

Certified Correct
A. Maroney

FINAL SETTLEMENT

BETWEEN THE

DIRECTOR GENERAL OF RAILROADS

AND THE

**CHICAGO, MILWAUKEE & ST. PAUL
RAILWAY COMPANY**

NOVEMBER 1, 1920

FINAL SETTLEMENT

THIS AGREEMENT, made this 1st day of November, 1920, between John Barton Payne, Director General of Railroads and Agent of the President, acting on behalf of the United States and the President, hereinafter called the "Director General," and the Chicago, Milwaukee & St. Paul Railway Company, hereinafter called the "Company."

Witnesseth:

WHEREAS, an Agreement dated March 29, 1919, was made between Walker D. Hines, Director General of Railroads, acting on behalf of the United States and the President, as party of the first part, and the "Company" and six other corporations named and called therein "Affiliated Companies," as parties of the second part; and

WHEREAS, since the making of said Agreement, each of said "Affiliated Companies" has conveyed, assigned, transferred and set over unto to said "Company" all its railway, property, franchises, assets, claims, demands and causes of action, and said "Company" is now the owner thereof; and

WHEREAS, said "Company" is the owner and holder of all the shares of the capital stock of each of said "Affiliated Companies" and as such is the successor of each of said "Affiliated Companies;" and

WHEREAS, each of said "Affiliated Companies" is now defunct and has no claim against the Director General, the United States, the President or the United States Railroad Administration, growing out of the possession, use and operation of its property during the period of Federal Control by the United States, or out of said Agreement; and

WHEREAS, a final settlement has been made of all claims, rights and demands of every kind and character which the "Company" and the "Affiliated Companies" now have or hereafter may have or claim against the Director General, the United States or the President growing out of or connected with the possession, use and operation of the property of the "Company" and of the "Affiliated Companies" by the United States during the period of Federal Control, or out of said Agreement dated March 29, 1919;

NOW THEREFORE, the "Company" hereby acknowledges payment of the sum of Thirteen Million, Seven Hundred Fifty Thousand Dollars (\$13,750,000.00) by the said Director General, in full satisfaction and discharge of all claims, rights and demands of every kind and character which the "Company" or the "Affiliated Companies" now has

or hereafter may have or claim against the Director General, the United States or the President, growing out of or connected with the possession, use and operation of the property of the "Company," and of said "Affiliated Companies" by the United States during the period of Federal Control, or out of said Agreement dated March 29, 1919. This final settlement or adjustment includes and covers all claims of the "Company," and said "Affiliated Companies," and the "Company" does hereby fully indemnify and save the Director General harmless from any and all liability, loss or expense resulting from or incident to any claim which may be made against the Director General, the United States or the President by said "Affiliated Companies," or either of them, growing out of or connected with the possession, use and operation of the property of said "Affiliated Companies," or either of them, by the United States during the period of Federal Control, or out of said Agreement dated March 29, 1919. The "Company" hereby acknowledges the return to and receipt by it of all its property and rights, as well as all the property and rights of said "Affiliated Companies" which it is entitled to, and further acknowledges that the Director General has fully and completely complied with and satisfied all obligations on his part or on the part of the United States, or the United States Railroad Administration, growing out of said Federal Control.

The purpose and effect of this instrument is to evidence a complete and final settlement of all demands, of every kind and character, as between the Director General of Railroads, the United States, the President, or the United States Railroad Administration, and the "Company" and each of said "Affiliated Companies," growing out of the Federal Control of Railroads, save and except that the following matters are not covered or included in this settlement and are not affected thereby;

Exceptions.

1. The obligation on the part of the "Company," as expressed in the standard form of contract between the Director General and the Railroads, as to the conduct of litigation arising out of Federal Control (except as to claims and suits of carriers against the Director General or the United States), as the same is stated in paragraph (f) of Section 9 of said standard form of contract, is to continue, and is not affected by this settlement.

2. This settlement does not affect or alter any obligation executed by the "Company" for amounts loaned, advanced, or funded by the Director General, or amounts due by reason of any equipment trust agreements, all such obligations on the part of the "Company" to remain in full force, the same as if this agreement had not been entered into.

3. This settlement does not include or affect any moneys or assets of the Director General turned over to the "Company" pursuant to General Order No. 68, the accounts created by this order to be adjusted as though this agreement had not been made.

4. This settlement does not include the obligations of the Director General assumed in paragraphs (i) and (j) of Section 4 of said standard form of contract, to save the "Company" harmless as to claims, if any, of third persons, or the obligations of the Director General in respect to the payment of taxes under Section 6 of the standard form of contract.

IN WITNESS WHEREOF, this Agreement has on the day and year first above written, been duly signed, sealed and delivered by John Barton Payne, Director General of Railroads, and duly signed, sealed and delivered by the Chicago, Milwaukee & St. Paul Railway Company by its President, and duly attested by its Assistant Secretary, and its Corporate Seal hereto affixed; such execution and delivery on the part of the "Company" and the affixing of its Corporate Seal having been duly authorized by the vote of its Board of Directors at a lawful meeting thereof held on the 28th day of October, 1920, a certificate of which meeting, duly attested, has been lodged with the Director General of Railroads.

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Director General of Railroads and Agent of the President.

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY,

By

ATTEST:

President.

.....
Assistant Secretary.