SCM CORPORATION
410 Park Avenue
New York, New York 10022

Gentlemen:

We are ~~have~~ entering ~~entered~~ into an "Option Agreement" dated as of June 10, 1967 with Greatamerica Corporation with respect to the purchase of approximately 2,157,123 shares of our Common Stock (copy of which we have furnished you); and we are today entering into an Agreement and Plan of Merger with you dated today. We confirm that we will not agree to any amendment or modification of said Option Agreement prior to August 1, 1967 without your consent.

We hereby agree that upon the happening of the following conditions on or prior to July 31, 1967 (except as we may with your concurrence waive any such condition) we will give Greatamerica Corporation written notice that you are the "Purchaser" exclusively entitled to exercise the option provided by said Option Agreement, and we further agree not to alter or rescind such notice at any time prior to August 1, 1967; the conditions referred to are:

(a) Said Agreement and Plan of Merger shall have been duly adopted by the requisite vote of shareholders of SCM;

(b) You and we shall have obtained all requisite consents relating to such merger from all persons whose consent is required to prevent the effectiveness of the merger resulting in acceleration of any long term debt of yours or ours; and

(c) You will be prepared to borrow the funds required to purchase our Common Stock pursuant to said Option Agreement pursuant to the Bank Credit Agreement between you, Marine Midland Grace Trust Company of New York and 1~~8~~5 other banks (in the form of the draft "2nd proof of June 1~~4~~5, 1967", No. 10618, with such changes therein as shall have been approved by us), and you shall have demonstrated to our reasonable satisfaction that the conditions of lending contained in such Bank Credit Agreement will be satisfied.

You agree that promptly upon our giving notice to Greatamerica Corporation as provided above you will give to Greatamerica Corporation notice of your exercise of the option as contemplated by the said Option Agreement specifying a purchase date five days thereafter, or the next succeeding business day.

Thereupon we will call a meeting of our shareholders to consider adoption of the said Agreement and Plan of Merger, to be held as promptly as practical thereafter.

Very truly yours,

THE GLIDDEN COMPANY

By______________________

Agreed to this 15th day of June, 1967.

SCM CORPORATION

By______________________