

under the direction and superintendence of the joint Executive Committee, for the appointment of which provision is hereinafter made, and according to such rules, regulations and resolutions as shall from time to time be made by the Executive Committee, and shall be confirmed by the Board of Directors of both Companies, or not disallowed by the Board of Directors of either company, or in case of disallowance by the Board of Directors of one only of the companies shall be confirmed on reference to a referee as hereinafter provided." By clause two it is further agreed that "for the purposes of such working as aforesaid, all the locomotives and other rolling stock, vessels, equipment, and plant, and all the stoves, tools and other moveable property of the Northern Company, and of the North-Western Company, shall throughout the said term be used by both companies, and shall accordingly on the date hereinafter fixed for the coming into operation of this agreement be placed, and throughout the said term shall remain at the disposition of the two companies and subject to the control of the Executive Committee as hereinafter provided." The agreement then proceeds to provide for an inventory being made of the rolling stock, etc., and as to the dealing with the same, and as to the stations, sidings, etc., and as to the payment of working expenses, etc., and that working expenses shall include (a) all rates, taxes, insurance and compensation for accidents, losses and damages. It provides further for the percentage of net earnings to be received by each company, and for the appointment of the Executive Committee by the Board of each of the railways.

Clause 13 thus defines the power of the Executive Committee, "The Executive Committee for the time being shall have power to make by-laws, not inconsistent with the provisions of this agreement for the regulation of their meetings and business, including the appointment of sub-committees, the fixing the quorum necessary for the transaction of business, the mode of giving notices, and all other matters which may be necessary or expedient for the due and convenient conduct of their business; but all such business shall, before becoming operative, require to be confirmed by the Board of Directors of the companies respectively, or in case of difference between the Boards by the referee, as herein provided, with reference to rules, regulations or resolutions of the Executive Committee."

Clause 19 further provides that "The Executive Committee shall have and exercise all powers and functions which shall be required for