

Phone Call from J. Zealdes  
Re Coppers

March 28/80

He called to say that White has objected to the term of the agreement & wants 4 years plus one optional in order to justify their building of a \$1.4 million upgrading plant.

I stated that this length of contract could jeopardize the financing process.

Zealdes feels we should go back with three years & fourth optional & get rid of de-escalator clause. I thought OK.

Checked with Kent & he feels Zealdes's plan of 3 + 1 OK as not likely we could get financing before then.

Call back from Raleigh - he agrees to 3 + 1 although might go to 4 + 1 if we could get rid of de-escalator.

Other alternative is to stick with term but lower price so that Coppers pay back could be reduced from 4 years (as reported by Dan) to something less. I told him I favor Zealdes's approach & asked him to go for Dan.