

CRAVATH, SWAINE & MOORE

5375/B

RECORDATION NO. _____ Filed 1425

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

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INTERSTATE COMMERCE COMMISSION

1 5375/A

RECORDATION NO. _____ Filed 1425

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INTERSTATE COMMERCE COMMISSION

WRITER'S DIRECT DIAL NUMBER

5375/C

7-316A038

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NOV 12 1987

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

November 11, 1987

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RECORDATION NO. _____ Filed 1425

NOV 12 1987 - 12 40 PM

INTERSTATE COMMERCE COMMISSION

Floating Rate Secured Notes
Due February 1, 1992

NOV 12 1987 - 12 40 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. McGee:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Northwestern Oklahoma Railroad Company, for filing and recordation counterparts of the following documents:

1. Security Agreement dated as of October 26, 1987, between William J. Condren, as Owner, and Citibank, N.A., as Secured Party.
- 2.(a) Master Agreement dated as of September 1, 1987, among Weyerhaeuser Canada Ltd., as WeyCan, Weyerhaeuser Company, as Guarantor and William J. Condren, as Lessor.
- (b) Assignment of Master Agreement and Agreement dated as of October 26, 1987, by and between William J. Condren, as Owner, and Citibank, N.A., as Assignee.
- 3.(a) Lease of Railroad Agreement dated as of September 1, 1987, between William J. Condren, as Lessor, and Northwestern Oklahoma Railroad Co., as Lessee.

Handwritten signature: C. Condren

MOTOR OPERATING UNIT
NOV 12 12 33 PM '87
THE STATION
ICC OFFICE OF

(b) Assignment of Lease and Agreement dated as of October 26, 1987, by and between William J. Condren, as Owner, and Citibank, N.A., as Assignee.

The names and addresses of the parties to the aforementioned agreements are as follows:

1. Owner-Lessor

William J. Condren
450 Park Avenue
New York, New York 10022

2. Secured Party - Assignee

Citibank, N.A.
153 East 53rd Street
New York, N.Y. 10043

3. WeyCan

Weyerhaeuser Canada Ltd.
Mission Flats Road
Kamloops, British Columbia V2C 5M7
CANADA

4. Guarantor

Weyerhaeuser Company
Tacoma, WA 98447

5. Lessee

Northwestern Oklahoma
Railroad Company
125 East Lake Street
Bloomington, Illinois 60108

Please file and record the documents referred to in this letter and index them under the names of Owner-Lessor, Secured Party-Assignee, WeyCan, Guarantor and Lessee.

The Cars covered by the Security Agreement and the Lease are listed in Exhibit A attached hereto.

Enclosed is our check for \$30 for the required recordation fee. Please accept for recordation one counter-part of each of the enclosed agreements, stamp the remaining

counterparts with your recordation number and return them to the delivering messenger along with your fee receipt, addressed to the undersigned.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
as Agent for
Northwestern Oklahoma
Railroad Company

Noreta R. McGee, Secretary,
Interstate Commerce Commission,
Washington, D.C. 20423

encls.

EXHIBIT A

Schedule A
to
Security Agreement

EQUIPMENT SCHEDULE

<u>Number of Cars</u>	<u>Description</u>	<u>AAR Designation</u>	<u>Car Markings (inclusive)</u>
100	73-foot 100-ton Center Beam Thrall Flatcars	FBS	NOKL 8200-8299

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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF MASTER AGREEMENT AND AGREEMENT dated as of October 26, 1987 ("Assignment"), by and between WILLIAM J. CONDREN ("Owner") and CITIBANK, N.A. ("Assignee").

WHEREAS Owner has arranged to purchase one hundred new 73 foot, 100-ton center beam flatcars (individually "Car" and collectively "Cars", including any Car which may be substituted by the Owner for any original Car) pursuant to a Purchase Agreement ("Purchase Agreement") with Thrall Car Manufacturing Company;

WHEREAS the Owner is financing the acquisition of the Cars pursuant to a Loan Agreement dated as of the date hereof ("Loan Agreement") between the Owner and the Assignee, pursuant to which the Assignee will make loans to the Owner evidenced by Floating Rate Secured Notes secured by a Security Agreement dated as of the date hereof ("Security Agreement"), between the Owner and the Assignee, pursuant to which the Owner has granted to the Assignee as security all of the Owner's interest in the Cars and all proceeds thereof;

WHEREAS Weyerhaeuser Canada Ltd., a British Columbia Corporation ("WeyCan"), Weyerhaeuser Company, a Washington Corporation ("Guarantor") and the Owner have entered into a Master Agreement dated as of September 1, 1987 ("Master Agreement").

WHEREAS as an inducement to the Assignee to invest in the Notes (as defined in the Loan Agreement), the Owner agrees to assign for security purposes, to the extent herein provided, its rights in, to and under the Master Agreement to the Assignee.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Owner hereby assigns, transfers and sets over unto the Assignee, as collateral security for the due and punctual payment of the principal of, premium, if any, and interest on the Notes and the Consolidation Obligation (as defined in the Security Agreement) and the performance

and observance by the Owner of his covenants for the benefit of the Assignee contained in the Loan Agreement, the Consolidation Agreement (as defined in the Security Agreement) and the Security Agreement, all the Owner's right, title and interest, powers, privileges and other benefits under the Master Agreement, including, without limitation, the immediate right to receive and collect all sums payable to or receivable by the Owner from WeyCan or otherwise under or pursuant to the provisions of the Master Agreement, (such sums so assigned being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Master Agreement. In furtherance of the foregoing assignment, the Owner hereby irrevocably authorizes and empowers the Assignee in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner is or may become entitled under the Master Agreement and to enforce compliance by the WeyCan with all the terms and provisions thereof.

The Assignee agrees to accept any Payments made by WeyCan for the account of the Owner pursuant to the Master Agreement. To the extent received, the Assignee will apply such Payments to satisfy the obligations of the Owner under the Notes and the Consolidation Obligation, the Loan Agreement, the Consolidation Agreement and the Security Agreement, all as provided in the Security Agreement, and any balance shall be promptly paid, subject to the provisions of the Security Agreement, so long as no event of default or event which with the lapse of time or notice or both would constitute an event of default under the Security Agreement shall have occurred and be continuing, to the Owner by wire transfer of immediately available funds at such address as may be specified to the Assignee in writing, or if no such address is specified, by check promptly mailed to the Owner and such balance shall be retained by the Owner; provided, however, that if an event of default or event which with the lapse of time or notice or both would constitute an event of default under the Security Agreement shall have occurred and be continuing, no portion of any such Payments shall be paid to the Owner. The Assignee shall notify the Owner at its address set forth in the Master Agreement if the Assignee shall not receive any payment under the Master Agreement when due; provided, however, that the failure of the Assignee so to notify the Owner shall not affect the obligations of the Owner hereunder or under the Notes, the Consolidation Obligation, the Loan Agreement, the Consolidation Agreement or the Security Agreement.

2. This Assignment is executed only as security and shall not subject the Assignee to, or transfer, pass, or in any way affect or modify, the liability of the Owner under the Master Agreement, it being agreed that notwithstanding this Assignment all obligations of the Owner to WeyCan shall be and remain enforceable by WeyCan against, and only against, the Owner or persons other than the Assignee.

3. Without the written consent of the Assignee, the Owner will not anticipate the Payments under the Master Agreement or waive or in any manner release WeyCan of or from the obligations, conditions and agreements to be performed by WeyCan, including, without limitation, the obligation to pay the amounts in the manner and at the time and place specified therein, or enter into any agreement amending, modifying or terminating the Master Agreement, and the Owner agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Owner does hereby constitute the Assignee the Owner's true and lawful attorney, irrevocably, with full power (in the name of the Owner, or otherwise), to demand, receive and give acquittance for any and all Payments due and to become due under or arising out of the Master Agreement to which the Owner is or may become entitled, to enforce compliance by WeyCan with all the terms and provisions of the Master Agreement, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Assignee may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Owner under the Notes, the Consolidation Obligation, the Loan Agreement, the Consolidation Agreement and the Security Agreement, this Assignment and all rights herein assigned to the Assignee shall terminate, and all estate, right, title and interest of the Assignee in and to the Master Agreement shall revert to the Owner.

6. The Owner will pay or discharge any and all claims, liens, charges or security interests (other than those created by the Security Agreement and this Assignment) on the Master Agreement or the payments due or to become due thereunder claimed by any party from, through or under the Owner which the Lessee is not required by Section 9 of the Lease to discharge which, if unpaid, might become a claim, lien, charge or security interest on or with respect to the

Master Agreement or such payments, unless the Owner shall be contesting the same in good faith by appropriate proceedings in any reasonable manner and the nonpayment thereof does not adversely affect the interests of the Assignee.

7. The Owner will, from time to time, execute, acknowledge and deliver any and all further instruments reasonably requested by the Assignee in order to confirm or further assure the interest of the Assignee hereunder.

8. The Assignee may assign all or any of the rights assigned to it hereby or arising under the Master Agreement, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such assignee shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder. The Assignee will give written notice to the Owner and the other parties to the Master Agreement of any such assignment.

9. This Assignment shall be governed by the laws of the State of New York.

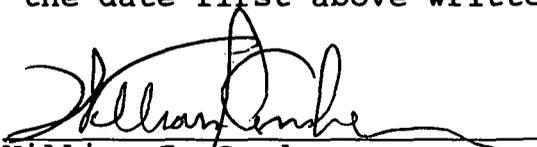
10. The Owner shall cause copies of all notices received in connection with the Master Agreement and all Payments received by it thereunder to be promptly delivered or made to the Assignee at its address set forth in Schedule I to the Note Purchase Agreement or at such other address as the Assignee shall designate.

11. The Assignee hereby agrees with the Owner that, so long as no event of default or event which with the lapse of time or notice or both would constitute an event of default under the Security Agreement has occurred and is then continuing, the Assignee will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner to the Assignee by this Assignment, except the right to receive and apply the Payments as provided in § 1 hereof, and that, subject to the terms of the Master Agreement and the Security Agreement, the Owner may, so long as no such event of default or event which with the lapse of time or notice or both would constitute an event of default under the Security Agreement has occurred and is then continuing, exercise or enforce, or avail itself of, all such rights, powers, privileges, authorizations and benefits, except as aforesaid, and may exercise or enforce, or seek to exercise or enforce, its

rights, powers, privileges and remedies arising out of the Master Agreement; provided, however, that the Master Agreement shall not, without the prior written consent of the Assignee, be amended, terminated or modified, and no action shall be taken or omitted by the Owner, the taking or omission of which might result in any alteration or impairment of the obligations of WeyCan under the Master Agreement which are intended to satisfy the obligations of the Owner under the Notes, the Consolidation Obligation, the Loan Agreement, the Consolidation Agreement or the Security Agreement, the obligations of the Owner under this Assignment or the obligations of WeyCan under the Consent and Agreement, or of any of the rights created by any thereof.

12. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by both parties so long as each party shall sign at least one counterpart and deliver it to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.



William J. Condren

CITIBANK, N.A.

by 

Title: *v.p. - Ops.*

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 10th day of November 1987, before me personally appeared WILLIAM J. CONDREN, to me personally known, who, being by me duly sworn, says that he executed the foregoing instrument for the consideration and purposes therein expressed.

Caryn W Sherman
Notary Public

[Notarial Seal]

My Commission expires CARYN W. SHERMAN
NOTARY PUBLIC, State of New York
No. 31-4633991
Qualified in New York County
Commission Expires ~~March 30, 1988~~

Aug 31, 1988 cws

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this 10th day of November 1987, before me personally appeared Stephen J Papish, to me personally known, who, being by me duly sworn, says that he is a Due Bill of CITIBANK, N.A., that one of the seals affixed to the foregoing instrument is the seal of said National Banking Association and that said instrument was signed and sealed on behalf of said National Banking Association 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 National Banking Association.

Caryn W Sherman
Notary Public

[Notarial Seal]

My Commission expires CARYN W. SHERMAN
NOTARY PUBLIC, State of New York
No. 31-4633991
Qualified in New York County
Commission Expires ~~March 30, 1988~~

Aug 31, 1988 cws

WEYCAN CONSENT AND AGREEMENT

The undersigned, Weyerhaeuser Canada, Ltd., ("WeyCan") hereby (a) acknowledges receipt of a copy of the Assignment of Master Agreement and Agreement ("Assignment") and (b) consents to all the terms and conditions of the Assignment and agrees that:

(1) WeyCan will pay all Payments (as defined in the Assignment) due and to become due under the Master Agreement by transfer of immediately available funds directly to or for the account of CITIBANK, N.A., ("Assignee") at 153 East 53rd Street, New York, N.Y., 10043, Account No. by 11:00 a.m., New York City time, on the dates such Payments are due, each such payment to be accompanied by sufficient information to identify the source of payment of such funds (or by such other method or at such other place of payment as may be furnished in writing to WeyCan by the Assignee);

(2) the Assignee shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by WeyCan under the Master Agreement as though the Assignee were named therein as the Owner;

(3) the Assignee shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Master Agreement or otherwise;

(4) the Master Agreement shall not, without the prior written consent of the Assignee, be amended, terminated or modified, and no action shall be taken or omitted by WeyCan, the taking or omission of which might result in any alteration or impairment of the obligations of WeyCan under the Master Agreement which are intended to satisfy the obligations of the Owner under the Notes, the Note Purchase Agreement or the Security Agreement, the obligations of the Owner under the Assignment or the obligations of WeyCan under this Consent and Agreement, or of any of the rights created by any thereof; and

DA9
ms
37993042
("William
J. Condon
Equipment
Account")

This Consent and Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Dated as of October 26, 1987

WEYERHAEUSER CANADA, LTD.,

by 
Title: _____

The foregoing Consent and Agreement is hereby accepted, as of October 26, 1987 and the undersigned agrees to be bound by the provisions of Section 12.1. of the Master Agreement which is quoted below as follows:

12.1. So long as there is no Event of Default or Event of Termination under this Agreement, WeyCan shall be entitled to all the rights of the use of the Cars in accordance with the terms of this Agreement and the Use Agreement, subject to all of the rights and remedies of the Lender under the Security Agreement; provided, however, that in the Event of a Default by Lessor under the Security Agreement (or any other security agreement relating to Lessor's financing of the Cars), Lender (or any substitute lender or other secured party) may not interfere with said rights of WeyCan as long as there is no Event of Default or Event of Termination under this Agreement.

CITIBANK, N.A.,

by 
Title: Vice - Pres.