#256043 STATE OF ILLINOIS) SS Filed for record this 27th day of June, A.D. 1985 at
COUNTY OF MERCER) 10:30 o'clock A.M. and recorded in book 405 on page 805.

Lorena R. Johnson
Recorder of Deeds

DRAINAGE AGREEMENT

THIS AGREEMENT is made this 12th day of June, 1985 between FRED OLSON and LELIA OLSON, husband and wife, hereinafter referred to as OLSON, FIRST NATIONAL BANK OF THE QUAD CITIES, as Trustee under Land Trust No. 1222, established for the heirs of HUGH O'MALLEY, hereinafter referred to as O'MALLEY, JOHN J. CALLAHAN and MARJORIE CALLAHAN, his wife, hereinafter referred to as CALLAHAN, MICHAEL PALMER and CYNTHIA PALMER, his wife, hereinafter referred to as PALMER, and KATHY HERMAN and STEVE HERMAN, her husband, hereinafter referred to as HERMAN, and ALAN R. CALLAHAN LTD., a corporation, hereinafter referred to as A. CALLAHAN.

WHEREAS, OLSON is the owner of real estate described as follows:

The East 92 acres of the Fractional Northeast Quarter (NE1/4) of Section Five (5), Township Twelve (12) North, Range Four (4) West of the Fourth Principal Meridian, Henderson County, Illinois.

AND WHEREAS, O'MALLEY is the owner of real estate legally described as follows:

Lot 2 of the Northeast Quarter of Section 32, containing 158 acres, more or less, AND Lot 2 of the North Half of the Southeast Quarter of Section 32, containing 76.67 acres, more or less, AND ALSO, the South Half of the Southeast Quarter of Section 32, all in Township 13 North, Range 4 West of the Fourth Principal Meridian, Mercer County, Illinois.

AND WHEREAS, CALLAHAN is the owner of the following described real estate:

Lot One (1), containing 167.86 acres; Lot Three (3), containing 1.00 acre; and the West 22½ feet of even width of Lot Two (2); all in the Subdivision of the Southeast Quarter (SE1/4) of Section Twenty-nine (29) in Township Thirteen (13) North, Range Four (4) West of the Fourth Principal Meridian, reference being had to the plat of said Subdivision filed in Plat Book "A" on page 23; all in the County of Mercer and State of Illinois.

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AND WHEREAS, PALMER is the owner of real estate described as follows:

The East Half (E1/2) of the Northeast Quarter (NE1/4) of Section Twenty-nine (29), Township Thirteen (13) North, Range Four (4) West of the Fourth Principal Meridian, Mercer County, Illinois.

AND WHEREAS, HERMAN is the owner of real estate described as follows:

The West Half (W1/2) of the Northeast Quarter (NE1/4) of Section Twenty-nine (29), Township Thirteen (13) North, Range Four (4) West of the Fourth Principal Meridian, Mercer County, Illinois.

AND WHEREAS, A. CALLAHAN is the owner of the following described real estate:

The Northeast Fractional Quarter less the East 92 acres thereof and the East Half (E1/2) of the Northwest Fractional Quarter; all situated in Section Five (5) of Township Twelve (12) North, Range Four (4) West of the Fourth Principal Meridian, Henderson County, Illinois, containing 100.2 acres, more or less.

WHEREAS, the parties have agreed to a course of drainage across all of the above described real estate commencing on the PALMER and HERMAN property and flowing through the CALLAHAN and O'MALLEY properties onto and through the OLSON and A. CALLAHAN properties.

AND WHEREAS, a certain easement was created by judicial order in case number 3781 filed in the Circuit Court of Mercer County in a case captioned Ditto, et al., Plaintiffs, vs. O'Malley, et al., Defendants, and that said easement concerns the flow of water across the land of Olson above described and certain lands of O'Malley above described.

AND WHEREAS, the parties hereto desire to install a drainage facility for the mutual benefit of all the parties to this agreement as well as to any other parties who wish to join in this agreement at a future date.

NOW THEREFORE, in consideration of the foregoing recitals and the terms, conditions and covenants hereinafter set forth, the parties hereto do

agree as follows:

1. A drainage ditch shall be constructed along the following route with consideration to be given during the construction of said ditch so as to cause said drainage ditch to lie on field boundary lines wherever possible and to follow the surveyed drainage course across the above described tracts of real estate as close as possible:

> Commencing on the South line of the OLSON property at the natural drainage low point, thence West on the OLSON property to the OLSON/A. CALLAHAN boundary line, thence North one-half (1/2) on the OLSON property and one-half (1/2) on the A. CALLAHAN property to the O'MALLEY property, thence in a northerly direction across the O'MALLEY property following the natural drainage low point to the CALLAHAN property, thence in a northerly direction across the CALLHAN property to the point where the CALLHAN, HERMAN and PALMER properties all meet, thence northerly one-half (1/2) on the PALMER property and one-half (1/2) on the HERMAN property to the North line of Section Twenty-nine (29) in Township Thirteen (13) North, Range Four (4) West of the Fourth Principal Meridian, Mercer County, Illinois.

Said drainage ditch shall be constructed so as to have adequate "fall" from the PALMER and HERMAN properties through the OLSON and A. CALLAHAN properties. The ditch shall be of such width and depth as necessary to carry the water drainage from the above tracts of real estate with an a bottom width to average 6-8 feet and a maximum top width of 40 feet.

2. All spoil banks from the excavation of the aforementioned ditch shall be spread in a good and workmanlike manner evenly over the real estate owned by the parties hereto from which the spoil was removed. The spoil shall be spread up to 200 yards on either side of the ditch so as to leave the property through which the ditch passes at or close to the same elevation as prior to construction of said ditch. No dirt may be removed from the property of any of the above property owners without their written consent. Such spoil banks

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shall be spread within 12 months of their excavation. The spoil bank on the South end of the OLSON property shall be left intact so as to act as a levee. OLSON and A. CALLAHAN may install a tube and trap through the spoil banks on their respective properties inorder to surface drain their respective properties. In the event that the drainage ditch is abandoned within 12 months of the date of the agreement, O'MALLEY, CALLAHAN, PALMER and HERMAN shall restore the A. CALLAHAN and OLSON properties to their original grades.

3. Each of the parties hereto grants to all of the other parties hereto the rights of ingress and egress to the above described real estate for purposes of inspection, repair and maintenance to the aforementioned ditch. In the event that entry is required upon the lands of any party hereto at a time when there are growing crops upon such premises, the other parties hereto shall reimburse any other party whose crops are damaged by the utilization of such ingress and egress. The compensation for crops damaged shall be paid according to the actual damages incurred given the time of year, crop prices and condition of the crop existing at the time of damage.

4. The cost of the excavation of the aforementioned drainage ditch through the OLSON property, between the OLSON and A. CALLAHAN properties and across public right-of-ways shall be borne in the following proportions: CALLAHAN 160/640; O'MALLEY 320/640; HERMAN 80/640 and PALMER 80/640. As to the remainder of the cost of excavation of the drainage ditch, such cost shall be borne by the owner of the tract of land across which the drainage ditch is excavated. In addition, OLSON shall pay the cost of the removal of the buildings located upon his tract of land that lie upon the proposed course of the drainage ditch down to the foundation. The removal and burial of the foundation of the OLSON buildings shall be treated as a cost of excavation of said ditch across the OLSON land. The cost of maintenance, repair and upkeep of the ditch across

the OLSON land, between the OLSON and A. CALLAHAN property and across public right-of-ways shall be borne by O'MALLEY, HERMAN, PALMER and CALLAHAN in the same proportion as the cost of the excavation of said ditch. The cost of maintenance, repair and upkeep of the ditch across all other lands described herein shall be borne by the owner of such tract. For purposes of facilitating coordination of the construction of the ditch and in collecting the construction funds from the parties hereto, JOHN CALLAHAN is named as agent for the parties hereto for such duties. The agent shall bill out monthly each party's prorata share of the construction, maintenance or repair costs of the drainage ditch. The agent shall have no authority to expend funds in excess of $500.00 without the written consent of all the parties hereto. The agent shall have no authority to change construction plans without the written consent of all parties hereto. In the event that a monthly assessment is not paid within 30 days of its billing, such assessment shall begin to accrue interest at the annual percentage rate of 14% per annum until paid. The parties hereto agree that any unpaid monthly assessment for construction, maintenance or repair shall shall become a lien against the real estate of the party so assessed upon more than 60 days elapsing from the billing date without payment in full. No such lien shall be imposed on the OLSON or A. CALLAHAN real estate. Any such lien shall become effective upon the filing by the agent of a lien notice with the applicable county recorder of deeds office and the mailing by ordinary mail to the proper party a copy of such lien notice. The aforementioned agent shall serve without salary but shall be entitled to reimbursement for his out of pocket expenses including but not limited to telephone charges, postage and mileage at a rate no greater than that allowed by the Internal Revenue Service for mileage paid. The agent shall keep accurate records of his expenses and mileage. The agent shall continue to serve until a majority of the parties hereto request that another

person be named such agent or that the agent voluntary steps aside in which case by a majority of the owners of the real estate hereinbefore described may appoint a new agent. The agent shall be responsible for inspection of the drainage ditch and to keep said ditch free from brush and other debris and to keep the ditch in good repair.

5. The plans for the construction of the aforementioned ditch shall be submitted to all the above property owners for their inspection prior to commencement of construction work. If any party hereto has objections to the to the construction plans, such objections shall be placed in writing and delivered to all other parties hereto within five (5) days of the receipt of the construction plans. All the parties hereto shall use good faith to resolve amongst themselves any problems arising from the construction of said ditch. In the event of any unresolved disagreement in regard to the construction plans, such disagreements shall be presented to an arbitration panel consisting of the Mercer County Soil and Water Conservationsist and the Hendrson County Soil and Water Conservationist and a third party to be chosen by the two of them. All parties hereto shall then submit, either orally or in writing, their objections to the proposed plan to this arbitration panel and the decision of the arbitration panel shall be final an irrevocable. It is the goal and purpose of all parties hereto to effect the maximum drainage benefits for the least cost incurred and with these guidelines in mind, along with all other terms, conditions and covenants hereinafter set forth which are not inconsistent with these goals, shall be used as guidelines by the arbitration panel. The parties hereto have chosen the arbitration method of resolving disputes so as to provide for a quick and expeditious method of resolving any disputes regarding the construction of the drainage ditch. To this extent, no party hereto shall unreasonably delay any decision to be made by the arbitration panel. The arbitration panel shall allocate its costs and expenses to the parties hereto as

it deems appropriate. In the event of any dispute arising from the operation, maintenance or repair of the drainage ditch, any party hereto may apply to a court of competent jurisdiction for an order declaring the rights of all parties hereto. The court shall allocate the expenses and costs of such declaratory action according to the equities of the case.

6. Upon completion of the above described drainage ditch, O'MALLEY shall at its expense, close off and permanently seal over the drainage tile that was the subject of case number 3781 in the Circuit Court of Mercer County, Illinois. To the extent that the easement created in case number 3781 serves lands other than those hereinabove described, O'MALLEY shall hold OLSON harmless for any claims that may arise against OLSON by virtue of the closing off of said drainage tile. In addition, O'MALLEY, PALMER, HERMAN and CALLAHAN agree to hold A. CALLAHAN and OLSON harmless for all claims and expenses that they may incur by reason of damage caused by the drainage ditch to landowners below the OLSON and A. CALLAHAN real estate.

7. Any party hereto who desires to build a crossing or bridge over the aforementioned drainage ditch may do so at his own cost provided that such crossing or bridge does not impede the flow of water through the ditch. HERMAN, PALMER, CALLAHAN and O'MALLEY hereby agree to install a culvert or appropriate substitute therefore at the Southwest Corner of the OLSON property at their cost.

8. Only lands above described may be drained into the aforesaid drainage ditch. Any existing field tile or drainage ditch may be drained into said ditch without further notice to the other parties hereto provided that such ditch or tile does not drain other lands not above described. In the event other lands are sought to be drained into said ditch, the written permission of all parties hereto must be obtained prior to commencement of the drainage work and after such permission has been obtained and the new lands brought into the

drainage system, such addition lands shall then share prorata in all future maintenance and repair costs. Any such additional lands shall further share in the original construction costs of the aforesaid drainage ditch based on a 15 year depreciation schedule of the costs incurred in the construction of such drainage ditch and the maintenance and repairs thereto since the construction. Such share of costs shall be a prorata share based on the number of additional acres added to the drainage area.

9. O'MALLEY, PALMER, HERMAN and CALLAHAN shall hold OLSON and A. CALLAHAN harmless for all expenses and costs, including attorney fees, arising from any claims made by landowners, their agents or governmental authorities arising from the construction, operation, maintenance or repair of the aforesaid drainage ditch. In the event of any claim is made against OLSON or A. CALLAHAN, they shall immediately notify the agent appointed previously in this agreement. The other parties to this agreement shall have the right to choose appropriate legal counsel to represent their interests as well as the interests of OLSON and A. CALLAHAN against such claim.

10. O'MALLEY, HERMAN, PALMER and CALLAHAN shall be responsible in their proportionate shares for all brush maintenance and control along the aforementioned drainage ditch. In the event that more than 3 years elapse without effective brush maintenance or control, this agreement may be terminated by OLSON or A. CALLAHAN, however, before any such termination of this agreement is declared, the party seeking to so terminate shall send a notice by certified mail, return receipt requested, to all other parties to this agreement giving them 30 days to commence to cure and correct the brush problem prior to actual termination taking place. After a notice to terminate has been sent, the responsible parties shall have 6 months to complete the elimination and control of the brush.

11. All parties hereto shall at least every 3 years jointly inspect the

ditch for the need to dredge out silted in material. All parties hereto shall unanimously agree to dredge or not to dredge as the case may be.

12. A. CALLAHAN is hereby authorized to surface drain not more than 20 acres from the Southwest Corner of the Southwest quarter of Section 29, Township 13 North, Range 4 West of the Fourth Principal Meridian, Mercer County, Illinois, into the aforementioned drainage ditch.

13. This agreement shall be reviewed on or before June 1, 2000 by the parties hereto or their successors. The purpose of the review is to provide for the continued operation, maintenance and repair of the drainage ditch. The agent hereinbefore appointed shall notify all necessary parties of the time and place of meeting to consider such a review. A review of this agreement may be scheduled any time sooner by any party hereto by sending notice to all the other parties hereto by certified mail, return receipt requested of the time and place of any such meeting. In the event of any review, any proposed changes must receive the unanimous consent of all the parties hereto.

14. This agreement shall be binding upon the heirs, legal representatives, successors, assigns and transferees of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have set their hands the date and year first above written.

Fred Olson
FRED OLSON

Lelia Olson
LELIA OLSON

FIRST NATIONAL BANK OF THE QUAD CITIES,
Trustee Under Land Trust No. 1222

BY: Harry VanderPloeg
Trust Officer

John A. Callahan
JOHN CALLAHAN

Margie Callahan
MARGIE CALLAHAN

Michael J. Palmer
MICHAEL PALMER

Cynthia A. Palmer
CYNTHIA PALMER

Kathy Herman
KATHY HERMAN

Steve Herman
STEVE HERMAN

ALAN CALLAHAN LTD.

BY: Alan Callahan LTD
its president

State of Illinois)
) SS
County of Mercer)

I, the undersigned notary public in and for the County and State aforesaid, do hereby certify that John Callahan and Margie Callahan, his wife, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 12TH day of JUNE,

RONALD D. FULLER NOTARY PUBLIC MERCER COUNTY, ILL.

Ronald D. Fuller
Notary Public
my commission expires: July 15, 1985

State of Illinois)
) SS
County of MERCER)

I, the undersigned notary public in and for the County and State aforesaid, do hereby certify that Fred Olson and Lelia Olson, his wife, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 17th day of June, 1985.

SHARON L. REDSON NOTARY PUBLIC MERCER COUNTY, ILL.

Sharon L. Redson
Notary Public
my commission expires: 2-28-86

State of Illinois)
) SS
County of Mercer)

I, the undersigned notary public in and for the County and State aforesaid, do hereby certify that Michael Palmer and Cynthia Palmer, his wife, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged

that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 12TH day of JUNE, 1985.

Donald L. Fullerton

Notary Public
my commission expires: July 15 1985

State of Illinois)
) SS
County of Rock Island)

I, the undersigned notary public in and for the County and State aforesaid, do hereby certify that Steve Herman and Kathy Herman, his wife, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 17th day of JUNE, 1985.

Sharon L. Reitan

Notary Public
my commission expires: 2-28-86

State of Illinois)
) SS
County of MERCER)

I, the undersigned notary public in and for the County and State aforesaid, do hereby certify that Alan Callahan, personally known to me to be the President of Alan Callahan LTD., a corporation, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such President he signed and delivered the said instrument as his free and voluntary act and the free and voluntary act of the corporation pursuant to authority given by the Board of Directors for the uses and purposes therein set forth.

Given under my hand and notarial seal this 17th day of June, 1985.

Sharon L. Reitan

Notary Public
my commission expires: 2-28-86

State of Illinois)
) SS
County of Rock Island)

I, the undersigned notary public in and for the County and State aforesaid, do hereby certify that Gary Vandevelde, personally known to me to be the Trust Officer of the First National Bank of the Quad Cities and Trustee of Land Trust #1222 held by the First National Bank of the Quad Cities,

a corporation, and whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Trust Officer and Trustee he signed and delivered the said instrument as his free and voluntary act and the free and voluntary act of the corporation and trust pursuant to authority given by the Board of Directors of the corporation and beneficiaries of the trust for the uses and purposes therein set forth.

Given under my hand and notarial seal this 26th day of June,

Andrea L. Ackerman
Notary Public
my commission expires: Sept. 18, 1985

This instrument prepared by:

Karl Bredberg
Attorney at Law
403 SE 3rd Ave.
P.O. Box 208
Aledo, Illinois 61231
phone 582-7838