MONSANTO CHEMICAL COMPANY

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of the Secretary

ORGANIC CHEMICALS DIVISION
ST. LOUIS 4, MISSOURI

January 28, 1957

Mr. R. L. Hoskinson
Douglas Aircraft Co., Inc.
3000 Ocean Park Drive
Santa Monica, California

Dear Mr. Hoskinson:

PYDRAUL AC

The Synthetic Fluid, as defined in the attachment, is now a sales item under the trademark Pydraul AC and is a candidate for incorporation into our Commercial Enterprise under the Monsanto/Douglas Agreement of August 24, 1948.

We propose incorporating Pydraul AC into the Commercial Enterprise in accordance with Section 3.04 of the Monsanto/Douglas Agreement of August 24, 1948 with accounting as follows:

1. On sales dating from July 1, 1956

2. The accounting procedure and provisions including the amount of the "Douglas Profit Share" to be those described in Appendix A of the proposed revised Monsanto/Douglas Agreement bearing the designation "Douglas Document No. DAC-55-7-L" which was signed by Douglas and forwarded to Monsanto under a covering letter of August 15, 1955.

3. Douglas shall not be obligated to make any assumption of nor any payments for any loss that may be incurred by the Commercial Enterprise with respect to Pydraul AC. However, any such losses incurred in any period of four (4) months in a calendar year may

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be subtracted from any "Profit Derived by Monsanto" for any other period of four (4) months in the same calendar year, as provided for in Section 6.01 of the Monsanto/Douglas Agreement of August 24, 1948.

Relative to Section 5.05 of the Monsanto/Douglas Agreement of August 24, 1948, we are unaware of any patent infringement liability that may be incurred by the manufacture and sale of Pydraul AC.

If this proposal has your approval, please indicate your agreement and approval by signing this letter and its attachment in duplicate and returning a signed original of the letter and attachment to us.

Yours very truly,

MONSANTO CHEMICAL COMPANY

By: Chas. H. Sommer

Chas. H. Sommer

Date: 1/28/57

Approved and Agreed to:

DOUGLAS AIRCRAFT COMPANY, INC.

By:

Date: 3-15-57

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