

FISKE WARREN,

vs.

PEOPLES RAILROAD COMPANY,)

) IN THE CIRCUIT COURT OF BALDWIN
)
) COUNTY, ALABAMA. IN EQUITY.
)
)
)

This cause coming on to be heard, and it appearing to the Court that no objections were filed to the Receiver's report, it is hereby ordered and decreed that the same is confirmed as of the date of its filing in this Court, to-wit, July 9th, 1926, and the sureties on his bond are discharged from any further liability on same after daid date, and that the Register of this Court, out of the funds in his hands in said cause, pay to the surety company the amount of the premium due on said bond for the current year.

JUDGE.

Dated this day of 19 .

FAIRHOPE, ALA.,

April 11th 1924

No. 1

BANK OF FAIRHOPE 61-461

PAY TO THE ORDER OF

Gladys Fowell

\$ *30*⁰⁰

Thirty and 00/100

DOLLARS

Premium on Receiver's Bond

E. J. Gotten Receiver Peoples Railroad Co.

FAIRHOPE, ALA.,

6-20 1924

No

2

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

James Basely

\$ 5⁰⁰

Five ^{and} / 100

DOLLARS

People's Railroad Company
By E. J. Sollen, Receiver

Labor Clearing ties
J. W. COCKRUM PTG. CO., OAKLAND CITY, IND.

FAIRHOPE, ALA.,

8-19

1924

No.

3

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

Paul Ruddle

\$6

25

Sid ²⁵/₁₀₀

DOLLARS

FOR

2 1/2 dys. labor clearing lot.

Peoples Railroad Co.

By E. Gotten Receiver

FAIRHOPE, ALA.,

9-19

1924

No.

4

BANK OF FAIRHOPE

61-461

PAY TO THE
ORDER OF

Edward P. Gotten

\$150⁰⁰

One hundred fifty ^{no}/₁₀₀

DOLLARS

FOR

Peoples Railroad Co.
By E. P. Gotten Receiver

FAIRHOPE, ALA.,

2 - 25

1923

No. 5

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

Town of Fairhope

\$ *54.00*

Fifty four and no/100

DOLLARS

FOR

1923 taxes

*People's Railroad Company
By E. J. Gotten, Receiver*

FAIRHOPE, ALA.,

3-16

1925

No.

6

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

Gladye Lowell, Agent \$ *30⁰⁰*

DOLLARS

FOR

Premium on renewal of Receiver's Bond

Peoples Railroad Company
By E. J. Gotten, Receiver

FAIRHOPE, ALA.,

8-14

1925

No. 7

BANK OF FAIRHOPE

61-461

PAY TO THE
ORDER OF

Edward P. Totten \$150⁰⁰

One hundred fifty ⁰⁰/₁₀₀ DOLLARS

FOR Receiver com:

Poplar Hills

FAIRHOPE, ALA.,

8-20

1925

No.

8

BANK OF FAIRHOPE

61-461

PAY TO THE
ORDER OF

The Fairhope Courier

\$

1⁷¹/₁₀₀

One *71/100*

DOLLARS

FOR

Publishing Notice of Sale

Peoples Railway
By C. P. G...

FAIRHOPE, ALA.,

8-20

1925

No. 9

BANK OF FAIRHOPE

61-461

PAY TO THE
ORDER OF

Mrs. Hall

\$

25

One 25/100

DOLLARS

FOR

Typewriting work

People's Rail
By [Signature]

FAIRHOPE, ALA.,

8 - ref

1925

No. *10*

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

Winter Service Station

\$ *18⁰⁰*

Eighteen and no/100

DOLLARS

FOR

Taxi to Brewton

*People's Railroad Co.,
C. J. Gotten, Receiver*

FAIRHOPE, ALA.,

11-13

1925

No. 11

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

J. H. Webb, Attorney

\$

100⁰⁰

One hundred and no/100

DOLLARS

FOR

legal services

Mobile Railroad Co.

Edward J. Gotten Receiver

FAIRHOPE, ALA.,

9/11

1926

No.

14

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

The Fairhope Courier

\$

5³⁶

Five

36/100

DOLLARS

FOR

Publication of notice to Creditors

Peoples Railroad Company

By E. J. Jotten, Receiver

AIRHOPE, ALA.,

6/12

192

6

No.

13

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

The Fairhope Courier

\$

4 1/4

Four 1/4

DOLLARS

FOR

Publication of Notice of Extension of Time

Peoples Railroad Co.

By E. P. Gotten Receiver

AIRHOPE, ALA.,

6/12

1926

No. 14

BANK OF FAIRHOPE

61-461

PAY TO THE
ORDER OF

Edward P. Totten

\$ 8⁰⁰

Eight and no/100

DOLLARS

FOR

Expenses of Receiver

Peoples Railroad Co., Inc.
By E. P. Totten, Receiver

AIRHOPE, ALA.,

6/21

1926

No. 15

BANK OF FAIRHOPE 61-461

PAY TO THE ORDER OF

G. N. Humphries, Collector \$92³⁰

Ninety two ³⁰/₁₀₀ DOLLARS

FOR 1923 taxes Peoples R.R.

Peoples Railroad Company
By C. L. Gotten, Receiver

AIRHOPE, ALA.,

Apr 21

1926

No. *16*

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

Edward P. Gotten

\$ *7⁰⁰*

Seven and 00/100

DOLLARS

FOR

Expenses of Receiver

Peoples Railroad Company
By E. P. Gotten, Receiver

AIRHOPE, ALA.,

6/25 1926

No.

17

BANK OF FAIRHOPE

61-461

PAY TO THE ORDER OF

Edward P. Gotten

\$ *10*^{*00*}

DOLLARS

FOR

Receiver's Expenses

*Peoples Railroad Co.,
By E. P. Gotten, Receiver*

FISKE WARREN

VS.

PEOPLES RAILROAD COMPANY,
ET ALS.

NUMBER _____

IN THE CIRCUIT COURT OF BALDWIN COUNTY,

ALABAMA.

IN EQUITY.

TO THE HONORABLE JOHN D. LEIGH, JUDGE OF THE CIRCUIT
COURT OF BALDWIN COUNTY, ALABAMA, SITTING IN EQUITY:

Complainant, Fiske Warren, respectfully shows unto
your Honor:

First: That he is a citizen of the United States, more
than twenty-one years of age, residing in Harvard, Massachusetts.
The Peoples Railroad ^{Company} is a corporation chartered under the laws of
Alabama having its principal place of business at Fairhope, Baldwin
County, Alabama. The Fairhope Single Tax Corporation is likewise a
corporation, organized under the laws of Alabama, and having its
principal office in said Fairhope, Baldwin County, Alabama. The
City Bank and Trust Company is a corporation formerly engaged in
business of a banking and trust company in Mobile, Alabama, and while
no longer engaged in such business, it is still in existence and its
officers reside in the City of Mobile, Alabama. The Fairhope Trans-
portation and Excursion Company is a corporation organized under the
laws of Alabama, having its principal office in Fairhope, Alabama.

Second: Said Peoples Railroad Company was organized as
a non stock, non profit corporation for the purpose of building a
railroad from Fairhope to Robertsedale, for the benefit of the people
who would be served thereby, and your complainant, being a single
taxer and interested in the demonstration of the soundness of said
theories and benefits arising therefrom, being demonstrated by the
Fairhope Single Tax Corporation, entered into a contract with the
Peoples Railroad Company whereunder he furnished sufficient rails to
lay about a mile of track extending from the end of the Fairhope pier
up into the town of Fairhope, with the understanding that the title
to said rails should remain in him until paid for by said Peoples
Railroad Company, and that he would receive from said company a ren-
tal for the use of same, a copy of which is hereto attached, as
Exhibit A. Complainant has removed the rails but there is still a
considerable sum due him under said contract. Said Peoples Railroad
Company also undertook to float a bond issue amounting to \$150,000.00,

and the City Bank and Trust Company agreed to act as trustee in the premises. A copy of the deed of trust in connection therewith is hereto arrached as Exhibit B., and in pursuance thereto, bonds to the extent of \$12,500.00 were certified by said trustee and sold, your complainant being the purchaser and present holder of some of said bonds, on which nothing has been paid, either of the principal or interest. The names and addresses of the other holders of said bonds are not known to the complainant. The said Peoples Railroad Company also received a deed from, and entered into an agreement with the Fairhope Single Tax Corporation, whereby it acquired certain right of way and depot grounds, the right to take over and operate the pier of said Fairhope Single Tax Corporation in connection with the said railroad and receive the income from same. A copy of said deed and contract is hereto attached, and marked Exhibits C. and D., and, during its operation of said wharf, it, jointly with the Fairhope Single Tax Corporation, entered into a contract with the Fairhope Transportation and Excursion Company, a copy of which contract is hereto attached as Exhibit E, whereunder said Fairhope Transportation and Excursion Company made an expenditure of \$1456,80. Said Peoples Railroad also received a grant of right of way from said Fairhope Single Tax Corporation across its land and some lots for depot purposes.

Third: Owing to the development of the automobile truck and from other causes, the Peoples Railroad ^{Company} was unable to operate its mile of road profitably, and did not extend same. Its contract for the operation of the Fairhope wharf has terminated, and having ceased to operate, and there being no prospect that it would ever do so, the complainant exercised his privilege of taking up the rails, and has disposed of same. Said Peoples Railroad Company has in bank money to the amount of, to-wit, Three thousand, Eight hundred, thirty-four dollars and twenty-three cents, (\$3834.23), and equipment of the probable value of three hundred dollars, (\$300.00), and is not only insolvent, but it is a question as to how the assets of said insolvent corporation should be applied, whether in the payment

of the amount due the Fairhope Transportation and Excursion Company or the rental due complainant or to the bondsholder by complainant and others and the interest thereon.

Prayer.

The premises considered complainant prays that the said Fairhope Single Tax Corporation, Peoples Railroad ^{Company} ~~City Bank~~ and Trust Company, as trustee ~~under~~ the said deed of trust, and Fairhope Transportation and Excursion Company be made parties defendant to this bill and that such process ~~issue~~ ^{and} proceedings ~~be had~~ ^{as} are in accordance with the rules and practice of this Honorable Court. That a receiver be appointed for said Peoples Railroad under the provisions of Section 3512 of the Code of Alabama and if need be an injunction issue to restrain said corporation, its officers and agents from paying out assigning or transferring any of its funds, estates, lands tenements or effects except as to a receiver appointed by said Court or until the Court shall otherwise order and that said receiver be empowered to convert into cash all of the property of said corporation and distribute the funds on hand and those so derived in accordance with the equities of the parties interested and finally that a decree be entered dissolving such corporation and complainant further prays for such other, further or different relief as may be appropriate in the premises.

W. B. Shepard
Solicitors for Complainant.

STATE OF ALABAMA
BALDWIN COUNTY

Before me, Gladys Lowell, a Notary Public in and for the said state and county, personally appeared E.B. Gaston, who being by me first duly sworn says that he has personal knowledge of the allegations contained in the foregoing bill of complaint and that the same are true.

E. B. Gaston



Subscribed and sworn to before me on this the 30 day of October, 1923.

December

Gladys Lowell
Notary Public, Baldwin County, Ala.

NOTE: The respondents are required to answer each of the paragraphs of the foregoing bill, one to three, inclusive, but answer under oath is hereby waived.

Webb & Shepard,
SOLICITORS FOR COMPLAINANT.

MEMORANDUM OF AGREEMENT

BETWEEN FISKE WARREN, OF HARVARD, MASSACHUSETTS, AND THE
PEOPLES RAILROAD COMPANY, OF FAIRHOPE, ALABAMA.

Exhibit A

WHEREAS, Fiske Warren, of Harvard, Massachusetts, being interested in the principle of public ownership of public utilities as being applied by the Peoples Railroad Company, to the building of a railroad from Fairhope to Robertsedale, through Silverhill, all in Baldwin County, Alabama, and desirous of assisting in the building of said railroad, to the extent of the cost of a mile of rails, including under the term rails the angle bars for laying the same, but not desirous of investing in bonds of said Railroad Company, beyond the amount already invested therein; and

WHEREAS, the said Peoples Railroad Company is required by the trust deed securing the bonds issued or to be issued by it, to maintain the priority of the bond-holders in all property in which the proceeds of their bonds may be invested and it cannot, therefore, secure payment of any indebtedness other than bonds by pledge of any property in which money secured from the sale of bonds is in whole or part invested, but is confident of its ability to meet within five (5) years the cost of the mile of rails, which said Fiske Warren is willing to provide for the purchase of, with interest thereon;

NOW THEREFORE, in consideration of the premises, the said Fiske Warren agrees to purchase for the benefit of the said Peoples Railroad Company one (1) mile of relaying rails, weighing not less than fifty (50) pounds to the yard, as specified and purchase arranged for, by said Peoples Railroad Company, price to include delivery at Fairhope, Alabama, taking title therefor as evidenced by bill of sale therefor in the name of Fiske Warren, filed in the office of the Probate Judge of Baldwin County, Alabama; but the said rails to be delivered to the said Peoples Railroad Company, to be laid upon its right of way in the Town of Fairhope, Alabama, beginning at the west end of the new trestle being built by it to connect with Fairhope Wharf and extending eastward therefrom and used in the operation of its road, subject to the conditions hereinafter stated.

The Peoples Railroad Company agrees to purchase said rails at their net cost to said Warren, not less than one fifth ($1/5$) each year, the first payment to be due and payable in one (1) year after the actual date of payment of said rails by said Fiske Warren and each subsequent payment to be due on the corresponding date of each year thereafter; the Peoples Railroad Company to have the privilege of paying at any time for any larger portion than the minimum of one fifth ($1/5$) as herein provided for; title to portions as purchased to pass to the Peoples Railroad Company. Purchases to be understood as beginning at the westerly end of the rails as laid, and continuing in order eastward.

The Peoples Railroad Company further agrees to pay to said Fiske Warren at the end of each yearly period as before specified, in addition to the amount due on purchase, an annual rental for said rails equal to five (5) per cent. of the price paid by him for the rails owned by him during the year preceding.

In case of default by the Peoples Railroad Company, in payment of either sums due on purchase price or rental, as specified, for four (4) months after the same become due, said Fiske Warren shall have the right to take possession of any portion of the rails unpaid for and dispose of them as he sees fit, and for this purpose said Fiske Warren shall have the right for himself, his agents and employes, to enter upon the land of said Peoples Railroad Company and to use said railroad, its right of way and any rolling stock belonging to it and the Fairhope Wharf for the purpose of removal of such rails, and shall not be held responsible or liable for any injury to said right of way, the ties or any other property of said Peoples Railroad Company occasioned by any acts reasonably done for or in the removal of said rails. The reservation of ownership and right to take possession of and remove such rails in case of default in the agreements herein specified shall be deemed a cumulative remedy and shall not deprive Fiske Warren of the right to enforce the performance of this agreement or recover damages for failure to do so in any other way; but such right shall be subordinate to the rights of bond-holders to prior claim upon any property in which their money is invested, except as to such reasonable injury by removal.

It is agreed that the Peoples Railroad Company shall not extend its line beyond the east side of section fifteen, township six south, range two east, Baldwin County, Alabama, before completing payment for the mile of rails furnished by Fiske Warren, without consent of the said Warren.

In case of default by the Peoples Railroad Company in payment of any instalment of interest or any instalment of principal continued for thirty (30) days, and in case of any breach by the Peoples Railroad Company of the foregoing covenant with reference to the extension of its line beyond the east side of section fifteen aforesaid, said Fiske Warren may at his option require the immediate payment of all of said principal remaining unpaid with all accrued interest thereon, anything herein contained to the contrary notwithstanding.

It is further agreed that in consideration of the purchasing of said mile of rails by Fiske Warren and allowing for their purchase by the Peoples Railroad Company at their net cost to him, one-fifth ($1/5$) a year for five (5) years, with interest at only five (5) per cent., if before final payment for said rails the purchasing power of money shall have decreased as compared with its purchasing power at the time of original purchase of said rails by Fiske Warren, as measured by the selling value of sufficient staple commodities to furnish a fair comparison, the Peoples Railroad Company shall be held to be further indebted to Fiske Warren in a sum equal to the average depreciation of the money invested by him, the amount of such depreciation to be determined by arbitration, if the parties are unable to agree upon the same, such arbitration to be by three (3) arbitrators, one chosen by each party and the third by these two, the decision of said arbitrators or of a majority of them to be final.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed (the execution of the same by the president of the Peoples Railroad Company in behalf of said Company having been approved by the directors of the said Company, at a meeting held on March 3, 1914,) this twenty-eighth day of April, A.D. 1914.

PEOPLES RAILROAD COMPANY,

BY E. B. GASTON,
President.

ATTEST:
C. G. JOHNSON,
SECRETARY.

FISKE WARREN.

(Corporation Seal).

Exhibit A,

Exhibit B.

THIS INSTRUMENT, made this, the 7th. day of October, 1913, between THE PEOPLES RAILROAD COMPANY, a corporation chartered under the laws of the State of Alabama, and having its principal place of business at Fairhope, Baldwin County, Alabama, and the CITY BANK AND TRUST COMPANY, hereinafter, for convenience, called the "Trustee", WITNESSETH:

THAT, WHEREAS, the said railroad company is constructing a railroad from said town of Fairhope, to Robertsedale, by way of Silver Hill, Baldwin County, Alabama, and is desirous of raising funds to aid in such construction and the equipment of said road when built, and with such end in view, at a meeting of its membership, duly called, at which more than a majority voted, passed the following resolution, viz:

"Be it resolved that the Board of Directors of the Peoples Railroad Company are hereby authorized and directed, through the President and Secretary of this company, to execute and deliver to a trustee to be selected by said Board, a deed of trust upon all of the franchises, rights of way and property of said Peoples Railroad Company, now held, or hereafter acquired, between Fairhope and Robertsedale, in Baldwin County, Alabama, and in both of said towns and Silver Hill; also on all track and switches constructed along said route, as well as all equipment for said railroad, or any other property of any character purchased with the proceeds of the bonds issued under the terms of said deed of trust, or now owned by said corporation, including all rights and privileges of every character; and to issue under the provisions of said deed of trust, bonds to the amount of one hundred and fifty thousand dollars, to run for a period of twenty years, at a rate of interest to be fixed by said Board of Directors, not exceeding six per cent., payable at such times, and in such manner as may be by said Board determined; any further terms or conditions of the deed of trust, and the form and terms of said bonds, being left to the determination of said Board of Directors."

AND, WHEREAS, said Board of Directors adopted and approved the following forms for said bonds and for the coupons thereto annexed, and for the Trustee's certificate to be endorsed thereon, to-wit:

" (Form of Bond).

UNITED STATES OF AMERICA.

No. _____

FAIRHOPE, BALDWIN COUNTY, ALABAMA.

§

§

The Peoples Railroad Company hereby issues this bond and obligates itself to pay to bearer, in lawful money of the United States, at the City Bank and Trust Company, Mobile, Alabama, the sum of _____ dollars, on the first day of April, 1933, with interest thereon from date until paid, at the rate of six per cent. per annum, payable semi-annually, at the same place, on the first days of April and Oct., respectively, of each year, until the date of the maturity of this bond, as evidenced by the coupons hereto attached. Said coupons shall be payable to the bearer thereof, and payment thereof to the party presenting the same shall in any case discharge the said corporation and it shall not be obliged to require proof of ownership of any coupon before paying the same. This bond is one of a series amounting to one hundred and fifty thousand dollars, ranging in amounts from twenty-five dollars to five hundred dollars, according to the desire of the purchaser of said bonds when issued, the same to be issued and sold by said Peoples Railroad Company as the proceeds thereof are needed, and to be certified as issued by the trustee hereinafter named, or its successor, and shall pass by delivery and is secured by a deed of trust or mortgage, of even date herewith, to City Bank and Trust Company, as Trustee, covering the real estate, franchises, rights of way, and all property, rights and privileges of every character, possessed by the said corporation, as well as any rights of way or road built from and in said Fairhope, through Silver Hill, to and in Robertsedale, Alabama, as well as all equipment of

said road and any other property in which the proceeds of said bonds may be invested.

IN WITNESS WHEREOF, the said Peoples Railroad Company has caused its corporate name to be hereto signed by its President, and its corporate seal to be hereto affixed and attested by its Secretary, and has caused its Secretary to affix his signature to the interest coupons hereto attached, this, the seventh day of October, 1913.

THE PEOPLES RAILROAD COMPANY,
BY E. B. GASTON,
PRESIDENT.

ATTEST:
C.G. JOHNSON,
SECRETARY.

(Form of Coupon).

Coupon No. _____

\$ _____

THE PEOPLES RAILROAD COMPANY.

Will pay to Bearer
on the _____ day of
, 19____.

_____ dollars, at the City Bank
and Trust Company, Mobile, Alabama, as provided
in the bond to which this is attached, being
six months interest on bond No. _____

C.G. JOHNSON,
SECRETARY.

(Form of Trustee's certificate).

The Trustee within named certifies that the within bond is one of a series aggregating a total issue of one hundred and fifty thousand dollars, issued and certified in accordance with the provisions of a deed of trust securing the payment of same, executed on the 7th. day of Oct., 1913.

City Bank & Trust Co., by W.J. Buck, Trustee. "

AND, WHEREAS, said Peoples Railroad Company, by its Board of Directors, has also adopted and approved the form of this present instrument, and the provisions, covenants and conditions herein contained, as will appear from "Exhibit A", hereto attached and made a part hereof:

NOW, THEREFORE, this instrument witnesseth: That in consideration of the premises and the sum of five dollars to it in hand paid by said Trustee, the receipt whereof is hereby acknowledged, and for the purpose of more effectually securing the payment of the principal and interest of all of said bonds, according to the true intent and meaning thereof, the said Peoples Railroad Company does, by these presents, grant, bargain, sell, convey, transfer, assign and set over to the said City Bank and Trust Company, as Trustee, the following described property, franchises, rights and privileges, viz: All franchises heretofore granted to it by the Fairhope Single Tax Corporation and the Town of Fairhope, or that may hereafter be granted by them, or by the towns of Silver Hill or Robertsdale, when said towns may be incorporated; also any right of way heretofore, or that may hereafter be acquired in said towns or along the route of said road between same, as well as any terminals, road bed and tracks therein or along said route, and any equipment for same. It is not, however, contemplated that this instrument shall cover any extension of the road beyond the town of Robertsdale, as it is probable that an additional bond issue would have to be made for such extension, and it would be desired to make such issue a first lien upon such extension. But this conveyance is intended to cover all the property, franchises, rights and privileges now held or owned or hereafter acquired by the said Railroad Company, except such as may be the product or result of such future bond issues as may hereafter be deemed advisable.

TO HAVE AND TO HOLD unto the said Trustee, its successors and assigns, forever.

IN TRUST, HOWEVER, for the equal pro rata security, protection and benefit of all parties who may be or become the holders of any of the above mentioned bonds, without any preference of one bond over another, and for the uses and purposes, and subject to the following covenants and conditions, which are hereby expressly adopted, approved and assented to by the parties to these presents, viz:

ARTICLE I.

Until default shall be made in the principal or interest of said bonds, or any of them, or until default shall be made by said corporation in any of the covenants and agreements herein contained on its part to be kept and performed, said corporation shall be suffered and permitted to possess, manage, operate, use and enjoy said conveyed property hereinabove described, and to receive and dispose of all incomes and revenues thereof, as if this indenture had not been made.

ARTICLE II.

The said corporation does hereby, for itself, its successors and assigns, covenant and agree to pay the several holders of said bonds, the principal sums mentioned therein and the interest thereon, according to the true intent and meaning of said bonds, and of the coupons thereto attached, and to do all things which may be necessary to maintain the mortgaged property in good condition, and to preserve intact, and to continue, the priority of the liens hereby created or intended to be created on the property hereinbefore mentioned over every other lien or incumbrance thereon. It is expressly understood, however, that as this corporation is organized and designed for the public benefit, and not for private profit, and the members thereof have contributed their membership fee simply as a donation, and without the hope of any reward further than will be received by those served by the railroad, and the gratification of having contributed to the public benefit, there shall be no individual liability on the part of said members for any of the debts of said corporation provided for in this instrument, or arising in any other manner.

ARTICLE III.

If the principal and interest of said bonds shall be promptly paid in full when due, according to the terms of said bonds and the coupons attached thereto, then and from thenceforth as well these presents, and all the estate, right, title and interest above granted, and said bonds shall become and be void, nothing herein or in said bonds to the contrary notwithstanding thereupon the said trustee or his successor upon receiving all compensation and reimbursement to which he may be entitled, if any, and upon being satisfied that such payment in full has been made, shall execute and deliver such acknowledgment and satisfaction, or other deed of release or re-conveyance as may be needful or expedient to discharge all the property, rights, privileges and appurtenances covered by this mortgage from the lien thereon.

ARTICLE IV.

The bonds issued under this deed of trust shall be in denominations of \$25., \$100., and \$500., and shall not be valid or secured by this deed of trust, unless certified by the trustee upon the bond in the form printed thereon, If default be made in the payment of any portion of the principal or interest when due, and if such default shall continue for the period of ~~sixty~~ sixty days, or if default be made in the performance of any other promise, stipulation or agreement on the part of said corporation herein contained, and if such default be continued for the period of sixty days after demand of said trustee for the performance thereof, then and in either of such cases, after the expiration of said period of sixty days, the trustee, upon the written request of the holders of one-fourth of the amount of all of said bonds then outstanding, accompanied by indemnity as provided in Article 9, Section 2, may enter into and upon and take possession and control of all the property and appurtenances covered by these presents or intended to be, and shall have, hold, use and enjoy the same and every part thereof as

fully as said corporation could do if lawfully in possession thereof and by its own agents or managers, may collect and receive all incomes, earnings, issues and profits thereof and may apply so much of the money derived thereon as may be needful to the payment of the expenses of taking possession and all legal expenses incurred in connection therewith, and to the payment of the cost of all repairs, and after deducting all the payments so made, and reasonable compensation for its own services, shall apply the residue of the moneys arising as aforesaid to the payment and discharge of the obligations of said corporation in respect to which default shall have been made as aforesaid ratably and without preference or priority among the holders of such obligations. The operation and the length of time the trustee shall operate said road is left to its discretion.

ARTICLE V.

If any default be made and continued for sixty days as in the fourth article specified, the trustee, upon the request of any holder or holders of at least one-fourth of said bonds then outstanding, accompanied by indemnity as provided in Article 9, Section 2, shall, after entry as aforesaid, or without entry, proceed to foreclose this deed of trust and enforce the rights of the bond holders thereunder either by advertisement and sale of the mortgaged property at public outcry at the Court House door in Baldwin County, Alabama, notice of the place, time and terms of sale having been first given by publication thereof once a week for four consecutive weeks, in some newspaper published in Baldwin County, State of Alabama, or such foreclosure and the enforcement of the right of the bond holders may, at the option of the trustee, be by suitable judicial proceedings in any court of law or equity having jurisdiction in the premises, in which event the sale shall be at the place and upon such notice as the judgment of the desire of such court may prescribe; and the trustee may in either case adjourn such sale from time to time upon any such notice as he may deem proper or as may be prescribed by such judgment or decree, and may make and deliver to the purchaser or purchasers at such sale a good and sufficient grant, conveyance and transfer of all the property sold; the said corporation hereby authorizing said trustee to make such conveyance to the purchaser or purchasers at such sale; and the title so made, said corporation hereby agrees to defend against all persons lawfully claiming and to claim the same; and all recitals in said conveyance shall be prima facie evidence of the facts therein recited; and thereupon the trustee, after deducting all payments made by him and a reasonable compensation for his own services, shall apply the residue of the proceeds of such sale to the payment equal and pro rata, first, of the over-due coupons and then of the principal hereby secured.

The purchaser or purchasers at any sale under the power hereby conferred or under judicial authority exercised in the enforcement hereof shall be entitled to use and to apply, in making payment, any of the bonds or past due coupons hereby secured, reckoning and paying same at a sum equal to the share of the proceeds of such sale which would be payable to such purchaser as the holder or holders of said bonds or coupons if the sale were wholly made for cash.

The purchaser or purchasers having complied with the terms of sale, being in possession of the receipt of the trustee for the purchase money, shall not be answerable for any loss, misapplication or non-application of the purchase money or any part thereof by the trustee, nor be under any obligations to inquire into the necessity, expediency or authority of or for such sale.

ARTICLE VI.

The right of entry and sale hereby granted are accumulative and additional to all other remedies allowed by law.

Provided always, and it is hereby expressly declared that no holder or holders of any of the bonds secured hereby shall have the right to institute any action or proceeding in equity or at law for the foreclosure of this mortgage, or to enforce the trust hereof, or any other action, suit or proceedings hereunder without

first having given notice in writing to the trustee of the occurrence and continuance of the default which may be supposed to warrant the desired suit, action or proceeding, and having requested the trustee and having afforded it reasonable time and opportunity to institute such proceedings in its own name and for the benefit of all the holders of said bonds, and without having also offered the trustee satisfactory security and indemnity as hereinafter provided.

ARTICLE VII.

In case the said corporation, its successors or assigns, shall fail to pay any lien or incumbrance which, if unpaid, would take precedence or priority of the lien of these presents upon the mortgaged property, the trustee or any bond holder or bond holders hereby secured, may pay the same and any amount so paid shall be deemed secured by these presents and shall be payable, with interest at six per centum per annum, on the date when the next succeeding interest coupon falls due.

ARTICLE VIII.

The trustee may resign and be discharged of said trust by giving notice in writing of its intention to do so, to said corporation, its successors or assigns, at least sixty days before said resignation shall take effect. In event of a vacancy in the trusteeship by resignation or otherwise, a new trustee or trustees shall be appointed in such manner as may be agreed upon between said corporation and the holder or holders of a majority of said bonds or in the event of their failure to agree, by the Chancellor of the Southwestern Chancery Division of the State of Alabama, upon application made to said Chancellor by said corporation or holder or holders of a majority of said bonds, and upon such notice to the other party as the Chancellor may prescribe. But in all cases before any successor to the trusteeship can act, all charges, arrears and advances must be paid or tendered to the outgoing trustee.

ARTICLE IX.

The said City Bank and Trust Company, for itself and its successors, accepts the trust created and assumes the duties imposed by this instrument, upon the following terms and conditions:

1. The trustee may select and employ in and about the said trust and duties, suitable agents and attorneys whose reasonable compensation shall be paid the trustee by said corporation, or in default of such payment, shall be a charge upon the hereby mortgaged property, and its proceeds, paramount to said bonds, and the said trustee shall not be liable for any neglect, omission or wrong doing of any such agent or attorney, if reasonable care has been exercised in its selection, nor shall it be otherwise answerable, save for its own gross negligence or default.

2. The trustee shall not be bound to take any action hereunder, nor appear in or defend any suit, unless thereto requested in writing by the holders of at least one-fourth of all said bonds then outstanding, nor unless such request be accompanied by a satisfactory indemnity against all expenses and liabilities incident to or which may result from the desired action, appearance, or defense.

3. The trustee shall not be bound to recognize any party as the holder of any such bond, nor to take any action at his request unless his bonds are submitted to the trustee for inspection, nor then, if the ownership of such bonds be questioned, until his title thereto is satisfactorily established.

4. The said corporation undertakes the proper recording of this mortgage and the trustee shall not be bound to take any action for protecting, perpetuating or keeping good the lien of these presents upon the property hereby mortgaged.

5. The trustee shall be entitled to reasonable compensation for its services, and to reimbursement of all expenses properly incurred therein, including the expense of the proper prosecution or defense of any suit or proceedings instituted by or against it;

such compensation and expense to be a first charge upon any funds which may come to the hands of the trustee, or if there be no such funds, then to be paid by said corporation or by the parties at whose instance the service shall have been performed, or expense incurred.

6. All the recitals herein contained or made by or on behalf of said corporation shall bind it only, and the trustee assumes no responsibility for any portion thereof.

ARTICLE X.

After three years from the date hereof, all of the earnings of the said Railroad Company not needed in the maintenance and operation of said railroad and other necessary expenses of the corporation, shall be used as a fund for the retirement of the bonds issued under this deed of trust, should any of the holders thereof desire to have their bonds redeemed, but should no bonds be offered for redemption, said surplus may be used in improving or extending said line, or safely invested as a sinking fund, at the discretion of the Board of Directors of said corporation. Should there not be a sufficient amount in hand to pay all of the bonds offered for redemption, the Secretary shall, from those offered for redemption, select by lot, the bonds to be redeemed, of which he shall give notice to such holders by a postal mailed to the address of such holders last furnished to him, and any of them may be present to see that such ascertainment by lot of the bonds to be redeemed is fairly conducted.

ARTICLE XI.

The Peoples Railroad Company will, during the continuance of this deed of trust, keep full and accurate book accounts in connection with its business, which books, as well as all of its property of every kind, shall be at all times open to the inspection of the trustee or any bondholder, and as often as requested, the said Company shall furnish to the trustee a list or inventory of all of its property, so as to enable the trustee at all times to identify the property hereby conveyed.

ARTICLE XII.

The said Trustee hereby accepts the trust hereby created.

IN WITNESS WHEREOF, the said Peoples Railroad Company has caused these presents to be signed by its President, and sealed with its corporate seal, and attested by its Secretary. And the said Trustee, to signify its acceptance of the trust hereinbefore created, has signed these presents on the day and year first above written.

PEOPLES RAILROAD COMPANY,

BY E. B. GASTON,
PRESIDENT.

CITY BANK & TRUST CO.,
TRUSTEE.

(SEAL)

ATTEST:
C.G. JOHNSON,
SECRETARY.

BY E. J. BUCK, PREST.

ATTEST:
A.C. TONSMEIRE, CASHIER. (SEAL)

STATE OF ALABAMA,)
COUNTY OF BALDWIN.)

I, P.Y.Albright, a Notary Public in and for the County and State aforesaid, do hereby certify that E.B.Gaston, whose name as President of the Peoples Railroad Company, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such officer, and with full authority, executed the same voluntarily, for and as the act of said corporation. And I further certify that C.G.Johnson, whose name as Secretary of the Peoples Railroad Company, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, he, as such officer, and with full authority, executed the same voluntarily, for and as the act of said corporation. I further certify that E.B.Gaston and C.G.Johnson, being by me first duly and severally sworn, depose and say that they are, respectively, the President and Secretary of the Peoples Railroad Company; that the seal affixed to the foregoing instrument is the corporate seal of the Peoples Railroad Company; that the said seal was so affixed by the said C.G.Johnson, Secretary, and that the corporate name of the Peoples Railroad Company was signed to said instrument by the said E.B.Gaston, President, and that they signed their respective names thereto as such officers by order of the members and Board of Directors of the Peoples Railroad Company.

Given under my hand, this 7 day of October, 1913.

(SEAL)

P.Y.Albright,
Notary Public in and for Baldwin County,
Alabama.

STATE OF ALABAMA,)
COUNTY OF MOBILE.)

I, T. H. Halliwell, a Notary Public in and for said State and County, do hereby certify that E.J.Busk, Pres. whose name as President of the City Bank and Trust Company, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, he as President, and with full authority, executed the same voluntarily, for and as the act of the said corporation.

Given under my hand, this, the 21st. day of October, 1913.

(SEAL).

T.H.Halliwell,
Notary Public, Mobile County, Alabama.

"EXHIBIT A."

At a meeting of the Board of Directors of the Peoples Railroad Company, held at Fairhope, Alabama, on the 7th day of October, 1913, the following resolution was adopted:

"Resolved, that, by virtue of the power and authority vested in us, we hereby adopt the form of deed of trust, bond, coupons and trustee's certificate hereto attached, authorizing the issue of bonds to the extent of one hundred and fifty thousand dollars, in sums of not less than twenty-five nor more than five hundred dollars, to be issued by the Peoples Railroad Company and certified by the Trustee, as needed, and bearing interest at the rate of six per centum per annum, payable semi-annually, and hereby authorize and direct the President and Secretary of said Peoples Railroad Company to execute said deed of trust for and in behalf of said corporation, and name the City Bank and Trust Company of Mobile, Alabama, as Trustee in said deed of trust. The said Secretary and President are also authorized and directed to do all things needful in the preparation, execution and issuance of said bonds."

We, E.B.Gaston, President, and C.G.Johnson, Secretary, hereby certify that the foregoing is a correct copy of a resolution adopted by the Board of Directors of the Peoples Railroad Company, at a meeting thereof, held on the 7th day of Oct. 1913, at which meeting a quorum of its members were present, as fully appears by the minutes of said Board of Directors.

Witness our hands and the seal of said corporation, on
the 7th. day of October, 1913.

E.B.Gaston,
President.

Attest:
C.G.Johnson,
Secretary. (SEAL)

State of Alabama,
Baldwin County.

I, J.H.H.Smith, Judge of Probate in said
county, hereby certify that the following privilege tax has been
paid on the within instrument as required by Acts 1902 and 1903
viz: \$225 cts 00

J.H.H.Smith, Judge of Probate,

by J.L.Kessler, Clerk.

KNOW ALL MEN BY THESE PRESENTS, That,

Wm. C.

WHEREAS, the Peoples Railroad Company has been organized and incorporated as a corporation not for pecuniary profit in the sense of paying interest or dividends on stock, but for the mutual benefit through the application of cooperation; for the purpose of building a railroad from Fairhope to Robertsdale, in Baldwin County, Ala., Through Silver Hill, Ala., and such organization and purpose are in harmony with the principles of the Fairhope Single Tax Corporation and will be a very great advantage to said the Fairhope Single Tax Corporation, in the making accessible of its lands and the service of its lessees; and

WHEREAS, the said Peoples Railroad Company has agreed to and with the Fairhope Single Tax Corporation upon the routing of its railroad where deemed by the said Fairhope Single Tax Corporation to be of greatest advantage to it, and

WHEREAS, the Executive Council of the Fairhope Single Tax Corporation did, on October 21st., 1912, by resolution authorize a conveyance by its officers to said Peoples Railroad Company of a right of way and depot site for said road as might be agreed upon between its officers and the officers of the said Peoples Railroad Company, and on a referendum to the members of the said Fairhope Single Tax Corporation on Nov. 15th., 1912, of the said action of the Executive Council the same was approved by a majority of the members voting thereon.

NOW, THEREFORE, in consideration of the premises and of the payment of five dollars, by the Peoples Railroad Company, the receipt whereof is hereby acknowledged, the Fairhope Single Tax Corporation does hereby grant and convey unto the said Peoples Railroad Co. as a right of way for its said railroad, with the right to enter upon the same to locate and construct and operate the said railroad, the following described lands, all in township six south, range two east, Baldwin County, Ala. as follows, towit:

A strip twenty feet in width from the southwest corner of block, nine, div. 4, of the land of Fairhope Single Tax Corporation, in the town of Fairhope, Ala., as per plat filed Sept. 13th, 1911, in the office of the probate judge of Baldwin County, Ala., for its curve from Bancroft street on to Morphy Ave., in said town the center of which right of way on said curve is 100 ft. north of the southwest corner of said block on the west side thereof and 100 ft. east of the same corner on the south side of said block.

Also a strip of land 20 ft. wide across sections sixteen and fifteen, the north line of which strip is 20 ft. south of the

center line of the south half of said sections;

Also a strip 20 ft. in width from the west side of sections 14 and 11, beginning forty feet south of the northwest corner of the southwest quarter of the southwest quarter of said section 14, thence north to a line 33 ft. south of the north line of section eleven, the west line of which 20 foot strip is thirteen feet east of the west line of said sections fourteen and eleven.

Also a strip 20 ft. in width across section 11, the north line of which strip is thirteen feet from the north line of said section;

Also the necessary land at any corner made by the foregoing described lines, to make easy and practicable curves for said railroad as agreed upon by the president of said railroad and the officers of the Fairhope Single Tax Corporation.

The right is also hereby given to take earth from outside the above described right of way for cuts and fills where necessary and to use any part or all of the sixty-six foot (inclusive of the 20 ft. railroad right of way herein granted) reservation made by the said Fairhope Single Tax Corporation for roads on the west side of sections 14 and 11 and between sections two and 11, for the purpose of grading such railroad, provided that where the said 66 ft. roadway is so made use of the same shall be left in shape for wagon and other vehicle travel by the said Railroad Company at its expense.

Also lots three, 4, 5, 6 and 7, block 6, division 4, of the land of said Fairhope Single Tax Corporation as per its plat before referred to, for a depot and terminal tracks, etc.,

All of the above being granted and conveyed to the said Peoples Railroad Company for legitimate purposes of building and operating its said railroad only, the same to be built and operated strictly in the public interest without profit to individuals under the terms of the charter of said railroad company, issued by the Probate Judge of Baldwin county, Ala., September 9th., 1912, and to revert to the grantor if not so used.

It being further understood that the said Peoples Railroad shall begin work in good faith, upon its said road within the year 1913 and complete the same by January 1st, 1915, otherwise this conveyance to be void and of no effect, except as to any portion which may be built upon and used for the purpose of said road.

It being further understood that this conveyance is subject to any leases to any portion of said described lands heretofore entered into by the Fairhope Single Tax Corporation, and that it is incumbent upon the said Peoples Railroad Company to secure the consent of the holders of any such leases to the use of any portion of their leaseholds herein described, or to condemn the right to use of same as provided by law.

To have and to hold unto the said Peoples Railroad Company for the purposes and under the conditions of aforesaid forever.

In testimony whereof, the said Fairhope Single Tax Corporation has caused this instrument to be executed in accordance with its constitution and by-laws.

Signed, etc.

BETWEEN THE PEOPLES RAILROAD COMPANY AND THE FAIRHOPE SINGLE TAX CORPORATION, REGARDING THE FAIRHOPE WHARF.

WHEREAS, one of the cardinal principles of the Fairhope Single Tax Corporation is the ownership and operation of public utilities by the public, for their own benefit, free from profits to promoters or operators, and it has applied this principle for many years, with signal success in the operation of Fairhope Wharf, and

WHEREAS, the Peoples Railroad Company has been organized under the same statute for corporations not for pecuniary profit, under which the Fairhope Single Tax Corporation is incorporated, and for the purpose of applying the same principle of public ownership and operation of public utilities for public benefit only, to the building of a railroad from Fairhope to Robertsedale, through Silver Hill, and

WHEREAS, the building and operation of such railroad upon the said plan, would be of very great importance to the said Fairhope Single Tax Corporation, in the service of its lessees and the opening and making accessible of its lands, as well as the furtherance of its principles, and

WHEREAS, it is desired to connect said railroad with steamboats plying between Fairhope and Mobile and touching at Fairhope Wharf, and said wharf would be an important link in said transportation between Mobile and Points on the said railroad line, and the railroad and wharf could be most conveniently and economically operated by the same management, and

WHEREAS, it is believed by the officers of the said Peoples Railroad Company that it would greatly facilitate the securing of funds for the building of its proposed road, if it were given the right for a limited and definite time to administer the said wharf as a part of its line and have the earnings of the wharf, to make up possible deficiencies in the earnings of the road proper, until its business can be built up to a profitable point, and

WHEREAS, it is believed by the officers of said Fairhope Single Tax Corporation that the earnings of said wharf could not be used to the greater advantage of its members and lessees, than thereby to insure the building and profitable operation of the said Peoples Railroad, and the Executive Council of the said Fairhope Single Tax Corporation, did, on October 21st., 1912, adopt the following resolution, to-wit:

"Resolved, that the Fairhope Single Tax Corporation will give to said Peoples Railroad Company for the term of five years from Jan. 1, 1913, the right to administer Fairhope Wharf in connection with its railroad, collecting the tolls therefrom either for the use of the wharf alone, or jointly in connection with its railroad, and converting the same into its treasury, under the following conditions:

1. That the Peoples Railroad Company shall either secure the agreement of the holders of certificates of investment in the said wharf to accept in lieu thereof, the bonds or other obligations of the said Railroad Company, or shall pay off the said certificates.
2. That the said Railroad Company shall at its own expense, make all repairs or betterments on said wharf necessary to its use of the same and shall keep the same in repair during the term of its use.
3. That the said Railroad Company shall keep the said property insured against fire and tornadoes in at least the amount now carried upon it, said insurance if collected to be applied to the repair of said wharf.
4. That the wharfage charged by said Railroad Company shall not be greater than now charged, or than at any wharves along this shore for similar service.
5. That reasonable space shall be left for the use of foot passengers on said wharf, safe from injury by the cars of said Railroad Company".

WHEREAS, the resident members of the Fairhope Single Tax Corporation, did, on a referendum election, held on November 15th., 1912, as provided by the constitution of said corporation, ratify the foregoing act of the Executive Council, by a majority vote of the members so voting:

NOW, THEREFORE, in consideration of the premises, and the further consideration that the said Railroad Company shall route its

railroad through the land of the Fairhope Single Tax Corporation, in Sections 16, 15, 14, 11 and 2, Township Six South, Range Two East, Baldwin County, Alabama, where agreed to by the officers of the said Corporation, and subject to the conditions stated, which include the resolutions adopted by the Fairhope Single Tax Corporation herein set out, and those hereinafter mentioned, the said Peoples Railroad Company, is hereby given from the time of taking possession thereof, as herein provided, until Jan. 1, 1918, authority to administer the said Fairhope Wharf, collecting the tolls therefrom and converting the same into its treasury, the same as revenues from other portions of its road connected therewith.

The said Peoples Railroad Company agrees to all of the provisions of this contract, and further, that during the time it is so in possession of said wharf, it will pay the taxes upon the same and keep it free of all liens or incumbrances and in altering, repairing or rebuilding same, it will either pay cash for the material and labor thereof, or make an agreement in writing with the parties furnishing labor or material, before same is furnished, whereby the said parties shall undertake to look alone to said Railroad Company for compensation, and waive the right to a lien upon said wharf; it being the intent and purpose of this agreement that the said Railroad Company shall not have the power to create any liability or indebtedness for which said property would be liable, and should it fail to strictly comply with this condition, the Fairhope Single Tax Corporation may, at its option, declare this contract forfeited and resume possession and control of said wharf. At the expiration of the five year period, if the parties hereto cannot agree upon the terms for the further use or operation of the said wharf by the said Railroad Company, or as to the equities of the respective parties, it is agreed that such equities shall be submitted for determination to arbitration, one arbitrator to be selected by each party, and the two so chosen to name the third, and their award to be as final.

PROVIDED, that before the said Peoples Railroad Company shall be entitled to take possession of, operate, or secure the revenues of said wharf, it shall have built at least one mile of track connecting with said wharf and provided suitable means of transportation thereover, in addition to making satisfactory arrangements as provided herein, with the holders of certificates in said wharf, all of which must be done within the year 1913.

IN WITNESS WHEREOF, the said parties have caused this instrument to be executed in accordance with their constitution and by-laws.

FAIRHOPE SINGLE TAX CORPORATION,

BY MARION SMITH,
PRESIDENT.

ATTEST:

E. B. GASTON, SECRETARY.

PEOPLES RAILROAD COMPANY,

BY E. B. GASTON,
PRESIDENT.

ATTEST:

E. G. DOUGHERTY, SECRETARY.

STATE OF ALABAMA,
BALDWIN COUNTY.

I, George W. Wood, a Notary Public in and for said County in said State, hereby certify that Marion Smith, whose name as President of Fairhope Single Tax Corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 25th day of January 1913.

George W. Wood,
Notary Public.

(Notary's Seal).

STATE OF ALABAMA
BALDWIN COUNTY.

I, George W. Wood, a Notary Public in and for said county in said State, hereby certify that E.B.Gaston, whose name as President of Peoples Railroad Company, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that being informed of the contents of the conveyance, he, as such officer, and with full authority, executed the same voluntarily, for and as the act of said corporation.

Given under my hand this 25th day of January,

George W. Wood, Notary Public.

1913.

(Notary's Seal)

AGREEMENT FOR EXTENSION OF FAIRHOPE WHARF.

Exhibit E,

THIS AGREEMENT made this 12th day of October 1921, by and between the Fairhope Transportation and Excursion Company (a corporation) the Peoples Railroad Company, (a corporation) and the Fairhope Single Tax Corporation, all of Fairhope, Alabama, WITNESSETH:

THAT WHEREAS, the said Fairhope Transportation and Excursion Company desires to have an extension of the wharf at Fairhope in order to have a better and safer landing and berthing space for its steamer "Bay Queen" and the Peoples Railroad Company, at present controlling said wharf under agreement with the Fairhope Single Tax Corporation, and the said Fairhope Single Tax Corporation, owner of said wharf, both deem the said wharf extension to be desirable, but neither is willing to make the same nor to assume indebtedness therefor which should have priority over other outstanding obligations, and

WHEREAS, the said Fairhope Transportation and Excursion Company is willing to make the said extension at its own expense, subject to repayment for the same without interest as hereinafter provided, now

THEREFORE, it is agreed between the said parties that the said Fairhope Transportation and Excursion Company is hereby authorized to make the proposed wharf extension, the same to be of the width of the present pierhead and extended not to exceed seventy-five (75) feet; plans and specifications of the said extension to be approved by the presidents of the Peoples Railroad Company and of the Fairhope Single Tax Corporation respectively.

IT IS FURTHER AGREED that on completion of the said extension the Fairhope Transportation and Excursion Company shall furnish to the Peoples Railroad Company and the Fairhope Single Tax Corporation, a statement of the cost of the said extension which said amount shall be endorsed on this instrument and the said Fair. Trans. & Exc. Co., shall thereupon be deemed by all parties hereto to have made an investment in the said Fairhope Wharf to the amount of such reported cost of such extension, to be repaid, without interest, as soon as may be done from the earnings of said wharf, by the Peoples Railroad Company, (but not to have priority over present obligations of the said P.R.R.Co.,) or by the Fairhope Single Tax Corporation should it resume possession of the wharf before the said amount is repaid, (but not to have priority over any obligations of the P.R.R.Co. assumed by the Fairhope Single Tax Corporation).

IT IS FURTHER AGREED that should a sale or transfer of the wharf property be made to the Town of Fairhope or to any other party before the cost of such extension is repaid to the Fairhope Trans. & Exc. Co., the claim of the said Fairhope Trans. & Exc. Co., shall become due and payable, unless further extension of time of payment be agreed to by said company.

IT IS FURTHER AGREED, THAT the said wharf extension when made shall become a part of the wharf property and be under the control and administration of the Peoples Railroad Company or of the Fairhope Single Tax Company, whichever may properly be in charge thereof, the same as any other part of the wharf and usable by all vessels landing at said wharf.

IN WITNESS WHEREOF, the respective corporations parties hereunto, by their presidents duly authorized so to do, execute this agreement, this 20th day of October, 1921.

PEOPLES RAILROAD COMPANY,
BY E. B. GASTON, PRESIDENT.

FAIRHOPE SINGLE TAX CORPORATION,
BY A. H. MERSHON, PRESIDENT.

FAIRHOPE TRANSPORTATION & EXC. COMPANY
BY W. P. MINNICH, PRESIDENT.

WITNESS:

W. C. MASON
C. A. GASTON.

State of Alabama) S.S.
County of Baldwin)

E. B. Gaston, being by me duly sworn on oath says, that he is the publisher of the Fairhope Courier, a newspaper of general circulation, published weekly at the Town of Fairhope, in said county and State; that the attached Notice to Creditors to present claims against the Peoples Railroad Company,

was published three times in the regular issues of the said newspaper, to-wit, in the issues of ~~the~~ April 22nd, May 27 and June 3, 1926

E. B. Gaston

Subscribed and sworn to before me this 12th day of June, 1926

**Time Extended for
Filing Claims Against
The Peoples Railroad Co.**

Notice is hereby given that the time for filing claims with me against the Peoples Railroad Company was this day extended by Hon. John D. Leigh, Judge of the Circuit Court to June 15th, in the case of Fiske Warren vs. Peoples Railroad Company, et als., pending in said court, seeking the dissolution of the said corporation, the Peoples Railroad Company and winding up of its affairs. All claims not filed by the bond holders or other creditors of said corporation, on or before June 15th, 1926, will be barred from participation in the distribution of the assets of said corporation.

Given under my hand at Bay Minette, this the 13th day of April, 1926.
T. W. Richerson, Register of the Circuit Court. 37-3t

Gladys Lowell
Notary Public Baldwin Co. Ala.



*Received for
above publication*

\$4.14

E. B. Gaston

The Fairhope Courier

ERNEST B. GASTON, Ed. & Pub.

COMMERCIAL PRINTING
ADVERTISING

"THE LINOTYPE WAY"

FAIRHOPE, ALA.

To Wind Up Affairs Of Peoples R. R. Co.

FISKE WARREN, COMPLAINANT,
VS
PEOPLES RAILROAD COMPANY,
et al., Respondents.

IN CIRCUIT COURT OF BALDWIN
COUNTY, ALABAMA, IN EQUITY
NOTICE TO CLAIMANTS TO
PRESENT CLAIMS

Pursuant to an order made in the above entitled matter, by the Honorable John D. Leigh, Judge of the Circuit Court, on the 20th day of January, 1926, all persons having claims of any kind or nature against the PEOPLES RAILROAD COMPANY, are hereby requested, notified and directed to file the same with the Register of the Circuit Court of Baldwin County, Alabama, at his office in Bay Minette, in said county and state, on or before the 31st day of March, 1926, or that such claims will be barred from participation in the distribution of the assets of said corporation.

Dated at Bay Minette, Ala., this 27th day of February, 1926.

T. W. RICHEYSON,
Register of Circuit Court.
30-35.

e of Alabama
Baldwin County

F.B.Gaston being first duly sworn, hereby certifies that he is publisher of The Fairhope Courier, newspaper published in Fairhope, Baldwin County, Alabama, and that the attached Notice To Claimants to Present same, in the case of Fiske Warren Complainant, vs Peoples Railroad Company, was published in the Fairhope Courier three times to wit; on ~~the~~ March 4th, March 11th and March 18, 1926

Witness my hand this 29th day of April, 1926

E.B. Gaston

Subscribed and sworn to before me this 30th day of April

1926

Gladys Lowell
Notary Public Baldwin County
Alabama

153 Words 34 at 3/2c \$5.36

ESTABLISHED 1894

The Fairhope Courier

ERNEST B. GASTON, Ed. & Pub.

COMMERCIAL PRINTING
ADVERTISING

THE LINO TYPE WAY

FAIRHOPE, ALA.

State of Alabama
Baldwin County,

E.B. Gaston being first duly sworn hereby certifies that he is publisher of The Fairhope Courier, a newspaper published at Fairhope, Baldwin County, Alabama and that the attached Notice of Sale of Personal property, in case of Fiske Warren Complainant vs Peoples Railroad Company respondent, was published in the said Fairhope Courier in the issue of July 24, 1925.

In Witness My hand this 29th day of April, 1926

E.B. Gaston

Subscribed and sworn to before me this 30th day of April,

1926

Gladys Lowell
Notary Public Baldwin County
Alabama

Legal Notice.

In Circuit Court
of Baldwin County
Alabama
In Equity
Fiske Warren,
Complainant,
VS
Peoples Railroad Co., et al.,
Respondents.

NOTICE OF SALE

Under and by virtue of an order entered in the above entitled matter on the 16th day of July, 1925, by the Honorable John D. Leigh, Judge of said Court, the Receiver of the above named Peoples Railroad Company will sell, at private sale, to the highest bidder, for cash, the following described personal property: tram car, shed, railroad ties, and piling or trestle timbers. Bids will be received on any or all of such items up to and including the 31st day of July, 1925
Edward P. Totten, Receiver.

Received for above Feb 8-20-1925
\$171

E.B. Gaston
Pub.

FAIRHOPE SINGLE TAX CORP.

ADMINISTERING
FAIRHOPE SINGLE TAX COLONY
ESTABLISHED 1895

FAIRHOPE, ALA.

April 14, 1936

Register Circuit Court,
Bay Minette, Ala.

Dear Sir:-

We hereby present for participation in the distribution of the assets of the late Peoples Railroad Company, bonds Numbers 941, 942, 943, 944 and 945 in the hands of this corporation for a valid consideration

Yours respectfully

FAIRHOPE SINGLE TAX CORPORATION,

By

E. B. Gaston

Secretary

JAMES H. WEBB
TAZEWELL T. SHEPARD

LAW OFFICES OF
WEBB & SHEPARD
VAN ANTWERP BUILDING
MOBILE, ALABAMA

September 24, 1926.

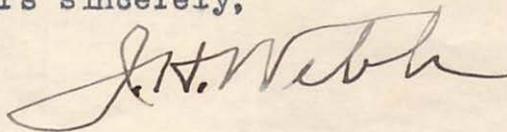
Hon. Hohn D. Leigh,
Brewton, Ala.

Dear Judge:

I am enclosing you herewith brief in the Peoples Railroad Company case, if which I have furnished a copy to Mr. Rickarby, the only other firm of lawyers that I know of appearing in the case.

I am also enclosing an order, which please sign in order that the Receiver's bond may be discharged.

Yours sincerely,



JHW/J.
encl.

FISKE WARREN,)
vs.)
PEOPLES RAILROAD COMPANY,)

BRIEF ON QUESTION OF DISTRIBUTION OF ASSETS.

In considering this question from an equitable standpoint, there are several points of view. Claims have been filed by the bondholders, including Mr. Warren, who also files claim for amount due by the contract under which he furnished rails for the building of the road; also claim is filed by the Fairhope Transportation & Excursion Company, under contract made with the Peoples Railroad Company, and Fairhope Single Tax Corporation, for the improvement of the wharf.

The Fairhope Single Tax Corporation is one organized under a law which I drafted and had passed for the purpose, and providing for those not intended for profit in the sense of paying dividends. By its constitution it is not allowed to create any interest bearing indebtedness, but through the cooperation of its friends and members built a wharf and pier, which was essential to the Colony's development, and income therefrom, finally paid for the expenditure, giving non-interest bearing certificates to those helping. Some of the leaders in the corporation believed that a railroad connection with the L. & N. at Robertsdale was very desirable, hence the organization of the Peoples Railroad Company, under the non profit law. The Fairhope Single Tax Corporation, in a contract attached to the bill,

reciting that the Peoples Railroad Company was organized not for profit, but the public good and its success would be of great benefit to the Colony, donated certain property to be held during the existence and operation of the road, and turned over to it the operation of the wharf. It should be borne in mind, as before stated, that the Fairhope Single Tax Corporation expends every dollar of its net income for the benefit of its lessees, and local improvements, and this arrangement it made with the Peoples Railroad Company, operated by some of its members, was not for the purpose of making any profit, but really relieving itself of the care and operation of the wharf, which was no part of the single tax scheme. The reason for the organization of this separate non-profit corporation was that it was contemplated an interest bearing bond issue would be necessary for the completion of the enterprise, and the Fairhope Single Tax Corporation could not make one.

In the prosecution of the scheme, a bond issue of one hundred fifty thousand (\$150,000.00) dollars by the Peoples Railroad was attempted, but these bonds were not attractive, as an investment, and only a small number of them were sold and used in the building of the first mile of the railroad, which was not deserving of the name, as it did not get beyond the corporate limits and served only as an adjunct to the wharf in the hauling of freight and passengers.

Mr. Warren, a Single Taxer, in addition to taking some of the bonds, furnished the rails as before stated. The Fairhope Transportation & Excursion Company desired better landing facilities at the end of the pier, and entered into the contract with the Peoples Rail-

road Company and Fairhope Single Tax Corporation attached to the bill and set out in the petition of said Transportation Company, filed in this cause. It will be observed that such improvements were made particularly for the convenience of this company, which was ^{not only} furnish- ing splendid service of greatest benefit to Fairhope, but serving a large territory, adjacent thereto, and it is stipulated in the contract that this improvement should be considered as an investment and paid for out of wharf earnings in no specified time, without interest, and that this indebtedness shall not be given a priority over any other indebtedness of the Peoples Railroad Company is mentioned in the contract three times.

It may be contended by the Transportation Company, that by reason of the fact that the fund in Court was probably realized from the earnings of the wharf, from which it was contemplated this indebtedness should be paid, it was thereby constituted a separate fund, to be set apart for the liquidation of this indebtedness, and should ~~not~~ be so applied until such liquidation. However that cannot be the true meaning of the contract for the reason that the Railroad Company had no other source from which to pay its indebtedness, and therefore if all of this was to be applied first to the payment of same, the multiplied use of the word priority in the contract was redundance in large measure. Is it not more reasonable to say that the parties at that time recognized that the days of the Peoples Railroad Company were numbered and it must soon pass out of existence, and in doing so some of the other creditors should have a showing; that it was in contemplation that under the contract with Warren he would claim the iron, or steel rails; that the rotting cross ties would be an incumbrance, rather than an asset after the rails were