

PYDRAUL DISTRIBUTORS
GERMANY

Jan. 27, 1972

Dear Sirs,

Ref.: Sale of Pydraul of the types listed in attachment 1.

The types of Pydraul mentioned in attachment 1 are hydraulic fluids which consist in whole or in part of polychlorinated biphenyls (PCBs). As you may perhaps be already aware from press reports, recent investigations show that PCBs can accumulate in the environment and that in certain instances they have been found in food stuff and food chains. To provide you with an impression of the problems connected with PCB, we enclose as attachment 2 an article published by

Monsanto has decided with effect from Jan. 31, 1972 to discontinue the sale of PCBs and PCB containing products for so-called uncontrollable applications.

Monsanto considers as controllable applications the use of PCB in enclosed transformers and capacitors and is planning to continue the sale of PCBs to these applications.

Our Pydraul products Pydraul A-200/280/281 and 65 are used as hydraulic fluids in mines. In the light of detailed discussions with the Oberbergamt for NRW and the approval given by that Amt and the other Oberbergämter in Germany in respect of these products, Monsanto has decided to continue the sale of these Pydraul types for the exclusive use of coal mining companies in Germany in the anticipation that official approval of replacement products which do not contain PCB will be obtained. Such sale will be subject to the following conditions:

1. Monsanto's distributors must undertake to bring to the notice of the purchasing coal mining companies the safety precautions in the use of Pydraul issued by the Oberbergamt (Attachment 3)
2. Monsanto's distributors must further bring to the attention of their customers the requirement that the latter must take all measures necessary to ensure that PCB containing fluids do not escape into the environment.
3. Monsanto's distributors must advise their purchasers that any Pydraul type product which those customers have and which

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are not usable by them must be disposed of either by destruction in approved manner or by reclamation.

4. Monsanto reserve the right to discontinue sales at any time on not less than 14 days notice.
5. Monsanto's distributors must undertake only to sell the relevant products to coal mining companies in Germany and bind themselves to indemnify this company and Monsanto Company St. Louis, USA and its associated companies from and against all damages and expenses which third parties (not being the distributor's direct purchasers) can suffer or incur by reason of the fact that PCBs are contained in the hydraulic fluids delivered to these coal mining companies

Monsanto has developed a series of Pydraul products which do not contain PCB which, it is anticipated, will be sent by the end of February 1972 to the authorities responsible for the testing and approval of these products for mining applications and these authorities have already been fully informed about these proposed replacement products.

We do hope that you will agree with our decision which, from the point of view of protection of the environment, can only be regarded as a wellcome measure.

If you wish to continue the sale of Pydraul A-200, 280, 281 and 6: to the German coal mining companies, would you please advise us accordingly, confirming your undertaking to abide by conditions 1 to 4 above and your agreement to indemnify us and our associated companies as indicated in 5 above.

Yours faithfully