

Monsanto

FROM

(NAME-LOCATION-PHONE) Diane Bartolanzo - G4WF - X2915

DATE: February 1, 1991

cc: Loren Wassell
Max McCombs

SUBJ: Rush City Property Purchase Program

REF:

TO: Steve Smith
Andi Smith
Bill Boyle
Jerry Thornhill -- Big River
Ed Schmidt -- Big River Zinc
Dave Adams -- Ethyl Petroleum
Steve Lechner -- Lechner and Simon

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To	Loren Wassell	
From	Andi Smith	
Co.	Co.	
Dept.	Phone #	
Fax #	Fax #	

Attached are the documents prepared last year to communicate the Property Purchase Program to the East Side community. Included in this packet: a letter to Rush City residents, fact sheet, employee bulletin (to be adapted by each company), and a preparedness statement and Q&As for use in the event of media attention.

Again, as agreed before, Steve Lechner will be the media contact for any information about the program and specific provisions. Each company will also have a designated contact for questions about company involvement.

Last year, we agreed to offer an extra three percent incentive for people who chose to take the offer within the first 60 days. Otherwise, people had 90 days from the date of offer to make up their minds, and another 90 days to vacate their homes.

If those dates are still acceptable, the offer letters will go out March 15. People will have until May 15 to get the three percent, until June 15 to make up their minds and until Sept. 15 to vacate. This will give people nice-weather months to get organized and moved and will avoid the holiday season.

Please review these drafts one more time, check names, dates and other information and call me with any changes by Feb. 12, (314) 694-2915. Thanks for your cooperation.

Sincerely,

Diane Bartolanzo
Diane Bartolanzo

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**REVISED TIMETABLE
RUSH CITY PROPERTY ACQUISITION PROGRAM
MARCH, 1991**

March 1 -- All preparedness materials updated and approved by all three companies. Final materials will be distributed to company contacts and Steve Lechner.

March 7-8 -- Community leaders informed by mail or phone call about property acquisition program. Provide each with a benefits fact sheet.

March 11 -- Post employee announcement at WGK, Big River and Ethyl.

March 12 -- Mail out letters to community.

Representatives at each plant to standby with preparedness statement, Q&As if receive media calls. Press release will only be issued if the possibility for media attention becomes likely.

Real estate transaction or acquisition program questions:
Steve Lechner

Plant specific questions:
Monsanto -- Andi Smith or Steve Smith
Big River -- Ed Schmidt
Ethyl -- David Adams

March 15, 1991

Dear Rush City Resident:

I represent Big River Zinc Corporation, Ethyl Petroleum Additives and the Monsanto Company. These three companies would like to offer to buy your home and other property in the Rush City area to provide more open space between the plants and nearby residences. I will be pleased to provide you with any additional information you might need to make your decision after reading this letter.

We have met with a group of your neighbors who told us that we should offer to buy homes by communicating directly with you and that offers should be made for all property you own, not just a portion of it. We are writing you in response to that request. In addition to homes, we also are offering to buy undeveloped lots.

Attached is the information we currently have on property you own. Please review it and return with any corrections in the envelope provided. Please provide telephone numbers where you can be reached and please return the data sheet, even if the information is correct.

After I am sure what property you own, I will be contacting you to make a firm offer to purchase your property. The three companies will:

- * Make you a one-time, confidential offer for all your property. You may accept the offer if you so choose, regardless of how many other people in the area accept.
- * Pay an additional three percent of the sale price if the sale closes before May 15, 1990.
- * Pay brokerage fees to Lechner and Simon, Inc., title fees, and also legal fees for preparation of closing documents.
- * Pay cash for the property at the time of closing.
- * Assist you in the legal steps to get clear title to your property so the sale can be completed.
- * Allow owners, if they wish, to keep fixtures or move homes or other structures out of the Rush City area, at the home owner's expense.

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March 15, 1991

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The offer will be good for a period of ninety (90) days and, if not accepted, will be withdrawn. You are, of course, under no obligation to accept the offer. You will have until September 15, 1991, to close the sale, if you chose to sell, and to complete moves in compliance with the agreement.

Lechner & Simon, Inc., Realtors is acting on behalf of the three companies, but you will not have to pay us a fee for selling your home. Our fee is paid by the companies because we are their agent. This is not like a usual property sale, where the real estate agent is working for you and receives a fee from you for his or her work. If you would like a Realtor to represent you, you will need to contact one. We will, of course, be happy to work with your Realtor but you will have to pay that person's fees. If your property is presently listed with a real estate company, please have your agent contact me.

Soon you will receive a letter from me indicating the price the companies are willing to offer for your property.

I will be happy to answer any questions you might have; please give my office a call if you would like more information about this offer. My phone number is (314) 842-6300. After 5:30 p.m. and on Saturdays, you can leave a message on our recorder at the above number or call (314) 842-6302.

Sincerely,

Steve B. Lechner
Chairman of the Board

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RUSH CITY PROPERTY PURCHASE PROGRAM
FACT SHEET

Big River Zinc Corporation, Ethyl Petroleum Additives, Inc. and the Monsanto W.G. Krummrich Plant are announcing an incentive program to purchase properties in the Rush City area of East St. Louis.

The three companies wish to purchase the property in order to extend a resident-free buffer zone around their industrial facilities. Each company is committed to continuously improving environmental performance and meeting public expectations in the community. In fact, considerable money and technical effort continues to be directed to minimizing environmental impact.

The program offers many benefits to Rush City property owners:

- * A Realtor, on behalf of the three companies will make confidential offers to individual owners for all their property.
- * An additional three percent of the offer price will be paid to owners who close before May 15, 1990.
- * Brokerage fees to the companies' Realtor, title fees, and legal fees for preparation of closing documents will be paid by the three companies.
- * Cash will be paid for property acquired at the time of closing.
- * The Realtor's staff will assist property owners through the steps necessary to make titles marketable.
- * Residents may keep fixtures or, at their own expense, move homes or other structures out of Rush City if they desire.
- * There is no minimum level of participation. If only one owner accepts, that individual will still receive all program benefits.

Big River Zinc and Ethyl Petroleum Additives have been purchasing the property on an "as available" basis for the past few years. Last year, a number of homeowners approached the companies inquiring about a property acquisition program. The companies realize that not all property owners may wish to sell and that is their choice. No pressure will be involved. However, for those wishing to sell, the program may help them to make the transition more easily.

Letters explaining the program will soon be mailed to property owners of record from Steve Lechner, Lechner and Simon Realtors, who will represent the three companies in the transactions. Owners will have 90 days to decide if they want to sell, then will have another three months to complete the sale and arrangements.

RUSH CITY PROPERTY PURCHASE PROGRAM
EMPLOYEE BULLETIN (SAMPLE LETTER)

March 11, 1991

RUSH CITY PROPERTY PURCHASE PROGRAM EMPLOYEE LETTER --DRAFT

Dear Krummrich Employees,

Letters will soon be mailed to Rush City property owners from a Realtor representing Monsanto Chemical Company, Big River Zinc, and Ethyl Petroleum Additives. The letter describes the three companies' desire to purchase Rush City property and subsequent plans to make confidential, individual offers to property owners.

~~For many years, all three companies have been working to establish a buffer zone around the Sauget plants. Although Big River Zinc and Ethyl have been purchasing property in Rush City on an "as available" basis for some time, this program will attempt to accelerate this process.~~ will make it easier for residents who wish to move, and will define for property owners what the companies are willing to pay for Rush City property.

Sellers who close before May 15, 1990 will receive an additional three percent of the sale price. Offers must be accepted within 90 days and closed by September 15. All sold property must be vacated by that time. Certain closing costs usually paid by the seller, including the Realtor's fee, will be paid by the companies.

We believe this program presents interested Rush City property owners with an attractive opportunity to sell their property. There will be no pressure to sell. Individuals are free to accept or reject the purchase offer. This is a one-time program, and we will accept any sale, regardless of how many owners participate during the offer period.

As this program may attract some media attention, we wanted to inform you first.

Sincerely,

William J. Boyle, Jr.
Plant Manager

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PREPAREDNESS STATEMENT
RUSH CITY PROPERTY PURCHASE PROGRAM -- APPRAISALS
W.G. KRUMMRICH
1/25/91

Monsanto's W.G. Krummrich plant, Big River Zinc and Ethyl Petroleum Additives in Sauget, announced an incentive program to purchase property in the Rush City area of East St. Louis. The program is intended to fulfill the industries' desire to establish a buffer zone around their properties. It was developed in response to requests from a number of local property owners.

The companies are continually working to make their plants as safe as possible. Equipment modifications, additions and process changes as well as safety training are ongoing. While these improvements will continue, a buffer zone is also desirable.

Property owners will receive offers for their property. An additional three percent will be paid for early closings. While the companies would like to own the property to create a residence free area around their manufacturing facilities, and a number of residents have expressed interest in selling, a complete buyout is not essential. No pressure will be involved.

QUESTIONS AND ANSWERS

- 1Q: Are you going to force people out who don't want to move?
1A: No. As mentioned before, this is strictly a voluntary program. While we would like to create a buffer zone around our plants, it is not essential to acquire every piece of property. A number of homeowners who were interested in discussing the sale of their property approached us last year, but it is up to each homeowner whether or not he or she would like to sell. Absolutely no pressure will be involved.
- 2Q: How did you assess offer price?
2A: An experienced real estate appraiser assessed the external condition of each property and by using comparable sales figures and knowledge of property values, the fair market value was estimated. Then, that value was multiplied 2 1/2 times as an incentive to help make it easier for people who wish to move.

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17Q: Are you using any political pressure to make the residents sell?

17A: Absolutely no pressure will be involved.

18Q: What will you do with the churches in the area? Will you buy them out too? And if so, won't you destroy the fabric of the community?

18A: We are still deciding how best to handle that situation. Pastors and church members will be consulted. We don't want churches to be left without a congregation, or residents without a church.

19Q: Why are you undertaking this effort now?

19A: We have not hidden the fact that we are interested in buying property around our facilities to create a buffer zone. We've been buying it on an "as available" basis. The incentive offer might make it a little more attractive and easier for some residents who want to move to make the transition. Also this removes the uncertainty which has existed over what kind of offers would be made.

20Q: How many homes are in Rush City?

20A: Sixty-five homes and around 135 lots.

21Q: How many of these homeowners do you expect will sell?

21A: It's impossible to predict. We'll have to wait and see.

22Q: What will you do if people don't sell?

22A: We will continue to buy on an "as available" basis at market value, but the 2.5 times incentive will no longer be available.

23Q: How soon will people have to move out?

23A: Owners of record will have 90 days, or until June 15, to decide whether or not to accept the companies' offer. They will then have another 90 days (until Sept. 15) to complete the closing and move out. This gives them the spring and summer months which traditionally are the nicest months to move.

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9Q: Would you at some point sell the property to investors for construction of either other industries or higher cost housing?

9A: We have no plans to do anything with the property in the foreseeable future, but we would never consider selling it for construction of other residences.

10Q: Is Monsanto the main player behind this acquisition effort?

10A: Monsanto and Big River will contribute equally into the trust. Ethyl is contributing somewhat less.

11Q: Do the East St. Louis community leaders know you are going to purchase Rush City property?

11A: We have informed the key community leaders in the area as well as the pastors. Residents recently received letters announcing the program.

12Q: Do you expect land speculators to purchase property at a price above your offer and hold it for potential increase in value?

12A: That's always a possibility, but again, we must stress that we don't have to have this property. We are not going to make anyone rich on these deals. If people are interested in selling, we are interested in buying...at a reasonable price.

13Q: Where do you think residents will move once they leave Rush City?

13A: That is totally up to them. The property owners' committee expressed a strong preference to make their own decisions about where they would move.

14Q: Is this same program open to residents who live in the Erasmus area too?

14A: We want to work with the Rush City area first.

15Q: What percentage of residents in Rush City are renters vs. homeowners?

15A: It is impossible to tell from the owners of record whether they are owner occupied, rentals, or vacant.

16Q: Will you be purchasing property in other local areas besides Rush City?

16A: Monsanto has been purchasing property on an "as available" basis in the Erasmus area of East St. Louis. This is near the south end of the city. We will continue to do this.

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- 3Q: Even 2-1/2 times market value in Rush City does not amount to very much money. How will residents be able to find comparable housing elsewhere?
- 3A: Property owners expressed to us that they would like to choose their next residential location. Some residents wish to move out of state. Others may choose to move closer to family. As the companies are paying cash, residents should be able to find another housing situation they can be satisfied with. If property owners are dissatisfied with the final offer, they may refuse to sell. The present owners may remove fixtures, lumber or the structure itself, if they move it out of Rush City.
- 4Q: Are you buying this property because it is unsafe for residents to live in the area?
- 4A: No. Fenceline monitoring indicates nothing leaves our plant sites which could harm the community. We initiated this program because it makes sense for chemical plants to have some green space between them and the community, although we will continue to improve our environmental performance and safety controls.
- 5Q: Will there be any room to negotiate on price?
- 5A: No. Our offers are firm. We might be willing to negotiate within reason on closure agreements, but the price will not change. Again, no one is obligated to sell. If residents don't like the offer, they may refuse to sell.
- 6Q: How will you handle rental property?
- 6A: Rental property will be included in the program, provided that tenants are given at least a 30 day notice and no lease contracts are broken.
- 7Q: What will you do with the structures once purchased?
- 7A: Our intention is to establish a buffer zone around our plants, free of residences. Once purchased, any structures will be razed. Any building materials such as fixtures, insulation or trim, may be removed by the homeowner at their expense at the time of sale. The structure itself may also be retained if it is moved out of Rush City.
- 8Q: How do we know the real estate agent, selected by your companies, will provide a true estimate of market value?
- 8A: You are welcome to get your own estimate, and we'll discuss any differences. Again, if anyone believes the offer is not fair, that person certainly may refuse to sell. We don't have to have the property, but would like to have it.

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