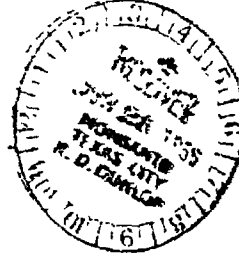


cc RND - supplied 6/26/56
cc: Mr. Eckert 6/1/56

ETHYL CORPORATION

100 PARK AVENUE BUILDING • PARK AVENUE AT 41ST STREET
NEW YORK 17, N. Y.



June 25, 1956

Mr. R. D. Dunlop
Monsanto Chemical Company
Texas City, Texas

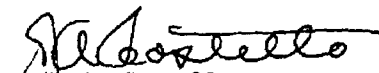
Dear Mr. Dunlop:

On March 21, Mr. Turner addressed a letter to you setting forth the understanding we had reached on that date in connection with the purchase of vinyl chloride by Monsanto from Ethyl. This letter provided that at the time Ethyl determined the expected capacity of its initial plant, Ethyl would give Monsanto the right of first refusal to negotiate for the excess vinyl chloride available over and above its own needs and that required to fulfill existing obligations. It also provided that at the time we were ready to size our vinyl monomer plant, we would discuss with Monsanto the feasibility of providing additional capacity for Monsanto on a long term basis.

We now propose to construct an initial facility with a capacity of 60,000,000 pounds in excess of amounts needed to fulfill our own needs and obligations existing on March 21, 1956. Our reason for doing this is to accommodate certain large consumers of vinyl monomer who have approached us with a view to making long term contracts. These contracts have not yet been made, but if they are, the plant capacity will be increased only sufficiently to meet the additional contract requirements.

We would appreciate being advised if you wish to negotiate for the purchase of this 60,000,000 pounds of monomer, and also if you have any interest in a long term supply contract for monomer in excess of this amount.

Very truly yours,


J. A. Costello
Vice President

STG - 1006314

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