

2. Quality. Anaconda makes no representations or warranties with respect to the content, analysis or physical or other condition of the Fume Slag, Chemet agreeing to purchase the Fume Slag under the terms of this agreement "as is".

3. Delivery. The Fume Slag sold hereunder shall be delivered to Chemet, loaded in bulk, f.o.b. railway cars or f.o.b. trucks (at Chemet's option) at Anaconda's Slag Treating Plant at East Helena, Montana.

4. Purchase Price. Chemet shall pay Anaconda for the Fume Slag delivered hereunder an amount equal to the price for 100% of the zinc and lead contained in the Fume Slag, as determined by wet assay, such price to be computed on the basis of whichever of the following is applicable:

(i) \$1.27 per unit if the average of the daily quotations for prime western zinc at East St. Louis for the month that the Fume Slag is delivered is 11.5 cents per pound; or

(ii) \$1.27 per unit plus 12 cents per unit for each one cent by which said quotation exceeds 11.5 cents per pound, fractions in proportion; or

(iii) \$1.27 per unit minus 12 cents per unit for each one cent by which said quotation is less than 11.5 cents per pound, fractions in proportion

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The price quotations for zinc referred to above shall be those published by the Engineering and Mining Journal. In the event that the daily quotations by the Engineering and Mining Journal shall be discontinued or suspended or in the event that the basis for determining such quotations shall be changed, the parties shall substitute an alternate method of determining such zinc price that is fair and reasonable in the circumstances.

5. Settlement. Settlements hereunder shall be made at Anaconda's office at Great Falls, Montana, not later than 30 days after the end of each month in which the Fume Slag is delivered.

6. Sampling, Weighing and Assaying. Anaconda shall weigh and sample the Fume Slag ^{and determine the moisture content thereof.} when it is loaded at East Helena, in accordance with standard practices. At least three sample portions shall be made from each sample, one of which shall be delivered to Chemet, one of which shall be retained for use by Anaconda and one of which shall be sealed and retained by Anaconda for use by an umpire if necessary. Chemet and Anaconda each shall assay its sample portion for zinc and lead concentrate, and the results of such assays shall be exchanged promptly by crossing in the mail or by personal delivery. If the assays of the parties do not differ by more than the following splitting limits:

Zinc	-	0.4%
Lead	-	0.1%

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the average of such assays for that metal shall govern for all purposes hereunder. If any such assay differs by more than the applicable splitting limit, another assay for that metal shall be made by each party from its sample portion and the average of such reassays (if they do not differ by more than the applicable splitting limit) shall govern for all purposes hereunder.

If such reassays differ by more than the applicable splitting limits, *an assay shall be made from the umpire sample* an assay for that metal shall be made from the umpire sample portion by an umpire assayer acceptable to both parties. In such event, the umpire assay (if it falls between the original assays of the parties) or the original assay of the party nearer that of the umpire (if the umpire assay does not fall between the original assays of the parties) shall be the accepted assay for such metal and shall govern for all purposes hereunder. The cost of the umpire assay shall be borne by the party whose original assay is further from that of the umpire.

7. Term. The term of this agreement shall be for an initial period from March 1, 1964 through December 31, 1964 and thereafter until either party shall give notice to the other of its election to terminate this agreement, in which event this agreement shall terminate the thirtieth day following the giving of such notice.

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8. Force Majeure. If either party hereto shall be prevented from or delayed in the performance of any obligation of such party hereunder by reason of an act of God, force majeure, cessation or curtailment of operations at smelter or failure of ore supply, breakdown or destruction of plant or equipment, shortage of or inability to secure fuel, power, materials or labor, delay in or shortage of transportation, labor difficulties, governmental acts or regulations, or any other cause (whether or not of the character or nature hereinbefore specifically mentioned) that is beyond the control of the party affected and from which such party cannot reasonably relieve itself by giving security or otherwise, such party shall be excused from such performance during, but not longer than, the continuance of such contingency and shall not be liable to the other for damages on account thereof.

9. General. (a) Any notice or other communication required or permitted to be given pursuant to this agreement shall be in writing and shall be sufficiently given if deposited in the United States mail (registered or first class), postage prepaid, addressed to the party intended as the recipient at its address first above set forth or to such other address as

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such party shall have specified in a notice given to the sender as provided in this paragraph 9(a).

(b) No right or obligation of either party under this agreement is assignable without the prior consent of the other, and any purported assignment without such consent shall be void.

If the foregoing sets forth the agreement between us, will you please so indicate by signing the enclosed duplicate of this letter in the place indicated and sending it to the undersigned at the above address, thereby constituting this letter an agreement between us.

Yours very truly,
THE ANACONDA COMPANY

By _____
Vice President

CONFIRMED: March ____, 1964.
AMERICAN CHEMIST CORPORATION

By _____

PNYC 00011780

November 27, 1961

Memorandum to Mr. T. E. Graham

I am sending you herewith six copies of the proposed agreement with American Chemet Corporation relating to the purchase of zinc plant casting baghouse fume from our Great Falls plant, the first carbon copy of which I have approved as to form. Please note that the date of the letter must be inserted on page 1.

Following my conversations with you with respect to this matter, I had occasion to discuss one or two points with Rol Lapee, and I am not entirely sure that I have correctly described in the enclosed agreement the deal you had intended to make with Chemet. If you have any question at all about the enclosed, therefore, please give me a call and I will be happy to review this matter with you and to make such revisions in the enclosed agreement as may be required.

Your American Chemet Corporation file EH-13 is returned herewith.

/s/ D. D. Geary, Jr.

D. D. Geary, Jr.

DDG:apc
enc.

PNYC 00011781

N10993.01

November , 1961

American Chemet Corporation
105 West Madison Street
Chicago, Illinois

Att: Mr. W. W. Shropshire, President

Gentlemen:

This will confirm the agreement between The Anasconda Company (hereinafter called "Anasconda") and American Chemet Corporation (hereinafter called "Chemet") whereby Anasconda will sell to Chemet, and Chemet will purchase from Anasconda, zinc plant casting baghouse fume (hereinafter called "Baghouse Fume") in the quantity and on the terms and conditions hereinafter set forth.

1. Quantity

Chemet will purchase from Anasconda hereunder Chemet's requirements of Baghouse Fume each month, up to the total amount of Baghouse Fume produced by Anasconda during that month at its zinc plant at Great Falls, Montana, it being understood that Anasconda shall be obligated to deliver Baghouse Fume hereunder only from its current production of Baghouse Fume at said plant. Chemet will give Anasconda sufficient advance notice of its monthly requirements of Baghouse Fume to permit Anasconda to make timely delivery hereunder. If operations at Anasconda's zinc plant at Great Falls, Montana are substantially curtailed or are discontinued, Anasconda shall so notify Chemet and this agreement shall thereupon be terminated.

2. Quality

The Baghouse Fume to be sold by Anasconda to Chemet hereunder will be the zinc plant casting baghouse fume produced by Anasconda in the normal course of its zinc plant operations at Great Falls, Montana. It is understood

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N10993.02

and agreed that Anaconda makes no representations with respect to and does not guarantee the analysis of the Baghouse Fume, its color or its physical properties.

3. Delivery

The Baghouse Fume will be delivered in bulk f.o.b. railroad cars at Anaconda's zinc plant at Great Falls, Montana. Any expenses incurred by Anaconda for special handling, loading or packaging will be for the account of Chomet and Chomet will reimburse Anaconda therefor upon demand. Anaconda will load all shipments of Baghouse Fume hereunder from the same locations in its flue system and baghouse at said plant, which will be selected to conform as closely as possible to Chomet's requirements as to color, to the extent that the quantity of Baghouse Fume available from such locations will satisfy Chomet's requirements for Baghouse Fume hereunder and provided that the Baghouse Fume can be loaded from such locations in the required type of railroad car without special handling or other provision.

4. Sampling, Weighing and Assaying

Railroad weights at Great Falls, Montana and samples taken by Anaconda as the Baghouse Fume is loaded into railroad cars will govern in computing the purchase price and making settlement hereunder. Each railroad car shall be sampled separately. One portion of each such sample will be assayed for zinc content by Anaconda and a second portion will be sent to Chomet for such assay. Upon advice from Chomet that its assay has been completed, the assay results of the parties will be crossed in the mail. The average of the two assays for zinc will govern for purposes of settlement hereunder if these assays differ by 0.5% or less; should the two assays for zinc differ by more than 0.5%, an assay for that metal will be made by an umpire acceptable to both parties from a third portion of the sample. In such event, the assay of the umpire if it falls between the assays of the parties or if it is the same as the assay of either party, or the assay of the party which is closest to that of the umpire if the latter does not fall between the assays of the parties and is not the same as the assay of either party, shall be the accepted assay for the zinc carload from which the sample in question was taken and shall govern for purposes of settlement hereunder. The charge for the umpire assay shall be paid by the party whose assay for zinc content is further from that of the umpire assay.

5. Price for Baghouse Fume

Chomet will pay Anaconda a purchase price for the Baghouse Fume delivered hereunder computed as follows:

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Six cents (6.0¢) per pound of zinc contained in the Baghouse Fume, plus nine-tenths cents (0.9¢) per pound of such zinc for each one cent (1.0¢) by which the East St. Louis price for Prime Western zinc exceeds eight and twenty-five hundredths cents (8.25¢), or less nine-tenths cents (0.9¢) per pound of such zinc for each one cent (1.0¢) by which the East St. Louis price for Prime Western zinc is less than eight and twenty-five hundredths cents (8.25¢), fractions in proportion.

The East St. Louis price for Prime Western zinc referred to above shall be the average of the daily quotations for that metal published by the Engineering and Mining Journal for the week during which the Baghouse Fume is delivered hereunder.

The purchase price for the Baghouse Fume computed as above set forth shall be reduced, commencing on the date of this agreement and continuing until notice by Anaconda as hereinafter provided, by the amount of ten dollars (\$10.00) per dry short ton of the Baghouse Fume delivered hereunder. Such ten dollar (\$10.00) per ton reduction may be withdrawn and terminated at any time by Anaconda, at its option and in its sole discretion, by sending to Chomet by first class mail at Chomet's above address, postage prepaid, a written notice of such withdrawal and termination, whereupon this agreement shall continue in force (subject to the provisions of paragraph 8 hereof) with the purchase price for the Baghouse Fume computed as above set forth but without the ten dollar (\$10.00) per ton reduction.

6. Payment for Baghouse Fume

Chomet will make settlement for each car of Baghouse Fume delivered hereunder promptly after the governing assay has been determined as hereinabove provided. In the event that the assay for a particular car has not been determined by the time the next delivery of Baghouse Fume hereunder is required, Chomet will pay Anaconda on account a sum computed on the basis of a zinc assay of 70%, subject to adjustment between the parties promptly after determination of the governing assay and computation of the correct price.

Anaconda may from time to time require settlement for any delivery of Baghouse Fume hereunder to be made by sight draft attached to bill of lading for a sum computed on the basis of a zinc assay of 70%, subject to adjustment between the parties promptly after determination of the governing assay and computation of the correct price.

7. Non-assignability

This agreement shall not be assigned by either party hereto without the written prior consent of the other.

8. Term

The term of this agreement shall be from December 1, 1961 through December 31, 1962 and thereafter until terminated by either party upon not less than thirty days' prior written notice of such termination to the other. Such notice may be given by sending the same to the recipient at its address hereinabove set forth by first class mail, postage prepaid.

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If the foregoing is in accordance with your understanding and is acceptable to you, please so indicate by signing and returning to us the enclosed copy of this letter, whereupon this will be a binding agreement between our companies in accordance with its terms.

Yours very truly,

THE ANACONDA COMPANY

By _____

ACCEPTED AND AGREED:

AMERICAN CHEMIST CORPORATION

By _____

PNYC 00011785