

M E M O R A N D U M

April 27, 1966

TO: Files

FROM: P. J. McLean

RE: Paul W. Wood Company

The corporation (Paul W. Wood Company) would proceed immediately to terminate its business relationships with all of its principals excepting United Sierra. The corporation's accounting would consist of billings on an accrual basis against United Sierra for sales agency services and/or processing fees. Disbursements would be for payrolls for one or two employees, rent, property taxes, etc.

United Sierra would do all of its own billing, collections and accounting in their Trenton headquarters.

The books of the corporation would take probably four hours a month to maintain, and this could be done in the Los Angeles CMC accounting office. This suggestion is made so that:

(1) No misunderstanding will arise resulting in the corporation's accounting being expanded unnecessarily.

(2) The Los Angeles CMC office's knowledge of the corporation's accounts would enable it to use the corporation for other transactions which might present themselves.

The basis for the corporation's charging United Sierra could be on a percentage commission basis or on a cost-plus basis. The latter is recommended by PJM and S. T. Peeler approves.

The arrangement between the corporation and United Sierra should be reduced to a written agreement.

The corporation would not be liable for collection of accounts or the maintaining of inventories.

By the time that the corporation has liquidated its non-United Sierra business, it will probably have an operating loss carryover of at least \$100,000. The corporation would be reported with United Sierra Division the same as in the past. Therefore, United Sierra Division would get the benefit of the operating loss when the corporation earns income up to that amount.

Unless otherwise discussed and decided to the contrary, the \$340,000 carrying value of the stock would be included in the United Sierra investment.

PLAINTIFF'S
EXHIBIT
CAM-224

There would be no need for the corporation to have invoice forms of its own because all of the invoicing would be done by United Sierra Division. Letterheads and calling cards bearing the corporation's name would be in order, however, so that the corporation can be a genuine sales agent and/or processor.

If desirable, the name of the corporation can be changed.

It is not necessary that the present warehouse or office be maintained any more than they would be if the corporation did not exist.

The officers and directors of the corporation could be whomever United Sierra and Los Angeles management wishes, except that it would be helpful if one or more of the Los Angeles top management were officers to facilitate signing of income tax returns.

Over the years, the profit made by the corporation on the United Sierra business should absorb the present deficit and build up the net worth.

There may be opportunities as years go by for other income producing ventures to be put into the corporation. A suggestion has already been made by Bill Hosken to put the Forrest Cox land in the corporation.

P. J. McLean

PJM:ms

CERTIFICATE OF ELECTION TO WIND UP AND DISSOLVE

PAUL W. WOOD COMPANY

* * * * *

ENDORSED
FILED

In the office of the Secretary of State
of the State of California

SEP 6 1978

MARCH FONG EU, Secretary of State

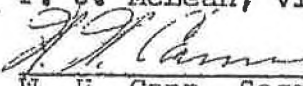
Phyllis E. Biaggi
Deputy

P. J. McLean and W. H. Cann certify:

1. That they are the vice president and secretary of PAUL W. WOOD COMPANY, a California Corporation.
2. That said corporation has elected to wind up and dissolve.
3. That said election was made by the written consent of one hundred (100) shares of said corporation, and that said election was made by shareholders representing at least 50 percent of the voting power.

IN WITNESS WHEREOF, the undersigned have executed this certificate this *1st* day of September, 1978.

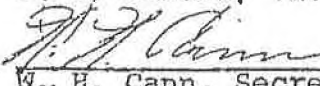


P. J. McLean, Vice-President


W. H. Cann, Secretary

Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true of their own knowledge. Executed at Los Angeles, California on September *1st*, 1978.



P. J. McLean, Vice-President


W. H. Cann, Secretary

State of California

OFFICE OF THE SECRETARY OF STATE

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California this

SEP - 6 1978



March Fong Eu

Secretary of State

CERTIFICATE OF DISSOLUTION

PAUL W. WOOD COMPANY

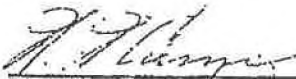
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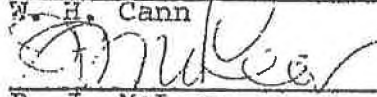
**ENDORSED
FILED**
In the office of the Secretary of State
of the State of California
SEP 6 1978
MARCH FONG EU, Secretary of State
Phyllis E. Biaggi
Deputy

W. H. Cann and P. J. McLean certify:

1. That they constitute a majority of the directors in office of PAUL W. WOOD COMPANY, a California corporation.
2. That said corporation has been completely wound up.
3. That adequate provision for the payment of unpaid debts and liabilities has been made in that CYPRUS MINES CORPORATION, a corporation, whose address is 555 S. Flower St., Los Angeles, CA 90071, has assumed payment of all known debts and liabilities of PAUL W. WOOD COMPANY.
4. That said corporation's known assets have been distributed to the shareholders.
5. That said corporation is dissolved.

IN WITNESS WHEREOF, the undersigned have executed this certificate this *1st* day of September, 1978.



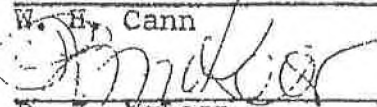
W. H. Cann


P. J. McLean

(A majority of the Directors in Office)

Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true of their own knowledge. Executed at Los Angeles, California on September *1st*, 1978.



W. H. Cann


P. J. McLean

(A majority of the Directors in office)

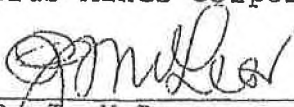
CONSENT TO WINDING UP AND DISSOLUTION

OF

PAUL W. WOOD COMPANY

The undersigned, being the sole shareholder of PAUL W. WOOD COMPANY, a corporation organized and existing under the laws of California, representing 100% of the voting power of said corporation, and being the owner of the number of shares set opposite its name below, DOES HEREBY CONSENT in writing to the winding up of its affairs and the dissolution of said corporation.

The undersigned does hereby direct the officers and directors of said corporation to take such further action as may be necessary or proper to wind up the affairs of said corporation and to dissolve it.

NAME	NUMBER OF SHARES
Cyprus Mines Corporation	100
By <u></u> P. J. McLean Senior Vice President and Comptroller	
By <u></u> W. H. Cann Secretary	

DATED: August 25, 1978