



AGREEMENT OF PURCHASE

THIS AGREEMENT, made this 30th day of June, 1962, by and between PITTSBURGH CORNING CORPORATION, a Pennsylvania corporation, with a principal office and place of business in Pittsburgh, Pennsylvania (hereinafter called "PC"), and UNION ASBESTOS & RUBBER COMPANY, an Illinois corporation, with a principal office and place of business in Chicago, Illinois (hereinafter called "UNION"):

WITNESSETH:

WHEREAS, UNION owns and operates a plant near Tyler, Smith County, Texas, for the production of an asbestos type high temperature insulation product with filler; and

WHEREAS, PC does not manufacture a high temperature insulation product and therefore is unable to compete in that product market; and

WHEREAS, UNION desires to sell to PC its plant and facilities for the manufacture of such product and PC desires to purchase such plant and facilities to enable it to enter into the high temperature insulation market.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto, with intent to be legally bound, hereby agree as follows:

ARTICLE I. DEFINITIONS

1. "H-T product" shall mean a product manufactured from amosite asbestos fiber, diatomaceous earth, sodium silicate, and minor other ingredients, which is used for high temperature insulation, commonly known and marketed by UNION as "Unibestos" pipe and block insulation.
2. "H-T product business" shall include manufacturing, processing, use and sale of the H-T product.
3. "Tyler plant" shall mean all of UNION's plant, buildings, structures and other elements of real property at or near Tyler, Smith County, Texas, where UNION manufactures the H-T product.
4. "Bloomington plant" shall mean UNION's plant at or near Bloomington, Illinois, where UNION has certain facilities for the manufacture of the H-T product.

ARTICLE II. PROPERTY TO BE SOLD BY UNION TO FC

1. UNION shall sell and FC shall buy all that real property, consisting of land and buildings situated at or near Tyler, Smith County, Texas, bounded and described in UNION's title guarantee policy issued by Stewart Title Guaranty Company, a copy of which description is attached hereto as Exhibit A and made a part hereof, subject, however to the following:

(a) Taxes for the current year which shall be prorated at the time of closing.

(b) Deed, United States of America to Owen Development Co. dated Nov. 4, 1947, recorded in Vol. 594, page 112, Deed Records of Smith County, Texas in which certain utility easements and facilities were reserved.

- (c) Deed, United States of America to Owen Development Co., dated April 28, 1948, recorded in Vol. 594, page 119, said deed records -- reservation of fissionable materials, utility operating agreement and reservation of certain utility easements and facilities.
- (d) Right of way, Owen Development Co. to Texas Power & Light Co. dated May 26, 1948, recorded in Vol. 596, page 367, said deed records.
- (e) Right of way, Owen Development Co. to St. Louis Southwestern Railway Co. of Texas, dated December 15, 1947, recorded in Vol. 583, page 122, said deed records.
- (f) Deed, Owen Development Co. to Etex Prod. Gas Co. dated August 7, 1948, recorded in Vol. 600, page 263, said deed records -- gas franchise; use of butane, propane or other private gas systems restricted.
- (g) Right of way, J. W. Munn et ux to Houston Oil Company of Texas, dated March 4, 1931, recorded in Vol. 251, page 88, said deed records.
- (h) Right of way, J. C. Hale to Texas Power & Light Co. dated December 30, 1942, recorded in Vol. 448, page 93, said deed records.
- (i) Right of way, J. C. Hale to Sinclair Prairie Oil Co. dated April 7, 1943, recorded in Vol. 461, page 461, said deed records.
- (j) Right of way, J. C. Hale to Southern States Telephone Co. dated April 27, 1943, recorded in Vol. 461, page 461, said deed records.

- (k) Deed, United States of America to Owen Development Co. dated September 26, 1947, recorded in Vol. 576, page 391, said deed records -- reservation of certain utility easements and facilities;
- (l) Deed, Owen Development Co. to Union Asbestos and Rubber Co. dated July 23, 1954, filed July 24, 1954 -- reservation of certain utility easements and facilities;
- (m) Deed, dated July 22, 1954, from Cal-Textile Manufacturing Company to Union Asbestos & Rubber Company, which is recorded in Vol. 773, page 79, of said deed records.

together with and including the plant, tanks, and other facilities and appurtenances thereto. The above described real estate is to be conveyed subject also to restrictive covenants affecting the property and any discrepancies, conflicts or shortages in area or boundary lines, or any encroachments or any overlapping of improvements which a correct survey would show, provided, however, that the same do not affect the existing improvements or restrict, interfere with or limit in any manner the existing or continued use of said property for the purposes for which it is now being used.

UNION shall also sell and transfer to IC all personal property including equipment, machinery (including idle and salvaged equipment), vehicles, fixtures, furniture and all other items pertaining to UNION's business ~~and operations at the Tyler plant, and all of the equipment, machinery~~ and other property pertaining to UNION's H-T product business and operations at UNION's Bloomington plant which is specifically listed in Rider A attached hereto and made a part hereof.

All of the foregoing real and personal property (wherever located) is hereinafter called the "H-T product property."

2. At the closing, UNION shall convey to FC the real property described in paragraph 1 above by deed of general warranty conveying good and marketable title in fee simple to said premises free and clear of all liens and encumbrances, except as stated in paragraph 1 above, the title to which shall be insured in FC's name but at UNION's expense in an amount of not less than \$60,000 by Stewart Title Guaranty Company. The aforementioned deed shall bear the federal and state documentary tax stamps required to be affixed thereto (the cost of which shall be borne by UNION). At the closing, UNION will also deliver possession of such premises to FC; and all real estate taxes, assessments and utility charges, if any, shall be prorated as of the closing date. In addition, at the closing, UNION will transfer, set over and deliver to FC by general conveyance and good and sufficient bill of sale, in the forms as attached hereto as Exhibits B & C, all of the H-T product property to the extent not conveyed by the aforesaid general warranty deed. To the bill of sale covering the property at Bloomington there will be attached an inventory comprising a listing of items identical to that in Rider A hereto. FC will be entitled to take possession of all of the H-T product property at the closing. UNION warrants that, except as may be stated in paragraph 1 above, it has a good and marketable title to all the H-T product property, free and clear of all liens and encumbrances. UNION further warrants that such deed of conveyance and bill of sale will effect the conveyance and transfer to FC of a good and marketable title to all of the above described H-T product property.

~~3. The closing date for the purchase and sale of the real and personal~~
property to be conveyed and transferred hereunder shall be July 2, 1962 and shall be as of June 30, 1962, and shall take place at a place which may be lawfully appropriate for such closing to be designated by UNION.

4. Promptly after the closing, UNION shall, under the supervision of PC's designated representatives, have all of the H-T product property (or such of it that PC shall designate to UNION) located at the Bloomington plant dismantled, packed and shipped at such time and to such place or places as PC shall specify, at PC's expense and prior to October 15, 1962. If PC has made no designation by such date, UNION shall have the right to dispose of such property as it sees fit for UNION's own account.

5. In accordance with the provisions of Article IV below, within a reasonably prompt time after the closing date hereunder, UNION shall sell and PC shall buy UNION's H-T product inventory, wherever located, except such raw amosite asbestos fiber as UNION may request to be withheld, pertaining to UNION's manufacture and sale of the H-T product.

ARTICLE III. PAYMENT BY PC TO UNION FOR
REAL PROPERTY, PLANT AND FACILITIES

PC shall pay UNION on the closing date, July 2, 1962, the sum of \$750,000 by certified or cashier's check, representing the purchase price of the H-T product property.

ARTICLE IV. PC'S PURCHASE OF INVENTORY

1. On June 28, 1962, UNION will cause, or has caused, its plants to be shut down for the purpose of taking a complete physical inventory of all raw material, shipping supplies, work-in-process, factory and operating supplies, and finished goods, wherever located, then maintained by UNION pertaining to its manufacture and sale of the H-T product both at the Tyler

and Bloomington plants. UNION shall give, or has given, PC timely notice of the taking of such physical inventory and PC shall have the right to have present, or has had present, at the taking thereof certified public accountants and other representatives to audit and verify the adequacy and accuracy of such inventory. Said inventories will promptly be, or have been, reviewed and those raw materials (certain amosite asbestos fibers) which UNION desires to retain, and those finished goods which in PC's determination are obsolete or damaged will be deleted from the inventory list and the remaining items priced out at the following established values. The valuation principle of lower of cost or market shall be used to establish values for raw material and work-in-process (and only the raw material constituent of work-in-process will be considered for the purpose of valuing work-in-process). Finished stock will be valued at the average of Tyler plant cost of production for March, April and May, 1962. It is understood that UNION will leave, or shall have left, for PC a sufficient supply of raw materials to allow production to proceed at the Tyler plant for at least a four month period under normal usage. At or promptly after the closing, UNION will transfer, set over and deliver to PC by good and sufficient bill of sale all of such inventory. UNION warrants it has a good and marketable title to all of such inventory free and clear of all liens and encumbrances. UNION further warrants that all such inventory is in usable and marketable condition. UNION further warrants that such bill of sale will effect the transfer to PC of a good and marketable title to all such inventory free and clear of all liens and encumbrances. PC will be entitled to take possession of such inventory at the closing and in that connection UNION shall promptly deliver such inventory to such place as PC shall direct,

at PC's expense. PC will pay UNION for the value of such inventory purchased by it no later than July 15, 1962, which payment shall be in addition to the amount payable to UNION under Article III hereof.

ARTICLE V. PROVISIONS RELATING TO THE
PROPERTY TO BE SOLD

1. UNION shall not, without PC's prior written consent, remove, sell, lease, dispose of, mortgage or otherwise encumber the H-T product property or any portion thereof. UNION warrants that it has not taken any such action with respect to any of such property and that it has maintained all of such property wherever located in substantially the same state, condition and location as it was with respect to the Tyler plant on January 25, 1962, and with respect to the Bloomington plant on February 20, 1962, the respective dates of the first inspections of said plants by representatives of PC.

ARTICLE VI. PROVISIONS APPLICABLE TO PC'S
ENTRY INTO PRODUCTION OF THE
H-T PRODUCT

1. Upon the execution of this agreement, PC, by its agents and representatives, shall have full and complete access to UNION's H-T product business and operations, both at the Tyler and Bloomington plants; and to all information and personnel concerned with the conduct and operation of UNION's H-T product business, including the right to examine and evaluate inventory and inventory records, sales, marketing, customer service and distribution methods and facilities. However, such right of access and examination shall be exercised so as not to interfere with UNION's operations and UNION's reasonable determination of what constitutes its operations relative to the H-T product business at Bloomington or elsewhere (other than at Tyler) shall be binding. Subsequent to closing, UNION will

take appropriate steps which will enable PC to so conduct such operations after the closing, and UNION, by its agents and representatives, will extend full cooperation and assistance to PC's agents and representatives to effect the successful transition of the conduct and operation of the H-T product business from UNION to PC. Such cooperation and assistance shall be extended for such period of time as may reasonably be necessary to effectuate such transition and shall include, but not be limited to: (a) the effective communication to PC's agents and representatives of the know-how which UNION is required to disclose and transfer to PC pursuant to paragraph 5 of this Article VI, and (b) the introduction by UNION, through its agents and representatives, of PC's designated representatives to UNION's H-T product customers, and in that connection the identification of PC as UNION's successor in the H-T product business.

2. UNION will furnish PC promptly after the execution of this agreement with copies of all written contracts, leases, licenses, patents, patent applications and agreements, and will advise PC as to the terms of all oral agreements and understandings, if any, relating to UNION's conduct and operation of the H-T product business, and at PC's request, UNION will execute such instruments and perform such other acts and obtain, if possible, such consents, as may be necessary to assign to PC the interest of UNION to any or all of such contracts, leases, patents, patent applications, licenses, agreements and understandings. These shall include, but shall not be limited to, arrangements concerning the following items:

- (a) Raw materials, including supplies of amosite asbestos fiber
- (b) Supplies
- (c) Utilities
- (d) Professional services
- (e) Technical agreements pertaining to the licensing of patents, patent applications, and trademarks, trademark applications, and the disclosure, acquisition and/or use of know-how.
- (f) Transportation and transportation equipment
- (g) Sales and sales agencies
- (h) Warehousing
- (i) Assignment of patents, patent applications, trademarks, trademark applications, and copy-rights.

3. At or promptly after the closing, UNION will transfer, set over and deliver to PC all correspondence, reports and other papers in its possession pertaining to UNION's conduct and operation of the H-T product business, which shall include, without limitation, research, technical and operating reports, credit information, operating manuals and instructions, correspondence with customers, sales department records, shipping department records, customer lists, salesman's call reports, engineering drawings and prints, and all other pertinent plant design data. UNION warrants that there are no restrictions on its right to transfer such items to PC. If any of the papers transferred to PC pursuant to this paragraph contain composite data, PC shall be entitled to use only those portions thereof, as UNION shall advise PC pertain to the conduct or operation of the H-T product business.

4. UNION has disclosed to PC all existing, threatened or potential suits for patent infringement or other legal action which may

be pending or contemplated by or against UNION with respect to any phase of its conduct or operation of the H-T product business. In connection with such disclosure, UNION certifies to PC that there are no other such suits pending or, to the best of UNION's knowledge and belief, threatened or potential, and further warrants to the best of UNION's knowledge that practice by PC of the know-how to be delivered by UNION to PC will not infringe any existing, unexpired U. S. Letters Patent.

5. At or promptly after the closing, UNION will execute and deliver to PC appropriate instruments whereby UNION assigns and transfers to PC all of its patents and patent applications and its trademarks, "Unibestos", "Super Unibestos", and "Superbestos", and trademark applications, pertaining to the H-T product business, subject, however, to prior rights and licenses thereunder, if any, granted to others, as specified in writing by UNION; also UNION will disclose and transfer to PC and, subject to any rights heretofore granted by UNION as specified in writing by UNION, will grant to PC the exclusive right to use and disclose to others all of its know-how pertaining to the H-T product business, and UNION shall hereafter refrain from disclosing or granting rights to use such know-how to any person, firm or corporation. "Know-how" shall consist of both written and unwritten data and information and shall include, but not be limited to, all trade secrets, formulae, recipes, research, technical engineering, production data and procedures, pertaining to the H-T product business, including, without limitation, its manufacture, evaluation, storage, shipment and use. UNION warrants that there are no restrictions on its right to disclose or transfer such know-how to PC, or to authorize PC to use such know-how. UNION represents that it has continuously used the above-mentioned trademarks in commerce throughout the United States since October 14, 1936, in the case of "Unibestos", and August 19, 1936, in the case of "Super Unibestos". At PC's expense, UNION will furnish PC with proof reasonably available to UNION of the continuous use by UNION of the trademarks "Unibestos" and "Super Unibestos"

and will furnish PC, at PC's expense, with such other assistance as PC may require to register and protect these trademarks.

6. UNION will pay or reimburse PC for all taxes, assessments and utility charges which may be made against PC or the property acquired hereunder as a result of, or pertaining to, the conduct or operation of the H-T product business by UNION to the closing date.

7. UNION will indemnify PC against liability and hold it harmless from loss in respect of any claim which may be asserted against PC arising from, or as a result of, or related to UNION's conduct or operation of the H-T product business to and including the closing date hereof, whether such claim is asserted in respect of UNION's obligation under any contract or agreement which, at PC's request, it has assigned to PC pursuant to paragraph 2 of this Article VI, or otherwise. UNION recognizes its responsibility to its customers for claims, if any, for damages caused by or arising out of the manufacture and sale of its H-T products which heretofore have been sold or distributed by UNION prior to closing date, and in the event of any such claim, UNION will promptly notify PC of any such claim which may be asserted against UNION in respect to the H-T product which it had made, used or sold prior to closing date.

8(a). With respect to orders for the H-T product received by UNION from its customers by June 29, 1962, for delivery after the closing (which orders are listed in Rider B hereto attached), PC will, subsequent to the closing, supply UNION with its requirements of the H-T product to fill such orders, regardless of the dates of delivery; PC's price to UNION with respect to each order which UNION places with PC pursuant to this paragraph 8(a) shall be at UNION's net price to customer less five (5) points of list.

8(b). With respect to orders for the H-T product received by UNION from its customers after June 29, 1962, for delivery within sixty (60) days of July 2, 1962 (ninety (90) days in the case of Mundet Cork Company), PC will, subsequent to the closing, supply UNION with its requirements of the H-T product to fill such orders; PC's price to UNION with respect to each order which UNION places with PC pursuant to this paragraph 8(b) shall be at UNION's net price to its customer less five (5) points of list, but in no event shall PC's net price to UNION be less than zero list less nineteen (19) points of list.

8(c). In the event that, within sixty (60) days after July 2, 1962, any one of UNION's distributor-applicators shall give UNION bona fide advice of a commitment which UNION had made to such customer on or before June 29, 1962 to supply it with a quantity of the H-T product on the basis of which such customer had bid a specific construction job on or before June 29, 1962, UNION shall notify PC of all such commitments not later than September 3, 1962; UNION may from time to time thereafter until October 1, 1962, notify PC of additional such commitments, in an aggregate amount not to exceed \$25,000, as to which UNION's customers shall have advised it subsequent to September 3, 1962; and PC will supply UNION with its requirements of the H-T product to fill such commitments which ultimately mature into orders, regardless of the dates of delivery; PC's price to UNION with respect to each order which UNION places with PC pursuant to this paragraph 8(c) shall be UNION's net price to its customer less five (5) points of list, but in no event shall PC's net price to UNION be less than zero list less nineteen (19) points of list.

8(d). With respect to all sales of the H-T product made by PC to UNION pursuant to this paragraph 8, PC will make shipments to domestic destinations designated by UNION.

ARTICLE VII. PROVISIONS RELATING TO
UNION'S EMPLOYEES

1. PC shall have no obligation to hire or continue the employment of any person now in the employ of UNION.

2. Promptly after the execution of this agreement, UNION will submit to PC a list of all of UNION's employees, wherever located, whose duties are currently and primarily involved in its H-T product business and operations, including those in sales and customer technical service. UNION will make available to PC all pay and performance records of such employees. UNION will interpose no objection to employment by PC of these individuals, but will cooperate to the extent it is able to get such of them as PC may desire to employ to accept employment.

3. In the case of any such employee with whom PC does not reach satisfactory terms of employment, UNION shall, upon PC's request, endeavor to retain the services of such employees and make them available to PC for a period not to exceed six (6) months. PC shall reimburse UNION for the cost of such employee's wage or salary during the period in which such employee's services are utilized by PC.

4. During the period from the closing date to within three (3) months thereafter, UNION will make available to PC such of its other employees not

covered by paragraph 2 of this Article III who possess technical, operating, marketing, or other skills, who may be useful to PC in its initial conduct and operation of the H-T product business; and PC shall have the right to consult with such employees from time to time during such period as it shall reasonably deem necessary. Such consulting services shall be at no cost to PC, except for subsistence and travel expenses of such employees during such period.

5. Should PC desire to utilize the consulting services of any of such employees of UNION beyond said period of three (3) months, UNION, at PC's request, if possible and with the employee's consent, will make available to PC any such employee for an additional period not to exceed twelve (12) months. PC shall pay UNION for such additional consultation services a sum amounting to 150% of each such employee's wage or salary, plus subsistence and travel expenses, during such additional period.

6. UNION will pay in full to all employees whose services with UNION shall be terminated by it all amounts, whether in the form of regular compensation, bonus, commission, overtime, sick leave, reimbursement of expenses, or otherwise, owing to or accrued in respect of such employees through the closing date. UNION will indemnify PC against liability and hold it harmless from any claim asserted against PC by any employee arising from his employment by UNION prior to the closing date; provided, however, UNION will not be required to indemnify PC for any claim except to the extent it accrued prior to the closing date. UNION will pay all amounts which are owing or accrued through the closing date in respect of federal, state and local taxing bodies, and insurance, hospitalization, vacation, pension plans and other fringe benefits for such employees.

7. UNION has informed PC of the terms of all understandings and agreements, written or otherwise, with any of its employees whose duties in any respect pertain to the H-T product, and has furnished PC with copies of all such written understandings or agreements. UNION represents that, to the best of its knowledge and information, it has fully disclosed to PC all such understandings and agreements and that there are no others. Except to the extent that it has agreed or may hereafter specifically agree in writing, PC assumes no contract or other obligation or liability of any nature whatsoever under any contract, agreement, understanding or practice between UNION and any of its employees or their representatives.

ARTICLE VIII. OTHER PROVISIONS

1. UNION agrees that, for a period of not more than five (5) years after the closing date, it will not engage in the United States in the production and/or sale of any high temperature insulation product containing asbestos with which it will compete with PC in respect of PC's H-T product business, nor will it invest in any organization which is in such business. PC recognizes that, apart from the H-T product business, UNION offers the following lines of insulating and packing products, containing asbestos, which UNION sells: Insubestos felt; Insutape; Wovenstone; Insutube; Type H insulation; Type SF insulation; asbestos cloth and textiles; asbestos tape; asbestos tubing; asbestos wick and rope; asbestos yarn; ~~asbestos packing; and Unarcoboard.~~ For purposes of this paragraph, PC acknowledges that the continuation by UNION of sales of products of these lines in the sizes, shapes, and densities in which UNION now offers

same for sale according to its most recent UNARCO general sales catalogue does not and will not constitute competition with PC in respect of its H-T product business. Such acknowledgment shall not be construed to limit UNION's right to vary the sizes, shapes and densities of its above-mentioned products in any way, subject only to the limitation contained in the first sentence of this paragraph 1.

2. Any controversy or claim arising from or relating to this agreement, or the breach thereof, shall be settled by arbitration in accordance with the Rules of the American Arbitration Association and judgment upon the award rendered may be entered in any court having jurisdiction hereof.

3. Notwithstanding any presumption to the contrary, all covenants, conditions and representations contained in this agreement, which, by their nature, expressly or impliedly, involve performance, in any particular, after settlement, or which cannot be ascertained to have been fully performed until after settlement, shall survive settlement. This provision shall be effective as to all such covenants, conditions and representations notwithstanding that as to some of them, it is expressly stated that they survive.

4. UNION agrees that if compliance with the Bulk Sales Acts of Texas or Illinois, or both, is required, that in consideration of PC waiving such compliance, UNION shall indemnify and hold PC harmless from and against the claims of any creditor for whose benefit such statute or statutes were enacted.

5. This agreement, together with Exhibits A, B and C and Riders A and B hereto attached, constitute the entire agreement between PC and UNION relative to the subject matter hereof, and there are no understandings or warranties of any kind except as expressly set forth herein and in said exhibits.

IN WITNESS WHEREOF, the parties have executed this agreement to be effective as of the day and year first above written.

PIITTSBURGH CORNING CORPORATION

By /s/ Russell Brittingham
President

ATTEST:

/s/ Evelyn A. Heil
Assistant Secretary

(SEAL)

UNION ASBESTOS & RUBBER COMPANY

By /s/ Edwin E. Hokin
President

ATTEST:

/s/ Jerome S. Weiss
Secretary

(SEAL)