bcc: P. S. Park ✓
R. E. Hatton
H. R. Ford - 1070
D. W. Stegen - 1460
J. G. Frederiksen - 1460
N. T. Johnson
T. L. Gossage

January 7, 1972

Mr. Ted Harrison
Purchasing Agent
Texas Eastern Transmission Corp.
Box 2521
Houston, Texas 77001

Dear Ted:

Attached is the copy of our proposed agreement which we would like to discuss with you on Friday, January 14, 1972. Roger Hatton and I will be at your offices shortly before lunch that day.

If you or Ollie Fletcher would like us to bring our lawyer with us, please phone me as soon as possible at (314) 694-2534.

We regret the urgency with which we must act, but we feel we have an alternative program to suggest to you that will meet your needs.

Best personal regards, Ted.

C. Larry Bradford
Product Manager
Hydraulics and Lubricants

/pep
Attachment

DEPOSITION EXHIBIT
PIFs 102
3-24-92 989

TRAN 002449

WATER_PCB-SD0000028711

Monsanto

MONSANTO INDUSTRIAL CHEMICALS CO.
800 N. Lindbergh Boulevard
St. Louis, Missouri 63166
Phone: (314) 694-1000

SPECIAL UNDERTAKING BY PURCHASERS OF LUBRICANTS CONTAINING POLYCHLORINATED BIPHENYLS

Monsanto Company ("Monsanto") manufactures a fire resistant turbine lubricant, Turbinol 153, which contains major amounts of certain polychlorinated biphenyl products ("PCB's"), which Texas Eastern Transmission Corporation ("Buyer") desires to purchase. While Buyer desires to purchase Turbinol 153 because of its outstanding fire resistant properties, Buyer acknowledges that it is aware and has been advised by Monsanto that Turbinol 153 contains PCB's and that PCB's tend to persist in the environment; that care is required in their handling, possession, use and disposition; that tolerance limits have been or are being established for PCB's in various food products.

Monsanto has therefore adopted certain restrictive policies with respect to its further production, sale and delivery of PCB's and PCB containing formulations, including the receipt of undertakings from its customers as set forth below, and Buyer is willing to agree to such undertakings with respect to sales and/or deliveries of Turbinol 153 by Monsanto to Buyer.

Accordingly, Buyer hereby covenants and agrees that, with respect to any and all Turbinol 153 sold or delivered by or on behalf of Monsanto to Buyer on or after January 15, 1972 and in consideration of any such sale or delivery, Buyer shall defend, indemnify and hold harmless Monsanto, its present, past and future directors, officers, employes and agents, from and against any and all liabilities, claims, damages, penalties, actions, suits, losses, costs and expenses arising out of or in connection with the receipt, purchase, possession, handling, use, sale or disposition of Turbinol 153 by, through or under Buyer,

TRAN 002450

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whether alone or in combination with other substances, including, without implied limitation, any contamination of or adverse effect on humans, marine and wildlife, food, animal feed or the environment by reason of such Turbinol 153 or the PCB's contained therein.

Monsanto will not supply any Turbinol 153 after June 30, 1972. All existing contracts for the sale of Turbinol 153 by Monsanto to Buyer are hereby amended to contain the provisions set forth above.

Nothing herein shall create or imply any duty or obligation of Monsanto to sell or deliver Turbinol 153 or any PCB containing formulation to Buyer. No conditions, understandings or agreements purporting to modify or vary the terms hereof shall be binding unless hereafter made in writing specifically referring to this agreement and signed by the party to be bound and no modification or variance of the above undertaking shall be effected by the acknowledgment or acceptance of any sale document, purchase order, shipping instruction or other forms containing terms or conditions at variance herewith.

TEXAS EASTERN TRANSMISSION CORPORATION	MONSANTO COMPANY
BY: _____	BY: _____
TITLE: _____	
DATE: _____	

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