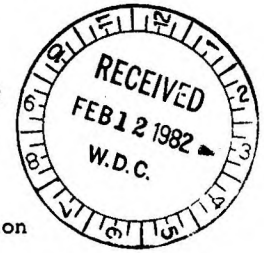
CMA

CHEMICAL MANUFACTURERS ASSOCIATION

VIA EXPRESS MAIL



February 11, 1982

TO: Environmental Management Committee Members

RE: Settlement of CMA v EPA Nonattainment Litigation

After nearly a year of settlement discussions with EPA, a tentative settlement agreement on the nonattainment litigation has been reached that resolves virtually all the issues raised in the lawsuit. I am enclosing a memorandum prepared by our outside counsel that outlines the settlement. The government indicated that they need a response no later than February 22, 1982 from all parties as to whether they are willing to settle the case or wish to continue litigating.

Our outside counsel advises that although industry did not get everything asked for in the litigation, the settlement is generally favorable. We are unlikely to gain a more advantageous result through litigation. The settlement reflects many hours of discussion and compromises on both sides. As a result, outside counsel recommends approval of the settlement. Sandy Gaines and I heartily endorse this recommendation.

A copy of the settlement was sent to all counsel of record for those member companies named along with CMA as party petitioners for their approval. In this regard, we require EMC approval as a condition precedent to CMA approving the settlement. As the February 25, EMC meeting is after the government's deadline for responding, we cannot defer this matter for a vote.

Unless we hear from each EMC member by noon on February 19, 1982 we will assume his approval of the settlement. Any EMC member who has concerns with, is opposed to, or wishes to discuss the settlement agreement should contact Sandy Gaines or me no later than noon on February 19.

Sincerely,

David W. Carroll, Esq.
Director
Environmental Program

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Enclosure

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cc: G. V. Cox
E. B. Frost
S. E. Gaines
J. S. Matey
T. H. Rhodes

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