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brown coal, peat and wood) and their direct derivatives (as, for example, tars and tar oils), for the purpose of producing Major Products other than fuel oil, should be taken up in the United States and Canada, the Partners and RUHRCHEMIE hereby agree to use their best endeavours to bring about a co-operation with respect to the licensing of the Hydrogenation in question and the Hydrocarbon Synthesis.

IV.—WORKING UP OF HYDROCARBONS.

Upon any request from licensees under the Hydrocarbon Synthesis Process for licenses to work up hydrocarbons for other than chemical purposes RUHRCHEMIE and the Partners hereby agree to grant on reasonable terms to such licensees such licenses as may be required to work up the Primary Product to marketable finished products for other than chemical purposes, to the extent that RUHRCHEMIE and the Partners normally grant such licenses to third parties and insofar as at the time in question they are entitled to do so. The foregoing applies to existing as well as future licensees in the field of the Hydrocarbon Synthesis. If and to the extent that RUHRCHEMIE and the Partners shall have delegated the licensing of their patent rights in this connection to licensing companies, they hereby agree to use their best efforts to cause such licensing companies to make such rights available to the licensees in question on reasonable terms.

V.—PURCHASE OF RIGHTS.

In case RUHRCHEMIE or a Partner becomes aware of a process coming within the definition of the Hydrocarbon Synthesis Process and belonging to a third party, then the Partners and RUHRCHEMIE shall, if entitled to do so, inform each other of such process immediately. In joint deliberation they shall estimate the value of such process. In case it shall appear advisable to acquire such process they shall use their best efforts to make an arrangement for doing so. The rule laid down in this article shall apply to the interest of third parties in Rights which are jointly owned by a Partner or RUHRCHEMIE and third parties.

VI.—SUBSIDIARIES.

The Partners agree that they will use their best efforts to cause their Subsidiaries to become Ratifying Subsidiaries or to take a license from USAC or I.H.S., as the case may be, if such Subsidiaries intend to use a process coming under the definition of the Hydrocarbon Synthesis Process for the purpose of producing Hydrocarbons of the Petroleum Type; but this shall not be deemed to bind the Partners to take any steps which in consideration of all circumstances would be prejudicial to the minority shareholders in such Subsidiaries.

VII. RUHRCHEMIE'S POSITION NOT AFFECTED BY PARTNERS' LICENSING RIGHTS.

Under Article X of a contract between USAC and the Partners, dated as of 1938, the Partners have retained the right to grant licenses under their own patents. The Partners hereby agree with RUHRCHEMIE that the exercise of this reserved right shall not in any way adversely affect RUHRCHEMIE'S position under this agreement and its agreement with USAC dated as of 1938.

VIII.—NON-DISCLOSURE OF INFORMATION.

The Partners and RUHRCHEMIE hereby agree to take all reasonable precautions to prevent disclosure of technical knowledge, experience and information relating to the Hydrocarbon Synthesis Process beyond the normal and legitimate conduct of their respective businesses. In particular the Partners agree that insofar as the Hydrocarbon Synthesis Process for the purpose of producing Hydrocarbons of the Petroleum Type is concerned they will not hereafter pass on any technical knowledge, experience or information to a Non-Ratifying Subsidiary.

IX.—CHANGES IN WHOLLY OWNED SUBSIDIARIES.

The Wholly Owned Subsidiaries which shall have at any time become subject to the provisions of this agreement shall not thereafter lose their rights nor be relieved of their obligations hereunder by reason of a change in their status.

X.—PARTNERS' RIGHTS FOR GERMANY.

STANDARD, SHELL and KELLOGG shall each place at the disposal of I.G. exclusively and royalty-free all their German Rights owned, acquired or controlled by them on or before December 31st, 1952 relating to the Hydrocarbon Synthesis Process, but only for the purpose of producing hydrocarbons of the Petroleum Type. They shall each grant to I.G. an exclusive license (subject, however, to the reserved right of STANDARD and SHELL to use, and to license each other and any of their Subsidiaries to use, their own Rights), under such of the foregoing Rights as are patent rights, for the entire life of the patents with the right to grant licenses thereunder. I.G. shall, however, in granting such licenses thereunder, endeavour to obtain from its licensees royalty-free licenses (if possible, exclusive) with the right to grant licenses thereunder, for the world outside of Germany, under such licensees' Rights relating to the process in question.

XI.—HARDSHIP CLAUSE.

If during the life of this agreement it shall appear that the performance of any obligation herein would impose particular hardship upon a party, the parties shall after consideration of the merits and circumstances presented by the party in question consult as to how its difficulties may be solved in a fair manner. The question whether such particular hardship exists shall, if necessary, be arbitrated in accordance with the provisions of Article XIII. hereof.

XII.—DURATION AND TERMINATION.

This agreement shall terminate on December 31st, 1952, but the provisions of Articles IV., V., VI. and VIII. shall terminate on December 31st, 1947, insofar as they apply to the territory for which N.V. INTERNATIONALE KOOLWATERSTOFFEN SYNTHÈSE MAATSCHAPPIJ (INTERNATIONAL HYDROCARBON SYNTHESIS COMPANY), a company of The Netherlands, hereinafter called "I.H.S.", shall exploit the Hydrocarbon Synthesis Process, if an agreement between I.H.S., RUHRCHEMIE and N.V. INTERNATIONALE HYDROGENEERINGSOCTROOIEN MAATSCHAPPIJ (INTERNATIONAL HYDROGENATION PATENTS COMPANY), a company of The Netherlands, dated as of _____, 1938, and relating to the Hydrocarbon Synthesis Process, shall terminate on December 31st, 1947.

XIII.—ARBITRATION.

All controversies arising in connection with this agreement shall be decided with binding effect by three arbitrators in accordance with the Rules of Arbitration of the International Chamber of Commerce. One arbitrator shall be appointed by RUHRCHEMIE and one by the arbitrating Partner or Partners. The third arbitrator (chairman) shall be determined by the Court of Arbitration in accordance with Article 12 of the Rules of Arbitration.

XIV.—GENERAL PROVISIONS.

1. Neither this agreement nor the use of the word Partner herein nor anything else herein contained shall be deemed to create a partnership relation. The titles of the articles shall not be construed as a part of this agreement.

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2. This agreement is personal in its nature and no party shall without the consent of the others assign or transfer its rights or obligations hereunder except to a successor of substantially the whole of its business.

IN WITNESS WHEREOF, the parties have caused this agreement to be duly executed as of the day and year first above written.

RUHR-REMI- AKTIENGESellschaft.

THE M.W. KELLOGG COMPANY.

SHELL DEVELOPMENT COMPANY.

STANDARD-I.G. COMPANY.