SHINTECH

July 27, 1981

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Mr. James R. Hopper
Director, Material Management
Hooker Chemical Company
P. O. Box 699
Pottstown, Pennsylvania 19464

Dear Mr. Hopper:

Reference is made to the letter agreement of September 4, 1980, between Occidental Petroleum Corp. (Hooker Chemical's parent company) and Shin-Etsu Chemical Co., Ltd. (Shintech's parent company).

Pursuant to the provision in the above-mentioned letter agreement and according to our discussing thereafter held, we hereby inform you that Shintech exercises its option to sell approximately 15,000,000 pounds of its PVC resins to you during the twelve (12) month period starting from August 1, 1981.

Enclosed are two (2) copies of the draft agreement for our sale and your purchase of our PVC resins. Please have the agreement duly executed and return one copy to us for our file.

Very truly yours,

SHINTECH INCORPORATED

R. Endo

Ryoji Endo
Director of Administration

RE/sjn
Attachment

cc: Mr. William J. Wetzel
President, Plastics Group
Hooker Chemical Company
1980 South Post Oak Road
P. O. Box 4289
Houston, Texas 77210

AGREEMENT BETWEEN SHINTECH INCORPORATED
AND HOOKER CHEMICAL COMPANY
FOR THE SALE AND PURCHASE OF POLYVINYL CHLORIDE RESIN

SHINTECH INCORPORATED, a Delaware corporation having its principal offices at Houston, Texas (herein referred to as "Seller"), hereby agrees to seel to HOOKER CHEMICAL COMPANY, a division of Occidental Petroleum Corporation, having its principal offices at Houston, Texas (herein referred to as "Buyer"), for Buyer's own use and consumption, and Buyer hereby agrees to purchase from Seller the following material on the terms and conditions herein set forth.

1. The material supplied under this Agreement shall be Shintech SE-650 grade polyvinyl chloride resin for blow molding of bottles and/or Shintech SE-1000 and/or SE-1150 grades polyvinyl chloride resin for calendering of film and sheet (herein referred to as "PVC resin").

2. The quality of PVC resin shall be per Seller's specifications.

3. The terms of this Agreement shall be for the twelve (12) month period beginning August 1, 1981, and ending July 31, 1982. This agreement shall be renewable for consecutive twelve (12) month period, beginning August 1, 1982 and of each subsequent year, upon mutual agreement between the parties hereto.

4. For each month during the term of this Agreement, Seller shall supply to Buyer an average of seven (7) hopper cars (approximately 1,250,000 pounds) of PVC resin, and Buyer shall take an average of seven (7) hopper cars (approximately 1,250,000 pounds) of PVC resin, making a total of approximately 15,000,000 pounds of PVC resin for the twelve (12) month period.

5. The price to be paid for PVC resin purchased by Buyer hereunder shall be Seller's market price for SE-650 and/or SE-1000 and/or SE-1150 grades PVC resin, less five percent (5%) thereof, or such other prices as the parties may mutually agree.

6. Prices specified herein shall be subject to adjustments by Seller effective as of the first day of any month upon not less than 15 days prior written notice thereof to Buyer. If Buyer shall give Seller written notice of objection to any such price adjustment prior to the effective date thereof, Seller may elect to continue to supply Buyer at the last prevailing contract price, or if Seller is unwilling to do so, the Seller shall be released from its obligation to make and Buyer from its obligation to take shipments.

7. Terms of payment shall be net cash in thirty (30) days from date of shipment from Seller's plant at Freeport, Texas, payable in lawful money of the United States. The acceptance of Seller of bank drafts, checks or other media of payment will be subject to immediate collection of the full face amount thereof.

8. Seller's certified weights taken at Seller's plant at Freeport, Texas, shall govern.

9. Seller may recover for each delivery hereunder as a separate transaction, without reference to any other delivery. If buyer be in default with respect to any of the terms of conditions of this Agreement, including but without limitation the obligation to make payments within thirty (30) days from date of shipment as specified in paragraph 7 above, or in the event Buyer is in default with respect to the terms and conditions of any other agreement with Seller, Seller may, at its option, defer further deliveries hereunder until such default be remedied (in which event, if Seller so elects, the agreement period shall be deemed extended by a time equal to that during which deliveries shall be so deferred), or without prejudice to any other legal remedy, Seller may decline further performance hereof.

10. Buyer shall give Seller reasonable advance notice for each shipment. Seller may, from time to time, specify lead time requirements. Seller shall not be required to ship more than seven (7) hopper cars (approximately 1,250,000 pounds) in any one month.

11. Buyer shall empty and make ready for pick-up all rail cars of Seller within ten (10) days from date of delivery of the material to Buyer. Buyer shall be allowed these ten (1) days as free unloading time, but shall be charged $20 per day for each car retained thereafter.

12. In addition to Seller's remedies set forth in paragraph 9 above, if, in Seller's judgment, Buyer's credit shall become impaired at any time, Seller shall forthwith have the right to decline to make deliveries hereunder except for cash until such time as said credit has been reestablished to Seller's satisfaction.

13. Any tax or other governmental charge upon the production, sale and/or shipment of the material sold hereunder, now imposed by federal, state or municipal authorities or hereafter becoming effective for or during the period hereof, shall be added to the price herein provided, and shall be paid by Buyer.

14. Failure of Seller to make any delivery hereunder (or portions thereof), when due, if occasioned by (a) Act of God or the public enemy, fire, explosion, perils of the sea, flood, drought, war, riot, sabotage, accident, embargo; or (b) without limiting the foregoing circumstances, any circumstance of like or different character beyond the reasonable control of the Seller; or (c) interruption of or delay in transportation, inadequacy or shortage of normal sources of supply of raw materials or sub-raw material or catalyst or equipment, or continued availability of energy supply, or break-downs, labor trouble from whatever cause arising and whether or not the demands of the employees involved are reasonable and within Seller's power to concede; or (d) compliance by Seller with any order, action or direction of any court, governmental office, department, agency, authority or committee thereof, including any direction or order restricting or limiting the selling price of the material specified herein or of any material produced in conjunction therewith or in connection with which such materials are used, which renders it impossible for Seller to maintain its profit margin, existing at the commencement of this Agreement, on such production or use; and (c) whether in any case the circumstance now exists or hereafter arises, shall not subject Seller to any liability to Buyer and, at the option of Seller, the

total quantity to be delivered hereunder shall be reduced by the quantity of the delivery or deliveries (or portions thereof) so omitted. If by reason of any such circumstances, Seller's supply of the material herein specified shall be insufficient to meet all requirements, including its own, Seller shall have the right at its option and without liability to apportion its available sales supply among any and all purchasers, including Seller's affiliated divisions and companies, in such manner as Seller believes equitable.

15. Failure of Buyer to make purchases of PVC resin (or portions thereof), pursuant to this Agreement, if occasioned by (a) Act of God or the public enemy, fire, explosion, perils of the sea, flood, drought, war, riot, sabotage, accident, embargo; or (b) without limiting the foregoing circumstances, any circumstance of like or different character beyond the reasonable control of the Buyer; or (c) interruption of or delay in transportation, or continued availability of energy supply, or break-downs, labor trouble from whatever cause arising and whether or not the demands of the employees involved are reasonable and within Buyer's power to concede; or (d) compliance by Buyer with any order, action or direction of any court, governmental officer, department, agency, authority or committee thereof; and (e) whether in any case the circumstance now exists or hereafter arises, shall not subject Buyer to any liability to Seller.

16. Seller and Buyer agree to keep this Agreement strictly confidential, with the exception of any information that of necessity must be disclosed in order to carry out the purpose of this Agreement with the exception of any information required to be furnished to any governmental agency.

17. Seller warrants that the material supplied hereunder shall conform to the description stated herein; and that said material shall be of merchantable quality, except Seller makes NO WARRANTY OR MERCHANTABILITY WITH RESPECT TO MATERIAL MADE PURSUANT TO BUYER'S SPECIFICATIONS. THERE IS NO WARRANTY THAT MATERIAL SUPPLIED HEREUNDER SHALL BE FIT FOR ANY PARTICULAR PURPOSE NOR IS THERE ANY OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT SUCH AS IS EXPRESSLY PROVIDED HEREUNDER.

18. Seller warrants that the use or sale of the material delivered hereunder will not infringe the claims of any United States patent covering the material itself; but does not warrant against infringement by reason of the use thereof in combination with other material or in the operation of any process.

19. Seller shall not be liable to Buyer for damage to persons or property resulting from the use of said material in manufacturing processes, or in combination with other substances, or otherwise.

20. Claims on account of weight, quality, loss of or damage to said material are waived unless made in writing within 10 days after arrival thereof at destination, and any action for breach of this Agreement, other than for nonpayment hereunder, must be commenced within six (6) months of the date of delivery, or due date of delivery in the event of nondelivery, of the particular shipment upon which such claim is based. Seller's liability for damages shall not exceed the purchase price of the particular shipment with respect to which such damages are claimed and shall not include liability for special, incidental, indirect, punitive, or consequential damages.

21. This Agreement or any modification thereof shall not be binding on Seller until accepted and countersigned on its behalf by an officer or other authorized representative. Commencement of performance hereunder prior to acceptance and countersignature as above stipulated in no case shall be construed as a waiver by Seller of this requirement.

22. Seller's waiver of any breach, or failure to enforce any of the terms and conditions of this Agreement, at any time, shall not in any way affect, limit or waive Seller's right thereafter to enforce and compel strict compliance with every term and condition hereof.

23. This Agreement supersedes and discharges, as of the effective date thereof, all previous agreements between the parties, covering sale of the same kind of material as specified herein, except as to amounts due or to become due from Buyer thereunder, and constitutes the entire agreement between the parties hereto. There are no understandings or representations, express or implied, not expressly set

forth herein and this Agreement shall not be modified, varied or supplemented except by a writing signed by the parties herein. It is agreed between the parties hereto that the terms and conditions of this Agreement shall control the sale of all material supplied hereunder and in the event the terms and conditions of this Agreement conflict with any terms and conditions of purchase orders, invoices or shipping notices, the terms and conditions of this Agreement shall be controlling.

24. This Agreement shall be governed by the laws of the State of Texas (specifically by that State's Uniform Commercial Code) and shall bind and inure to the benefit of the successors and assigns of the parties hereto. The rights and duties of this Agreement are not assignable nor transferable by Buyer without written consent of Seller.

DATED this 27 th day of July, 1981.

SHINTECH INCORPORATED

BY R. Endo
Ryoji Endo
Director of Administration

HOOKER CHEMICAL COMPANY

BY ______________________

ACCEPTED AND COUNTERSIGNED:
SHINTECH INCORPORATED

BY ______________________