

THE CARTER WHITE LEAD COMPANY OF CANADA, LIMITED

MANUFACTURERS OF

WHITE LEAD, RED LEAD, ORANGE MINERAL AND LITHARGE

1295 DELORIMIER AVENUE,

MONTREAL 24, QUE.

April 7th, 1961.

Canadian Titanium Pigments Limited,
1401 McGill College Avenue,
Montreal 2,
Quebec.

Attention: M. B. Tipton
Vice-President and General Manager

Gentlemen:

This will acknowledge your letter of March 29th, confirming agreement whereby we will manufacture exclusively for your account, certain stabilizers for vinyl plastics, in accordance with specifications as provided by the National Lead Company of New York, with samples of all products produced in our plant being submitted to National Lead Company Laboratory for approval as saleable material.

However, in the event of the National Lead Company being compelled to sub-license another manufacturer in Canada, we assume that you would in no way be obligated, by law, to purchase any of your requirements from them.

It is also understood, that we will maintain adequate stocks of these stabilizers in line with anticipated requirements, with delivery direct to customers as instructed.

We will also carry a moderate inventory of stabilizers still being imported from the United States, in order to facilitate shipments to Canadian accounts, these products being combined with shipments of "Oncor 45X" required in the manufacture of "Tribase E".

As suggested, Messrs. Wright and Duffie have met and agreed on mutually satisfactory accounting procedures covering the interim period.

The arrangement as outlined in your letter, will cover the interim period to August 31st, 1961, with a review of operations as soon after that date as possible.

Yours very truly,

THE CARTER WHITE LEAD COMPANY OF CANADA LIMITED

J.S. MORTAR
Managing Director

NL 000039416

JSM/JK

March 29, 1961.

Carter White Lead Company Limited,
1295 Delorimlar Avenue
Montreal, P.Q.

Attention Mr. J.S. Moffat
Managing Director

Gentlemen:

This will confirm the agreement whereby you will manufacture exclusively for us, certain stabilizers for vinyl plastics developed and manufactured by our parent company, National Lead Company of New York, under whose patents and know-how for these products we have been licensed in Canada. The particular stabilizers to be made will be determined from time to time, depending upon the facilities available, and the market potential. It is understood that you will be manufacturing these exactly in accordance with National Lead Company specifications provided by us, and that they will be packaged and labeled as specified by us, to correspond with their counterparts in the United States. Samples of each production batch are to be submitted to National Lead Company for test, and the batch deemed saleable only subject to their approval.

You will maintain at all times an adequate stock of these stabilizers in accordance with the anticipated demand based upon the sales records already supplied and on additional pertinent information which we will undertake to furnish.

The stabilizers will be shipped prepaid for our account, direct to customers, or to our Toronto Warehouse on delivery orders or instructions originating with our Montreal Order Desk.

During an interim period, we will remit to you at regular intervals the total amount invoiced by us for the stabilizers sold, less direct out-of-pocket expenses for transport charges, cartage, and handling and storage in our Toronto Warehouse. Details regarding the documentation of this transaction are to be worked out between Mr. R.I. Wright, Comptroller of Canadian Titanium Pigments Limited and your Secretary-Treasurer, Mr. O.P. Duffie.

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Carter White Lead Company Limited

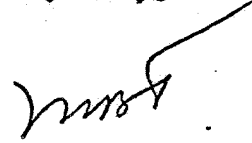
March 29, 1961.

The interim period for the foregoing arrangement is assumed to be until August 31, 1961. At that time, the experience to date will be reviewed and it is expected that a definite basis for remuneration can be arrived at which may be made retroactive to some mutually agreed prior date.

To facilitate the shipment to customers for price advantage of combinations of Canadian made stabilizers, and others which will still require to be imported from the United States, it is understood that you will maintain a moderate inventory of these latter which will be ordered out by us in the regular way, as required. It is assumed that these can be shipped to you in conjunction with the amounts of "ONCOR" 45X required to manufacture Tribase R. These imported stabilizers, as well as "ONCOR" 45X will be purchased from National Lead Company and paid for by us as we are presently doing. We will invoice you for the "ONCOR" 45X shipments and details regarding the most advantageous arrangement under which the other stabilizers will be held by you for our account can be worked out between Messrs. Wright and Duffin.

To complete our mutual records, we would appreciate your indicating by reply, that the foregoing is in accordance with your own understanding.

Yours very truly,



MBT:ed

Orig + 2 copies to Carter

c.c. RJA

c.c. RIW

NL 000039418