

of first part, sending to party of first part a true and accurate copy of the same, and remitting in cash immediately for what amount, if any, is due party of first part, after comparing amount of dressed lumber and mouldings on hand with the amount shipped and remittances received at date of inventory.

It is mutually agreed and understood:

1st That this agreement is in no way to prevent or hinder the party of the first part from selling lumber to cotton shills or other large consumers because it is clearly understood and mutually agreed upon that this agreement does not apply to business of this kind, but solely to the business of selling dressed lumber and mouldings to retailers of lumber for retail purposes or other purposes.

2nd. That all orders are subject to the approval of the party of first part, but said party of the first part shall not have the authority to ship any goods for which no order has been given without previously obtaining the consent of the party of the second part.

3rd. That this agreement is binding for a period of five years from the first day of September nineteen hundred and one, - that is to say until the first day of September, nineteen hundred and six, unless sooner terminated as hereinafter set forth.

4th. This agreement may be terminated by either party by giving the other party sixty days notice of their election to do so.

5th. When such notice as stated in Paragraph 4 is given, the party of the first part shall have the right to immediately take charge of all dressed lumber and mouldings on hand, giving the account of the party of the second part credit for same at invoice price, and the party of the second part agrees that the said dressed lumber and mouldings, or any part thereof, may remain within their sheds or in their lumber yards for a period not to exceed sixty days from the date the notice of the termination of this agreement was given, which notice may have been given by either party.

In case the party of the first part does not exercise or use the rights given under Paragraph 5, then, and only in that event, the following is

mutually agreed upon:

At the expiration of this agreement, or when ever it may be terminated, it is mutually agreed and understood:

(1) That the party of the second part shall have the right to buy from the party of the first part all the dressed lumber and mouldings on hand at invoice price less three per cent for deterioration in value and for discount, provided, however, that the party of the second part shall notify the party of the first part of their election to do so within thirty days after the notice of termination the contract is given, which notice may have been given by either party.

(2) In case the party of second part does not exercise or use the right given it under Paragraph (1) as above, then the party of the second part will allow the party of the first part any one of the following three plans of settlement, at the pleasure and option of the party of the first part:

(a) The party of the second part will continue to sell the dressed lumber and mouldings of the party of the first part for a period not longer than three months, and under the same terms and conditions of this agreement, except that what dressed lumber and mouldings the party of second part may need to buy within the above named three months, they may buy from whoever they wish; however nothing to be bought that could conflict and retard the sales of the dressed lumber and mouldings of the party of the first part. At the expiration of three months named above, what dressed lumber and mouldings might still be on hand, the party of the second part will allow the party of the first to remove same and take away at its expense.

(b) Or, the party of the second part will rent to party of first part its lumber yard and all appurtenances and conveniences thereto, save and except the large two story warehouse used for storage of lime, cement, paints, etc., and additions thereto such as platforms, scales, vaults, etc., situated on or near Gas Street, also their coal yard