

INEOS

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OHIO DEPARTMENT
JOB & FAMILY SERVICES

2007 OCT 24 A 8:45

OFFICE OF
WORKFORCE DEVELOPMENT

INEOS

P. O. Box 628
Lima, OH 45802
1900 Ft. Amanda Rd.
Lima, OH 45804

Tel: 419-226-1200
Fax: 419-226-1274

October 22, 2007

Mr. Jim Turner
Chief, Rapid Response Section
Ohio Department of Job and Family Services
145 South Front Street
P.O. Box 1618
Columbus, OH 43216-1618

RE: NOTICE OF CANCELLATION OF PCS OPERATING AGREEMENT TO AFFECTED EMPLOYEES
PURSUANT TO THE WORKER ADJUSTMENT AND RETRAINING NOTIFICATION (WARN) ACT

Dear Mr. Turner:

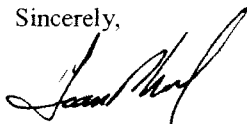
As has been previously announced, INEOS Nitriles will terminate the operating agreement with PCS Nitrogen for the Nitrogen facility located at 1900 Ft. Amanda Road, Lima, OH as of January 1, 2008. This notice, which is issued in compliance with the Worker Adjustment and Retraining Notification (WARN) Act, is to inform you that INEOS Nitriles will be terminating employment of approximately 104 employees on or before January 1, 2008. The purpose of this notice is to provide you with an appropriate notice regarding termination. The information provided below represents the best information available to the company at the time this notice was issued.

1. At this time, termination should be considered permanent. There will be no bumping rights associated with this termination. PCS Nitrogen has indicated that it intends to continue operating the facility, and to offer employment to some employees affected by the termination. INEOS Nitriles does not know how many employees may be offered employment by PCS Nitrogen.
2. INEOS Nitriles expects terminations to begin around December 31, 2007. The terminations may come in stages, depending upon the need for workers as the operating agreement moves towards dissolution. Employment is likely to end around December 31, 2007 but individual terminations may be sooner or later, again depending upon business and operational needs.
3. INEOS Nitriles has established a Severance Pay Plan to provide employees with further information regarding their employee benefits and to assist employees during this difficult time.

Enclosed, you will find a listing of affected employees and their job titles. The hourly employees are represented by the United Steel Worker Union, Local 1-626. The local chairman of this union is M. Brandon Blaine. His address is 5133 Aster Street, Elida, OH 45807.

If you have further questions or need additional information, you may contact Sally Duval, HR Manager for INEOS Nitriles at 419-226-1236.

Sincerely,



Jean Phaneuf
Site Manager

Enclosure