

Minister of Manpower

METALS RESERVE COMPANY

WASHINGTON, D. C.

April 7, 1942

K. L. Smith

MEMORANDUM FOR MR. STRAUSS:

Re: Asbestos Distributors Limited
Proposed contract for the purchase of 500
tons Rhodesian Asbestos - Grade VRA/2

*believe
... should
conclude this*

This contract is ~~definitely~~ objectionable in the form of paragraph 3 which is a definite escape clause; paragraph 4 because it provides for payment in sterling with a substitute option of Rhodesian currency advantageous to the seller; paragraph 5 lacks a specific date for first delivery; paragraph 6 is faulty in the clause providing for seller's option to cancel unshipped balances instead of buyer's privilege to cancel same; paragraph 8, Section A, is unsatisfactory, covering excuses because of possible minor freight increases; and paragraphs 10 and 12 are unsatisfactory inasmuch as they both provide for definite foreign domination of the matter.

It seems to me that the contract should not only be specific in amount with equal monthly shipments but should contain specified date for initial delivery; payment for the asbestos should be in United States funds equivalent at the exchange rate to 55 pounds sterling per ton; also, there should be a provision for sampling and inspection and, furthermore, there should be a provision for the appointment of an Agent of Asbestos Limited in the United States to receive payment after arrival of the asbestos and its discharge at a United States port against seller's invoice with certificates of weight and inspection attached.

Morris Levinson
Morris Levinson
Assistant General Counsel

PLAINTIFF'S
EXHIBIT

UM-1614

Am 33:1/2... J
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Herrie Levinson
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