CITY Cleveland, Ohio DATE Sept. 22, 1958 FOR All Directors

SUBJECT Matters on Which Directors and/or Executive Committee Action has been Taken and on Which other Action is Pending

ANSWERING LETTER OF

PAINT DIVISION

1. Western States Lacquer Corporation (4) - The agreement authorized by the Executive Committee April 7, 1958 covering purchase of Western's base color formulas for finished automobile synthetic enamels has been signed by Western.

2. W. R. Grace & Co. (25) - Execution of agreements approved by the Executive Committee August 17, 1956 with Grace's subsidiaries in Equador is still awaiting Grace's acceptance of certain amendments proposed by Glidden International. Negotiations are also pending on similar arrangements in agreements with Grace's subsidiaries in Colombia, Peru, and Chile. Efforts to resolve these open items have so far proved largely ineffectual. There is in my opinion a need for consideration and discussion of these matters with Grace personnel who have authority to make decisions on contract matters. Failure to promptly dispose of these open items could seriously prejudice our position in dealing with Grace with respect to other important matters involving South American operations in which it appears disagreement exists among operating personnel.

3. Sadolin & Holmblad, Ltd. (Copenhagen) (2) - Executed copies of the Technological Service and Trademark Agreements approved by the Directors July 29, 1958 have not as yet been received from Sadolin & Holmblad. We have not pressed the matter inasmuch as Mr. Dupont plans to call on them while he is in Europe.

4. General Paint Corporation of Canada (3) - Negotiations for the acquisition of the capital stock of the General Paint Corporation of Canada, Limited, of Vancouver, B.C., as authorized by the Executive Committee June 10, 1958, are still pending. Mr. Ayres, General's principal shareholder, has been informed that unless a firm commitment has been received by November 1, we will consider such negotiations as abandoned.

5. Sekisan Kako Kaisha, Ltd. (Japan) (1) - Drafts of the proposed Technological Service and Trademark Agreements approved by the Directors August 26, 1958 have been forwarded to Sekisan's parent company, Ishihara, together with the letter of Agreement outlining certain conditions to be performed by Ishihara before either of the Agreements will be executed. Ishihara has acknowledged receipt of these documents and asked that it be given a period of time to study them before taking further action.

6. Pinturas Centro Americana, S.A. (Guatemala) - The Technological Service and Trademark Agreements approved by the Directors August 28, 1958 have been executed by Mr. Camacho and forwarded to Pincasa's Secretary for attestation of Mr. Camacho's signature.

7. Vapon Corporation - The contract authorized by the Executive Committee Sept. 3, 1958,

whereby we will obtain exclusive sales and patent rights relating to the use of a resin composition developed by Messrs. John Frank and Jack Horner, is awaiting approval of the latter's California attorney. Our final approval is contingent upon our Mr. Shelley's opinion on the success of a proposed commercial test.

8. Proposed Sale of Mound City Warehouse - On Sept. 15, 1958 the Executive Committee approved the sale for $61,400 of our present Mound City Dallas warehouse. Title will transfer to the buyer, Southwestern Properties, Inc., upon completion of the new Mound City Branch premises. The unpaid balance of the purchase price, $56,400, will be secured by a first mortgage and will be paid in full, at the purchaser's election, within a period of 18 months from date of transfer of the title.

CHEMICALS-PIGMENTS-METALS-DIVISION

1. Scranton Plant (3) - Further negotiations with Dumont-Airplane & Marine Instruments, Inc. with respect to its default of the payment obligations of the agreement under which the Euston Lead Division was sold on March 3, 1958 have been deferred pending success or failure of its successor management's efforts to stave off bankruptcy proceedings and complete negotiations with other creditors. Current financial statements have been prepared and distributed to creditors, and within the next few weeks we expect to be in a position to better appraise Dumont's collectibility.

FOOD DIVISION

1. Proposed Sale of Norwalk Plant (15) - No purchase offer has been received.

2. Proposed Acquisition of Vacant Land in Louisville (1) - Negotiations for the acquisition of approximately 120,000 square feet of vacant land adjoining the property on which our vegetable oil refinery is located, as authorized by the Executive Committee August 21, 1958, are pending. Mr. Lighter is awaiting an expression from the owner as to whether or not it is willing to sell the property at a price of $1.25 per square foot.

CHEMURGY DIVISION

1. Chas. Pfizer & Sons Co. (3) - All matters in connection with the sale of the assets of the Company's steroid business for $110,000 plus a contingent additional consideration of not to exceed $90,000, as approved by the Directors August 26, 1958, have been completed.

R. D. HORNER

RDH:McG

(The figure in parentheses is number of consecutive months item has been pending.)