day of January, 1990, to be effective as of January 18, 1990.

Given under my hand and seal on this the 12th day of January, 1990.

[Notarial Seal]

" OFFICIAL SEAL "
JACQUELYN F. BURNS
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 3/26/90

Jacquelyn F. Burns

Jacquelyn F. Burns

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, Faith P. Delgado, a notary public in and for said county and state, hereby certify that J. E. Voldseth, who resides at 426 North Prospect, Park Ridge, Illinois 60068, and L. M. Fanelli, who resides at 1909 Clydesdale, Wheaton, Illinois 60187, whose names as Vice President-Finance and Assistant Secretary, respectively, of MIDWESTERN RAILROAD PROPERTIES, INCORPORATED, a Delaware corporation, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the 12th day of January, 1990, to be effective as of January 18, 1990.

Given under my hand and seal on this the 12th day of January, 1990.

[Notarial Seal]

My Commission Expires: March 3, 1990

Faith P. Delgado

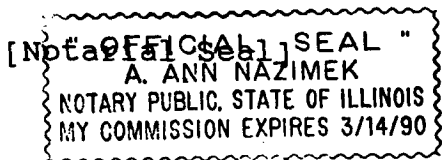
Faith P. Delgado

L227-9 (1)

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, A. Ann Nazimek, a notary public in and for said county and state, hereby certify that J. E. Voldseth, who resides at 426 North Prospect, Park Ridge, Illinois 60068, and L. M. Fanelli, who resides at 1909 Clydesdale, Wheaton, Illinois 60187, whose names as Vice President-Finance and Assistant Secretary, respectively, of NORTH WESTERN LEASING COMPANY, a Delaware corporation, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the 12th day of January, 1990, to be effective as of January 18, 1990.

Given under my hand and seal on this the 12th day of January, 1990.

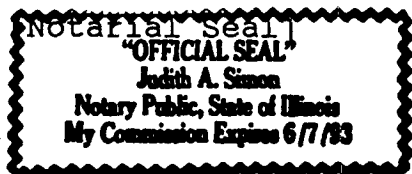


A. Ann Nazimek
A. Ann Nazimek

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, Judith A. Simon, a notary public in and for said county and state, hereby certify that J. E. Voldseth, who resides at 426 North Prospect, Park Ridge, Illinois 60068, and L. M. Fanelli, who resides at 1909 Clydesdale, Wheaton, Illinois 60187, whose names as Vice President-Finance and Assistant Secretary, respectively, of WISCONSIN TOWN LOT COMPANY, a Wisconsin corporation, are signed to the foregoing instrument and who are known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the 12th day of January, 1990, to be effective as of January 18, 1990.

Given under my hand and seal on this the 12th day of January, 1990.



Judith A. Simon
Judith A. Simon

State of Iowa

Schedule A

<u>County</u>	<u>Recording Information</u>
Audubon	89-1292
Benton	00001249 Book 136; p.154
Black Hawk	6058 Book 602; p.509
Boone	01353 Book 613; pp.875-924
Bremer	19893017
Buchanan	919 Book 512; p.491
Buena Vista	1060 Book 141; pp.719-768
Butler	824 Book 162; pp.264-313
Calhoun	89-1861
Carroll	1103 Book 92; p.85
Cedar	2286 Book 187; pp.156-205
Cerro Gordo	89-7295
Chickasaw	00722 Book 139; pp.391-440
Clay	1146 Book 113; p.156
Clinton	6265-89
Crawford	89-2272

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Dallas	2244 Book 676; pp.739-788
Delaware	287-1001 Book 109; p.131
Dickinson	1912 Book 66; p.585
Dubuque	9617-89
Emmet	000661 Book 130; p.457
Fayette	3216 Book 322; pp.159-208
Floyd	928 Book 138; pp.328-377
Franklin	892029
Greene	619 Book 141; p.6
Grundy	1660 Book 407; p.259
Gutherie	0744 Book 406; p.1323
Hamilton	892573 Book 1989, p.4732
Hancock	739 Book 76; p.483
Hardin	3419
Harrison	895 Book 542; p.895
Henry	1211 Book 506, pp.119-168
Howard	571 Book 180; pp.288-337

Humboldt	000725 Book 121; p.239
Ida	000456 Book 84; p.403
Jackson	0908 Book 212; p.587
Jasper	2459 Book 936; p.618
Jefferson	1082 Book 127; p.719
Jones	892 Book 280; p.109
Keokuk	00927 Book 146; p.83
Kossuth	2625 Book S-4; pp.114-163
Linn	10822 Liber 2372; p.53
Louisa	000619 Book 354; p.285
Lucas	000619 Book 62; p.745
Lyon	001700 Book 415; p.309
Madison	855 Book 155; p.1
Mahaska	3008 Book 293; pp.442-491
Marion	1485 Book 246; p.111
Marshall	02071 Microfile 2071-1989-0

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Mitchell	611 Book 92-L.M; pp.417-466
Monona	555 Book 110; p.73
Monroe	613 Book 213; p.294
O'Brien	0824 Book 123; p.816
Osceola	376 Book 41; pp.231-281
Palo Alto	668 Book 138; p.318
Plymouth	2940 File 1989; Card 2940
Pocahontas	000560 Book 106; p.88
Polk	024549 Book 6169; p.246
Pottawattamie	4719 Book 90; p.9918
Poweshiek	00874 Book 468; p.183
Ringgold	01634 Book 243; p.261
Sac	718 Book 137; p.321
Shelby	1811-89
Sioux	3871 File 1989; Card 3871
Story	03124 Book 378; p.89
Tama	2246 Book 454; p.335

Taylor	545 Book 113; p.163
Union	3378 Book 490; pp.220-269
Wapello	2228 Book 215; p.841
Warren	2430 Book 296; pp.763-812
Washington	1221 Book 89; p.388
Wayne	1212 Book 96; p.302
Webster	2437 Book 402; p.417
Winnebago	690 Book 252; pp.396-445
Woodbury	5598 Roll 222; Image 2150
Worth	524 Book 104; pp.473-522
Wright	89-2355 Book 166; p.50