

THIS MEMORANDUM OF CONTRACT between Aimee L. Tourgee of the town of Mayville, State of New York, of the FIRST PART and The D. D. Merrill Company, Publishers, of the City of St Paul, State of Minnesota, of the SECOND PART:

WITNESSETH: That in consideration of the mutual advantage to be derived from the premises hereinafter recited, the said parties do covenant and agree with each other as follows:

1. The said party of the FIRST PART, being the owner and copyrighter of a book entitled "OUT OF THE SUNSET SEA", written by Albion W. Tourgee and now running in serial form, stipulates that the said party of the SECOND PART, shall have the sole and exclusive right to publish the said book in the United States (during the life of said copyright and any renewals thereof,) and that she will not authorize any other edition or publication of said work, in said country, and that she will maintain and defend the copyright of said work against any and all actions that may be brought against it for infringement of any other copyright.

11. The said party of the SECOND PART agree that they will print and publish said work in such neat and appropriate forms as may be agreed upon with the party of the FIRST PART and in no other forms or editions; that they will properly advertise the same; use due diligence in pushing it and keep the market well supplied with copies of the same. That on the first day of February in each year they will make out and transmit to the said party of the FIRST PART a full and complete statement of the entire number of said books printed, the number sold since the last previous statement, the number sent out as editorials, and the number still on hand, of each edition that may be published, and with such statements will remit to the said party of the FIRST PART, the just and full amount of royalty on all copies sold, at the rate of fifteen per centum (15%) on the retail price of each edition authorized in the

United States.

111. It is mutually agreed that the party of the FIRST PART shall have the liberty to amend the said work in proofs, provided the cost of such alterations does not exceed ten per cent (10%) of the cost of composition outside of such amendment; that duplicate proofs shall be sent the party of the FIRST PART in pages, but before being cast, that no charge shall be made for changes rendered necessary by printer's errors or mistakes in proof-reading by the agents of the party of the SECOND PART. If the cost of the changes made, outside of these exceptions, shall exceed ten percent (10%) of the cost of composition the excess shall be charged against the party of the FIRST PART.

IV. If at any time after two years from the date hereof the said party of the SECOND PART shall desire to terminate this contract, they shall give ninety (90) days notice to the said party of the FIRST PART; shall account for all copies sold, and give the number and condition of the stock on hand and the prime cost of the same; and at such time and place as may be agreed upon, shall sell at public auction all copies of said book and the plates from which the same were printed; and if the said stock of books (and the said plates) shall bring at said sale a sum greater than the prime cost and cost of sale, not including rent or storage, the excess shall be equally divided between said parties.

V. It is mutually agreed that the party of the SECOND PART shall have no power to assign this contract, and in case of their insolvency or failure to account and pay royalty agreed, three months after the date of a stipulated accounting, this contract shall terminate; the rights of the party of the SECOND PART there under shall cease, and the plates of said work shall be destroyed unless the party of the FIRST PART shall in writing consent that they shall be otherwise disposed of.

Vl. It is agreed that the party of the SECOND PART shall have the same rights of publication and sale in the Dominion of Canada as in the United States, and on the same terms and conditions also in the Kingdom of Great Britain, provided they shall keep the market therein supplied and provided also that on sales made therein they need account for only a royalty of ten per centum (10%) of the retail price. Unless the said parties of the SECOND PART shall elect to supply the English trade the party of the FIRST PART may make any arrangement for the same she may see fit.

Vll. It is mutually agreed that the retail price shall in all cases be fixed in advance of any publication or sales by agreement between the parties hereto and all accounting shall be made upon that basis only.

Vlll. It is agreed that the party of the FIRST PART, or her attorney, shall at any and all times have access to the books of the said party of the SECOND PART, so far as may be necessary to verify the reports of manufacture and sales of the said book.

To the above agreement the parties herein named bind themselves, their heirs and assigns.

In testimony whereof the said parties have hereunto affixed their hands and seals as of the 10th day of February, A. D., 1893.,