AN AGREFAENT, made and entered into this / 2 day of Sept., 1909, by and between

SOUTHERN RAILWAY COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Virginia, hereinafter for convenience styled the Southern Company, party of the first part, and

PACOLET MANUFACTURING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of South Carolina, hereinafter for convenience styled the Pacolet Company, party of the second part;

WITNESSETH: That

WHERMAS, the Richmond and Danville Railroad Company, predecessor of the Southern Company, heretofore constructed a branch line of railroad, after right of way had been obtained and grade prepared therefor by the Pacolet Company, extending from a point of connection with the S. U. & C. main line now of the Ecology South Carolina, thence in a general northerly direction, to and along the Pacolet River, for a distance of 2-3/4 miles, more or less, together with certain side-tracks appurtenant to said branch line; the purpose being to afford unto the Pacolet Company facilities for the convenient transportation and shipment of its freights to and from the mill plant of the Pacolet Company situate on said Pacolet River in said County of Spartanburg; and

whereas, the said branch line of railroad has since its construction as aforesaid been operated for the purposes aforesaid, but no formal agreement has been entered into by the Pacolet Company with the Southern Company, or its predecessors, in respect of said branch line and the operation thereof; and

WHEREAS, it is desirable that the parties hereto should make and enter into an agreement, in writing, by which the re-

spective rights, obligations and duties of the parties hereto in the premises may be clearly set forth and defined.

NOW, THEREFORE, the parties hereto, in consideration of the premises, and of the sum of ONE DOLLAR by each party hereto in hand paid to the other, the receipt whereof is hereby acknowledged, do hereby mutually covenant and agree:

part of this agreement substantially shows the location of said branch line of railroad and appurtenant tracks as the same have been constructed and are now maintained and operated; the rails, materials and fixtures in said line of railroad and tracks being the property of the Southern Company.

SECOND: That the Pacolet Company will execute and deliver to the Southern Company a deed, in form to be approved by the Southern Company, conveying to the Southern Company, or its nominee, a right of way for said branch line of railroad and tracks; PROVIDED, however, that such deed shall convey only such title to said right of way as the Pacolet Company may have and own.

THIRD: That the parties hereto shall, during the life of this agreement, continue the arrangement now existing for the operation and maintenance of said line of railroad and tracks; that is to say, that the Southern Company will furnish unto the Pacolet Company a suitable locomotive for the handling of traffic of the Pacolet Company on said branch line of railroad between the junction thereof with the said S. U. & C. main track and the terminus of said branch line on Pacolet River, and the Southern Company will keep the said locomotive in repair; the Southern Company hereby agreeing to receive and deliver cars from and to the Pacolet Company at said junction upon a side-track constructed at said junction by the Southern Company for such purpose; the Pacolet Company to have entire control of the

operations of the Pacolet Company on said branch line in handling the traffic of the Pacclet Company as aforesaid; said branch line of railroad and appurtenant tracks to be maintained and kept in suitable repair for such operation by the Southern Company, at its own cost and expense; it being understood and agreed, that liability for any loss of or accident or damage to cars or equipment operated upon the said branch line of railroad, hereafter accruing and which may be caused by or may result solely from the failure of the Southern Company so to maintain the said branch line of railroad and tracks, or the negligence of its agents, servants or employees, in such maintenance, and without negligence on the part of the Pacolet Company, its agents, servants or employees, in the operation of trains or engines or cars on said branch line of railroad and tracks or otherwise, shall be assumed by the Southern Company.

BOURTH: That the Pacolet Company shall, at its sole cost and expense, except as hereinafter provided, employ all such engineers, firemen and other persons as may be necessary for the operation of said locomotive and cars upon said branch line of railroad, and will bear any and all other expenses of such operation; PROVIDED, however, that all such employees engaged in such service shall be subject to the approval of the Superintendent or other proper officer of the Southern Company, and any one or more of such employees shall be removed from such service at any time upon objection made to him or them by the Southern Company. The Pacolet Company further agrees that, in the operation of said branch line of railroad, its said agents, servants and employees shall exercise every reasonable care and precaution for the prevention of accidents or damage, and shall be subject and amenable to such operating rules and regulations as may be prescribed by the Southern Company.

FIFTH: That the Southern Company will pay unto the Pacolet Company, during the life of this agreement, the sum of Seventy-Five Dollars (\$75.00) per month, as a contribution to the expense of the Pacolet Company for operating the said branch line of railroad.

SIXTH: That the Pacclet Company will indemnify and save harmless the Southern Company against any and all claims, demands, suits, judgments or sums of money accruing to the Pacolet Company, its servants, agents or employees operating said branch line of railroad as aforesaid, or to any other party, for loss, injury or damage, howsoever resulting, either to person or estate, to which the Southern Company may not have contributed by its failure to maintain the said branch line of railroad and tracks in suitable repair as hereinbefore provided, and which may be caused solely by the negligence of the Pacolet Company, its servants, agents or employees in such operation, or by fire, arising by reason of, or in connection with, the operation by the Pacolet Company of the said branch line of railroad and tracks; (PROVIDED, however, that the Pacolet Company shall not be responsible for any loss of, or damage to, said lo comotive or equipment operated by it. as aforesaid. upon said branch line of railroad and tracks; it being hereby specifically understood and agreed that the responsibility for such loss or damage shall be, and hereby is, assumed by the Southern Company.

SEVENTH: That nothing in this agreement contained shall be interpreted as granting unto the Pacolet Company the exclusive use of the said line of railroad, but the Southern Company shall have the right, and the same is hereby reserved, to use the said line of railroad for the purposes of serving the industries or handling the business of other parties accessible to said branch line; PROVIDED, however, that such use of said

line by the Southern Company shall not unreasonably interfere with the business of the Pacolet Company; and PROVIDED FURTHER that the Pacolet Company shall not be required to do free switching for such third persons.

AND IT IS FURTHER MUTUALLY COVENANTED AND AGREED:

the same upon sixty (60) days notice, in writing, to the other, of its election so to do; and the Southern Company may, if it elect so to do, take up and remove the rails and materials in said line of railroad and tracks, within sixty (60) days after service of such notice by or upon either party hereto; and upon the taking effect of such notice, the Pacolet Company will surrender and return said locomotive to the Southern Company, or in default thereof, the Southern Company may enter upon and retake the same; and in the event of the removal of said rails and materials, the right of way, to be conveyed to the Southern Company, as aforesaid, shall revert to the Pacolet Company.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

Assistant Secretary.

Milner Atelles.
Witnesses as to Railway Co

PACOLET MANUFACTURING COMPANY,

Attest Jy Goodlett ... M. Mouleoulry President

In presence of:

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Witnesses as to Pacolet Co.

4 2356 to M. P. 79 Right of Wax line 50U. Ay. (S.U. & C. A.R.) Main Track. To 30 1293.6' to M.P. 79.cluded pacolet Mfg Co. 40147.9 P.T. 410 8+69.5 P.T. P.S. 76 End, N. Leg of 'Y A.C. Elmore W. F. Bryant EG. 71 Bryant conveys all the 1695 Est. 41 P.C. 8 49+34A PI W.F. Bryant to the land John B. Kirby Grindall 57+185 P.C. 58+55 Culve Shoals Road Dividing Line 64+72 PC. 2%5 Scale: lin. = 400 ft. Feb. 15"1906 W. E. Vest, Asst. Eng. 32+ 59 E.C. 6. Formerly Naomi Kirby now John B. Kirby Pacolet Mfg. Formerly Naomi Kirby
now John B. Kirby A. C. Elmore Co. 40+429 ET 2 Sheets. Tracks Eng. M. of Way. Spring 25,5ft from Centre of Maintra

A. Formerly Naomi Kirby, Now John B. Kirby N. 54. 05'W. ng line Spring 25,5ff
From C. main track Spur siding 400'long. Track No.7 Pacolet Mig. Co. (2+63.8 BC 5 10' Mrs. Alice W. L. -Corner Dividing Line W E Ves Mfg. 0/et, S. C Co. Tracks of the Pacolet Misg. Co., to end dividing line crossing track 7th each side of centre line, Feb. 15"1908 Eng. M. of Way 90 92+70 P.C.930 Pacolet mfg. W. Lipscomb.





