In WITNESS WHEREOF, the parties hereto have signed this agree- Execution. ment in triplicate the day and year first above written.

> ALMA SUGAR COMPANY, By A. W. WRIGHT,

> > President.

DETROIT, GRAND RAPIDS & WESTERN R. R. Co., By CHAS. M. HEALD,

President

ANN ARBOR RAILROAD COMPANY; By H. W. ASHLEY,

General Manager.

AGREEMENT

between

PERE MARQUETTE RAILROAD COMPANY and

ANN ARBOR RAILROAD COMPANY

For Tracks Serving the Alma Sugar Company and Switching Thereon by the Railroads.

[Dated March 11, 19.02.]

MEMORANDUM OF AGREEMENT between the PERE MARQUETTE Parties. RAILROAD COMPANY, a corporation of the State of Michigan, hereinafter called the Marquette Company, and the ANN ARBOR RAILROAD COMPANY, also a corporation of the state of Michigan, hereinafter called the Ann Arbor Company, WITNESSETH:

WHEREAS, on the thirteenth (13th) day of November, 1899, an Recitals. agreement was made and entered into by and between the Alma Sugar Company, of Alma, Michigan, the Detroit, Grand Rapids & Western Railroad Company, of which Company the said Marquette Company is the lawful successor, and the said Ann Arbor Company, which agreement provides for the joint construction, maintenance and operation by the said Railroad Companies of certain tracks upon the land of

the said Alma Sugar Company in the city of Alma, Michigan, as shown on the blue print attached hereto, and which is made part of this agreement: and

WHEREAS, for the sake of expediency, all of the several tracks provided for in the said agreement were heretofore constructed by the said Detroit, Grand Rapids & Western Railroad Company, and the same are now completed and have been for some time past, and are now being used and operated by the parties hereto under the provisions of the agreement aforesaid, the Ann Arbor Company having paid to the Marquette Company one-half the cost of construction thereof in accordance with the terms of the agreement aforesaid; and

WHEREAS, it is desired to definitely fix the ownership and rights of the parties hereto in and upon said tracks and to provide for the future maintenance and operation of the said tracks and such other tracks as may now or hereafter be used in whole or in part in connection with the handling of the traffic of the said Alma Sugar Company under the aforesaid agreement of November 13th, 1899;

Now, THEREFORE, for and in consideration of the mutual benefits to be derived and the covenants and agreements herein set forth to be kept and performed by the parties hereto, it is hereby understood and

agreed as follows, to-wit:

That the tracks covered by and to be jointly operated by the parties hereto under this agreement are correctly shown in the blue print attached hereto, the tracks owned by the Ann Arbor Company being indicated thereon by the red lines between the points "A," "B," "C," "D," "E," and "F," the said points being located by posts driven in the ground, the total length of said tracks being 6,180 feet, more or less; and the tracks owned by the Marquette Company being indicated thereon by the vellow lines between the points "B," "C," "D," "E," "F," and "H," the total length of said tracks being 6,775 feet, more or less, which points are located by posts being driven in the ground, and each party disclaims any ownership in any of the tracks of the other party or any rights upon the tracks of the other party, except for the purposes of the aforesaid agreement of November 13th, 1899. At the expiration or termination of the said agreement, each party shall have the right to remove any or all of the tracks owned by it including all material therein.

To facilitate the switching of cars to and from the Sugar Company's plant, it is mutually agreed and understood that the joint

Covenants.

Tracks.

Exhibit.

Ownership.

Use of joint tracks by joint switch engine.

switch engine employed in this service shall have the right to use a part or all of the Ann Arbor Company's tracks between the points "A" and "X," as shown on the attached blue print, and of the Marquette Company's main track between the points "H" and "Z," a distance of about one thousand (1000) feet, as shown on the attached blue print; provided, however, that the use of the Marquette Company's main track between the points "H" and "Z" shall at all times be subject to and governed by the rules and regulations of the Marquette Company; and provided, further, that if at any time in the future, the Marquette Company shall construct a track to the south of and parallel to its main tracks between the points "H" and "Z," as shown by the track in green on the attached blue print, marked "proposed track one thousand feet long," then, and in that event, the use of the Marquette Company's main track between the points "H" and "Z" shall be discontinued by the joint engine employed in the service provided by this agreement, and the "proposed track," so-called, shall be used in lieu thereof.

The Marquette Company also agrees to permit the joint engine employed in this service to use that portion of its main track between the points "Y" and "H," as indicated on the attached blue print, a distance of 2,216 feet, more or less, to take cars to and from the said Sugar Company's plant, subject, however, at all times to the rules and regulations of the Marquette Company governing the use of its main track, for which use the Ann Arbor Company agrees to pay to the Marquette Company a rental of \$15.00 per month for the entire period in each year that the Sugar Company's plant is in operation and this agreement remains in force, said rental to cover interest on the value of the track as well as maintenance.

P. M. Ry. tracks to be used by joint switch engine.

4. That if at any time hereafter any changes in said tracks are deemed necessary or any additions thereto are required, the same shall be made by and at the expense of the party owning the track or tracks so changed or added to, and the ownership of such additional tracks shall be vested in the party constructing the same.

Changes in

5. That each party shall keep in good and safe condition at all Maintenance times each and all of the tracks belonging to it as specified above, and that in case of its failure to do so, the other party shall have the right after serving written notice upon the defaulting party in regard thereto, to make such necessary repairs at the expense of said defaulting party.

6. That each party hereto shall have equal rights with its en-

Railroads have right to place cars with its engine.

Switching to be done jointly by each railroad alternately every twelve months.

Rental for and maintenance of engine.

Crew and supplies for engine.

Conductor and switchmen.

Definition of joint employes.

gines, cars and train crews upon all of the aforesaid tracks for handling cars in compliance with the request of the Alma Sugar Company or its accredited representative, and for no other purpose; provided, however, that the right to use the Marquette Company's main track between the points "Y" and "H" and "H" and "Z" shall at all times be governed by the rules and regulations of the Marquette Company as hereinbefore provided.

7. That for the sake of convenience and economy, it is deemed desirable by the parties hereto that the handling and switching of the cars to and from the lines of both Companies and upon the aforesaid tracks, shall, so far as practicable, be done jointly, that is, by engines and crews in the joint service of both Companies, and it is hereby agreed that each Company shall furnish the necessary engines and crews for such joint service alternately, one party to furnish the same for a period of twelve months and the other for the next succeeding twelve months, and so on alternately, so long as mutually agreeable. But the provision for a joint engine and crew shall not be exclusive, it being understood that either party may run its engines and cars on the aforesaid track in carrying on business with said Sugar Company.

That the party providing the engine shall receive a rental of three dollars (\$3.00) per day for its use, which charge shall include the cost of maintenance and repairs and of damage to said engine resulting from its use on joint ground whether from the carelessness

of joint employes or otherwise.

9. That the party providing the engine shall also provide the engineman, fireman and watchman (if the latter be required), fuel and supplies, and shall charge the same rate for wages as is paid for like service at either Ionia or Cadillac; for fuel, the price at Alma shall be the price at Toledo, plus 40 cents per net ton, and for all other engine supplies, the price shall be the actual cost plus 15 per cent to cover the cost of handling.

That the conductor and switchmen employed in this work shall be selected by and the compensation agreed upon each year by

the Superintendents of both parties hereto.

That the enginemen, firemen, watchmen, conductors and switchmen shall be considered joint employes and shall perform the work on the Sugar Company's tracks as from time to time instructed by the Superintendents of the parties hereto.

That the cost of operating the joint service including rental Division of of engines, wages and supplies, shall be paid by each party hereto in the proportion that the number of its loaded and empty cars delivered to the Sugar Company bears to the total number so delivered by both Companies in each month. The party which furnishes the engine shall pay the wages of all the joint employes and render to the other party a bill for its proportion of the same on the basis herein provided, and each party shall pay within thirty (30) days after receipt thereof, all bills rendered against it by the other party for such joint service.

Bills to be paid within 30 days.

Liability.

13. That any damage either to tracks, cars, contents of cars, or to third persons or the property of third persons, or to employes, resulting from the use of the aforesaid tracks by engines other than joint engines, and due to the acts of the sole employes of either party, and not contributed to by the negligence of joint employes, as herein defined, shall be paid for by the Company owning or controlling the engine and crew which caused the damage or injury, whether the same be caused by defective track or otherwise.

If such damage is caused in part by the negligence of joint employes, and in part by the negligence of sole employes, one-half of the damage shall be borne by the two Companies on the monthly wheelage basis before mentioned, and the other half by the party operating and controlling the engine which was not at the time in joint service.

- 14. That each party hereto shall bear all loss and damage to its own equipment and the contents thereof while being handled by the joint employes, whether such loss or damage is caused by defective tracks or carelessness of joint employes or otherwise.
- That each party shall pay such proportion of the loss and damage to third parties or to the property of third parties due to the use and operation of the joint tracks by the joint employes, as the number of cars handled in the interest of each bears to the whole number handled by said joint employes during the month in which the loss or damage occurs.
- That in case of accident resulting in injury to or death of joint employes while engaged in joint service, each party shall pay such proportion of all sums paid in settlement of any claims resulting therefrom, as the number of cars handled in the interest of each bears to the total number handled during the month in which said accident occurred; provided, however, that the party which appoints

the joint employes during that month shall have authority to make such settlements as it may deem proper.

17. That in case of loss or damage to Marquette Company's trains on its main track between the points "Y" and "Z," as shown on the attached blue print, or to property or persons in its cars, or to its employes, caused by the use of this track by joint employes, each party hereto shall pay such proportion of said loss and damage as the number of cars handled in the interest of each bears to the whole number handled by said joint employes during the month in which the loss or damage occurs.

18. There shall be no charge made by either party to the other for the joint use of the tracks herein specified, covered by this agreement, except as herein otherwise specifically provided.

19. This agreement shall continue and remain in force during the continuance of the aforesaid agreement of November 13th, 1899, but either party to this agreement shall have the right at any time prior thereto to give notice in writing to the other of its desire to terminate this agreement, and at the expiration of six months after such notice, or at the expiration of the aforesaid agreement of 1899, or its cancellation pursuant to the terms thereof, this agreement shall cease and determine.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed in duplicate by their respective managing officers this 11th day of March, A. D. 1902.

Pere Marquette Railroad Company,
By Chas. M. Heald,
President.

Ann Arbor Railroad Company,
By H. W. Ashley,
General Manager.

No charges to be made for joint tracks.

To remain in effect during term of agreement Nov. 13, 1899, but may be cancelled by either party on 6 months notice.