

cc: J. A. Alley - B2SD

May 20, 1977

Mr. Richard L. Hauser, President  
Electrical Utilities Company  
2427 St. Vincent Avenue  
LaSalle, Illinois 01301

Dear Mr. Hauser:

As you know, we both seem to be more than a little dismayed by the problem that has developed with regard to your establishment of a series of standby letters of credit in Monsanto's favor to cover the phaseout of our PCB operations later this year. It is our strong feeling that the provision Electrical Utilities suggested which would require approval of Monsanto's certificate of quality by Electrical Utilities' chemist, does not belong in any irrevocable letter of credit. We feel that the quality of the product is adequately assured by the applicable contract provisions.

One alternative we might have, Mr. Hauser, would be the following. As credit manager, I am willing to write a letter to you stating that if the product shipped to Electrical Utilities Company does not meet our product specifications, then we will not draw against the standby letter of credit until the matter is satisfactorily resolved between Monsanto and Electrical Utilities Company. Please consider this proposal and either send me a letter or give me a call regarding your feelings.

Thank you for your consideration.

Sincerely,

J. F. Crowley  
Credit Manager

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