

APPENDIX No. 1

shows the existing lines of the second party, and the points now reached thereby, and is hereby made a part of this contract.

Fifth. Each party hereto agrees to receive from the other, all messages destined to points within its territory or on connecting lines, which may be delivered to it by the other party hereto, subject to all the conditions herein contained.

Sixth. It is agreed and understood that where a message originates at an exchange or other point upon the lines of second party, for transmission thence over the lines of first party, the second party shall receive twenty-five (25) per cent of all toll charged for such message by the first party, and its connecting lines, other than those of second party, over which the same may be transmitted, as full compensation for its services in connection therewith, and shall account for and remit the balance to first party on or before the tenth day of each month for the next preceding calendar month. Provided that the amount which second party shall receive shall not exceed twelve and one-half ($12\frac{1}{2}$) cents for any one message of not exceeding five (5) minutes duration. And second party further agrees to make a daily report of all joint business transacted, to first party, on blanks furnished by it for that purpose.

Seventh. It is further understood and agreed that, in the division of tolls charged for interchanged business, passing in part over the toll lines of both parties hereto, each party shall receive a share of the total toll charged, for each message in proportion to the ratio existing between the land air line distance, from the point of origin to the point of transfer and the land air line distance from the point of transfer to the point of destination, and in fixing the toll charge for any message the mileage shall be taken and deemed to be the land air line distance between the terminal points of such message, and unless otherwise agreed the charge shall be not to exceed two-thirds of one cent per mile, for not exceeding five (5) minutes' conversation, excess time to be charged for and divided, as provided in paragraphs six (6) and seven (7) hereof.

Eighth. It is further understood and agreed, that at all competitive points (that is points reached by lines in competition with either of the parties to this agreement), where the competing rate is lower than the joint rate of the parties hereto, as provided in paragraph seven (7) hereof, such competitive rate shall be met by each party hereto, bearing a share of the reduction necessary to meet such rate, in proportion to the ratio existing between the whole land air line distance from the competitive point to the junction point, and from the junction point to the originating or terminating point of such message, and the toll charge for such message shall be computed on the regular standard base rate of first party, as provided in paragraph seven (7) hereof.

Ninth. It is further agreed and understood that second party will receive and deliver to the proper parties all messages destined to points on its lines and delivered to it over the lines of the first party, without compensation therefor, except its proportion, if any, of the total toll charge for such message, as provided in paragraph seven (7) hereof and except also when a messenger is necessary, in which case the actual cost of such messenger service shall be paid to second party by first party. And second party agrees to connect the wires of first party for the purpose of transmitting messages from the lines of first party to points beyond the exchange or lines of second party, without compensation therefor, except its proportion, if any, of the total toll charge for such message as provided in paragraph seven (7) hereof.

Tenth. It is further agreed that if first party finds it desirable or necessary from the amount of business, or the nature of the service, to establish a separate switchboard in the exchange of second party, and employ an additional operator or operators, that it shall have the privilege of so doing, in which case the division of toll charges shall be as follows: The first party shall receive 85 per cent and the second party 15 per cent of the sum charged for such message, in the manner hereinbefore provided.