

tion to determine the association of their mill, such association shall continue in force for a further period of two years from the expiration of the said term, and so on for each succeeding period of two years. This agreement shall cease and determine whenever the said mill ceases to be an associated mill hereunder or under the articles of the said association, but without releasing the said mill-owners from liability otherwise than as is herein or in the said articles mentioned: Provided that the said mill-owners shall not arbitrarily, or without just and reasonable cause, retire from the said association during the currency of any such term of two years, but notwithstanding anything herein contained the said mill-owners or the said association shall be entitled to have the question of whether or not such retirement was arbitrary or without just and reasonable cause determined by arbitration, pursuant to the provisions of "The Companies Act, 1882." The determination by arbitration as aforesaid of such question in the mill-owners' favour shall be a condition precedent to their right to take proceedings in any Court of law or equity in respect of the matters in difference or any claim or demand arising out of the same.

24. If any difference shall arise between the association or any of its officers and the said mill-owners or any of them, as members of the association or otherwise, as to the construction or performance of these presents, or touching the rights, duties, or liabilities of the said mill-owners or any of them hereunder, such difference shall (except in cases in which it is hereinbefore provided that the decision of the directors shall be final) in the first place be determined by the directors, subject to appeal to the members of the association in general meeting assembled within thirty days thereafter, or as soon afterwards as may be practicable, which meeting it shall be the duty of the directors to convene on the application in writing of any of the parties to such difference, and unless the members of the association by resolution in general meeting reverse the decision of the directors within the said period such decision shall be final. The determination of such difference by the directors or the members in general meeting, as the case may be, in favour of such mill-owners shall in all cases be a condition precedent to the right of such mill-owners to take proceedings in any Court of law or equity in respect of the matters in difference or any claim or demand arising out of the same. In cases in which the decision of the directors is hereinbefore made final their decision in favour of any mill-owners shall be a condition precedent in like manner.

25. If the said mill-owners shall at any time fail to observe and perform any of the provisions of this agreement or of the articles of the association, then, in addition to any other remedy that may be available against the said mill-owners, it shall be lawful for the association by resolution passed at a general meeting thereof to determine this agreement, and the said mill shall thereupon cease to be an associated mill.

26. If for any reason this agreement shall be ineffective to bind the parties hereto or either of them in any corporate or other capacity expressly mentioned herein, it shall operate to bind them or either of them in any other corporate or other capacity which they or either of them may possess or acquire, and in which they can now or hereafter lawfully be bound hereunder, and it shall in all cases bind the parties hereto, their executors, administrators, successors, and assigns jointly and severally.

In witness whereof the parties hereto have hereunto set their hands and seals the day and year first above written. [Signatures.]

B.

AN AGREEMENT, made the day of , one thousand nine hundred and between (hereinafter called "the said mill-owners," which expression shall include their executors, administrators, successors, and assigns) of the one part, and the New Zealand Flour-millers' Co-operative Association (Limited), a company incorporated under the provisions of "The Companies Act, 1882," and also registered and incorporated under the provisions of "The Industrial Conciliation and Arbitration Act, 1900," as "The New Zealand Flour-millers' Co-operative Association Industrial Union of Employers" (hereinafter called "the association"), of the other part.

WHEREAS for many years the business of flour-milling in New Zealand has been carried on practically without profit, and very frequently at a loss, largely owing to heavy expense of distribution in consequence of each mill-owner in the past having separately disposed of the products of his mill to buyers residing in various parts of the colony, and having for that purpose to maintain a separate staff of travellers, agents, and others, and to incur other expenses, which considerably increase the price at which the manufactured articles can be placed upon the market, which circumstances together with overproduction have rendered the business not only practically profitless but frequently a source of loss: And whereas, unless the cost of distribution is lessened and the output made proportionate to the needs of the community for consumption in this colony, a large number of the persons now engaged in the business will incur further heavy loss and have to retire from it, leaving it in the hands of those who are longest able to bear the loss resulting from the unsatisfactory condition of the trade, and other consequences detrimental to manufacturers and consumers alike will follow: And whereas the system of sale and joint distribution provided for by the form of agreement hereinafter contained, by which it is intended that each mill-owner shall supply to the said association flour, and the by-products of its manufacture, manufactured in his mill, or in some other associated mill with the owner of which he may arrange to supply, to the extent and on the terms and conditions hereinafter mentioned, will minimise the cost of distribution and largely tend to ameliorate the condition of the business and obviate the consequences before referred to, besides enabling the output of the mills to be sold at a less net cost to the consumers than would otherwise ultimately be the case: And whereas the said mill-owners are the owners