

PLAINTIFF'S
EXHIBIT
ETCO-527

EXHIBIT

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SAFE FILE

SUPPLEMENTAL AGREEMENT

S. & W.E.C.

File No. 3286

Doc. No. 16

This supplemental agreement made and entered into this
1st day of October, 1947 by and between Ethyl Corporation, a corporation
of the State of Delaware (hereinafter referred to as Ethyl) and Stone &
Webster Engineering Corporation, a corporation of the State of
Massachusetts (hereinafter referred to as Stone & Webster).

WITNESSETH:

WHEREAS, Ethyl's principal interest and business is the
manufacture and sale of Anti-Knock compounds, the production of chemicals
required for their manufacture, and the manufacture and sale of other
chemicals;

WHEREAS, Stone & Webster's principal interest and business
is the design and construction for others of manufacturing plants and
engineering works in many and diverse fields and industries, including
the chemical and petroleum industries;

WHEREAS, Ethyl and Stone & Webster have heretofore entered
into an agreement dated May 29, 1945 (hereinafter referred to as Term
Contract) setting forth, among other things, the terms and conditions
under which Stone & Webster would furnish Ethyl with consulting services
and execute design and construction work for Ethyl, as and when
authorized by Ethyl; and which Term Contract provides also that in the
event any project involves confidential matters, a separate agreement
will be executed to cover such confidential matters with respect to
such project;

WHEREAS, Ethyl by letter dated September 5, 1947 (hereinafter
referred to as Authorization) authorized Stone & Webster to proceed
under said Term Contract with the design and construction of certain
additional facilities for and in connection with Ethyl's chemical and
manufacturing operations at Baton Rouge, Louisiana, as more fully
defined hereinafter;

WHEREAS, in the design and construction of said additional facilities for Ethyl, each party will, of necessity, acquire from the other valuable technical and confidential information which represents know-how (hereinafter referred to as "know how") which each possesses in its respective field and which "know how" the party possessing same desires to protect against any unauthorized dissemination; and,

WHEREAS, in the design and construction of said additional facilities by Stone & Webster pursuant to said Authorization, employees of Stone & Webster may make inventions and discoveries, the ownership of which the parties hereto now desire to establish.

NOW, THEREFORE, in consideration of the premises, the parties hereto mutually covenant and agree as follows:

1. That said additional facilities are, for the purposes hereof, classified broadly, as follows:

GROUP A FACILITIES

Lead-sodium alloy
Electrolytic sodium
Tetraethyl Lead
Tetraethyl Lead Antiknock Fluid

GROUP B FACILITIES

Ethyl Chloride
Ethylene Dichloride
Vinyl Chloride

GROUP C FACILITIES

Hydrocarbon pyrolysis
Olefin recovery and purification

2. That Stone & Webster will use care in the selection and assignment of personnel for work to be performed for Ethyl pursuant to said Authorization and take proper precautions to avoid the unauthorized dissemination of "know how" which it acquires from Ethyl, to persons other than those employees of Stone & Webster or others who must, of necessity, acquire such "know how" for the proper fulfillment of the work assigned under said Authorization.

3. That Ethyl will take proper precautions to avoid the unauthorized dissemination of "know how" which it acquires from Stone & Webster, to persons other than those employees of Ethyl or its Licensees who must, of necessity, acquire such "know how" for the full use and enjoyment of said additional facilities by Ethyl or Licensees of Ethyl.

4. That Stone & Webster will return to Ethyl promptly, when so requested by Ethyl in writing within one year after completion of the authorized work:

- (a) All temporary and final drawings, tracings, and/or prints, whether or not prepared by Stone & Webster, Ethyl, or others and which were used or acquired in connection with the Group A ^{or} Group B facilities of Paragraph 1 of this agreement, and
- (b) All requisitions, lists, orders, invoices, data and correspondence, as well as all computations in connection with Group A facilities of said Paragraph 1.

5. That in order to protect Ethyl against the unauthorized use of "know how" acquired by employees of Stone & Webster, from Ethyl, under said Authorization, Stone & Webster agrees that it will not, prior to September 1, 1957,

- (a) Design or construct for itself or others, Group A facilities of Paragraph 1 hereof except with the full knowledge and consent of Ethyl; provided, however, that this restriction shall be null and void as to any Group A facility or facilities with respect to which Ethyl terminates the employment of Stone & Webster under said Term Contract, prior to the completion of said Group A facility or facilities by Stone & Webster for Ethyl, and,

- (b) Use, in the design or construction of any Group A and/or Group B facility or facilities of said Paragraph 1 for itself or others, any "know how" acquired from Ethyl in connection with the design or construction of said facilities, except with the full knowledge and consent of Ethyl, and,
- (c) Use, in the design or construction of any Group C facility or facilities of said Paragraph 1 for itself or others, "know how" acquired from Ethyl in connection with the design or construction of said facilities, except with the full knowledge and consent of Ethyl unless such "know how" is so closely allied to its own "know how" as to present no important difference in kind as distinguished from degree.

6. That in the performance of the work covered by said Authorization, employees of Stone & Webster may conceive, invent and discover patentable subject matter which may have application to the Group A and/or Group B facilities of Paragraph 1 hereof. It is agreed that Stone & Webster shall disclose promptly to Ethyl all such subject matter which Stone & Webster considers to be patentable, including such information possessed by Stone & Webster pertinent thereto, to enable Ethyl to determine the advisability of filing patent applications thereon. Ethyl agrees to notify Stone & Webster promptly of its decision and should Ethyl elect to file patent application thereon, to prosecute same at its own expense, except that Ethyl, may at any time, upon 60 days written notice to Stone & Webster terminate such prosecution without incurring further liability in connection therewith and Stone & Webster shall have the right to take over such prosecution. Ethyl agrees also that it will not intentionally permit such application to become abandoned without first giving Stone & Webster reasonable notice in writing of its intent to do so, and Stone & Webster in such case shall have the right to take over the prosecution thereof and/or take such steps as are necessary to maintain said application alive. Should Stone & Webster elect to take over the prosecution of any such application, Stone & Webster agrees to reimburse Ethyl for all expenses

incurred by Ethyl in connection with such partial prosecution and Ethyl agrees to execute promptly any and all such papers as are necessary to properly vest title in such application and the invention covered thereby, in Stone & Webster.

Should Ethyl elect not to file patent applications on any subject matter disclosed to it by Stone & Webster, same shall be and remain the exclusive property of Stone & Webster. All patents issued to Stone & Webster on applications taken over from Ethyl shall become the exclusive property of Stone & Webster. Stone & Webster hereby grants to Ethyl a non-exclusive license with the right to license its Licensees, under its own terms and conditions, and without accounting to Stone & Webster, under all patents issued to Stone & Webster on applications taken over from Ethyl or on subject matter disclosed to Ethyl on which Ethyl did not elect to file patent applications in so far as they apply to Group A and/or Group B facilities.

All patents acquired by Ethyl hereunder relating to Group A facilities shall be the exclusive property of Ethyl. All patents acquired by Ethyl hereunder relating to Group B facilities shall be the joint equal property of Ethyl and Stone & Webster who shall enjoy equal licensing rights thereunder. Stone & Webster shall have the right to file applications on inventions made by its employees relating to Group C facilities and all patents acquired by Stone & Webster thereon shall be the exclusive property of Stone & Webster, except that Ethyl shall have a non-exclusive license with the right to license its Licensees, under its own terms and conditions without accounting to Stone & Webster, under all such patents in so far as they apply to Group C facilities.

Ethyl and Stone & Webster agree that inventions made jointly by employees of Ethyl and Stone & Webster shall be subject to the aforementioned restrictions and shall be dealt with hereunder just as though they had been made solely by employees of Stone & Webster.

7. That the restrictions provided for in Paragraphs 2 and 5 hereof shall not operate to prevent or be construed to prevent Stone & Webster or firms or corporations owned or controlled by Stone & Webster from designing or constructing plants similar to those which it has or

they have previously designed or constructed or which involve petroleum or chemical processes other than those used in the Group A facilities of Paragraph 1 of this agreement.

8. This agreement and all of the provisions thereof shall be deemed to be in full force and effect beginning the 16th day of June, 1947 and shall be binding upon and inure to the benefit of Ethyl and Stone & Webster, their successors and assigns and all firms or corporations owned or controlled by Ethyl and Stone & Webster; and upon approval by Ethyl of the work to be performed by parties other than Stone & Webster, Stone & Webster shall require similar agreements consistent with the provision of Paragraph 2 hereof from such of said parties as may be specified by Ethyl in writing at the time of such approval.

9. Except as specifically provided for herein, all terms and provisions of the Term Contract and Authorization not inconsistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in duplicate by their respective officers thereunto duly authorized as of the day and year first above written.

ATTEST:

STONE & WEBSTER ENGINEERING CORPORATION

W. E. Horwill
Secretary

By Karl J. Stusterbusch
Vice President

ATTEST:

ETHYL CORPORATION

J. C. Gonsky
Secretary
J.C. Gonsky(?)

By J. H. Schaeffer (J. H. SCHAEFFER)
Vice President

Note: This instrument signed in triplicate and two copies were returned to Ethyl on Oct. 14, 1947.

SAFE FILE

ETHYL CORPORATION

MANUFACTURING AND TRAFFIC DEPARTMENT

att. to
S. & W. E. C.
File No. ~~328~~
Doc. No. ~~3~~
15

9602
3286

September 8, 1948

PLEASE ADDRESS REPLY
TO: BOX 341
BATON ROUGE, L.A.

NOTED
SEP 11 1948 HER
J.O. 8027

NOTED SEP 17 1948 C.S.

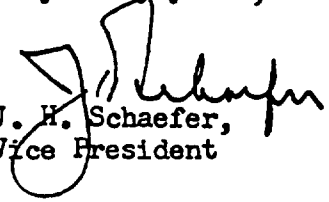
Mr. Karl Finsterbusch, Vice President
Stone & Webster Engineering Corporation
90 Broad Street
New York 4, New York

Dear Mr. Finsterbusch:

Your letter of July 22, advising that Stone & Webster Engineering Corporation considers the wholly owned subsidiary of Stone & Webster, Incorporated, E. B. Badger & Sons Company, a party to the existing Supplementary Ethyl Chloride Agreement and requesting permission for E. B. Badger & Sons Company to engage in the design and construction of ethyl chloride and ethylene dichloride facilities for others thereunder has been reviewed by this corporation.

This is to advise you that permission is hereby granted to E. B. Badger & Sons Company to engage in the design and construction of ethyl chloride and ethylene dichloride producing facilities for others under the Supplementary Ethyl Chloride Agreement between us, provided, however, that Stone & Webster Engineering Corporation does not make available to E. B. Badger & Sons Company any of the "know-how" Stone & Webster Engineering Corporation has acquired from the Ethyl Corporation in connection therewith.

Very truly yours,


J. H. Schaefer,
Vice President

EAY:pm

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ETHYL CORPORATION

BATON ROUGE PLANT

September 9, 1948

9557

at to

File No.	588
Doc. No.	7

3286

15

PLEASE ADDRESS REPLY
TO: BOX 341
BATON ROUGE I, LA.

J.O. 8027

Mr. Karl Finsterbusch
Vice President
Stone & Webster Engineering Corporation
90 Broad Street
New York 4, New York

Dear Mr. Finsterbusch:

NOTED SEP 17 1948

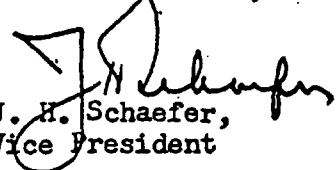
NOTED

1948 HER

Your letter of July 22, 1948, advising that E. B. Badger & Sons Company, a wholly owned subsidiary of Stone & Webster, Incorporated, is considered by the Stone & Webster Engineering Corporation as coming under the Electrolytic Sodium Supplemental Agreement of October 1, 1947, and requesting permission for E. B. Badger & Sons Company to carry out any such detail design and construction work that might result from its contacts with the duPont Company for producing electrolytic sodium, has been reviewed by this corporation.

This is to advise you that permission is hereby granted to E. B. Badger & Sons Company to engage in such work for duPont and others, provided, however, that Stone & Webster Engineering Corporation does not release to E. B. Badger & Sons Company any "know-how" which you have acquired from the Ethyl Corporation in connection therewith.

Very truly yours,


J. H. Schaefer,
Vice President

EAY:pm

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SAFE FILE

July 22, 1948

att. to

File No.	48337
Doc. No.	7
	15

Mr. J. H. Schaefer, Vice President.
Ethyl Corporation
Baton Rouge, Louisiana.

ETHYL CHLORIDE
SUPPLEMENTARY AGREEMENTS

Dear Mr. Schaefer:

During my recent trip to Baton Rouge, I outlined a situation which has arisen in connection with our affiliate, E.B. Badger & Sons Co., in reference to the design and construction of plants to produce ethyl chloride.

Our original Supplementary Agreement dated July 29, 1940, in connection with our construction of your ELA Plant No. 2, has expired. The Supplementary Agreement dated August 29, 1944 was made at the time we contracted to design and supervise the construction of the Ethyl Chloride Plant at Baton Rouge designated as your CP Project. This agreement will continue to be effective for a period of a little more than one year and although Badger are not owned or controlled by our Corporation, they are wholly owned by our parent corporation, Stone & Webster, Inc., and we consider it applies to their activities. In any event we would construe our obligation to you in the broader sense of professional ethics. The August 29, 1944 agreement provides, among other things, that we, and Badger by inference, agree not to design or construct plants for the production of ethyl chloride for a period of five years from the date of the agreement without your full knowledge and approval.

The Supplemental Agreement made October 1, 1947, in connection with your present expansion program stipulates that we will not use in the design or construction of any ethyl chloride or ethylene dichloride facilities, any "know-how" acquired from you except with your full knowledge and consent.

It has developed that Badger have received inquiries for their services to design and construct ethyl chloride and ethylene dichloride facilities. They do not have any experience on this work but it has been indicated that possibly Standard Oil Development Company would make certain basic information available to them so that they

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Mr. J. H. Schaefer

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July 22, 1948

would be in a position to render the desired services. We would not be called upon and would not make available to Badger any of your "know how" in the event any of this work were to go forward. On this basis, we understand that you would not have any objection to Badger undertaking the design or construction of these facilities and we would appreciate receiving your confirmation to this effect for our records.

Yours very truly,

Karl Finsterbusch
Vice President.

KF:MW

CC:NYB

BOS B ELAC HEB

Pro. Div. - Supplementary File: NY, Bos

SAFE FILE

July 22, 1948

att. to

W.E.C.
File No. <u>5773285</u>
Doc. No. <u>7</u>

Mr. J. H. Schaefer, Vice President
Ethyl Corporation
Baton Rouge, Louisiana,

ELECTROLYTIC SODIUM
SUPPLEMENTAL AGREEMENT

Dear Mr. Schaefer:

Our Supplemental Agreement of October 1, 1947 made in connection with your present expansion program provides, among other things, that we will not design or construct facilities for the production of electrolytic sodium or use in the design or construction of such facilities any "know how" acquired from you except with your full knowledge and consent.

As brought to your attention on my last visit to Baton Rouge, du Pont have asked our affiliate, E. B. Badger & Sons Co., to ascertain if any companies would be interested in installing plants to produce electrolytic sodium, in which event du Pont would furnish the basic designs and "know how" for Badger to carry out the detail design and construction work that might result.

We consider that our Supplemental Agreement with you also applies to Badger but understand that under the circumstances, provided we did not release any of your information to Badger, you would not object to their undertaking design and construction work on electrolytic sodium facilities.

We would appreciate your confirming this understanding.

Yours very truly,

Karl Finsterbusch
Vice President.

KF:MW

CC: NYB BB ELAC HEB
Supplementary Files (N. Y. & Bost.)

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