Copy.

SUGGESTIONS FOR SETTLEMENT.

First. It is proposed to organise a company called, for example, the Mc Clure Publishing Company, with a capital stock of either $100,000. or $1,000,000. for the purpose of purchasing the stock of the S. S. Mc Clure Company and Mc Clure, Phillips Company.

Second. If the new company is capitalised at $100,000. shareholders in the S. S. Mc Clure Company are to receive share for share, and of Mc Clure, Phillips Company are to receive one share in the new company in return for ten. If the company is capitalised at $1,000,000. in each case ten times the number of shares will be given. Such stockholders as prefer to sell out rather than take shares in the new company will be given obligations in the new company as follows: $1,000. for each share in the S. S. Mc Clure Company, and $100. for each share in Mc Clure, Phillips Company, unless it is decided to appraise the Mc Clure, Phillips Company, and in that case the stock would be paid for at its appraised value.

Third. This arrangement, including some stock that I have from Mr. Jaccaci and stock from Mr. Phillips and Miss Tarbell, would amount to about 20% of the capital stock that holders would take the obligations in the company for in place of shares in the new company. If

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other stockholders would prefer to take money in place of shares this arrangement will be extended to them. In regard to the stock of Mr. Phillips and Miss Tarbell and Mr. Mc Kinlay, to be turned in for cash or obligations in the new company, the following terms are offered: A series of notes extending over nearly forty months as follows: $3,000. a month for four months, to be paid beginning July 1; a series of notes of $5,000. each payable monthly beginning November 1 and running about thirty-five months.

The shareholders who prefer to take obligations or cash for their stock will be allowed to enter into the magazine business but not into the syndicate business for a term of three years. The salaries of Mr. Phillips and Miss Tarbell will be continued for six months; but in accordance with the reduced scale of salaries which now obtain in the office: $250. a week for Mr. Phillips, $150. a week for Miss Tarbell. Miss Tarbell having collected material for two or three Lincoln articles is to complete these articles, and while working on these articles her salary will remain the same, $200. a week. If Miss Tarbell is willing I would like to have the privilege of calling upon her for service in the office for a month or two that I may have a rest before I begin my work.

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1 Trusteeship of stock with E. M. T.
& J. S. P. for 5 yrs are to elect successors
~~another~~ in case of death or dis-
cability; ~~of~~

2nd Option to purchase one-half
the stock at 1000 at end of trusteeship
or agreement to continue above same agreement
of trusteeship for a longer term - 5 or
10 years, according to decision of trustees, + be immediately chosen

3d. Board of directors to pass
upon all ~~essential~~ questions of
business & editorial policy.

4th By-laws of S. S. McClure Co. company to be
changed to suit this under-
standing.

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