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# AGREEMENT

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BETWEEN

THE MONTOUR RAILROAD COMPANY

AND

BESSEMER & LAKE ERIE RAILROAD  
COMPANY

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**TRAFFIC.**

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DATED JULY 11th, 1912

## This Agreement,

MADE and entered into this 11th day of July, 1912, between The Montour Railroad Company, a corporation duly created and existing under and by virtue of the laws of the Commonwealth of Pennsylvania, hereinafter called the Montour, party of the first part, and the Bessemer & Lake Erie Railroad Company, also a corporation existing under the laws of the State of Pennsylvania, hereinafter called the Bessemer, party of the second part:

WHEREAS, The Montour proposes to extend its tracks from a point at or near North Star, Allegheny County, Pennsylvania, crossing P. C. C. & St. L. Ry. at or near McDonald, Pa., crossing Wabash Pittsburgh Terminal Ry. at or near Venice, Pa., following McPherson Run, crossing Chartiers Branch P. C. C. & St. L. Ry., at or near Greer Station, branch to point on B. & O. R. R. known as Eighty-four; main line, cross Chartiers Branch P. C. C. & St. L. Ry. at Hill Station, follow Brush Run to point at or near Bower Hill, thence to Miffin Junction, Allegheny County, Penna., at which point connection with Union Railroad will be made; branch leaving main line at Bower Hill, crossing B. & O. R. R. at or near Thomas, thence following Mingo Creek to the mouth thereof at River-view, Pa., near Monongahela City, Pa.

WHEREAS, The Bessemer operates a line of railroad extending from North Bessemer, Allegheny County, Penna., to Erie, Erie County, Penna., also operates a branch line from Albion to Conneaut

Harbor, Ashtabula County, Ohio, its rate-making powers extending to all points located upon the Union R. R., including Mifflin Junction, Allegheny County, Pa.

WHEREAS, the said railroads above described form a continuous line of railway, connecting that part of the Pittsburgh District traversed by the Montour with Lake Erie and car ferries at Conneaut Harbor aforesaid, and with the City of Erie aforesaid, and with the New York, Chicago and St. Louis Railroad at Wallace Junction, Erie County, Penna., and also with various other intermediate lines of railway intersecting the Bessemer, branches, sidings, towns, villages and industrial establishments; and

WHEREAS, It is the intention of the parties hereto that the said System of railroad above described shall be operated in joint and mutual interest, and to be used as a continuous route for the interchange of traffic of all kinds, both through and local, between any and all points upon or at the respective termini of each of the said lines, also to and from points located upon or reached by lines connecting with the Bessemer and lines several times removed, as may be covered by proper traffic arrangements to be established in mutual interest by the Bessemer, as necessity and conditions may warrant, it being understood that traffic arrangements of required character can only be made effective with full approval of lines connecting with Bessemer where made party thereto.

NOW, THEREFORE, In consideration of the advantage to be mutually derived by the parties hereto from an alliance and mutuality of interests, as herein contemplated, and the mutual covenants hereinafter undertaken, the said parties have agreed, and do hereby agree, each with the other as follows, that is to say:

FIRST. As soon as the Montour extension to Mifflin Junction shall be completed, the cars owned by both parties shall immediately become interchangeable when conforming to the current rules prescribed by the Master Car Builders Association, and as the same may be subsequently changed, and be handled at all times with greatest possible expedition, both loaded and empty, and subject to rules governing Per Diem, Car Demurrage, handling of Explosives, Inflammables, Meats, Live Stock, Nursery Stock, Quarantines, established by American Railway or any other authoritative association, Interstate Commerce Commission, State or Federal laws.

SECOND. A full line of rates covering all traffic shall be established between points on the lines of the parties hereto and shall be extended from and to points located on the Montour via the line of the Bessemer from and to points on the lines of its immediate and distant connections as rapidly as traffic arrangements agreeable to all interests involved therein can be effected.

The rates as now in force to and from the Pittsburgh District shall be maintained and no change therefrom shall be made when at variance with the general commercial and competitive adjustment without the full consent of both parties.

All rates from points located upon the line of the Montour, operative via Mifflin Junction and Bessemer, will be made by the Montour, subject to foregoing conditions, but may, for reasons of economy and convenience, be embraced in the current tariffs of the Bessemer under power of attorney, as prescribed by the Interstate Commerce Commission.

THIRD. Rates shall divide between the two parties as follows:

On all freight traffic enumerated in the Official Classification, as subsequently shown in the Uniform Classification, now under construction, between points located upon the Montour and Bessemer roads, prorate based upon fifty mile blocks, subject to a minimum of twenty per cent to Montour.

Between points located upon Montour and connections of Bessemer, the following arbitraries:

1	2	3	4	5	6	Classes	Less than 6th Class
6	5	4	3	2	2		30 <sup>7</sup> <i>per ton</i>

to be deducted before prorating, the remainder to be subdivided between other interested carriers, based upon current percentages, applying to and from Mifflin Junction, Pa.

On Limestone, Coke and Iron Ore, actual mileage prorate subject to minimum proportion of twenty per cent to either party.

On Bituminous Coal, the rates will divide by allowing Montour arbitrary of fifteen (15) cents per net ton, remainder to accrue to Bessemer, to be subdivided with its connections, as circumstances may require, the foregoing to apply uniformly, with the exception that, when consigned to Conneaut Harbor, Ohio, for trans-shipment via vessel to Great Lakes ports, the Bessemer will accept from rate applicable, a proportion from Mifflin Junction, Allegheny County, Pennsylvania, based upon one hundred and fifty-eight (158) miles at the same number of mills and fractional parts thereof per ton per mile, as is applied from Fairmont Region located in the State of West Virginia to Lorain,

Ohio, via the line of the Baltimore & Ohio Railroad Company, the average distance being two hundred and sixty-two (262) miles, and on Bituminous Coal consigned to Conneaut Harbor, Ohio, for vessel fuel, and other local deliveries, and to all other points on Bessemer, the rates shall divide, based upon percentages determined by using fifty (50) mile blocks and fractional distance over or under the multiple of fifty (50) to be considered as one (1) block.

FOURTH. All freight traffic originated by either party that can be handled by the other party shall be routed via Mifflin Junction and the line of the other party, unless in violation of State or Federal Statutes, when conditions imposed by the same will necessarily govern.

FIFTH. In event that any difference or disagreement shall arise between the parties hereto, with reference to the proper construction of any of the foregoing covenants or provisions of this agreement, or the rights and privileges of any party thereunder, the same shall be submitted to arbitration as follows: Upon written notice by any party of its purpose to submit any such question to arbitration, said parties of the first and second parts shall select a disinterested party as arbitrator, and the two thus selected shall select a third, who shall also be disinterested, and in case the said two arbitrators shall fail, neglect or refuse to select a third, as hereinbefore provided, then said third arbitrator may be appointed by any judge of the United States District Court for the Western District of Pennsylvania, and said arbitrators shall, at such points as shall be determined by a majority thereof, hear the parties and such evidence as shall be submitted, and shall within thirty days from the date of their appoint-

ment, unless all parties assent in writing to further time, determine such question and make their award thereon in writing, which shall be final and binding to and upon all parties, and a majority of such arbitrators shall decide.

SIXTH. The covenants contained in this agreement shall inure to the benefit of or bind the successors and assigns of the respective parties hereto.

SEVENTH. This agreement shall remain and continue in force for a period of twenty-five years from the date hereof, subject to cancellation upon one year's notice thereafter, also subject to State and Federal Statutes as interpreted by the courts, State and Federal Commissions.

The Montour Railroad Company has authorized and appointed Aaron Westlake to acknowledge this indenture of agreement, and the said Montour Railroad Company doth hereby constitute and appoint Aaron Westlake to be its attorney for it and in its name, and as and for its corporate act and deed, to acknowledge this indenture of agreement before any person having authority by the laws of the Commonwealth of Pennsylvania to take such acknowledgment to the intent that the same may be duly recorded.

The Bessemer & Lake Erie Railroad Company has authorized and appointed G. W. Kepler to acknowledge this indenture of agreement, and the said Bessemer & Lake Erie Railroad Company doth hereby constitute and appoint G. W. Kepler to be its attorney for it and in its name and as and for its corporate act and deed, to acknowledge this indenture of agreement before any person having authority by the laws of the Commonwealth

of Pennsylvania to take such acknowledgment to the intent that the same may be duly recorded.

IN WITNESS WHEREOF, the parties hereto have caused their respective corporate seals to be hereunto affixed, and attested by their respective Secretaries, and this instrument to be signed by their respective Presidents as of the day and year first herein written.

MONTOUR RAILROAD COMPANY,

By F. M. WALLACE,  
*Vice President.*

Attest:

AARON WESTLAKE,  
*Assistant Secretary.*

[CORPORATE SEAL]

BESSEMER & LAKE ERIE RAILROAD COMPANY,

By J. H. REED,  
*President.*

Attest:

G. W. KEPLER,  
*Secretary.*

[CORPORATE SEAL]

Commonwealth of Pennsylvania, }  
County of Allegheny, } ss:

I hereby certify that on this 19th day of July, A. D. 1912, before me, the subscriber, a Notary Public in and for the County of Allegheny and Commonwealth of Pennsylvania, personally appeared Aaron Westlake, the attorney named in the foregoing Agreement, and by virtue and in pursuance of the authority therein conferred upon him acknowledged the said Agreement to be the act and deed of said The Montour Railroad Company.

Witness my hand and Notarial Seal the day and year aforesaid.

C. W. PARKER,  
*Notary Public.*

[NOTARIAL SEAL]

My commission expires March 10, 1913.

Commonwealth of Pennsylvania, }  
County of Allegheny, } ss:

I hereby certify that on this 16th day of July, A. D. 1912, before me, the subscriber, a Notary Public in and for the County of Allegheny and Commonwealth of Pennsylvania, personally appeared G. W. Kepler, the attorney named in the foregoing Agreement, and by virtue and in pursuance of the authority therein conferred upon him acknowledged the said Agreement to be the act and deed of the said Bessemer & Lake Erie Railroad Company.

Witness my hand and Notarial Seal the day and year aforesaid.

ROBERT T. ROSSELL,  
*Notary Public.*

[NOTARIAL SEAL]

My commission expires Feb. 27, 1913.