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December 17, 1942.

W. W. F. Shepherd, Esq.
Deputy Chairman
Turner & Newall, Ltd.
Rochdale, Lanes.

My dear Shepherd,

During our negotiations I have been very much aware of the awkward position in which you were placing yourself and your company in agreeing to enter into contracts for a full year's time, for a major portion of your output, and at fixed prices.

Conceivably during 1943 some unexpected increases in costs or other unforeseen circumstances may so alter your financial picture as to render this contract unprofitable to your company, or even to threaten its financial soundness.

You have perfectly properly pointed out to me that you have a duty to your stockholders to avoid placing them in this untenable position and that you are doing so only under the emergency war programs of your own and the American Government.

It would only be fair, in view of your whole-hearted cooperation with us, for me to write you that if any of these unforeseen contingencies do occur, the Metals Reserve Company should enter into full discussion with you with the end in view of avoiding unnecessary or extreme hardship to your company. I intend to call this matter to Metals Reserve's attention upon my return, and I shall give them a copy of this letter.

Sincerely yours,

William Dix Westerman

WWR/ah

PLAINTIFF'S
EXHIBIT

JM-1604