

Failure to insure.

doing as is properly chargeable to maintenance and operation, less the amount of the insurance, if any, which may be received in respect of the damage or destruction thereof, shall be included in the account of Maintenance and Operation, and shall be apportioned between the parties hereto as provided by Paragraph 39 hereof, and the balance of such cost shall be included in the Capital Account, of which the National shall bear an equal share, as provided by Paragraph 36 hereof; provided, and it is understood and agreed that while it is the intention of the Pacific to insure and keep insured in accordance with its usual practice either in its own Insurance Fund or with an Insurance Company or Companies during the continuance of this Agreement against loss by fire, all the buildings and other property forming part of the Joint Section, for such amounts from time to time as will in the opinion of its Insurance Commissioner reasonably protect the same against loss, no liability of any kind shall rest upon the Pacific if such intention to insure and keep insured is not carried out, whether by reason of negligence or omission on the part of the Pacific, its Insurance Commissioner, or otherwise, or by reason of breach of conditions of any policy or contract of insurance which would void the same or give the Insurance Company a defence to any action upon the policy or contract.

Insurance of separate property.

30. Neither party shall be required or be liable to insure any property of the other party, nor shall the operating expenses of the Joint Section include any outlay on account of insurance of cars, rolling stock, engines or other property of any kind of either party or which may be in its charge, except switch engines which may be used in joint service.

Admission of other railways.

31. In case the parties hereto admit another Railway Company or Companies to the use of the Joint Section or any portion thereof, the Pacific shall collect all moneys owing for or on account of or in connection with such use by any other Railway Company and shall credit the same in their proper proportions to the Capital and Maintenance and Operation Accounts hereinafter provided for, and the parties hereto shall benefit thereby accordingly, but in the event of failure to make collection in any case the amount shall be charged back to the respective accounts to which it may have been credited.

Leases to outside parties.

32. Any lease to any outside party of any portion of the Joint Section, for exclusive occupation by such outside party shall be by and in the name of the Pacific as Lessor for the benefit of the parties to these presents, and the net rentals and other payments arising therefrom shall be credited in their proper proportions to the Capital and Maintenance Accounts hereinafter provided for, and the parties hereto shall benefit thereby accordingly, and the responsibility for collecting such rentals shall be with the