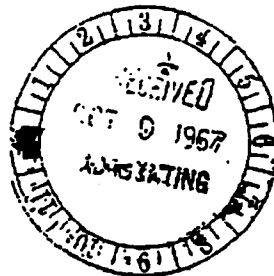


Wm. Schuch
Beck
June



PITTSBURGH PLATE GLASS COMPANY/ONE GATEWAY CENTER/PITTSBURGH, PA. 15222/AREA 412/281-5100

E. E. MOSES
Division Controller - Chemicals



October 6, 1967

Mr. A. E. Ganly, Treasurer
The Pantasote Company
26 Jefferson Street
Passaic, New Jersey 07056

Dear Mr. Ganly:

Subject: VCM Sales Contract - Price Adjustment

We have applied the several escalation factors in Section 6 of the subject contract to determine effective prices for the first, second, third, and fourth quarters of 1967.

The resultant prices are these:

First Quarter	\$0.0467 per pound
Second Quarter	\$0.0468 per pound
Third Quarter	\$0.0454 per pound
Fourth Quarter	\$0.0456 per pound

Applying the above prices to shipments made through September 30, 1967 results in a refund to Pantasote of \$24,099.30 computed as follows:

	<u>Lbs. VCM Delivered</u>	<u>Invoice Price</u>	<u>Effective Price</u>	<u>Price Diff.</u>	<u>Adjustment</u>
First Qtr.	8,216,970	.0467	.0467	-	-
Second Qtr.	18,688,820	.0467	.0468	+.0001	+ 1,868.88
Third Qtr.	19,975,520	.0467	.0454	-.0013	-25,968.18
Total					24,099.30

We are enclosing our check for the above refund to bring our billing current through September 30. Shipments made in the fourth quarter will be invoiced at \$0.0456 per pound.

The prices stated above were computed as follows:

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Mr. A. E. Ganly
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October 2, 1967

VCM Sales Contract - Price Adjustment -- continued

First Quarter equals base price of \$0.0467

Second Quarter:

Factor A: $E1 - E2 = 0$
Factor B: $G2 - G1 = +.0010 \times .012 = +.000012$
Factor C: $W1 - W2 = 0$
Factor D: $106.0 - 105.9 = +.1 \times .00058 = +.000058$

Total adjustment	+.000070
Previous price	.0467
New VCM price	<u>.046770</u>
New price rounded	<u>.0468</u>

Third Quarter:

Factor A: $E1 - E2 = -.0025 \times .50 = -.001250$
Factor B: $G2 - G1 = +.0002 \times .012 = +.000002$
Factor C: $W1 - W2 = 0$
Factor D: $106.0 - 105.8 = -.2 \times .00058 = -.000116$

Total adjustment	-.001364
Previous price	.046800
New VCM price	<u>.045436</u>
New price rounded	<u>.0454</u>

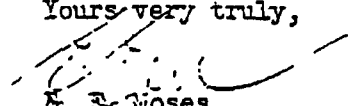
Fourth Quarter:

Factor A: $E1 - E2 = 0$
Factor B: $G1 - G2 = -.0012 \times .012 = -.000014$
Factor C: $W2 - W1 = +.10 \times .0005 = +.000050$
Factor D: $106.1 - 105.8 = +.3 \times .00058 = +.000174$

Total adjustment	+.000210
Previous price	.045400
New VCM price	<u>.045610</u>
New price rounded	<u>.0456</u>

In the future, price per pound will be redetermined on the first day of January, April, July and October to become effective for the calendar quarter beginning on each of the above dates. This procedure is consistent with the terms of the contract.

Yours very truly,


E. E. Moses

WEE/jt

cc: Messers: W. G. Ferguson; C. E. Grant; R. E. Hippies

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