

European Vinyls Corporation (Americas), Inc

Licensing Department
Wilmington, DE 19897, USA
Telephone (302) 479-1500
Telex 401130
Fax (302) 479-1514



June 22, 1990

**Vista Chemical Company
900 Threadneedle
P.O. Box 19029
Houston, TX 77079**

Attn: Mr. Eric Meyer

Dear Eric,

Re: Intent to Manufacture BUS in U.S.A.

VISTA and European Vinyls Corporation (Holdings) B.V. ("EVC") plan soon to enter into a license agreement ("License Agreement") which will permit VISTA to practice EVC's process technology relating to use of its build-up suppressant (BUS) in the polymerization of vinyl chloride to produce suspension grade polyvinyl chloride resin. EVC (Americas) Inc. ("EVC (A)") is the supplier of the BUS chemical to EVC's licensees of the BUS process technology, and at the present time, EVC (A)'s source for BUS is from England where it is presently produced by ICI, one of EVC's two parent companies, the other parent being Enimont of Italy.

VISTA has expressed concern with the long supply line for BUS and EVC (A)'s ability to maintain the supply of BUS consistent with VISTA's anticipated entire requirements estimated at between 30 and 40 tons per year on a regular interval basis.

EVC (A) has explored with ICI and with EVC certain plans to produce BUS in the USA either by ICI (Americas) or by EVC (A) itself. While such plan currently does not have final approval, it is EVC (A)'s intention to continue to pursue and achieve a BUS production facility in the USA to supply BUS to VISTA.

EVC (A) agrees to maintain this position and to develop and implement a definitive program by the end of 1990 to achieve production of BUS in the USA during 1991, provided that:

1. VISTA will agree to an "entire requirements" commitment for an estimated 30 to 40 tons per year of BUS from such USA source for BUS for at least 5 years from the date of commencement of production of BUS at the new source, and