

to be installed hereunder on a competitive basis with like traffic via other ports as to ocean rates, in so far as it reasonably can, and, in so far as it lawfully may, to work preferentially with the said lines of railroads through the said port of Mobile and as to traffic through said port.

The Steamship Line agrees not to put on a steamship service to or from other Gulf ports to Buenos Ayres, or other South American ports, to which service may be operated under this agreement, without at least thirty-five (35) days' written notice to the Railroad Companies aforesaid, except for the carriage of lumber and/or its products, or other freight which must be loaded at other ports in order to meet competition of other water carriers.

The Railroad Companies aforesaid agree to do all in their power to aid and expand the traffic from the territories served by them over the lines of the Steamship Line, as herein established."

It is further agreed that the concluding clause of paragraph seven of said contract, which said concluding clause now reads as follows:

"The Steamship Line shall not enter into any traffic contract with other rail lines at Mobile without the approval and consent of the Mobile and Ohio and the Southern Railway."

be and the same hereby is amended so as to read as follows:

"The Steamship Line shall not enter into any traffic contract with other rail lines at Mobile without at least thirty-five (35) days' written notice to the Mobile and Ohio Railroad Company and to Southern Railway Company of the proposed contract and of its provisions."

IN WITNESS WHEREOF, the parties hereto have executed this amendment on this, the 15th day of October, 1912.

[SEAL].

MUNSON STEAMSHIP LINE,  
By C. W. MUNSON, *President.*

Attest:  
J. W. REYNOLDS,  
*Assistant Secretary.*

[SEAL.]

MOBILE & OHIO RAILROAD CO.,  
By R. V. TAYLOR, *Vice President.*

Attest:  
G. A. COOKE,  
*Assistant Secretary.*

[SEAL.]

SOUTHERN RAILWAY CO.,  
By J. M. CULP, *Vice President,*

Attest:  
GEO. R. ANDERSON,  
*Assistant Secretary.*

#### EXHIBIT IV.—Agreements or Arrangements Between Transcontinental Railroads and Transpacific Carriers.

1. *Agreement of March 26, 1906, (to continue for a period of ten years) between the Toyo Kisen Kaisha and the Western Pacific Railway Co., and supplementary agreements.*

(Only the following portions of the agreement of March 26, 1906, are herewith reproduced, namely, the introduction; section 1, paragraph 1; section 2, paragraphs 2, 4, 5 and 8; and section 3, paragraphs 1, 3 and 7. The agreement contains numerous other provisions which have for their purposes the establishment of freight rates and passenger fares, the issuance of through bills of lading.

ing, the payment of loss and damage claims, the establishment of general agencies, the division of rates, and the maintenance of a certain efficiency in service. These latter provisions it was not deemed necessary to publish.)

INTRODUCTION: Whereas it is the desire of each of the parties hereto that an arrangement shall be made, so far as such arrangement lawfully may be made, whereby each of said parties shall exchange traffic at said Port of San Francisco, each dealing so far as shall be lawful, exclusively with the other, and that the line of steamships of said Steamship Company and the line of railway of said Railway Company, and through it the lines of railway of said Gould System, shall form and be operated as a through transportation line,

SECTION I, PARAGRAPH 1. The parties hereto mutually agree:

That the line of steamships of the Steamship Company, and the line of railway of this Railway Company (and through it the lines of railway of the entire Gould System) shall, so far as may be reasonably practicable, be operated as if a single through transportation route extending from the Oriental ports, reached as aforesaid by the steamship line of the party of the first part, to all so-called "common points" in the United States of America and Dominion of Canada reached by said lines of railway or their connections, which said through transportation route is hereinafter referred to as the "through line."

SECTION II, PARAGRAPH 2. That the Steamship Company will give and turn over to the Railway Company all eastbound traffic carried to the North American Continent by its steamships and all such traffic controlled by it originating in the Orient and destined to any point or points that can be reached by or via the line of the Railway Company, or of any of its allied railways of the Gould System or any of the connections of any of said lines of railway; provided, however, that nothing herein contained shall be construed to prohibit the Steamship Company from exchanging traffic with water transportation lines, although not operated or controlled by the Railway Company, operating from San Francisco, California, if such traffic, (whether inbound or outbound) shall have originated or shall have its final destination at (1) Victoria, British Columbia, Dominion of Canada, (2) the City of Tacoma, (3) the City of Seattle, both in the State of Washington, United States of America, (4) the City of Portland in the State of Oregon, United States of America, (5) the City of San Diego and (6) the City of Los Angeles, both in the said State of California; and the Steamship Company agrees that so far as practicable its line of steamships and the line of railway of the Railway Company shall be operated as if a joint through line for the transportation of traffic. The Steamship Company will receive and promptly transport to its destination or deliver to the connecting carrier the same all westbound traffic tendered to it by the Railway Company.

SECTION II, PARAGRAPH 4. The Steamship Company will land all its ships calling at the Port of San Francisco and will load and discharge all of the passengers and cargoes thereof at the wharf of the Railway Company, to be supplied as hereinafter provided, and the Steamship Company will furnish all material, supplies, labor and services of every kind necessary for or connected with the landing and sailing of its ships, the discharging and loading of its passengers and cargo, the debarkation and embarkation of its passengers and their effects, or in any other manner occasioned by the calling of its ships or the carrying on of its business at the Port of San Francisco. The Steamship Company agrees to accept delivery on the Wharf of the Railway Company of all cargo unloaded from cars of the Railway Company.

SECTION II, PARAGRAPH 5. That all freight of whatsoever description delivered by the Steamship Company to the Railway Company for transportation and delivery to any destination in the United States or the Dominion of Canada, or in Europe, will be delivered at such wharf of the Railway Company at San Francisco free from any instructions as to the route by which the same shall be forwarded, it being expressly agreed that the designation of the route beyond the terminus of the Railway Company shall be left wholly to the determination of the Railway Company.

SECTION II, PARAGRAPH 8. The Steamship Company will cause all or any of the agents of the Steamship Company in Japan, China and other Oriental countries to act as the agents of the Railway Company as well as of the Steamship Company whenever and as the Railway Company shall so desire and will cause all of its said agents to act at all times and in all matters for the common advantage of the Steamship Company and the Railway Company.

SECTION III, PARAGRAPH 1. That so far as the same lawfully may be done, the Railway Company will give and turn over to the Steamship Company all such westbound traffic of every description controlled by it as shall be destined to any Oriental or Hawaiian point or points upon or that can be reached with reasonable convenience by or via the line of the Steamship Company or any regular connection thereof and will cause all such westbound traffic of every description within the control of the Railway Company, originating in territory in any way tributary to and which with reasonable convenience can be forwarded over the line of the Railway Company to be delivered to the Steamship Company for transportation at the wharf of the Railway Company in San Francisco; and that so far as practicable its line of railway shall be operated with the Steamship Company's line as if a joint through transportation route for all transportation purposes. The Railway Company will receive and promptly transport to its destination over its line or deliver to connecting carriers all eastbound freight tendered to it on its wharf in San Francisco by the Steamship Company.

SECTION III, PARAGRAPH 3. That all freight of whatsoever description delivered by the Railway Company to the Steamship Company for transportation and delivery to any destination in the Orient or the Hawaiian Islands will be delivered on the wharf of the Railway Company at San Francisco and, so far as lawfully may be, free from any instructions as to the route by which the same shall be forwarded beyond the line of the Steamship Company, it being expressly agreed that the designation of the route shall be left, as fully as it lawfully may be, to the determination of the Steamship Company.

SECTION III, PARAGRAPH 7. The Railway Company will cause all of the agents of the Railway Company in the United States and in the Dominion of Canada and will, as far as practicable, cause all of the agents of any of the lines constituting the Gould System, likewise to act as agents of the Steamship Company, whenever the Steamship Company shall require any thereof so to act and will cause all its said agents and, so far as practicable, all the agents of said Gould System to act at all times and in all matters for the common advantage of the Steamship Company and the Railway Company.

(According to a letter from the Toyo Kisen Kaisha, addressed to the Committee, the preferential treatment indicated in the above-mentioned portions of the agreement of March 26, 1906, "is not carried out, as the Western Pacific Railway Co. now supplies cargo equally to outgoing steamers of the Pacific Mail Steamship Co. and the Toyo Kisen Kaisha, and the latter company furnishes eastbound freight to the Southern Pacific Railway Co. and the Atchison, Topeka and Santa Fe Railway Co. equally with the Western Pacific Railway Co.")

(The aforementioned relationship between the Toyo Kisen Kaisha and the Pacific Mail Steamship Co. was arranged in a supplementary agreement by letter, dated August 21, 1911, the same being herewith reproduced.)

SAN FRANCISCO, August 21, 1911.

WESTERN PACIFIC RAILWAY COMPANY,

*Mills Building, San Francisco, Calif.*

DEAR SIRs,—With a view to reestablishing, if possible, the port of San Francisco as the gateway for Oriental traffic, this Company proposes the following tentative arrangement, which, if assented to by you will constitute a temporary modification of the contract of March 26th, 1906, existing between our Companies.

1. The Toyo Kisen Kaisha is to be at liberty to join in establishing and maintaining during the life of the arrangement, joint forwarding agencies to represent that Company and the Pacific Mail Steamship Company, in Chicago, New York and other traffic centers in the United States, which will act jointly for the two Companies named in collecting and forwarding through shipments destined to the Orient.

2. All shipments forwarded by such joint agencies during the period covered by this arrangement will be forwarded to San Francisco via Western Pacific to go forward from San Francisco by whichever of the two Steamship Companies above named shall have the first sailing after the arrival of shipment at San Francisco, and this arrangement shall continue during said entire period notwithstanding the fact that the Southern Pacific or the Atchison, Topeka & Santa Fe or any company allied with either of said Companies may have in force proportional rates at any time during said period.

3. The Western Pacific Railway Company shall impartially afford to said steamship Companies in all respects the same service, facilities and advantages, and upon arrival of any shipment at San Francisco the cars shall be switched to the wharf of whichever Company shall have the first sailing thereafter.

4. The temporary arrangement now in effect under which cotton arriving over the lines of Western Pacific, Southern Pacific or Santa Fe is forwarded by the first sailing after arrival, is to be continued during the period of the arrangement provided hereby, with the further understanding that out-bound freight consigned to the Orient from points east of San Francisco over any line may be sent forward by the Steamship Company having the first sailing irrespective of whether such freight shall have been forwarded by a joint agency of said Steamship Companies. It is understood, however, that this stipulation is not intended to and shall not relieve Toyo Kisen Kaisha from its obligations to employ all of its own agencies and facilities exclusively for the benefit of the Western Pacific-Toyo Kisen Kaisha Route.

5. The foregoing arrangement will also involve the operation of steamships of Toyo Kisen Kaisha and Pacific Mail Steamship Company in cooperation under a joint schedule which will be made up as far as possible in such manner as to secure substantially uniform intervals, six or seven steamships to be operated by the Pacific Mail Steamship Company and four steamships by the Toyo Kisen Kaisha. The schedule may provide for five direct calls at Manila by Toyo Kisen Kaisha steamships, and the same arrangement now in force as to exchange and interchange, and lay-over privileges on all first class tickets will be continued during the period covered hereby.

6. The arrangement hereby proposed will become operative immediately, or, as soon as proper arrangements therefor can be perfected, and shall continue until and including December 31, 1912, but neither the same nor any part thereof shall be continued beyond that date without the express assent of Western Pacific Railway Company, and none of the provisions of said existing contract between Western Pacific Railway Company and Toyo Kisen Kaisha shall be deemed as against Western Pacific Railway Company to be waived, abrogated or modified hereby, except as herein expressly stated.

7. The arrangement hereby proposed shall be assented in writing by the Pacific Mail Steamship Company and the original or duplicate original of such writing delivered to Western Pacific Railway Company.

Upon the acceptance hereof by your Company and the delivery of the written assent hereby provided for by the Pacific Mail Steamship Company, the provisions contained herein will constitute a contract between the parties thereto and to the extent of its terms a modification of the existing contract between the Western Pacific Railway Company and the Toyo Kisen Kaisha for the period expressly covered hereby.

Very truly yours,

TOYO KISEN KAISHA  
By W. H. AVERY,  
*Assistant General Manager.*

(The modification of the contract of March 26, 1906, as outlined in the foregoing letter, was accepted by the Western Pacific Railway Co.)

Michael Sol Collection

## *2. The Atchison, Topeka & Santa Fe Railway Co.'s reply to the Committee's Schedule of Inquiries.*

### *The division of traffic, or a territorial division of routes:*

This company has no arrangement with any steamship line for a territorial division of routes. The only definite understanding for a division of traffic is as follows:

We have with the Pacific Mail Steamship Co. a mutual understanding for interchange of traffic in which the steamship line is to deliver this company 25 per cent of the inbound freight traffic from the Orient into San Francisco destined to eastern common points of the United States, and vice versa, that steamship line agrees to reserve 25 per cent of their space, allotted to overland freight, for Orient traffic delivered them by this company.

*The provision for an exclusive working arrangement between the railroad and the ship line in matters of water transportation:*

This company has no exclusive working arrangements with any water transportation line.

### *Mutual assistance in obtaining traffic:*

(a) The Pacific Mail Steamship Co., Occidental and Oriental Steamship Co., Toyo Kisen Kaisha Steamship Co., Southern Pacific R. R., Union Pacific R. R., Chicago & Northwestern Ry., and Atchison, Topeka & Santa Fe Ry. jointly maintain passenger agencies at Yokohama and Hong Kong for the purpose of soliciting passenger traffic through the Port of San Francisco as against the Suez route and the Canadian Pacific via Vancouver. The expenses of these agencies are divided between the several parties to the arrangement, viz., the Pacific Ocean carriers pay 53 per cent and the American rail lines 47 per cent. This latter is in turn divided between the four lines mentioned.

(b) The Southern Pacific, Union Pacific and Chicago & Northwestern Railroads, the Western Pacific, Denver & Rio Grande and Missouri Pacific Railroads, and the Atchison, Topeka & Santa Fe Ry. jointly contribute \$25,000 per annum toward the soliciting, advertising and maintenance expenses of passenger agencies created by the Oceanic Steamship Co. in Australia to secure passenger traffic through the port of San Francisco in competition with the Suez route and the Canadian Pacific via Vancouver. This joint arrangement is made as a matter of economy, as otherwise each of the rail lines interested would be compelled to maintain separate agencies at considerable expense, which the volume of traffic does not justify.

(c) The Atchison, Topeka & Santa Fe Ry., like numerous other American rail lines, pays or participates in a commission of 10 per cent with maximum of \$4.00 for ocean to ocean, to Atlantic Ocean carriers on immigrant business delivered them or their connection through the ports of Boston, New York, Philadelphia, Baltimore and Galveston. This nominal commission is considered as a contribution toward the expense of soliciting this class of traffic.

### *Meeting the competition of other lines:*

There are no cases where this company joins with steamship or water transportation lines in meeting the competition of other lines, although there are numerous cases where joint rates in connection with ship lines are the same as joint fares with rail lines.

### *The time and number of sailings between designated ports:*

All steamship lines with which this company interchanges traffic fix the time and number of sailings to suit their convenience and this is not a matter of negotiation with this company.

## *3. The Southern Pacific Co.'s replies to the Committee's Schedule of Inquiries.*

The Company answered all of the Committee's inquiries in the negative with the explanatory remark that "The Southern Pacific Company, Pacific System, exchanges

with water carriers indiscriminately and on the basis of local rates of the parties, except that the United States Government shipments via San Francisco to Manila and Cavite, P. I., are pro rated 60 per cent rail and 40 per cent water."

*4. Agreement entered into on December 12, 1902, and to remain in force until six months notice from either party to terminate is given, by Messrs. Alfred Holt & Co., Managers of the Ocean Steamship Co. and the China Mutual Steamship Co., and the Northern Pacific Railway Co. and the Great Northern Railway Co.*

(In its replies to the Committee's Schedule of Inquiries, the Northern Pacific Railway Co. states that this is the only formal contract now in force between it and a trans-Pacific service.)

MEMORANDUM OF AGREEMENT, Made and entered into this 12th Day of December, 1902, at Saint Paul, Ramsey County, Minnesota, by and between Messrs. Alfred Holt & Co., of Liverpool, England, Managers of the Ocean Steamship Company, Limited, and of the China Mutual Steamship Company, Limited; and the Northern Pacific Railway Company and Great Northern Railway Company, both of Saint Paul, Minnesota.

1. Messrs. Alfred Holt & Company's object in sending their steamers across the Pacific is primarily for the purpose of developing traffic between Europe and the Pacific Coast, so that cargo to and from Europe will always be their first consideration.

2. Messrs. Alfred Holt & Co. bind themselves to charge nothing less than the Trans-Pacific Conference rates from time to time in force or less than is charged by the steamers serving the Northern Pacific Railway and Great Northern Railway which may be loading alongside their boat.

3. Nothing in the last paragraph shall preclude Messrs. Alfred Holt & Co. from making such rates as they see fit to and from ports west of Hong Kong and Manila at which their vessels may call, provided that the rates so made shall in no case be lower than the Conference rates for similar class of goods from Hong Kong.

4. Messrs. Alfred Holt & Co. undertake to give regular four-weekly sailings from the Pacific Coast and to give these sailings six months in advance and so far as may be practicable to arrange them so that they do not clash with the other sailings of the railways.

5. The steamers will call at the following ports on their voyage assuming there is a reasonable quantity of cargo for each of them: Yokohama, Kobe, Hong Kong.

6. The steamers have leave to call at Honolulu and San Francisco.

7. OVERLAND CARGO EASTBOUND: Messrs. Alfred Holt & Co. undertake to confine their bookings of cargo to overland points to cargo from ports west of Hong Kong and Manila. They shall not engage cargo to overland points from the Philippine Islands, Hong Kong, China or Japan.

8. OVERLAND CARGO WESTBOUND: The railways agree to give to Messrs. Alfred Holt & Company's steamers all the overland cargo they can obtain which the railways' existing steamship lines are unable to carry and they agree that the number of vessels employed by their existing steamship lines shall not be increased, excepting as provided by clause 11 a, so long as Messrs. Alfred Holt & Company's regular four-weekly steamers can accommodate all the cargo offering.

NOTE: "Existing steamers" is understood to include the two vessels now building for the Great Northern Railway.

9. SPACE FOR OVERLAND CARGO WESTBOUND: Messrs. Alfred Holt & Co. agree to hold at the disposal of the railway company space in each of their Trans-Pacific steamers for 2,000 tons measurement (40 cu. ft.) of overland cargo; such space to remain at the disposal of the railway company until thirty days before the steamer's schedule date

of sailing from Tacoma when the railway company shall declare how much of this space they will fill.

10. PACIFIC COAST CARGO EASTWARD AND WESTWARD: Messrs. Alfred Holt & Co. shall be at liberty to carry to and from all ports. The railways agree to give the same facilities for forwarding between Tacoma and Portland, &c. as they give to their existing connecting Transpacific lines.

11. UNITED STATES GOVERNMENT CARGO: Should Messrs. Alfred Holt & Co. desire to enter for the conveyance of the United States Government cargo between the Philippine Islands and the Pacific Coast, they undertake before doing so to confer with Messrs. Frank Waterhouse & Co., the agents in Seattle of the Boston Steamship Company (one of the Northern Pacific Railway Company's existing connections) and agree with him the minimum rates at which either shall tender.

11a. Should the tender of the railways and / or Boston Steamship Company of the 19th November, 1902, for the conveyance of Government passengers and cargo to and from Manila during the period to June 30th, 1903, be accepted, it is agreed with reference to Clause 8 hereof that the Boston Steamship Company may charter one or two steamers, such as the "Ohio," of large passenger capacity and small cargo capacity, for the express purpose of caring for the passenger portion of this contract. It is also agreed that Messrs. Holt & Co.'s steamers shall so far as space permits carry any portion of the cargo (explosives excluded) that the Boston Steamship Company's steamers cannot accommodate, and at the rates contracted with the Government; but no steamer shall be obliged to go to Manila with less than 1,000 tons measurement for that port.

12. DIVISIONS OF OVERLAND FREIGHT EASTBOUND AND WESTBOUND: After payment of all connecting lines for services beyond St. Paul, Duluth or Minnesota Transfer, or beyond Yokohama, Kobe, Moji, Nagasaki or Hong Kong (or Singapore or Colombo, if Messrs. Holt & Co.'s steamers call there) the balance remaining shall be equally divided between the railway and steamship.

13. Messrs. Alfred Holt & Co. undertake to make no alliance with any other trans-continental railway in the United States.

14. WHARFAGE: The railway will make no charge for wharfage on cargo that is delivered to, or received from the railway by the steamer. Wharfage on cargo out of which the railway does not get a haul other than switching not to exceed twenty-five cents (\$0.25) per ton as per freight list.

15. The railway to deliver cargo to the steamer within reach of her tackles and to take delivery from ship's tackles.

16. The railways agree that in the event of their importing material from Europe by sea to the Pacific Coast, they will give Messrs. Alfred Holt & Co. every opportunity of tendering for its carriage and will give their steamers the preference over others at equal rates.

17. The railways agree to Messrs. Dodwell & Co., Ltd., being the agents for Messrs. Alfred Holt & Co. on the Pacific Coast.

18. This agreement to remain in force until the expiration of six months' notice from either side of a desire to terminate it.

NOTE: In all cases where the "Boston Steamship Company" is mentioned, it is understood to include the "Boston Tow Boat Company."

IN WITNESS WHEREOF, The parties hereto have hereunto set their hands and seals the day and year first hereinabove written:

ALFRED HOLT & COMPANY,  
By C. S. WHEELER  
NORTHERN PACIFIC RAILWAY COMPANY,  
By J. M. HANNAFORD,  
2d V. P.  
GREAT NORTHERN RAILWAY COMPANY,  
By J. W. BLABON,

Fourth Vice President.  
Michael S. Sol Collection

*5. Agreement made April 8, 1908 (effective until March 1, 1919), between the Osaka Shosen Kaisha and the constituent companies of the Chicago, Milwaukee & St. Paul Railway System.*

(Only the following portions of the agreement of April 8, 1908, are herewith reproduced, namely, the introduction, and sections 4, 5, 6, 7, 8, 14, 15, 16, 20 and 28.)

INTRODUCTION: Whereas, it is to the mutual advantage of the parties hereto that an alliance be formed which will permit the free and continuous movement of all traffic over the through line thus formed in competition with other through lines:

SECTION 4. Each party hereto stipulates that it is not now, and shall not hereafter become interested, directly or indirectly, in any other steamship or railroad line handling, via Puget Sound ports, or any other port of the United States or the Dominion of Canada on the Pacific Coast, any freight business in competition with the line hereby established.

SECTION 5. Business originating at or destined to ports and places on the Pacific Coast shall be considered as the local trade, and the Osaka Company may enter into contract with other steamship or railroad company for connection therewith. It is, however, agreed by the Osaka Company that whenever the St. Paul Companies establish, of itself or through its connections, a line to such ports or places on the Pacific Coast from the port of interchange, the shipments shall be delivered to the St. Paul Companies in preference, provided the published rates of freight of the St. Paul Companies' line on such business are not higher and such business is handled as promptly and properly as by other lines.

SECTION 6. It is further mutually agreed by the parties hereto that all freight tendered to the Osaka Company by the St. Paul Companies shall be given the preference over any other freight tendered to the Osaka Company by any other corporation or shipper, the St. Paul Companies advising the agent of the Osaka Company daily of amount of freight contracted for next sailing; and the St. Paul Companies likewise to give the preference to through freight tendered by the Osaka Company over any other freight tendered to the St. Paul Companies by any other corporation or shipper. The St. Paul Companies agree to forward such traffic promptly and with dispatch to destination, or to their points of delivery to other carriers.

Silk, Silk Goods, Treasures, Parcel and Mail matters to be sent forward without delay by the Overland Express as Expedited Service next to the ship's arrival at the port of interchange.

SECTION 7. It is further agreed that the Osaka Company may and will upon eastbound traffic, and the St. Paul Companies may and will upon westbound traffic, quote substantially the same through rates that are quoted upon the same or similar traffic by competing lines via any route, and, so far as may be practicable, issue through bills of lading—showing the rate, whenever possible, to final destination—in connection therewith, to the end that the line hereby established may secure its reasonable proportion of the total traffic moving via all lines. All contracts for through traffic, either eastbound or westbound, shall be made in gold or its equivalent.

SECTION 8. The Osaka Company may become a member of the North Pacific Line Conference and shall furnish the St. Paul Companies with a record of the proceedings of such conference as promptly as possible.

SECTION 14. In Japan and China, the Osaka Company shall represent the interests of the St. Paul Companies, and in the United States and the Dominion of Canada, the latter to represent the former's, both free of commission, and both parties shall be vested with the privilege of issuing through bills of lading from the territory in which the traffic originates covering the route of the other.



SECTION 15. The Osaka Company further agrees that an agency shall be established at its sole expense at the port of interchange to perform the usual and customary duties of such agency in connection with through traffic, and to look after the local trade for the Osaka Company; and the St. Paul Companies shall, at the request of the Osaka Company, render such assistance as they can in locating and co-operating with said agency.

SECTION 16. It is mutually agreed that the St. Paul Companies may establish a traffic agency or agencies to represent them in China and Japan, or both, and the Osaka Company may likewise establish any agency or agencies, in the United States, the agents of either party to work in connection with the joint line hereby established.

SECTION 20. It is agreed that if the St. Paul Companies have on hand at the port of delivery to the Osaka Company, more tonnage than can be taken by the steamship first departing, and the steamship next following is not due to sail within four weeks owing to causes other than those beyond control of the Osaka Company, or hostilities, or official survey, the Osaka Company shall forward such excess to destination by its chartered steamships, or any steamer of any other line which will depart from the port of interchange prior to the Osaka Company's steamship next following; and the Osaka Company shall receive its proportion of divisions as provided herein for such excess.

It is further agreed that if the St. Paul Companies' service is interrupted owing to reasons other than those beyond control of the St. Paul Companies; the St. Paul Companies shall forward to destination the through freight awaiting transportation at the port of interchange or arriving thereafter, by other lines, until traffic of the St. Paul Companies' lines is restored to normal state; and the St. Paul Companies shall receive its proportion of divisions provided herein for freight so sent forward by other lines.

SECTION 28. It is recognized by the parties hereto that the Interstate Commerce Law of the United States prevents the quotation of through rates on import and export freight lower than the current tariff rates between the point of origin, or the point of destination and the port of interchange; and it is therefore agreed that neither party hereto shall do, or permit its agents to do, anything in violation of said law.

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*6. Agreement between the Nippon Yusen Kaisha (designated as "Corporation") and the Great Northern Railway Company and the Great Northern Express Company (designated as "Companies"), effective November 1, 1911, and to continue in force ten years, subject to cancellation by either party on one year's written notice.*

(Although the parties agreed to the establishment of a service between designated ports, through routing arrangements, mutual assistance in obtaining traffic and the establishment of the time and number of sailings, no provisions are contained in this agreement which openly declare the existence of an exclusive working arrangement. Certain sections, however, clearly indicate a preferential treatment between the parties, namely, Article IV, Section 2; Article VI; and Article VII, Sections 2 and 3. Only these sections of the agreement are herewith reproduced.)

ARTICLE IV, SECTION 2. The Companies shall have the right to designate and determine rail lines and express companies over which all through cargo and parcels shall be carried, except only on such American bound cargo as the Corporation finds it necessary to honor the instructions of shippers or consignees relative to through routing. The Corporation shall not, however, forward such through cargo or parcels via other rail lines under through bills of lading, except in case of extreme necessity or when in their judgment failure to so forward cargo and parcels will subject the Corporation to loss of future business or to claims for damage.

ARTICLE VI. If steamers in addition to the steamers of the Corporation and of the Great Northern Steamship Company shall be required by the Companies for the transportation of through cargo, parcels and passengers carried via said ports, the Corporation shall have the first right to furnish such additional steamers or accommodations. It is the intention of the Corporation to maintain an efficient fortnightly service between said Seattle and Yokohama, Kobe and Moji, Japan, and Shanghai and Hong Kong, China. Nothing hereinafter contained, shall be construed as making it obligatory upon the Corporation to cause steamers to leave Seattle and Japan oftener than once in each month. It is expressly understood that in case the Corporation shall fail to maintain approximately a fortnightly service between Seattle and Yokohama, Kobe and Moji in Japan, and Shanghai and Hong Kong in China, and it shall be found necessary in order to avoid delay to shipments of through cargo and parcels so to do, the Companies may forward such shipments of through cargo and parcels via other Steamships Lines affording direct service between said ports during such time as the Corporation fails to maintain a fortnightly service. The Companies shall not, however, forward such through cargo or parcels via other steamship lines under through bills of lading, except in case of extreme necessity, or when, in their judgment, failure to so forward cargo and parcels because of inability to forward by steamers of the Corporation, will subject the Companies to loss of future business, or to claims for damage on account of delay. The Corporation shall give the Companies due notice of its intention not to make any fortnightly sailing, and the Companies will likewise give the Corporation notice of their intention to forward cargo via other lines as above provided.

ARTICLE VII, SECTION 2. The Companies hereby agree to act as Agents in the United States and Canada for the Corporation, except at Seattle, Washington, where the Corporation will provide its own Agent and necessary clerical help and office, at its own expense; provided, however, the Corporation hereby reserves the right to appoint and maintain at its own sole cost and expense its own agent at any point in the United States and Canada for the purpose of soliciting and securing such freight and passenger traffic as the Great Northern Railway Company does not, on account of the rate situation or for other reasons, desire to solicit, secure and handle.

The Corporation shall act as agent for the Companies in China, Japan and in the East generally, performing such reasonable duties as are from time to time authorized by the Companies.

ARTICLE VII, SECTION 3. The Companies shall also provide at the ports of Tacoma, Everett, Port Townsend, Portland, San Francisco, Victoria and Vancouver, agencies for the purpose of soliciting and engaging cargo, parcel and passenger traffic in the interests of the Corporation, reporting to the Agent of the Corporation at Seattle, Washington, on such matters, and the Corporation shall pay to the Companies a commission of two and one-half per cent of the revenue derived by the Corporation on outward local cargo, parcels and passengers secured for the Corporation, through the medium of such agencies.