PLAINTIFF'S EXHIBIT
tabbies
ACS-41

Armstrong
CONTRACTING AND SUPPLY CORPORATION

TELEPHONE: 397-3431 AREA CODE 717

LANCASTER, PENNSYLVANIA

D. M. N.

DEC 21 1964

December 17, 1964

AIR MAIL

Mr. D. M. Nelson
Fiberboard Paper Products Corporation
Pabco Industrial Products Division
475 Brannan Street
San Francisco, California 94119

INDUSTRIAL PRODUCTS

DEC 21 1964

Dear Don:

Subject: Agreement

It gives me great pleasure to return herewith the original copy of your December 11, 1964, agreement properly signed and executed by Mr. J. W. Liddell, President, Armstrong Contracting and Supply Corporation. We appreciate your cooperation in making the requested modifications to your proposed agreement and, therefore, take no exception to the final agreement as submitted.

There are two minor points which, in revieving Exhibit B of the agreement, we feel should be stated in writing at this time for our mutual understanding. The present index for Exhibit B cites peges 1 through 6 and page 10. This is consistent with Exhibit B. However, we do feel it important to point out at this time for others who may require reference to the agreement that there are no pages 7, 8, and 9 to Exhibit B. The second point requiring clarification is that on page 3 of Exhibit B it is indicated that only carload shipments are available in areas B and C, as defined by the agreement. However, on page 6 of Exhibit B you show the discounts applicable for LCL shipments into Area B. Confirming our telephone conversation on this matter, our published material will not show the discounts since it is your request that shipments into Area B be on a carload basis only unless special arrangements have been made between our branch or district offices in Area B with Pabco concerning each particular LCL shipment desired. In the event you agree on a specific situation to allow an LCL shipment into Area B, we will assume, unless advised to the contrary, that the discounts shown on page 6 will apply.

Please find enclosed herewith a sample of an Armstrong LX Insulation rebrand label. The location of the requested letter P in the lower lefthand corner can be adjusted slightly to meet your dimensional criteria. The length and width of the label need not be identical to the sample enclosed. It may be slightly smaller or larger, as required, to cover the existing printed label on your cartons.

10½" wide
16" high

Please find enclosed herewith a sample copy of an AC&S purchase order. You will note that you received a #2 copy marked Vendor. Please note the word "SAMPLE" written across this order as the order is not to be filled, but is merely enclosed for an aid to your administrative personnel in establishing the procedures to be used in dealing with our branch, district, and home offices.

All invoices issued by Pabco in conjunction with orders placed by our branch offices are to be prepared in triplicate, two priced and one unpriced copy. These three invoices are to be sent to Armstrong Contracting and Supply Corporation, 120 North Lime Street, Lancaster, Pennsylvania. This procedure should be adhered to rigidly and applied to all invoices and/or credits relating to the agreement. Payment for all invoices will be made from the Lancaster, Pennsylvania, address and all correspondence regarding statements should be with the Lancaster, Pennsylvania, office rather than with our branch office initiating the purchase order.

All other applicable papers relating to the purchase order such as acknowledgments, shipment manifests, bills of lading, etc., should be sent by you to the AC&S office originating the purchase order. Any questions or discrepancies that the plant may have on any particular purchase order regarding material description or quantity to be forwarded should be handled through the branch office issuing the purchase order.

In summarizing, the best guide that can be established is to determine whether or not pricing information is involved. If pricing is involved, then all correspondence or discussions of this nature should be conducted with the Purchasing Department in Lancaster, Pennsylvania. If no pricing information is involved in any way whatsoever, then communications may be directed to the particular AC&S field office involved. At no time should any special pricing or discussion of the amount of the functional discount be discussed directly with our field offices.

We would appreciate your assistance in disseminating the above requested procedure to the necessary personnel in your organization who will be working with our account. May I again thank you for your cooperation as we work together in establishing this agreement. It is our present intent to have the necessary information in the hands of our field personnel by December 28, 1964, at which time we both can begin to reap the benefits of this agreement.

In closing, we extend to you, your associates, and family our best wishes for a Merry Christmas and a healthy and prosperous New Year.

Sincerely yours,

E. F. Larkin, Manager
Purchasing Department

DB

FIBREBOARD
PAPER PRODUCTS CORPORATION

EXECUTIVE OFFICES • 475 BRANNAN STREET • SAN FRANCISCO, CALIFORNIA

December 11, 1964

Armstrong Contracting & Supply Corporation
120 North Lime Street
Lancaster, Pennsylvania 17604

Gentlemen:

In consideration of the mutual promises herein contained, we agree to manufacture and sell to you and you agree to purchase from us, the products herein described at the prices and upon the terms and conditions set forth below.

1. Term. The term of this agreement shall commence December 1, 1964 and shall continue until terminated by either party upon not less than six (6) months' prior written notice to the other, except as specifically hereinafter provided.

2. Products. The products to be manufactured and sold hereunder shall be the line of calcium silicate pipe coverings and blocks, and cement as presently marketed by you under the brand name "Armstrong LK Insulation". All such products shall be to the specifications as described in Exhibit A attached hereto and made a part hereof. In addition, we shall fill your orders for 85% magnesia pipe coverings and blocks, and cement, but only to the extent the ingredients thereof are in our inventory and not allocated at the time of such orders.

3. Market Areas and Quantities.

(a) During the term of this agreement we shall furnish your requirements of the products covered by this agreement for shipment to and installation in the states and/or counties specified in Area A of Exhibit B attached hereto and made a part hereof. Said area is hereinafter called the "basic territory".

(b) You may also purchase from us some or all of your purchases of the products covered hereby for shipment to and installation in the states and/or counties specified in Area B of Exhibit B; provided, however, that our

or to such other address as either of us shall hereafter designate by written notice to the other.

14. Non-Assignability. This agreement shall not be assignable by either party without the prior written consent of the other, except in connection with a merger, consolidation or other corporate reorganization of a party (including for purposes hereof the sale of assets of the industrial insulation division of a party); provided that, in the event of any such corporate reorganization, either party shall have the right at its option by written notice to the other to terminate this agreement, effective upon the completion of such corporate reorganization.

15. Modifications. This agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all oral or written agreements, orders, understandings, stipulations or negotiations with respect hereto. The terms and conditions hereof cannot be varied altered, modified, or abandoned, in whole or in part, except by an agreement in writing signed by the parties hereto. No waiver of any of the terms or conditions hereof, or any modification of any of such terms or conditions duly consented to by us shall have the effect of waiving or modifying any of the other terms or conditions hereof.

If this letter correctly sets forth the terms of our agreement, please so indicate by endorsing the carbon copy of this letter in the space provided and returning the same to us.

Very truly yours,

FIBREBOARD PAPER PRODUCTS CORPORATION

By _____

ACCEPTED AND AGREED TO AT
LANCASTER, PENNSYLVANIA,
THIS 16TH DAY OF DECEMBER, 1964.
ARMSTRONG CONTRACTING & SUPPLY CORPORATION

BY _____