VINYL CHLORIDE MONOMER SALES CONTRACT

Between

Pittsburgh Plate Glass Company

and

The Pantasote Company

Dated: April 26, 1966

PITTSBURGH PLATE GLASS COMPANY, Seller, hereby agrees to sell and deliver to THE PANTASOTE COMPANY, Buyer, and Buyer hereby agrees to purchase and receive from Seller the following product in the quantities, for the period, and upon the terms and conditions hereinafter stated:

1. Contract Term: The initial term of this Contract shall be a ten-year period commencing March 1, 1967 and expiring February 28, 1977, following which the Contract shall continue in effect from year to year, unless and until terminated by either party as of the expiration date of the initial ten-year period or as of the end of any subsequent one-year period upon not less than eighteen (18) months' prior written notice to the other party of its election so to terminate.

2. Product and Quality: Vinyl Chloride Monomer (VCM) sold and delivered hereunder shall conform to the specifications set forth in Schedule A attached hereto and made a part hereof.

3. Quantity: In each year in which this Contract is in effect, Buyer shall purchase and receive hereunder at least ninety per cent (90%) of Buyer's requirements of VCM for the operation of Buyer's plants at Passaic, New Jersey and Point Pleasant, West Virginia and elsewhere in

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the continental United States for the production of polyvinyl chloride (PVC), and Buyer may require Seller to sell and deliver hereunder up to one hundred per cent (100%) of Buyer's said requirements, subject to the limitations hereinafter stated in this Section 3, and in Section 4.

Buyer may not require Seller to sell and deliver VCM hereunder at an annual rate in excess of one hundred fifty million (150,000,000) pounds except as and to the extent provided in this Paragraph 3. If at any time or times Buyer shall determine to increase the capacity of its PVC producing facilities to consume VCM beyond an annual rate of one hundred fifty million (150,000,000) pounds by expanding one of its existing PVC plants or by constructing one or more new PVC plants, Buyer shall promptly notify Seller in writing of such determination and shall thereby commit itself to Seller to undertake and complete within eighteen (18) months thereafter the construction of such expanded or new PVC producing facilities. Buyer shall specify in its said notice the amount of increase above one hundred fifty million (150,000,000) pounds that such expansion or construction will effect in its annual VCM consuming capacity, and the approximate date when such increase will become effective.

Promptly following its receipt of any such notice from Buyer, Seller will notify Buyer in writing whether, and if so to what extent and when, Seller will be able to sell and deliver hereunder, from the then existing capacity or from the then authorized increase in capacity of Seller's VCM plant not contractually committed for sale to others than Buyer or for use by Seller in its own manufacturing operations, at the time of Seller's receipt of Buyer's said notice, the additional VCM that Buyer would be capable of consuming in its said PVC producing facilities as a consequence of such expansion or construction if Buyer should operate such expanded or new facilities at their full capacity. Seller shall thereupon be obligated to meet Buyer's added requirements as set forth in Seller's said notice, but Buyer may not require Seller to sell and deliver hereunder any portion of such additional quantities of VCM in excess of the quantities stated in Seller's said notice until the expiration of eighteen (18) months from the date of Buyer's said notice of a determination and commitment to expand, unless prior to the expiration of such period Seller shall have completed and placed in commercial production the requisite expansion of its VCM plant or a new VCM plant from which to produce and deliver such excess quantities. Further, if Buyer's said notice of a determination and commitment to expand is given on or after October 1, 1970, Seller may, in its responsive notice to Buyer, decline to increase its capacity in order to enable it to produce such excess quantities required by Buyer and decline to sell and deliver hereunder such excess quantities unless either (a) Buyer agrees not to terminate this contract effective at any time prior to the expiration of five (5) years after the date on which Seller shall have commenced the sale and delivery of such excess quantities from the expanded VCM producing facilities constructed by Seller for such purpose, or (b) such excess quantities shall be equal to or greater than the appropriate amount stated in the tabulation below and Buyer agrees that, if it shall so terminate this contract, it will nevertheless continue to purchase hereunder from Seller during such five (5) year period, or the unexpired portion thereof after the effective date of such termination, the first portion of its annual requirements of VCM for PVC production which is equal to such excess quantities.

IF BUYER'S NOTICE IS GIVEN BETWEEN	THE MINIMUM ADDITIONAL CAPACITY SHALL BE
October 1, 1970 and September 30, 1971	50,000,000 pounds
October 1, 1971 and September 30, 1972	75,000,000 pounds
October 1, 1972 and September 30, 1973	100,000,000 pounds
October 1, 1973 and September 30, 1974	125,000,000 pounds
October 1, 1974 and September 30, 1975	150,000,000 pounds

In no event may Buyer require Seller to sell and deliver hereunder quantities of VCM in excess of four hundred fifty million (450,000,000) pounds per year.

If at any time or during any interval of time Buyer's requirements of VCM, as aforesaid, are in excess of the maximum quantity which Buyer may then require Seller to sell and deliver hereunder, or in excess of the maximum quantity which Seller is able to sell and deliver hereunder, then, without prejudice to any right or remedy it may have against Seller in such latter circumstance, Buyer may purchase such excess requirements elsewhere.

4. Quantity Notification: On or before December 1, 1966 and on or before the first day of the fourth month preceding the first day of each succeeding calendar quarter, Buyer will give Seller written notice of the estimated quantities of VCM, within the minimum and maximum quantity limits specified in Paragraph 3 hereof, that Buyer will require Seller to sell and deliver hereunder to Buyer during each month of the second calendar quarter next following such notice. Buyer will promptly notify Seller in writing of any significant changes in such estimated quantities. Seller's deliveries

of VCM hereunder shall be in substantial conformity with such quantity notifications, as so changed from time to time; provided, however, that Seller may not be required to deliver hereunder in any calendar month quantities of VCM in excess of fifteen per cent (15%) of Buyer's then current annual requirements. With each such December 1 notice, Buyer shall include a statement of its best estimate of the total quantities of VCM, within such minimum and maximum quantity limits, that it will require Seller to sell and deliver hereunder to Buyer during each of the three calendar years next following the date of such notice.

5. Price: Subject to adjustments as hereinafter provided, Buyer shall pay to Seller a price of $0.0467 per pound, f.o.b. Seller's VCM plant at Lake Charles, Louisiana, for all VCM delivered hereunder until Buyer's annual purchases hereunder exceed one hundred fifty million (150,000,000) pounds. For all quantities of VCM delivered hereunder in any contract year in excess of one hundred fifty million (150,000,000) pounds, Buyer shall pay to Seller a price of $0.0462 per pound, f.o.b. Seller's VCM plant, as aforesaid.

6. Price Adjustment: The price stated in Paragraph 5 hereof shall be adjusted upward or downward, as the case may be, effective as of the first day of each calendar quarter during the life of this Contract, to reflect changes after January 1, [illegible] in:

(a) Seller's cost in dollars per pound of chlorine used at Seller's Lake Charles, Louisiana plant;

(b) Seller's cost in dollars per 1,000 cubic feet of natural [illegible]

[illegible]

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(c) Seller's average straight time hourly wage rate in dollars per hour, for employees included within the collective bargaining unit then currently represented by a Union or Unions, at Seller's Lake Charles, Louisiana plant;

(d) The most recent final Wholesale Price Index published prior to the first day of such calendar quarter by the Office of Business Economics of the U. S. Department of Commerce;

hereinafter called factors a, b, c, and d, respectively.

Any change in factor a, b, c, or d shall be determined by Seller by comparing the value of such factor on the last date that a price for VCM was calculated under this Contract and the value of the factor on the date as of which the adjustment is made, and subtracting the lesser from the greater.

If Buyer so requests, Seller shall disclose to an independent certified public accountant, mutually acceptable to Buyer and Seller, the absolute values of the factors necessary to establish whether any changes have occurred in the factors, and, if so, the amounts of such changes; it being understood and agreed that such accountant will be at liberty to disclose to Buyer only whether changes in the factors have occurred and, if so, the dates and amounts of such changes, and will not be at liberty to disclose to Buyer or anyone the absolute values of the factors before or after such changes.

To determine the amount of increase or decrease to be applied to the last previous price quotation or adjusted quotation for VCM, any change in factor a, b, c, or d in the units defined herein shall be multiplied by the decimals [illegible], [illegible], [illegible], or [illegible], respectively.

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The products of such multiplications shall be added to or subtracted from the last previous price quotation or adjusted price quotation, under this Contract, as the case may be, depending upon whether the change in the factor is an increase or a decrease. The adjusted price shall be rounded to the nearest whole number in the fourth decimal place, counting that any number less than 5 in the fifth decimal place is rounded to zero and that 5 or any number greater than 5 in the fifth decimal place shall be rounded to 1 in the fourth decimal place. Examples of price adjustment calculations are given in Schedule B, attached. Promptly after the occurrence of any change in factor a, b, c, or d which will, in Seller's judgment, cause a change in the price payable hereunder, Seller will notify Buyer thereof, stating the amount of such change.

7. Price Protection: Within thirty (30) days after Seller's receipt of an affidavit from two of Buyer's officers stating Buyer has received a bona fide offer from another producer to supply VCM to Buyer's plants from a VCM plant in the United States for a period of one (1) year or more in quantities not substantially greater than those which Seller is then committed to deliver hereunder, and of a quality which meets the specifications herein defined, at a price, giving due consideration to all factors determining such price, lower than the then quoted price hereunder, Seller shall give notice to Buyer stating whether it is willing to adjust the then prevailing price hereunder effectively to meet the offer of such other producer. If Seller is unwilling to adjust the then prevailing price pursuant to this Section 7, Buyer may elect, by written notice to Seller within thirty (30) days after the expiration of such thirty (30) day period, to accept such offer and credit its purchases thereunder to its purchase

obligations hereunder. Thereupon, provided Seller has, with its notice that it is unwilling to adjust the prevailing price, given Buyer notice of its intention to terminate pursuant to this Section 7 if Buyer should accept the offer, Seller may terminate this Contract upon ninety (90) days' written notice to Buyer, given within ten (10) days from the date of Seller's receipt of Buyer's notice that it will exercise its option to accept the offer.

8. Delivery: All VCM sold hereunder by Seller to Buyer shall be delivered to Buyer f.o.b. tank cars owned or controlled by Seller, at Seller's VCM plant at Lake Charles, Louisiana or elsewhere in the case of new plant construction, in full tank car quantities, spaced throughout each calendar quarter year during the life of the Contract, as to conform substantially to the quantity notifications furnished by Buyer to Seller pursuant to Paragraph 4 hereof. All costs of transporting VCM hereunder shall be prepaid by Seller and invoiced to Buyer. Notwithstanding the foregoing, Buyer may select alternative means of transportation at its expense, providing Buyer prepays all costs of transporting VCM by such means.

From March 1, 1967 until Seller's VCM plant at Lake Charles is producing sufficient VCM to satisfy Buyer's requirements, Seller shall provide Buyer with VCM of a quality conforming to the specifications set forth in Schedule A from a source or sources theretofore approved by Buyer on the basis of samples furnished by Seller and approved by Buyer, and Seller will not change from one approved source to another without prior notice thereof to Buyer.

9. Invoicing and Terms of Payment: Seller shall invoice Buyer promptly for all VCM delivered hereunder including prepaid freight thereon

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and payment shall be made by Buyer within sixty (60) days from date of invoice.

10. General Terms: The General Terms attached hereto form a part of this Contract as if recited at length over the signatures hereto affixed.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

Attest:

David A. Bort
Assistant Secretary

PITTSBURGH PLATE GLASS COMPANY

By William G. Ferguson
Vice President, Chemical Sales

Attest or Witness:

Harry H. Gregg

THE PANTASOTE COMPANY

By [illegible]

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GENERAL TERMS

1. Seller may recover for each shipment hereunder as a separate transaction, without reference to any other shipment. If Buyer be in default with respect to any of the terms or conditions of this or any other contract with Seller, Seller may, at its option, defer further shipments hereunder until such default be remedied, without prejudice to any other legal remedy. Waiver by either party of a single default or a succession of defaults shall not deprive either party of any right arising by reason of subsequent defaults.

2. All claims, relating to quantity, quality, weight and condition of the product included in any shipment made under this Contract will be deemed waived by Buyer unless written notice thereof be given to Seller within ninety (90) days after arrival of such shipment at Buyer's place of business and, in no event shall Seller's liability with regard thereto exceed the purchase price attributable to the specific shipment as to which such claim is made. Seller assumes no liability for damages arising from improper functioning or failure of transportation, unloading or discharge equipment furnished or used by Buyer, but, if Seller provides tank cars, it shall be responsible for their defects. Buyer assumes full responsibility under and liability for compliance with Federal, State, Municipal and local laws and regulations governing discharge, storage, handling and use of the product to be supplied by Seller under this Contract.

3. Seller's failure or inability to make any delivery or deliveries of the product sold hereunder when due, or Buyer's failure to

take any delivery or deliveries when due, or the failure of either party to perform any other obligation to be performed by it here when required if caused by "Force Majeure", as hereinafter defined, shall not constitute a default hereunder nor subject the party so failing to any liability to the other; provided, however, that the party affected by such "Force Majeure" shall promptly notify the other of the existence thereof and of its expected duration and the estimated effect thereof upon its ability to perform its obligations hereunder and that Seller shall use its best efforts to procure an alternate source of supply of VCM for Buyer as long as it is unable to make deliveries to Buyer. Such party shall promptly notify the other party when such "Force Majeure" circumstance has ceased to affect its ability to perform its obligations hereunder. The quantity to be delivered and sold or purchased and received hereunder during the year in which such failure occurs shall be reduced to the extent of the deliveries omitted for such cause or causes, unless both parties agree that the quantity to be delivered and sold or purchased and received hereunder shall remain unchanged. During any period that Seller is unable to make deliveries to Buyer due to "Force Majeure", Buyer's VCM purchases from any alternative source shall be deemed to have been purchased hereunder for purposes of determining the price per pound payable by Buyer for VCM delivered hereunder during the contract year in which such period occurs. As used herein, the term "Force Majeure" shall mean and include any act of God or the public enemy, accident, explosion, fire, storm, earthquake, flood, drought, interruption of or delay in transportation, strikes or other labor troubles, riots, sabotage, embargo, war (whether or not declared and whether or not the United States is a participant), Federal, state or municipal law, regulation, order, license, priority, seizure, requisition or allocation, failure or delay of transportation, shortage of or

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inability to obtain supplies, equipment, fuel or labor, or any other circumstances of a similar or different nature beyond the reasonable control of the party affected thereby. The foregoing provision of this Paragraph 3 shall not apply, however, and Seller shall not be relieved from failure to make deliveries as required by this Contract, during any part of the period commencing ~~April~~ MAR 1, 1967 and ending on the date of Seller's first shipment hereunder from its Lake Charles, Louisiana plant, of VCM complying with the attached specification in the quantities required by Buyer.

4. Any tax or other governmental charge upon the production, sale, and/or shipment of the product sold hereunder, imposed by Federal, state or municipal authorities becoming effective after the execution of this Contract may, at Seller's option and after thirty (30) days' written notice to Buyer, be added to the price herein provided and be paid by Buyer. Income, franchise, gross receipts, occupational and other similar taxes are not to be considered as a tax or other governmental charge within the meaning of this Paragraph.

5. All notices given hereunder shall be in writing and shall be deemed given if delivered personally or mailed by registered or certified mail (return receipt requested) to the parties at the following addresses, or at such other address as shall be specified by notice given pursuant hereto:

(a) To the Buyer at [illegible]
[illegible]
Attention: Treasurer

(b) To the Seller at [illegible]
[illegible]
Attention: Vice President, Chemical Sales

6. This Contract shall be binding upon and inure to the benefit of any successor corporation of Seller or Buyer, or any assignee of substantially the whole of the chemical business of either, but shall not be otherwise assignable by either without the prior written consent of the other, but each hereby consents to any assignment by the other to a corporation which is a wholly-owned subsidiary (providing the assignor remains primarily liable under this Contract) or to a corporation which shall succeed to substantially all the business and assets of the other, by merger, consolidation or sale, providing that the assignee agrees in writing, in advance of the assignment, to be bound by the terms of this Contract.

7. This Contract constitutes the entire agreement of sale and purchase of the materials named herein. No modification of this Contract shall be of any force or effect unless reduced to writing and signed by the party claimed to be bound thereby, and no modification shall be effected by any purchase order forms or acknowledgment forms containing different conditions.

8. Any controversy or claim arising out of or relating to this Contract or breach thereof, shall be settled by arbitration in New York, New York, in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof.

9. This Contract shall be governed by and construed in accordance with the Laws of the State of Pennsylvania.

Initialed for
Pittsburgh Plate
Glass Company

Initialed for
The [illegible] Company

SCHEDULE A

VINYL CHLORIDE MONOMER

SPECIFICATION		TEST NO.
Inhibitor (Phenol)	0-500 ppm	VCl-1
Acidity (as HCl)	10 ppm Maximum	VCl-2
Aldehydes (Acetaldehyde)	5ppm Maximum	VCl-3
Acetylene	2 ppm Maximum	VCl-4
Polymer Conversion	80% Minimum	VCl-6
Iron	0.5 ppm Maximum	VCl-10
Sulfur	3 ppm Maximum	VCl-9
Water	200 ppm Maximum	VCl-12
Dorell, $\Delta T\ ^{o}C.$ @ 0.5 ml	0.5°C. Maximum	VCl-11
Relative Viscosity (1% in Cyclohexanone)	2.75 Minimum	VCl-7
Non-volatile	0.05% Weight % Maximum	VCl-16
Appearance	Clear and colorless and no suspended matter	
Peroxide	0.06 ppm Maximum	VCl-8
Ethylene	5 ppm Maximum	
Oxygen	100 ppm Maximum	Vapor Phase

Initialed by
Pittsburgh Plate
Glass Company

Initialed by
The Pantasote Company

SCHEDULE 3

Sample Calculations to Adjust Vinyl Chloride Monomer Prices

1. Previous price of VCM and values of factors a, b, c, and d at last previous price quotation or adjusted price quotation:

VCM price		\$0.0470 per pound
Factor a:	Ethylene cost	E_1
Factor b:	Gas price	G_1
Factor c:	Wage rate	W_1
Factor d:	Wholesale Price Index	122.50

2. New values of factors a, b, c, and d at time of request for price adjustment:

Factor a:	Ethylene cost	E_2 (in this example, E_2 is less than E_1)
Factor b:	Gas price	G_2 (in this example, G_2 is greater than G_1)
Factor c:	Wage rate	W_2 (in this example, W_2 is greater than W_1)
Factor d:	Wholesale Price Index	123.50

3. Calculations:

Factor a: $E_1 - E_2 = \$0.0005$

$\$0.0005 \times 0.50 = \$0.00025$

Factor b: $G_2 - G_1 = \$0.05$

$\$0.05 \times 0.012 = \$0.0006$

Factor c: $W_2 - W_1 = \$0.20$

$\$0.20 \times 0.0005 = \$0.0001$

Factor d: $123.50 - 122.50 = 1.0$

$1.0 \times 0.000[illegible] = \$0.000[illegible]$

The sum of the products:

-0.00025
+0.0006
+0.0001
+0.000[illegible]
[illegible]

4. The new price for VCM is therefore: [illegible]

5. The rounded new price of VCM is [illegible]