

MONSANTO CHEMICAL COMPANY

ST. LOUIS 4, MISSOURI

March 23, 1954

Mr. R. L. Hoskinson
Manager, Testing Division
Douglas Aircraft Company, Inc.
Santa Monica, California

Re: Monsanto-Douglas Agreement of August 24, 1948
Commercial Enterprise
Fluid F-9

Dear Mr. Hoskinson:

Pursuant to our discussions we agree to make the following exceptions insofar as Fluid F-9 is concerned to the agreement of August 24, 1948 between Monsanto Chemical Company and Douglas Aircraft Company, Inc. as modified with respect to "Selling and Administrative Expense Allowance" by the letter of Mr. Charles H. Sommer to Mr. Donald W. Douglas, Jr. of December 6, 1950;

1. In calculating "Profit Derived by Monsanto" for Fluid F-9 as set out in Paragraph A-1.01 of the Accounting Procedure (Appendix A):

(a) the price (arrived at in accordance with sub-paragraph 1 of Paragraph A-1.03) of raw materials which are manufactured by Monsanto will be reduced by a factor of ten percent (10%) in calculating "Total Manufacturing Cost" (Paragraph A-1.03),

(b) "Selling and Administrative Expense Allowance" (Paragraph A-1.04) shall be an amount equal to ten percent (10%) of the "Net Sales Amount" instead of fifteen percent (15%) of the "Profit Derived by Monsanto" as now provided; provided, however, the "Selling and Administrative Expense Allowance" shall not exceed fifty percent (50%) of "Profit Derived by Monsanto".

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of the Secretary

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Mr. R. L. Hoskinson

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2. The "Douglas Profit Share" shall be fifty percent (50%) of the "Profit Derived by Monsanto" instead of forty percent (40%) as now specified in the Monsanto-Douglas letter agreement of February 23, 1951 under which Fluid F-9 was incorporated into the "Commercial Enterprise".

It is understood and agreed that these exceptions apply only to Fluid F-9 and are subject to review at any time upon request of either party. Furthermore, it is understood and agreed that these exceptions with respect to Fluid F-9 constitute no precedent with respect to other fluids which are now in the "Commercial Enterprise" or which may be brought into the "Commercial Enterprise" in the future.

If the above understandings and agreement meet with the approval of Douglas Aircraft Company, Inc., please indicate such agreement and approval by execution of this letter in duplicate at the place indicated below and return a signed original to us.

Very truly yours,

MONSANTO CHEMICAL COMPANY

By Charles E. Lauer

AGREED TO:

DOUGLAS AIRCRAFT COMPANY, INC.

By William J. ...

Date: April 30, 1954

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