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METALS RESERVE COMPANY
Washington, D.C.

PLAINTIFF'S EXHIBIT
tabbies
JM-1395

CONTRACT

BUYER: METALS RESERVE COMPANY, 811 Vermont Avenue, N.W., Washington, D.C. agrees to buy,

SELLER: RAW ASBESTOS DISTRIBUTORS, LIMITED, Spotland, Rochdale, Lancs., agrees to sell,

MATERIAL: Chrysotile asbestos from South Africa and/or Rhodesia.

QUANTITY: The following minimum tonnages, stated in short tons of 2,000 pounds avoirdupois each, dry basis, plus or minus 5% at Seller's option:

Grade 1	...	1,861	short dry tons
" 2	...	6,459	" " "
" 3	...	18,746	" " "
" 4	...	3,404	" " "

The quantities set forth above are based upon the estimate that the Seller will deliver the following tonnages to all destinations in 1943:

Grade 1	...	3,869	short dry tons
" 2	...	10,[illegible]	" " "
" 3	...	54,649	" " "
" 4	...	19,030	" " "

In the event Seller delivers quantities in excess of the afore-mentioned total tonnages, he further agrees to offer to the Buyer, at Buyer's option, at prices stated in this contract, the following percentages of quantities delivered in excess:

Grade 1	...	50%
" 2	...	37½
" 3	...	33⅓

Seller further agrees that all quantities delivered pursuant to this contract shall be of the grade commonly known as C. & G. produced at the Shabani Mines. Seller may, however, deliver S.A.L.3 in place of C.& G.3, where shipping space is available but there are no supplies of C. & G.3 grade at the ports where shipping is then available. Notwithstanding the availability of shipping space, in no event shall Seller ship tonnages of S.A.L.3 in excess of 5,000 short dry tons.

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In no event, except by further written agreement of Buyer, shall Seller deliver any quantities of grades H.V.L.2, H.V.L.3XX, V.R.A.2, V.R.A.3, or V.R.A.4.

In the event any determination of the Combined Raw Materials Board reduces or increases the quantity of material specified above to be delivered to the United States, the obligations of the Seller to deliver the contract quantities shall be correspondingly reduced or increased. In the event any determination of the Combined Raw Materials Board allocates quantities of materials to destinations other than the United States, which allocations, in effect, reduce the quantities that may be available to the United States and the United Kingdom, the obligations of the Seller to deliver the contract quantities shall be reduced by the following percentages of the amount of the allocated quantity:

Grade	1	...	39%
"	2	...	37%
"	3	...	3[illegible]%
"	4	...	29%

Seller and Buyer further agree that the obligations of the Seller to deliver the contract quantities will be altered, upwards or downwards, at any time to reflect adjustments made in the apportionment of chrysotile asbestos between the United States and the United Kingdom by the United States Government and His Majesty's Government.

QUALITY: The C. & S. material shall be of quality hitherto acceptable for the specified grades by principal users in the United States. Seller shall furnish Buyer with a set of stamped samples of each grade, which will be approved as to quality by principal users satisfactory to Seller, and in the event of any dispute or other difference concerning the quality of any shipment or part thereof, such sealed samples shall constitute the recognized standard of performance. It is understood that 85% of the production of Shabani Mines is produced by gentle grading and conditioning milling methods. The Seller warrants that the quality and tensility of such material is in no way impaired by the use of such methods. H.V.L. grades shall be standard grades produced at mine or ship on to the United Kingdom.

PRICE: Payment shall be made at the following British Sterling prices per short dry ton f.o.t. accompanying steamer, destined for the United States, at African shipping ports:

[illegible]	...	[illegible]% f.O. f.o.b.	Beira
[illegible]	...	4[illegible] C.I.F.	" "
[illegible]	...	35.10.0.	" "
[illegible]	...	35.10.0.	" Lourenco Marques
[illegible]	...	[illegible]	" Beira

In the event Buyer requests Seller to deliver any such material f.o.b. ports other than the aforementioned specified ports of shipment, Buyer agrees to reimburse Seller for the excess of actual transportation charges over transportation charges prevailing at the time to the aforementioned specified ports of shipment.

The prices stated in this contract will be used for all deliveries made in 1943 to the order of the Metals Reserve Company, but Raw Asbestos Distributers Limited in no way binds itself to continuation of these prices for the year 1944.

SHIPMENT: Shipment as early as possible from Africa as nearly as possible in equal monthly shipments per grade. Shipments to be completed by December 31, 1943.

DELIVERY: Instructions to be advised by Buyer or his nominee.

TITLE: Title shall pass to Buyer at port of embarkation when on-board ocean bills of lading are issued. Seller shall give prompt notice of details of each shipment to Buyer or his nominee by cable, but in the event of any mutilation, delay in delivery, or non-delivery of cables, however caused, Seller shall not be responsible for any consequences arising therefrom.

TAXES AND CHARGES: All taxes or charges (national, local or municipal) now or hereafter imposed by any African government in respect to the material sold hereunder or the production, extraction, sale, exportation, transportation, proceeds or value thereof, shall be for the account of Seller, it being intended that the material sold hereunder shall be delivered to Buyer f.o.b. vessel destined for the United States at African shipping port, free of all such taxes or charges and free of port charges, if any.

PAYMENT: Prompt net cash in British Sterling in London on presentation of shipping documents to Buyer. Bunkers and bill stamp charges, if any, to be for Buyer's account.

SPECIAL CONDITIONS: 1. Should the performance of the contract be hindered, prevented or delayed owing to:

(a) War, political disturbances, riots or civil commotions, strikes, lockouts or stoppages of labor of mines, workmen, or seamen, or combination of miners, workmen, or seamen, occurring in country of origin or of consumption or of transit, or anything done in anticipation or furtherance thereof, or in connection therewith,

(b) Total or partial breakdown of mines, or of railways, or of other means of transport, storms, earthquakes, tempests, droughts, epidemics or quarantine, unavailability of shipping space, or

(c) Any other happening of any kind outside the events hereinbefore set forth, beyond the personal control of Buyer or Seller,

delivery may be suspended by either Buyer or Seller during the continuance of such events or happenings or any of them, and the contract period of delivery shall be correspondingly extended.

3. Empty bags shall become the property of the Buyer.

3. No member of or delegate to the Congress of the United States shall be admitted to any share or part of this contract, or to any benefit arising therefrom, but this provision shall not be construed to extend to this contract, if made with a corporation for its general benefit.

4. Nothing herein shall be construed to set a precedent for future contracts.

LAW GOVERNING: all of the provisions of this contract and its performance and execution shall be governed by English law.

EXECUTED IN DUPLICATE

Dated: December 1st, 1941.

METALS RESERVE COMPANY
(Buyer)

RAW ASBESTOS DISTRIBUTORS LIMITED:
(Seller)

By /s/ Wm. Stix Wagner
Spec. Rep. Metals Reserve

By /s/ W. G. Shepard
Director