

been due to the contractor, shall be forfeited and become the right and property of the corporation, or the said engineer may make such deduction from the payments to be made to the said contractor as aforesaid, as the said engineer shall deem reasonable for such breach of covenant.

26. And it is further agreed that should any stockholder or stockholders in this company holding ten or more shares, be desirous of taking a portion of the road for grubbing, clearing and graduation, that in such case the said M. Duval, contractor, shall let to such person or persons such part or parts of the road for the purpose aforesaid as may be designated by the board of directors at such price as shall be deemed fair and proper by the engineer in chief, he having reference to the cost of grubbing, clearing and graduating, and all other work embraced under this contract upon the whole line of said road, and in case any portion of said road shall be undertaken as aforesaid by any stockholder under the direction of the board, the said M. Duval contractor, shall so far as regards such part so taken, be exonerated and discharged from all liability on account of any failure of such stockholder or stockholders to complete the part or parts so taken.

27. And it is further agreed that the said M. Duval, contractor will employ the hands, carts and teams, and purchase the timber of such stockholders as may not be contractors, if they desire it at such prices as other may be employed or purchased at, but nothing herein shall oblige the said contractor to employ the carts, teams and hands, and purchase the timber of stockholders to his own prejudice, the true intent and meaning of this article is that when equal terms shall be offered by stockholders and others, stockholders shall in all cases be preferred.

In witness whereof, the said Thomas Emory, president, as aforesaid, for and in behalf of the said company, and the said M. Duval, contractor, have hereunto set their hands and seals the day first herein before written.

M. DUVAL, [Seal.]

THOS. EMORY, [Seal.]

Signed, sealed and delivered in presence of us, W. H. Emory,
John M. D. Goldsborough.