

CALIDRIA ASBESTOS POSITION

1. UCC is planning to divest the Calidria Asbestos business by mid-1969. The business will continue to be conducted actively by UCC until this is accomplished. Further it is anticipated that the purchaser of the business will follow the pattern set by UCC. Obviously, contractual commitments will be honored by UCC.

2. The decision to divest the Calidria Asbestos business is made on the basis that:
   a. UCC has determined to concentrate its newer program efforts in areas more directly served by UCC's special expertise and technology.
   b. Although the Calidria Asbestos business has attractive longer range financial returns, it is not as closely related to UCC's basic skills as are certain other programs.
   c. The Calidria Asbestos business is a clearly defined, separate activity of UCC and can be divested through a transaction which would be clean, concise and total. This is not true of some businesses, which form a part of a large plant or operational complex.
   d. UCC's Calidria Asbestos assets, consisting of plant, mineral reserve, patents and customers, are tangible and of significant value.

3. Because of the nature of the operation and UCC's interest in an orderly transfer, it is anticipated that a continuous supply of material will be maintained.