UNION CARBIDE **INTERNAL CORRESPONDENCE**

PLAINTIFF'S EXHIBIT
UC-970

METALS DIVISION • P.O. BOX 579 - 4625 ROYAL AVE., NIAGARA FALLS, NEW YORK 14302

To (Name) Mr. R. F. X. Fusaro
Division UCC - Law Division
Location 47th Floor
270 Park Avenue
New York, NY 10017

Date February 15, 1977

Originating Dept. "Calidria" Asbestos

Answering letter date

Subject Celanese Contract

Copy to Messrs. R. E. Byrne, Jr.
R. L. Schult
W. C. Thurber
J. E. Walsh
File

Enclosed is a copy of the Subject which has been "floating around" since August 1976.

Celanese has made a number of revisions with which we must concur to implement the contract. We have no problems with any of the changes from a business or sales standpoint. I would appreciate your expeditious review and approval of the enclosure.

John L. Myers

JLM:dal
Enclosure

ASSURED SUPPLY AND MIN/MAX PURCHASE AGREEMENT

a division of CELANESE CORPORATION

1. BUYER: Celanese Plastics Company,/Bishop, TX

2. SELLER: Union Carbide Corporation - Metals Division

X (1D) 3. PRODUCT: "Calidria" Asbestos RG-144 conforming to Buyer's Specification No. F-203[illegible] dated 9-22-71 attached hereto.

4. TERM: January 1 to December 31, 1977

X (1D) 5. QUANTITY: 200,000 - 250,000 lbs., in approximately equal monthly installments

~~6. PRICE: Seller's published price in effect at time of shipment - current price schedule attached.~~

7. TERMS & CONDITIONS: As printed on the reverse side.

X (1D) 8. PACKAGING: ~~In addition to full pallet shrink-wrapping,~~ each bag shall ~~also~~ be individually shrink-wrapped.

AGREED AND ACCEPTED FOR:

UNION CARBIDE CORPORATION

John L. Myers

By

Marketing Manager - Asbestos

Title

August 3, 1976

Date

CELANESE PLASTICS COMPANY

A division of CELANESE CORPORATION

R. A. Daniel

Vice President & General Manager - Resins

November 1, 1976

TERMS and CONDITIONS

Union Carbide (hereinafter called "Seller") does not accept any terms and conditions other than those contained in any existing written contract between Buyer and Seller covering materials described herein (hereinafter referred to as "material"). If there is no such existing written contract, Seller hereby offers to sell to Buyer such material only upon the following terms:

1. Unless otherwise specified by Seller herein, the purchase price for material sold hereunder shall be Seller's standard list price in effect at the time of shipment. In addition to the purchase price, Buyer shall pay Seller the amount of all governmental taxes, excises and/or other charges (except taxes on or measured by net income) that Seller may be required to pay with respect to the production, sale or transportation of material delivered hereunder, except where the law otherwise provides. For continuation, see Rider A attached hereto and made a part hereof.

2. Terms of payment are net cash 30 days from date of invoice. In the event Buyer fails to fulfill Seller's terms of payment for the material or in case Seller shall have any doubt at any time as to Buyer's financial responsibility, Seller may decline to make further deliveries of material except upon receipt of cash or satisfactory security.

3. Delivery shall be made f.o.b. Seller's plant or warehouse and title and risk of loss of material so delivered shall thereupon pass to Buyer.

4. It is expressly understood that any technical advice furnished by Seller with reference to the use of material is given gratis and Seller assumes no obligation of liability for the advice given or results obtained, all such advice being given and accepted at Buyer's risk.

5. Buyer shall protect and indemnify Seller from and against claims, damages, judgments, expenses and loss arising from infringement or alleged infringement of any patent of the United States or any trade mark, directly or indirectly, arising out of or resulting from Seller's compliance with drawings, specifications or instructions furnished by Buyer to Seller, and Buyer shall defend or settle at its own expense any suit or proceeding brought against Seller for such infringement, provided that Buyer is notified promptly in writing of the commencement of such suit or proceeding and is given authority, information and assistance by Seller for the defense or settlement thereof.

6. Seller warrants that at the time of delivery the material will ~~be of the Seller's standard~~ conform to specifications ~~for the type and grade of the material~~ described herein. THERE ARE NO EXPRESS WARRANTIES BY SELLER OTHER THAN THOSE SPECIFIED IN THIS PARAGRAPH 6. NO WARRANTIES BY SELLER OTHER THAN A WARRANTY OF TITLE AS PROVIDED BY THE UNIFORM COMMERCIAL CODE SHALL BE IMPLIED OR OTHERWISE CREATED UNDER THE UNIFORM COMMERCIAL CODE, INCLUDING BUT NOT LIMITED TO A WARRANTY OF MERCHANTABILI AND A WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

7. Buyer's receipt of material delivered hereunder shall be an unqualified acceptance of, and a waiver by Buyer of any and all claims (including, but not limited to, claims arising under the express warranties specified in Paragraph 6) with respect to such material unless Buyer gives Seller written notice of claim within thirty (30) days after such receipt. No claim against Seller of any kind, whether as to the material delivered or for nondelivery, and whether or not based on negligence or warranty, shall be greater in amount than the purchase price of the material with respect to which such claim is made. In no event shall Seller be liable to Buyer for any special, indirect or consequential damages, whether or not caused by or resulting from the negligence of, or breach of warranty by, Seller hereunder. * plus freight thereon.

8. Buyer assumes ~~all~~ the risks and liability for its use of the material; has full knowledge of all hazards to persons and property involved in handling and using the material; and warrants that employees, independent contractors, and others who handle and use the material for Buyer have been advised of all hazards to persons and property involved in handling and using the material. Buyer hereby assumes ~~and agrees to hold Seller harmless from all~~ liability resulting from ~~the~~ use of the material, whether or not such is in combination with other articles or substances or is used in any manufacturing process.

9. The validity, interpretation and performance of the terms hereof with respect to any material delivered (or to be delivered) hereunder shall be governed by the law of the State of CALIFORNIA in which such material is manufactured.

10. No modification or waiver of the terms hereof shall be binding upon either party ~~Seller~~ unless approved in writing by a duly authorized representative ~~of Seller~~, or shall be effected by the acknowledgement or acceptance of purchase order forms containing other or different terms whether or not signed by an authorized representative of Seller.

11. Neither party shall be liable for its failure to perform hereunder due to any occurrence beyond its reasonable control, including acts of God, fires, floods, wars, sabotage, accidents, labor disputes or shortages, governmental law, ordinances, rules and regulations, whether valid or invalid (including, but not limited to priorities, requisitions, allocations and price adjustment restrictions), inability to obtain material, electrical power, equipment or transportation, or any other similar or different occurrence. The party whose performance is prevented by any such occurrence shall have the right to omit during the period of such occurrence all or any portion of the quantity deliverable during such period, where upon the total quantity deliverable hereunder shall be reduced by the quantity so omitted. If, due to any such occurrence, Seller is unable to supply the total demands for any materials hereunder, Seller shall ~~have the right to~~ allocate its available supply among its customers and its departments and divisions in such a manner as ~~Seller shall deem~~ fair and equitable. In no event shall Seller be obligated to purchase material from others in order to enable it to supply material to Buyer hereunder.

12. See Rider A attached hereto and made a part hereof.

RIDER A

1. (Contd.) A change in Seller's standard list price may be effective to Buyer at the beginning of any calendar quarter on thirty (30) days prior written notice. Buyer's failure to make written objection thereto prior to the effective date of any such change shall constitute acceptance thereof. If Buyer so objects, unless Seller elects to rescind or modify such change in a manner acceptable to Buyer, then Buyer may terminate this contract as of or after the effective date of such change, by written notice to Seller. Such notice shall specify the date of termination. If such termination date be subsequent to the effective date of the change, the changed price shall become effective as scheduled and shall remain in effect until such termination date.

12. Meeting Competition. If Buyer furnishes Seller with written evidence of a firm offer to furnish material hereunder of a like quality by any other supplier to supply Buyer's then remaining requirements hereunder, at a price less than the then prevailing contract price and Seller fails to meet such lower price Buyer may purchase from said other supplier, the offered quantity or any part thereof as to which Seller shall not have reduced its price and the quantity so purchased shall be applied against the quantity herein provided for.

X