

January 23, 1961

Johns-Manville Corporation
22 East 40th Street
New York, N. Y.

Gentlemen:

We are delivering to you herewith two copies of an agreement dated January 1, 1961 between Johns-Manville Sales Corporation and Bestwall Gypsum Company with respect to gypsum products, each of which has been properly signed and sealed on behalf of Bestwall Gypsum Company and which has been signed by a Vice President of Johns-Manville Sales Corporation but does not bear the attestation of the Secretary of Johns-Manville Sales Corporation nor its corporate seal.

Both copies are to be duly attested by the Secretary of Johns-Manville Sales Corporation and its corporate seal is to be affixed thereto, whereupon one fully executed copy is to be returned to Bestwall Gypsum Company in Ardmore, Pennsylvania, together with the following:

1. A duly executed and sealed guarantee of Johns-Manville corporation guaranteeing the performance by it of the obligations of Johns-Manville Sales Corporation under the agreement of January 1, 1961 with Bestwall Gypsum Company.

2. Certified copy of the Charter or By-law provision of Johns-Manville Corporation that authorizes said written guarantee.

3. Certified copy of the resolution of the Board of Directors of Johns-Manville Corporation authorizing the guarantee by it of the performance by Johns-Manville Sales Corporation of its obligations under said agreement of January 1, 1961.

The execution and delivery of said agreement of January 1, 1961 is subject to ratification by the Board of Directors of both Bestwall Gypsum Company and Johns-Manville Corporation.

Yours very truly,

BESTWALL GYPSUM COMPANY

By
Malcolm Meyer,
Executive Vice President

MM:L

1/19/61

Section 15

up at least 1 years notice by either party to the other

Second P. what contract year?

What is situation on cancellation for default with respect to

1) cancellation by Taylor for manufacturer default

2) " manufacturer - Taylors

Section 16 - Provision for cumulation application of penalties

Are these penalties cumulative with penalties in Section 15 for cancellation by Taylor?

Guaranty by Johns Manville Corporation supported by certified copy of by-laws or charter provision and directors resolution

Subject to ratification by directors of Johns Manville Corporation

CCM

SGP 0029466

P15

(a) upon at least one (1) years [redacted] notice by either party to the other

(b) same as second P

(c) In addition to the rights of cancellation granted to each party in paragraph (a) of this paragraph 15, either party

provided that in the event of cancellation by Dealer for default of Manufacturer the provisions of subparagraph (b) of this paragraph 15 shall not be applicable

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P16 at end of last paragraph add sentence

"The payments specified in this paragraph to be made by Dealer to Manufacturer shall be cumulative of and in addition to the payments, where applicable required to be made by Dealer as specified in subparagraph (b) of Paragraph 15 of this agreement

Arthur -

1/16/61

My office advises
N-Tmunk preferable
to Pema - Please change

DR

1/16/61

#9 - Rule of loss by fire [illegible] - spell out when [illegible] rule

P15 Spell out rules of [illegible] employment [illegible] [illegible] etc

P16 Right of cancellation

1) what is "a contract year" - year in which cancellation becomes effective

2) Spell out cancellation at end of year after 10th yr

P17 Make clear that [illegible] are cumulative in nature

P21) - Consider [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

P22) [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

Consider [illegible] [illegible] of Board of [illegible] [illegible] - [illegible] [illegible] [illegible] [illegible] [illegible] agreement - [illegible] [illegible] [illegible]

SGP 0029469

(2)

CONVERSION FACTOR [illegible]

THE MINIMUM AND MAXIMUM QUANTITIES ARE DETERMINED ON 3/8" BASIS.
DURING PERIODS WHEN ALLOCATIONS ARE IN EFFECT QUANTITIES ARE [illegible] EFFECT.
IN VIEW OF THE ABOVE, IS IT ADVISABLE TO HAVE CONVERSION FACTORS FOR EACH BOARD PRODUCT AND THICKNESS INDICATED IN CONTRACT.

PAGE-5
PAR-

I DO NOT FEEL [illegible] COMMITTED TO INVOICE FACTOR ON DAY OF SHIPMENT

PAGE 6
PAR-

I ALWAYS UNDERSTOOD THAT WHEN A PRODUCT IS SOLD F.O.B. SHIPPING POINT (WHICH FOR THE MOST PART WITH MINOR EXCEPTIONS IS OUR GYPSUM MERCHANDISING PLAN) AFTER IT LEAVES THE SHIPPING PLANT THE TITLE OR OWNERSHIP TRANSFERS TO BUYER. IF [illegible] ARE GOING [illegible] INVOICE A/M FOR ALL SHIPMENTS THEN WHY WOULDN'T THE [illegible] INTERPRETATION OBTAIN.

PAGE 8
PAR [illegible]

SGP 0029470

THIS [illegible] CANCELLATION [illegible] —
IT READS IN PART, FACTOR SHALL PAY MANUFACTURER A PENALTY FOR EACH [illegible] FACTOR IS AUTHORIZED TO SELL IN A CONTRACT YEAR. I WOULD [illegible] MINIMUM QUANTITY OR IS IT MAXIMUM [illegible] CONTINUED

VOID THIS IS EXPLAINED ON PAGE 13

(3)

AGAIN — AUTHORIZED TO SELL IN A CONTRACT YEAR
DOES THIS MEAN IF P/M CANCELLED CONTRACT IN 5TH CONTRACT YEAR THEY WOULD PAY $2,000 PENALTY ON MINIMUM Q-A FOR 1 YR OR REMAINING 6 YRS.

PAGE-13
PAR 17

HERE AGAIN THE EXPRESSION CONTRACT QUANTITY IS USED, IN THIS CASE - EXPLAINED ON PAGE 13 [illegible] REFERS TO MAXIMUM QUANTITY -

PRICE PR

R/E J/M CONTRACT

PAGE - 2

PAR - 3

I HAVE PREPARED A SCHEDULE TESTING MINIMUM & MAXIMUM AS IT RELATES TO PERCENTAGES. ALSO POSSIBLE EFFECT ON OVERSEAS ABSORPTION.

QUESTION

I AM NOT SURE THE PROCESS [illegible] INVOLVED AND THE TREATMENT OF [illegible] IS CLEARLY SPELLED OUT.

IT SEEMS TO ME THE CONTRACT SHOULD INDICATE THAT WE WILL INVOICE J/M BASED ON OUR ~~PUBLISHED~~ ESTABLISHED MILL BASE PRICES FOR THIS PLANT MAKING THE SHIPMENT.
FREIGHT WILL BE ON COLLECT OR PREPAID BASIS — WITH RESPECT TO PREPAID SHIPMENTS [illegible] — ADD THE FREIGHT TO THE INVOICE AT TIME OF [illegible] BILLING TO J/M.

BY HANDLING IN ABOVE MANNER J/M AUTOMATICLY ASSUMES THE FREIGHT ABSORPTION EXPENSE — IS THAT TO BE THE INTENT OF THIS CONTRACT?

IF IT IS UNDERSTOOD THAT WE STAND THE FREIGHT ABSORPTION, THEN WE [illegible] CONTROL SHIPPING AREA J/M CAN SERVE OUT OF EACH PLANT — IF [illegible], THEN WHY DON'T WE ISSUE BILLING TO J/M ON EACH SHIPMENT AS THO IT WAS OUR CUSTOMER. THEN J/M COULD [illegible] AND ISSUE BILLING TO THEIR CUSTOMER BY MERELY COPYING ON THEIR INVOICE FORM.

SGP 0029472