FILE NAME: Cape Asbestos (CAPE)

DATE: 1976 Feb 25

DOC#: CAPE145

DOCUMENT DESCRIPTION: Letter Re NAAC ability to secure loans, indicating that large dividends withdrawn by Cape hamper operations [Legal - Tibbs Case Exhibit 43]

ELECTRONICALLY FILED - 2023 Oct 18 12:13 PM - RICHLAND - COMMON PLEAS - CASE#2023CP4001759

February 25, 1976

Mr. M. E. Meyer
Lord, Bissell & Brook
135 South LaSalle Street
Chicago, Illinois

Dear Max,

Per our conversation in your office today, we are enclosing copies of the entire file pertinent to loan procedures, from Cape.

If I interpret this correctly, we are not entitled to borrow one dollar without their approval, which would severely limit NAAC's management flexibility to extend credit to customers, maintain warehouse stocks and make prompt monthly payments to CASAP.

We understand the necessity for some restrictions on borrowing and would request a line of up to $400,000 without restrictions. Considering increased pricing, some 1975 payments to CASAP have been in excess of one-half million dollars per month.

Could we suggest that copies of your memo be sent to Messrs. Gaze and Higham.

Would it be advisable to mention the fact that if substantial dividends were not withdrawn each year we would perhaps have sufficient operating capital to alleviate loans?

Sincerely,

CGMorgan/jc
encl.