

PLAINTIFF'S
EXHIBIT
WV-05895

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14160.00

SCHMIDT, ANDREWS
WILLIAM A. SPOTFORD
HAMILTON C. CONNOR, JR.
ALLEN HUNTER WHITE
DANIEL MILLER
SHERWIN T. McDOWELL
RICHARDSON BLAIR
WILLIAM S. RAWLS
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FRANCIS BALLARD
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DAVID R. ABELL

K. STURGIS INGERSOLL
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TYSON W. COUGHLIN
HUGH A. A. SARGENT
DAVID V. RAGGALL
GEORGE S. FOND
GRACIE K. HOWARD, JR.
GARDNER A. EVANS
LYNN L. BETHELLER, JR.

LAW OFFICES

BALLARD, SPAHR, ANDREWS & INGERSOLL
LAND TITLE BUILDING
PHILADELPHIA, PA. 19110
LOCUST 7-5615

CABLE ADDRESS:
BALLARD, PHILA.

BOYD LEE SPAHR
RUSSELL CONWELL COONEY
COUNSEL

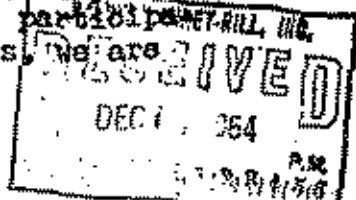
April 23, 1964

Mr. William A. Schreyer
Treasurer
Baldwin-Ehret-Hill, Inc.
500 Breunig Avenue
Trenton, N. J. 08602

Dear Mr. Schreyer:

We understand from your letter of April 17, 1964 and prior telephone conversations that on February 8, 1964, the date on which you acquired the assets of the thermal insulation contract division of Mundet Cork Corporation, there was in effect between Mundet and Fibreboard Paper Products Corporation a license and royalty agreement under which Fibreboard granted Mundet a license to make and sell heat insulating materials embodying or made by the use of one or more inventions specified in the agreement. Under the agreement Mundet was bound to pay Fibreboard a royalty on all magnesia and calcium silicate heat insulating materials "manufactured and sold or used" by Mundet under the license. We understand that this license and royalty agreement was applicable to certain of the inventory purchased by you from Mundet Cork Corporation and you have therefore asked our opinion as to whether or not you are liable for the royalty with respect to the sale of that portion of the inventory.

In considering this problem we have reviewed your November 28, 1961 agreement and license with Fibreboard which we understand is similar to the agreement between Fibreboard and Mundet. We have also reviewed the January 30, 1964 letter agreement covering your acquisition of the assets of Mundet's thermal insulation contract division and the various documents which were delivered on February 28, 1964 pursuant thereto. It is our opinion that you assumed only such liabilities of Mundet Cork Corporation as were specified in these documents and no royalty liability of any nature was so specified. In addition, based on our participation in the negotiations and our review of the documents, we are



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Mr. William A. Schreyer

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satisfied that this omission was not an oversight because the documents do require Mundet to grant you a license to use its trademarks and trade names for the manufacture, distribution and installation of thermal insulation and if you were to be responsible for the royalty payments under the Fibreboard license the matter would certainly have come up for discussion at the same time as these other license provisions were negotiated. We conclude that the royalty remains the sole liability of Mundet.

For your convenience, I am enclosing an extra copy of this letter.

Very truly yours,

Francis Ballard

FB:gw
Enclosure