

COPY

EXHIBIT #BU

MELTON NATIONAL BANK AND TRUST COMPANY

Pittsburgh 30, Pennsylvania

December 11, 1953

Frederick G. Blackburn
Vice President

Mr. Carl I. Collins, President
Superior Steel Corporation
Grant Building
Pittsburgh 19, Pennsylvania

Dear Mr. Collins:

Referring to conversations between Mr. Raymond and myself and you, Mr. Beardon, and Mr. Fierst yesterday and the day before, we shall be pleased to extend to your company a loan in the amount of \$2,000,000 in connection with your proposed contract with the Atomic Energy Commission on the following conditions:

The loan would be for a term of five years following a commitment period of six months. Repayments would be made either quarterly or semi-annually. If the transaction is consummated by January 31, 1954, the commitment fee for the standby period would be 1/4 of 1% and the interest rate on the loan 3-3/4% per annum. The loan would be subject to your previously having received a contract from the Atomic Energy Commission in form and substance satisfactory to our counsel that would permit accelerated amortization of the facilities required for execution of the contract to the extent of 100% of the cost thereof extending over a period of sixty months from the date of the contract. The contract should provide that sufficient tonnage of material will be purchased at a price sufficient to provide your company with amortization sufficient to pay off the loan in full in the five-year period and thus also fully amortize your investment in that time. The contract should further provide that, if it should be cancelled for

Sincerely yours,

MELTON NATIONAL BANK AND TRUST COMPANY

/s/ Frederick G. Blackburn
Vice President

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Serial 72