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STONE & WEBSTER ENGINEERING CORPORATION

90 BROAD STREET, NEW YORK 4

Mr. Schaefer



NEW YORK
BOSTON
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SAN FRANCISCO

Att to

S. & W. E. C.
File No. <i>3283</i>
Sec. No. <i>25</i>

NOTED SEP 11 1950 K.F.

August 28, 1950.

NOTED SEP 12 1950 T.A.S.

Mr. J. H. Schaefer, Vice President
Ethyl Corporation
100 Park Avenue
New York, N. Y.

PLAINTIFF'S
EXHIBIT

ETCO-530

Dear Mr. Schaefer:

In your letter of February 4, 1949, which was accepted by us February 11, 1949, the amount of fee payable to us was determined for the work contemplated under your expansion program at Baton Rouge, Louisiana, as covered by our Job Order Nos. 8027A, B, C, D and H and 8147. This letter provided that changes in the piping costs of J.O. Nos. 8027C, D and H would cause an upward or downward adjustment in the fee as a result of definitive estimates which were then being prepared, and also provided for fee adjustment as might be warranted by change in scope of work or changes in the cost of J.O. Nos. 8027A and B as might be mutually acceptable.

The purpose of this letter is to summarize, as outlined below, final fee adjustments in line with our recent discussions:

1. The mutually agreed fee base increase in the piping costs of J.O. Nos. 8027C, D and H is \$173,270.
2. The scope of the work was increased under J.O. No. 8027L and the mutually agreed fee base estimate for the "L" accounts is \$164,105.
3. Construction Change Orders affecting various accounts under J.O. No. 8027 totaled \$660,228 for fee base items. However, since certain of this work could not be classed as increase in scope, it was mutually agreed that one-half of this amount would be included in the fee base estimate, i.e., an increase of \$330,114.
4. Memo Work Orders, which covered direct instructions to our construction forces, totaled \$134,480 for fee base accounts. However, it was agreed that no fee would be charged on these Memo Work Orders.
5. Standby Operations covered services and work during the preliminary operation of the new facilities and totaled \$41,195.

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for the fee base accounts. Although no amount had been included in our definitive estimates or in the January 1, 1949 Status Report to cover preliminary operation, it was agreed that no fee would be charged for Standby Operations.

6. Certain miscellaneous work in the various areas remained to be completed in December, 1949 when by agreement our construction activities at the job site were brought to a close. The subsequent labor performed and material supplied by Caldwell & McCann were estimated at \$287,400. It was mutually agreed that this amount would be deducted from the fee base estimate.

If the foregoing and the attached Calculation of Additional Fee, dated August 4, 1950, are acceptable to you, will you please so indicate by signing this letter in duplicate in the space provided herein and return one copy to us.

Yours very truly,

Karl Finsterbusch

Karl Finsterbusch
Vice President.

Enclosure

Accepted: Sept. 11, 1950

ETHYL CORPORATION

J. H. Schaefer
J. H. Schaefer, Vice President.

CALCULATION OF ADDITIONAL FEE
AUGUST 4, 1950
J.O. NOS. 8027A, B, C, D, H & L

1. Increase in J.O. Nos. 8027C, D & H, Piping -	\$173,270.
2. Additional for J.O. No. 8027L -	164,105.
3. Construction Change Orders -	330,114.
4. Memo Work Orders -	-
5. Standby Operations -	<u>-</u>
TOTAL	\$667,489.
6. Less Caldwell & McCann, Labor -	<u>287,400.</u>
Net increase in FEE BASE ESTIMATE -	\$380,089.
Additional Fee at 5-3/4%	\$ 21,855.