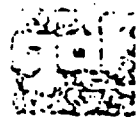


GAF Corporation

1450 N. 1st St.
Lowell, Mass. 01450
Telephone 978-451-1000



February 1, 1974

001208

Gentlemen: Leslie Gessen, CEO

In April 1973, the EPA published a set of regulations outlining the air pollution standards applicable to the GAF Asbestos Mine at Lowell, Vermont. These regulations required that GAF be in compliance with these standards by March 15, 1975.

Compliance with the EPA standards could be accomplished by two remedies. First, the installation of all required air pollution control equipment and capital replacements at a cost of nearly \$1,000,000 or, secondly, the cessation of all manufacturing operations.

Careful consideration was given to all factors relating to our continued operation, such as; market share, development of untapped ore reserves, future growth and further economic burdens resulting from other ecological regulations under study by various governmental agencies.

GAF management with great reluctance has determined that continued operation of the mine would not be economically practical and that all manufacturing will cease on March 15, 1975.

We are fully confident that we can satisfy your requirements for asbestos fiber through the first quarter of 1975. Available inventories after the end of manufacturing operations will serve to make the closure as smooth as possible.

I will look forward to providing any possible assistance to you during the next year to secure a new source for material.

I want to thank you for your past purchases of our products and request your cooperation during the next several months to resolve this situation to our mutual benefit.

Very truly yours,

James J. Laquinto
Manager of Sales Administration

INDUSTRIAL PRODUCTS DIVISION

JJI:jb

