

May 23rd 1898.

Hon. D. S. Lamont,

Vice-President, Northern Pacific Railway,

New York City.

My dear Colonel:-

Your letter in regard to sale of land contracts was handed to Mr. Samuel Hill, whose reply I fear has not thrown much light on the subject. He has confounded the contract between the purchaser of the lands and the Company with the contract for sale of the land contracts covering unpaid amounts.

Herewith I send you an abstract from our contract, which I think fairly covers the conditions:

First. The land contracts sold by the Railway Company are deposited with a Trustee, who should be either in St Paul or Minneapolis for convenience, to remain with him for the use and benefit of the purchaser. The Railway Company should collect, through its Land Department, all the instalments of interest and principal as they fall due upon said contracts, paying over for the benefit of the purchasers of such contracts; these collections to be made by the Railway Company free of charge to the purchaser of contracts. The Railway Company to have the right, in case the party purchasing lands named in any of the contracts should make default in payment as required by the terms of the contract of either principal or interest or should fail to observe



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and perform all the terms and conditions in any other respect named under his contract, or in case the Railway Company should for any reason deem it necessary for the protection of its own interests that any of said contracts should be withdrawn from the assignment or sale and be again controlled by the Railway Company, the Railway Company to be allowed to withdraw any contract from the list of those sold, upon delivering to the Trustee holding such contracts another or other contracts of the same character, satisfactory to the Trustee, of a face value equal to that of the contract withdrawn and upon which the final payments shall become due as nearly as may be in terms and times corresponding with the contracts withdrawn. And in case any purchaser of lands covered by contracts sold hereunder fails to make his payments with regularity at the dates named in such contract and to perform all other obligations undertaken in such contract, the Trustee shall have the right to demand and receive from the Railway Company other contracts of equal value with such contract in default upon surrender of the so defaulted contract.

Yours very truly,