GENERAL ELECTRIC COMPANY

GENERAL OFFICE SCHENECTADY, N.Y.

1 River Road SCHENECTADY, N.Y. April 9, 1926

Lindfers & Kirk Flat City, Alaska

Gentlemen:

We have your letter of Feb. 10th and note with interest the progress you have made in the development of you cinnabar property. When you are prepared to make shipment of the lot of quicksilver referred to in your letter, we suggest that you send it direct to our Seattle representative, (Mr. H. E. Plank, Manager, General Electric Co., 811 First Ave., Seattle, Washington), with whom we shall make arrangements to receive the material and make payment to you either direct or through whatever channel you may prefer. We assume it will be of assistance to you in your operations to promptly receive payment for quicksilver delivered and therefore shall be glad to handle the transaction through our Seattle Office to avoid the delay that would result if payment were based upon receipt of material at our works at Schenectady, N.Y.

In your letter you state that you will leave the question of purity to us. It is our understanding that with proper distilling equipment and the exercise of the usual care in its operation a prime grade of Virgin Mercury, reasonably free from dirt or other impurities, may be expected. It is our usual practice to secure a laboratory report before accepting material from a new source, but we shall waive that procedure in this instance.

We are too remotely situated form each other to conduct usual preliminary negotiations as to price, and the market is too fluctuating to make it advisable to establish a constant price to apply to future shipments. We therefore suggest that you permit us to determine a fair price to be paid upon the arrival of each shipment in Seattle. There is no established market price for quicksilver. The quotations published from day to day in the trade papers reflect the asking price rather than actual selling price and it is our experience that purchases of the commodity average from \$1.25 to \$1.50 per flask under current published marker quotations. Considerable expense is involved in transportation of material from your

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Alaska shipping point to Schenectady. The all-rail freight rate from Seattle to Schenectady, for example, is 5.55 per cwt., by rail and water 3.00 per cwt., as against 50C per cwt., from our usual shipping point – New York. The fact that through our Seattle office we are performing for you, in receiving and reshipping the material, the work usually attended to by the producers representative, thereby relieving you of all brokerage charges, may also properly be considered.

From the above it would appear that a price about \$5.00 per flask of 75 pounds net under the New York published quotation on date of delivery to our Seattle Office would represent a fair valuation of the material from todays [sic] viewpoint.

We shall be glad to hear from you from time to time concerning the progress of your operations and hope that your prospect may develop to such substantial proportions as to warrant us in make an arrangement with you to regularly supply a portion at least of our quicksilver requirements. In the meantime, whenever you have an additional quantity of quicksilver to offer we shall undoubtedly be prepared to receive such shipments along lines similar to the plan suggested in this letter.

Very truly yours,

Purchasing Department

Buyer C.H. Pearse [signature]

CHP : MIS