

STATE OF SOUTH CAROLINA )  
 COUNTY OF GREENVILLE )

C O N T R A C T

This contract entered into by and between W. D. Reynolds, of Greenville, South Carolina, hereinafter known as Party of the First Part, and B. H. Hankin, as owner of the Art Display Service, of Winston Salem, North Carolina, hereinafter known as Party of the Second Part, for and in consideration of the covenants and agreements hereinbelow set forth:

W I T N E S S E T H

That whereas, Party of the First Part is the owner of a patentable idea for an apparatus known as a "Baby Crib Holder for Milk Bottles", which Party of the Second Part feels has ~~enough~~ enough merit to warrant going into production on; and

Whereas, Party of the Second Part is desirous of producing same and putting said apparatus on the market, now, therefore, it is

AGREED: That Party of the Second Part will take the model of Party of the First Part for said Baby Crib Holder and immediately made drawings, forming tools and models necessary to produce same and put same on the market; and Party of the Second Part further agrees to call in other selling organizations to handle said product on a commission basis should Party of the First Part so desire.

Party of the Second Part further agrees to work out the cost and fabrication figures on said models in order to show Party of the First Part exactly the cost of manufacturing said product and methods by which same will be manufactured; it is further understood and agreed between the parties hereto that Party of the First Part shall have access to all books kept by Party of the Second Part pertaining to the sale of the aforementioned product.

It is further understood and agreed between the parties hereto that Party of the Second Part shall, and does hereby, have the right and it shall be the duty of Party of the Second Part, to manufacture not less than the first ten thousand (10,000) units of said product; it being understood and agreed between the parties hereto that said product cannot be made available for the market in a shorter period than thirty (30) days from date.

It is further understood and agreed that Party of the First Part shall pay to Party of the Second Part, at the execution of this contract, the sum of Five Hundred (\$500.00) Dollars as a retainer fee for the working, drawings and manufacturing of this product and putting same on the market; it being understood between the parties hereto that any drawings or engineering findings shall become the property of Party of the First Part, after the manufacture and sale of the first ten thousand (10,000) units; this fee of five Hundred (\$500.00) Dollars to include samples for salesman completely finished exactly as they will be furnished to the retail stores or to the public.

It is further understood and agreed between the parties hereto that Party of the Second Part will so construct the above mentioned units as to make same a practical, salable product at all times keeping the cost of manufacturing down to a minimum.

It is further understood and agreed by the parties hereto that each unit above mentioned shall be placed upon the market at a retail price of at least \$4.00 each, allowing a royalty to Party of the First Part of One (\$1.00) Dollar per unit; it being understood and agreed that should the retail price be increased then the royalty shall be increased proportionately; the accumulated royalties on said product to be payable to Party of the First Part by Party of the Second Part on the 31st. day of each month beginning on the 31st. day of the first month after said items are placed on the market; it is further understood and agreed that Party of the First Part shall be furnished a copy of every invoice of the sale of each unit.

It is further understood and agreed that Party of the Second Part will not display the above mentioned item on unit, or manufacture same for anyone else at any time, or for themselves, without permission from Party of the First Part.

It is also further agreed and understood between the parties hereto that Party of the Second Part will assist to obtain a design patent in name of the Party of the First Part, providing that on the completion of the original models there by any patentable feature; it being understood and agreed that any cost incurred therein shall be with the permission of Party of the First Part and shall be paid by him; it being understood and agreed that all models designed for the procuring of said design patent will be forwarded to the Patent Attorney for Party of the First Part.

It is further understood that Party of the Second Part will manufacture said units in a workmanship manner that will be presentable to the trade for the purpose of enabling the parties hereto of reaping a fair amount of profit to which each, under this contract, may be entitled.

It is further understood and agreed between the parties hereto that Party of the First Part shall be provided by Party of the Second Part with the names of salesmen employed by Party