THERMINOL

A. FOOD APPLICATIONS

84 customers - estimated volume - minimum 25,000 gallons.
Two primary uses - vegetable oil processing
- frying units for fish, potatoes, donuts

Policy and Actions

1. Effective immediately, no new installations will be sold Therminol FR.

2. Present customers will be informed, by letter dated before May 15, that:

    a. We will not supply them FR after August 1.

    b. We recommend they convert their systems from FR as soon as possible.

    c. They should discuss alternatives with their Monsanto representatives.

3. In discussions, we will offer:

    a. If they convert to Therminol 66 by August 1, we will sell them the 66 at $0.30 per gallon under schedule. If they convert to 55, price will be $0.10 per gallon below.

    b. For systems which have been in operation less than one year, we will provide 66 at $1.00 per gallon below schedule.

    c. If the customer pays drums and freight, Monsanto will accept return of the FR and will provide disposal at no cost.

4. Thirteen major customers will be notified in person of the program. These include Frito-Lay, Cargill, Lever Brothers, and Joe Lowe.

5. The above program will be outlined to our salesmen before May 15.

Problems

1. West Bend - there is no alternative for their use in frying pans. Removal of FR will cause them to lose their UL approval, which is an important part of their market position.

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THERMINOL (CONT'D.)

B. NON-FOOD APPLICATIONS

1. Salesmen will be given clear design guidance on requirements for FR systems. These will be aimed at ensuring systems are closed to the environment.

2. Salesmen will offer customers the following for return of spent fluid: customer pays freight, drums, and 3¢ per pound charge for disposal.

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