THIS MEMORANBUM OF AGREEMENT AND CONDITIONAL LICENSE made and executed this first day of September, A. D. 1905, Between The New Brunswick Railway Company, hereinafter called the Railway Company, of the one part, and The Tobique Manufacturing Company, Limited, hereinafter called the Grantee of the other part.

WITNESSETH that the said Railway Company hereby grant the said Grantee the exclusive right and permission during the next five years, beginning at the date of these presents, on the conditions and restrictions hereinafter mentioned, to enter upon the following portions of their land; namely,-

Blocks 16,17,18,19,20,21 and 22. Range 1. V Blocks 748, Easterly 1/2 of 17 and all of 18,19,20,21 & 22. Range 2. V

Blocks 8, 9, 18, 17, 18, 19, 20, 21 and 22. Range 3.

South half of Blocks 8, 9, all of 17, 18, 19, 20, 21 and 22. Range 4.

Blocks 17, 18, 19, 20, 21 and 22. Range 5.

North 1/2 of 15 and all of 16,17,18,19,20,21, & 22. Range 6.

Blocks 16, 17, 18, 19, 20, 21 and 22. Range 7.

That portion of Block 16, Range 8, South of the Malone Line; also the North East one-half of that portion of said Block 16, Range 8, North of the Malone Line, and all of Blocks 17, 18, 19, 20 and 21, in said Range 8.

Blocks 17, 18, 19, 20, 21 and 22. Range 9.

Blocks 17, 18, 19, 20 and 21. Range 10.

Blocks 19, 20 and 21. Range 11. North of Tobique River.

Blocks 1, 2, 3, 4, 5, 6, 7. Range 1. South.

Blocks 1, 2, 3, 4, 5 and 6. Range 2. South.

Blocks 1, 2, 3, 4, and 5. Range 5. South.

Blocks 1, 2, 3, 4 and 5. Range 4. South.

Blocks 1, 2, 3 and 4. Range 5. South.

Blocks 1, 2 and 5. Range 6. South.

Blocks 1, 2 and 3. Range 7. South.

Blocks 1 and 2. Range 8. South.

Block 1. Range 9. South.

Block 1. Range 10. South.

Blocks 17. 18 and 19. Range 6.

North 1/2 00 Blocks 14, 15 and 16, and Northerly 3/4 of 17, and all of 18, 19 and 20. Range 7.

Blocks 14, 15, 16, 17, 18, 19 and 20. Range 8.

That portion of Blocks 13. Ranges 9, 10, 11, 12 and 13 lying on the watershed of the Gulalquack River.

Blocks 14, 15, 16, 17, 18, 19 and 20. Range 9

Blocks 14, 15, 16, 17, 18, 19 and 20. Range 10.

Blocks 14, 15, 16, 17, 18, 19 and 20. Range 11.

Blocks 14, 15, 16, 17, 18, 19 and 20. Range 12.

Blocks 14 and 20. Range 13.

Blocks 13, 14, and 20. Range 14.

Blocks 10, 11, 12, 13, 14, 15, 20. Range 15.

Blocks 10, 11, 12, 13, 19 and 20. Range 16.

South of Tobique River and containing 710 Square miles, more or less.

And to cut and remove therefrom all descriptions of lumber to be
found thereon, which conditions and restrictions are that the said

Grantee shall cut without waste or leaving cut down any description
of saleable humber.

- stick or piece of the same or anything manufactured from the same, is to be marked by the said Grantee, in a plain and distinct manner, with the following marks, lHl and lHl4, which shall be put on said Lumber so that at any time it may be easily seen and distinguished from any other mark upon the same. And the said Grantee agrees that it shall not use the said mark on any Lumber other than what is cut on lands covered by this license.
- 5. All Lumber cut under this License shall be scaled or taken account of in the usual or customary method of scaling and taking account of Lumber for Stumpage, by some person or persons, to be appointed by the said Railway Company, to be hereing termed Scalers, who shall return to said Company the quantity cut under this License, which return shall be final, binding and con-

clusive between the parties hereto, in the settlement of Stumpage.

The Scaler and his assistants are to be boarded and lodged at

the expense of the said Grantee; by said Grantee providing switable camp
houses as for the comfortable accommodation of its own men,
and should it refuse or fail to do so, the said Scaler and his
Assistants may leave such camp or house and report the same to
the said Railway Company, who may thereupon take such means as
they see fit to provide the said Scaler and his Assistants with
board and lodging, and the expense thereof shall be paid by the
Grantee; and shall until paid, remain a charge and lien on all
Lumber so cut under this License. The Scaler to be paid by said
Railway Company.

The entire quantity of said lumber ( during the time of hauling the same) to be landed in a suitable place and manner for scaling, and notice to be given the Scaler by the Grantee; of such place or landing, so that he may, at least, once in each and every week if he see fit, take maties account of every stick, log, or piece of the same then hauled, until all is scaled and taken account of. And should said Grantee in landing said lumber, roll all or any part of the same into high "rough and tumble landings, or into streams, so as to be carried away by the water, or into the beds of ponds, lakes or streams, so as to be submerged, or in any way place all or any part of said Lumber in such a position as to render it difficult for the Scaler to obtain a true account of the same, then, in such case, the scaler is to take such means to obtain a fair and just estimate of the said Lumber so improperly handed, as he may consider necessare, and such estimate shall be final in determining the quantity out by said Grantee, and all extra expense thereby incurred in obtaining such estimate, to be a charge and lien upon the said Lumber, which shall be taken to market the first stream driving or rafting season after being cut: And should any of said Lumber be found on said brows or landings or in any other place after

being hauled, without the aforesaid mark upon it, any Scaler, agent or employee of said Railway Company, may mark the same with the aforesaid mark, and all expenses in doing so shall be a charge and lien upon all Lumber cut by said Grantee on said Railway Company's lands.

- possession, Grantee will not directly or indirectly conceal from of said the Scaler, use the Scaler's marks upon, or dispose of any Lumber until all dues, stumpage and damages are paid, without the consent of said Railway Company in writing, otherwise it shall forfeit the whole Lumber cut under this contract.
- It shall be the privilege of the said Railway Company's Forest Inspector, or any one deputed by him for that purpose, to point out to said Grantes whenever he may have time and deem it proper, wherein he thinks said Grantee fails to comply with the foregoing conditions and restrictions, but said Porest Inspector, or any one deputed by him as aforesaid, shall not be boung to point out to said Grantee such failure, or to examine the premises until the cutting and hauling is completed, at which time such examination shall be made, and should there be found cut down, lying on or removed from the said lands, any Lumber cut thereon, not having the aforementioned mark upon it, he shall mark, scale and take possession of it in the name of the said Railway Company, and when the said Forest Inspector shall have obtained full information of each and every infringement upon the conditions of this License, he shall report the same to said Railway Company and determine what sum said Grantee shall pay as damages, which report shall be binding and conclusive between the parties hereto in the settlement of all claims under this agreement.
- 7. It is hereby agreed that the said Grantee shall pay the said Railway Company, on or before the first day of October in each year during the term of this agreement, a mileage rate

of Ten Dellars per Square Mile of the entire area of the land hereby licensed. It is also further agreed that said Grantee shall pay to the said Railway Company, as Stumpage, Two Dollars per thousand superficial feet for all the Spruce, Pine and Cedar Lumber, and at the said Railway Company's scale of rates of Stumpage, on all such other descriptions of Lumber as it shall cut on said lands hereby leased; said Stumpage to be paid in the following manner: Said Railway Company shall first deduct from the amount of Stumpage on the Timber or Lumber cut by the Grantee on this License as aforesaid, an amount equal to the mileage paid by it as aforesaid, and the whole of the remainder, if any, shall, not later than the 15th April, next after being cut, be secured by good Indorsed Notes, or other sufficient security to be approved of by said Railway Company, and payable on the 15th July next after being cut, otherwise to be considered due and payable in cash to the said Railway Company on the 26th day of April next after being cut, and the Lumber not to be removed from the brows or landings till the Stumpage is secured as aforesaid; and the said Railway Company, notwithstanding the taking of such Note or security, shall retain the right of property in the Lumber cut under this License, till such Note is paid or such security realized: Provided Always, and it is hereby distinctly understood and agreed by and between the parties hereto that the rates of Stumpage charged above are subject to be increased at the option of the Railway Company, in any year. It being the distinct agreement that the said parties hereto of the second part shall not be charged higher rates of Stumpage than that paid by any other Lumber operator, operating on lands of the said Railway Company.

8. It is understood, however, that should the said Grantee fail to cut, in any one year, Ten million feet of Timber or Lumber, as aforesaid, on the lands hereby licensed, the said Grantee shall pay Stumpage on, at least, Ten million feet: Provided, However, that if the said Grantee shall cut less than Ten Million Feet, in any one year, he shall have the right during the year following to make up such deficiency, for which he has paid Stumpage as above provided. But is is understood that no Lumber cut by said Grantee shall be applied to such deficiency in the preceding year, if any, unless and until the Grantee has cut the specified quantity of Ten million feet for the then current year.

- All lines required in carrying out the conditions of this License shall be run at the expense of the Grantee by the written authority and direction of the Land Agent of the said Railway Company, and should the said Grantee trespass by cutting Lumber on any other land belonging to the said Railway Company besides that mentioned in this License, said Lumber shall be deemed to have been cut on this License, and shall be dealt with accordingly: And should the said Grantee out Lumber on any lands not belonging to the Railway Company, during the term of this license, and so mix the same with Lumber cut by it or any other persons, on any of the lands of the said Railway Company, that the Scaler cannot separate it, the Scaler shall take all the Lumber so mixed to have been out on the said Railway Company's land, and shall scale and take account of and beturn it to the said Railway Company, who shall hold and deal with the same as if the same had been out under this License.
- of this License shall be held by the said Railway Company to secure the payment of all Stumpage on Lumber cut by said Grantee on any of the said Railway Company's lands, whether licensed or unlicensed.
- 11. No Spruce or Pine tree shall be cut by the Grantee or any of the sub-contractors, or any of the employees of either

of them under this License, which will not make a log at least eighteen feet long, and ten inches in diameter at the top end; and if any shall be cut, the Lumber shall be liable to double Stumpage.

12. This License or Permit is upon the further condition that it shall not be transferred, assigned or sub-permitted without the previous consent in writing of said Railway Company, and the said Grantee further agrees that in case it fails to comply with all the conditions in this Permit or License, that the said Railway Company may, 42 their option, make this Permit or License mull and void.

13. And the said Grantee hereby agrees to go upon the said premises in due and proper season, and cut and remove Lumber and pay the Stumpage as aforesaid, and truly and faithfully do and perform each and every condition and stipulation expressed in this License and Agreement, and to pay to the said Railway Company all damages which may result from any violation or neglect to perform the same.

14. And the said Grantee further agrees to exercise diligence and precaution in preventing damage by fire on said land
during the term of this License; and should any occur from carelessness or any other fault of said Grantee or any person or persone in its employ, it shall be held liable to the said Railway
Company for the full amount of loss occasioned by the same.

and complete ownership and control of all Lumber which shall be out from the aforementioned premises, wherever and however it may be situated, until all matters and things appertaining to, or connected with this License shall be settled and adjusted, and all sums due, or to become due for Stumpage or otherwise shall be fully paid, and any and all damages for non-performance of this Agreement or stipulation herein expressed shall be liquidated and paid. And if any sum of money shall have become payable by any one of the Stipulations or Agreements herein expressed, and shall not be paid

or secured in some of the mades hereing expressed, within ten days thereafter, then in such cases said Railway Company shall have full power and authority to take all or any part of said Lumber wherever or however situated, and to absolutely sell and dispose of the same, either at private or public sale for cash, and after deducting reasonable expenses, commissions and all sums which may then be due, or may become due from any cause whatever as herein expressed, then the balance, if any there may be, they shall pay over on demand to said Grantee after a reasonable time for ascertaining and liquidating all amounts due or which may become due either as Stumpage or damage.

IT IS UNDERSTOOD AND AGREED by and between the parties hereto, that in the event of the Railway Company selling the property hereinbefore mentioned, this agreement shall at once terminate:

Provided, however, that if such sale should occur during a logging season that the Grantee shall have until the end of such logging season to complete such season's operations.

IN WITNESS WHEREOF the said Company have caused their corporate seal to be hereunto affixed and the same to be subscribed by their President and Countersigned by their Land Agent in authentacation of the due issue of the same, and the said Grantees have caused their corporate seal to be hereunto affixed and the same to be subscribed by their President and Secretary the day and year first above written.

Wigness to the affixing of the She New Brunswick By low Seed of The New Seed of Railway Company. My White Land Seed of Seed of The Tobique Manufacturing Company Limited.

Mos runswick Sounty of Victoria
Me12121 Record of in Book By 101 Record of our
pages 233, 234, 235; 236, 237 end 238 of four the
19th Day of March and 1986 900

Sampletithes
Registrar