November 18, 1977

P-0111

PLAINTIFF'S EXHIBIT

MON-1395

CORPORATE CONTROLLER'S POLICY
NUMBER 351.00 - PROPERTY AND
BUSINESS INTERRUPTION INSURANCE

HOLDERS OF CORPORATE CONTROLLERS MANUALS

The attached policy governs the recording of all claims in the period in which they occur and the method for distributing each OpUnit/Division's share of the annual insurance premiums. The claim statement and supporting documentation needed when an actual loss occurs are covered.

The second paragraph of page 2 of the attachment (CED Procedure No. 601) should be corrected to read that theft, security infringements and actual or suspected industrial espionage should be reported directly to Mr. R. W. Duesenberg. Updates to Procedure Number 601 are made by the Corporate Engineering Department.

Please insert this policy in your manual, destroy the old policy, and make the necessary changes to your table of contents.

L. A. Fuller

LAF/gs
Enclosure

SUBJECT – PROPERTY AND BUSINESS INTERRUPTION INSURANCE

The Parent Company property damage and business interruption insurance program is structured (for any one occurrence) to cover the portion of losses exceeding $5MM by purchased insurance while losses up to $5MM will be self-assumed. Each OpUnit is allocated a share of insurance premiums and, in addition, absorbs any one loss up to $5MM.

SCOPE

This policy applies to the Parent Company and all U.S. subsidiaries except Fisher Controls, Hale Manufacturing, and Olympia Industries. For specific coverage applicable to each Ex-U.S.A. subsidiary, the Corporate Insurance Section should be contacted.

POLICY

Each OpUnit will share the annual insurance cost on insurable property value and business interruption covering the portion of losses exceeding $5MM while losses below $5MM for any one occurence are self-assumed. All claims shall be recorded in the period in which they occur.

Exceptions requiring separate insurance coverage include jointly owned leased operations and boiler or other pressure vessels requiring inspections for operating certificates issued by a governmental authority.

PROCEDURE

In April of each year, for the following year, the Corporate Property Section shall advise each OpUnit its share of the annual premium cost for insurance coverages over $5MM. Each unit's share of the annual cost will be weighted proportionately based on insurable coverage levels determined from these factors:

- The current replacement cost of fixed property determined by adjusting its original cost by a cost multiplier, based on the year installed, which recognizes construction costs by geographical areas. The final insurable replacement cost does not include underground installations and excavation costs or other similar property.

- The replacement inventory value at each plant based on the semi-annual January 31 and July 31 reports. Raw material and supplies replacement cost is purchased cost or current replacement cost, whichever is less; while goods-in-process is valued at inventory standard cost and finished goods at sales values (includes internal profit) which are the average net back prices of current sales patterns.

- Business interruption values determined by the reported Daily Indemnity Values. Daily indemnity value is the sales value of production less all non-continuing expenses. Refer to Exhibit A for suggested report format.

- The Corporate Insurance Section adjustment reflecting varying hazards in different types of operations.

Actual current year premiums will be charged based on each unit's proportionally weighted share as budgeted. Prepaid insurance premiums will be charged to Executive Division Account 351.05. In January each year, each OpUnit will be charged with that year's insurance prepaid in prior years. At the end of each year, only that cost related to future years will be retained in the Executive Division prepaid insurance accounts. Normally, no balance will remain in the OpUnit prepaid insurance account at year end.

If a loss occurs, an estimate of loss will be prepared by the location Manager or his representative with assistance of the location's Superintendent of Accounting and Control. The estimate shall conform to the provisions of the Safety and Property Protection Procedure Number 601 (refer to attachment) which specifies preparation of loss reports (Form G-1485) on accidents that occur.

When the total loss estimate shown on the loss report exceeds $5MM, the prepared journal entry shall charge Account 108.90 - Claims Receivable for that portion of the loss exceeding $5MM and Account 290.XX for depreciation reserves related to destroyed fixed property. Accounts credited are 151.XX through 156.XX for the value of destroyed inventories, Account 252.XX through 270.XX for the gross value of destroyed fixed property. Account 451.50 - Accrued Repairs Property Damage is credited for the estimated costs of dismantling, repairs, clean-up, and start-up expense. The difference, representing the estimated gain or loss, is recorded in account 794.01 - General and Self Insurance in the current period. As the monthly actual costs of dismantling, repairs, clean-up, and start-up are incurred, account 451.50 is charged. Any remaining balance in account 451.50 is

transferred to account 794.01 upon completion of this work. The difference between the estimated total claim and the final claim settlement is adjusted to accounts 108.90 and 794.01. When the total loss estimate is less than $5MM, the business interruption portion is eliminated and not recorded in account 794.01.

Necessary cost collection routines should be established by the location's Superintendent of Accounting and Control. Sufficient work orders should be assigned to accumulate the labor, supplies, overheads, and outside contract costs covering removal of debris, protection of property from further damage, repairs to buildings and equipment, and dismantling expense. Any salvageable equipment sold by the Corporate Disposal Section shall be credited to account 794.01. New assets will be capitalized as required by Corporate Controller's Policy Number 902.00.

A complete statement of the actual total loss for claims over $5MM will be prepared and approved by the OpUnit Controller. This claim statement, properly documented, includes the replacement cost of fixed assets and inventories, business interruption loss calculations, the accumulated work order costs, and the start-up expenses incurred by the new assets. When computing the business interruption loss, the total indemnity value must include any downstream intermediate material operations, irrespective of location, that were shut-down as a result of the loss. The sales quantity for the claim period reported should be based on supportable forecasted sales. In no case can these sales exceed the forecasted daily indemnity value by plant. The claim's operating salaries and wages will include all employes retained, excluding only those whose earnings were stopped as a result of the loss or included in chargeable items to the claim. Other items included in the business interruption loss should be directed to the Corporate Insurance Section. The claim statements and supporting documentation will be reviewed by the Corporate Insurance Section prior to their filing against insurers.

When the claim's final insurance settlement value is known, the difference between the actual and estimated loss will be adjusted by either charging or crediting account 108.90 and 794.01. When insurers payment is received, account 108.90 is credited and any balance remaining in account 794.01 represents the self-insured portion attributed to the property damage.

RESPONSIBILITIES AND REPORTING

Location Manager or Delegated Representative

- Investigate and report any loss of property damage and business interruption having an estimated loss exceeding $2,500.

Superintendent of Accounting and Control

- Assists Manager or his representative in preparing the estimate of loss report and the final loss statement.
- Sets up work orders and cost collection routines to accumulate all costs related to the loss.
- Furnishes the OpUnit Controller by scheduled date the Report of Daily Indemnity Value (includes guest operations) and replacement inventory value. The inventory report values are classified into two categories:

  Inventory on hand within plant boundries.

  Plant inventories stored off-site.

OpUnit Controller

- Prepares and submits a final loss statement to the Corporate Insurance Section when the total loss exceeds $5MM.
- Summarizes the reported Daily Indemnity Value and forwards to the Corporate Insurance Section by scheduled date.
- Reports value of inventories to the Corporate Insurance Section by scheduled dates.

Corporate Property Section

- Furnishes the Corporate Insurance Section the current replacement cost of fixed property by scheduled date.
- Records all approved insurance premiums for proper allocation to OpUnits and forwards for payment.

Corporate Insurance Section

- Reviews and files with insurers all property and business interruption claims for losses exceeding $5MM.
- Approves payment of insurance premiums for policies-in-force.

FORMS

The Safety and Property Protection Procedure Number 601 specifies preparation of loss reports (Form G-1485) on accidents that occur. Forms used for the capitalization or retirement of property are contained in the Property Accounting Manual, Sections 2, 5 and 9 while work orders and forms used are in Section 6.

REPORTING

A list of reports and due dates are shown in Exhibit B.

EXHIBIT A

REPORT OF ACTUAL DAILY INDEMNITY VALUE

OPUNIT/DIVISION: _____

LOCATION: _____ PERIOD: _____

SALES VALUE OF PRODUCTION:

CODE OR PRODUCT	TOTAL PRODUCTION QUANTITY	INTRA PLANT USAGE	NET PRODUCTION QUANTITY	UNIT SALES VALUE	ACTUAL SALES VALUE OF PRODUCTION
A	XXXXXX	XXXX	XXXXX	$.XXX	$XXX,XXX
B	XXXXXX		XXXXXX	.XXX	XXX,XXX
C	XXXX		XXXX	.XXX	X,XXX
		TOTAL SALES VALUE			$XXX,XXX

LESS NON-CONTINUING PRIME COSTS:

Raw Materials (all raw material outside reporting location excluding any intra plant)	$ X,XXX
Fuel and Energy Costs (Used in Production)	XXX
Operating Salaries and Wages	XXX
Repair Wages and Materials	XXX
Operating and Packing Supplies	XXX
Royalties (Based on Production)	XXX
SIX MONTH INDEMNITY VALUE	$ XX,XXX
DAILY INDEMNITY VALUE (_____ DAYS)	$ XX,XXX

SC 004249

EXHIBIT A

INSTRUCTIONS FOR PREPARING EXHIBIT A

The Daily Indemnity Value Report represents the next six months anticipated insurable amount for periods ending June 30 and December 31. To insure reporting consistency, the data entered on this form should comply with the following procedures:

TOTAL PRODUCTION QUANTITY: Report each product's anticipated volume in the "inventory standard bracket" (used to value all finished and intermediate products) for the next six month reporting period.

INTRA-PLANT USAGE: Use the actual accumulated quantity transferred in the prior six months to forecast anticipated usage for the reporting period. Intra-plant usage is deducted from the total production quantity to determine the net production quantity.

UNIT SALES PRICE: Use the net sales price (gross less freight and allowance) for products sold to customers or transferred to other plants on a Share of Investment (SOI) basis. For products transferred to other plants at market value, the trade market price or the market price (gross less freight and allowance) is used. Products produced for use solely in the plant, use the existing standard cost value.

NON-CONTINUING PRIME COSTS: Includes all items listed on Exhibit A plus other non-listed directly variable expenses which would cease when production stops. Inter-plant/division raw materials are valued at actual or estimated market value and not the transfer price. Raw materials do not include intra-plant usage. For SOI transferred products, MCIC and MAPC will provide the receiving locations with the market value to be used. All operating salaries and wages below the line of foreman are considered non-continuing cost if employment ceases.

DAILY INDEMNITY VALUE: Determined by dividing the six month indemnity value by the actual days to be worked in the six month period reported.

DATE	PAGE	NO.
November 18, 1977	7 OF 7	351.00

EXHIBIT B

SCHEDULE OF REPORTS

DESCRIPTION OF REPORT	PREPARED BY	SUBMITTED TO	VALUE DATE	DATE DUE
1. Plant Daily Indemnity Value (Exhibit A)	Superintendent of Accounting & Control	OpUnit Controller	6-30	Option of OpUnit
2. Replacement Inventory Values Plant Controlled Inventories on Site Plant Controlled Inventories off Site				
3. Summary of Daily Indemnity Values	OpUnit Controller	Corporate Insurance Section	6-30 and 12-31	7-31 1-31
4. Plant Controlled Inventories (on and off site)				
5. Outside Warehouses Not Under Plant Control				
6. Current Replacement Cost of Fixed Property	Corporate Property Section	Corporate Insurance Section	9-30	10-31

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A-1222A 3:75

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MONSANTO
CENTRAL ENGINEERING DEPARTMENT

PROCEDURE NO. 601
Revised

INCIDENT OR LOSS REPORTING

PURPOSE

The purpose of this procedure is to provide uniform reporting of loss incidents of all kinds. Communications of loss information on a company-wide basis are necessary if we are to:

1. Use the experience gained at each location to design plants for optimum elimination or control of potential risks.

2. Reduce our level of losses by:

   a. Studying our loss experience.
   b. Developing more effective prevention and control methods.

Complete incident or loss reporting will serve these purposes and help us reach new goals of environmental safety and loss reduction.

PROCEDURE

The Manager at each location has overall responsibility for incident or loss investigations and reporting. We recommend that he assign responsibility for reporting to one man preferably in his Safety and Property Protection Group.

Incident or loss reporting procedures are as follows:

Section 1 Preliminary Telephone Report on large loss incidents.
Section 2 Written Incident or Loss Report on all reportable incidents.
Section 3 No Loss Confirmation Report.

Report each incident resulting in loss from explosion, fire, pressure equipment or machinery failure, electrical equipment failure, natural forces, or other causes with estimated total loss of $2,500 or over.

Incidents are defined as sudden unforeseen or unplanned events evidenced by physical damage or other abnormal condition.

Estimated total loss is the sum of the property loss, including clean up, plus business interruption.

Also report an incident, as described above, when the estimated maximum loss potential is in excess of $25,000, even though the estimated loss is less than $2,500. A "Near Miss" incident with little or no loss but with the potential for large loss would be reportable in this category.

Estimated maximum loss potential refers to probable loss if an incident had attained maximum involvement.

Downtime for maintenance, normal wear and tear and replacement of expendable parts will not be reported unless a specific accident was involved with dollar loss as previously defined.

Incidents involving theft, security infringements and actual or suspected industrial espionage will not be reported under this procedure, but should be reported directly to Mr. E. J. Putzell. (See J. R. Eck's memorandum to General Managers and Staff Department Directors dated October 21, 1969.)

This procedure does not apply to the already established procedure for the investigation and reporting of personnel injuries.

SECTION 1 TELEPHONE OR TELETYPE REPORT

Report promptly by telephone or teletype when the loss involves heavy property damage, large BI potential or unusual circumstances (ie. involve publicity). Provide preliminary information within 24 hours when the estimated loss is $250,000 or over.

The report should be made to the Director, Safety and Property Protection, or other Safety and Property Protection personnel as listed on the Emergency Notification card.

The person notified here will advise the Insurance Section, Treasury Department and other departments directly concerned, such as Public Relations and Medical, plus other individuals or organizations as requested by the reporting location.

Include the following information on the basis of what is immediately known.

1. Time and place of loss.
2. Nature and extent of property damage and dollar estimate.
3. Probable cause.
4. Effect on production. Estimated length of downtime, indicating equipment and/or departments affected and approximate BI loss.
5. Personnel injuries.
6. Salvage plans and repairs.
7. Status of fixed fire protection.

The Telephone Report of an important incident should not be delayed because of inability to get full information. The principle purpose of this preliminary report is to provide rapid communication of information on significant situations.

SECTION 2 INCIDENT OR LOSS REPORT

Investigation and reporting of incidents and losses is an important step in the total loss reduction effort. The accumulation of this information makes it possible for locations and the company to:

Identify those conditions, processes and operating practices that produce losses.

Evaluate loss experience for the formulation of new and updating of existing standards of good practice.

Evaluate application of loss prevention standards and practices.

Distribute through instructive losses and other appropriate communications, the important lessons learned from our loss experience.

The value of loss or incident reporting hinges on the objectivity and accuracy of the information it produces and promptness of reporting. Reports should be impartial and as complete as conditions make possible.

Submit a report with preliminary information within 10 days of date of incident.

Certain incidents reflect the potential for very large losses although the resultant loss may have been small. The potential of the risks can be far more important than the actual loss. Therefore, the investigation and analysis for causes of the reported incidents of small loss should receive the same careful handling as in the case of major incidents.

Minor losses or near misses are predictors of potential major incidents that can be prevented by better control of causes and conditions.

Refer to Attachment 1: Incident or Loss Report sample form and instructions.

SECTION 3 NO LOSS CONFIRMATION REPORT

Each location having no losses during the month will forward a copy of the Incident or Loss Report form marked to confirm that no losses occurred. This report should be sent on the first business day following the end of the reporting period.

SC 004254

Russell L. Miller

INCIDENT OR LOSS REPORTING - ATTACHMENT 1

Instruction for Use of Report Form (Form G-1485 Rev. 11/69)

This report should be prepared and a copy forwarded to Safety and Property Protection in St. Louis within 10 days after the incident. A revised report should be forwarded if important new information becomes available.

1. HEADING Fill in the name of the location or plant where incident occurred, city, state and/or country, name of the individual reporting and date of report.

2. Report no losses or incidents for the month by checking "No Loss for Month of" and fill in month being reported.

3. When reporting an incident check whether the report is an initial report or revised report. If an initial report and a supplemental report is probable also check "Supplemental Report to Follow".

Safety and Property Protection personnel receiving a telephone or teletype report will record the information on a report form and check "Telephone Report" and "Supplementary Report to Follow".

4. DATE OF LOSS Indicate day, date and time incident occurred.

5. LOCATION Indicate where in the plant the incident occurred. Such as yard, building and level, tank farm, dock, plant substation, off premise utility and so forth.

6. PERSONNEL INJURY Indicate whether or not personnel injuries were sustained. If yes, indicate the number of serious injuries and number of disabling injuries if any.

7. OCCUPANCY Indicate the process principally involved, material stored or other non-manufacturing occupancy.

8. EQUIPMENT Indicate principal equipment initially involved in incident such as: kettles, condensers, tanks, vessels, hammer mill, conveyor, dust collectors, compressors, engines, motors, transformers and so forth. Write in "None" or "N/A" if no equipment was involved.

9. DAMAGE TO BUILDING Give brief summary of extent and type of building damage if any. Examples:"20 x 30 ft. section of concrete block east wall blown out by explosion; explosion and fire warped structural steel in first level; extensive smoke damage to south wing of office".

10. DAMAGE TO CONTENTS AND EQUIPMENT Give brief summary of extent and type of damage to equipment and contents including instrumentation. Examples: "transformer case ruptured and windings severely damaged by internal arcing and fire; head on 3,500 gallon kettle bulged and 30 inch manway cover blown off by internal explosion; 10M pounds of baled fiber in storage damaged by fire".

11. CAUSE (OR PROBABLE CAUSE) Provide concise statement indicating basic cause of the accident. Tell why accident occurred. Also for fire or explosion identify ignition source if possible. The cause should be amplified in the body of the report.

12. DISCOVERY Indicate whether discovery was prompt or delayed and who made the discovery. Employes in the immediate area or an automatic alarm usually would result in prompt discovery. On the other hand discovery by a watchman or outsider might suggest delayed discovery.

13. AUTOMATIC ALARM A FACTOR Indicate whether or not an automatic alarm device was a factor in calling attention to the incident. (Examples of automatic alarms include, process and machinery alarm interlocks; sprinkler alarms; and fire, heat and smoke detection alarms.)

14. EMERGENCY ACTION Indicate level of emergency action taken. That is whether incident was controlled by employe(s) at the scene; or employe at scene plus plant emergency organization; such as the fire brigade. Also indicate whether the public fire department was called in.

15. OPERATIONS ATTENDED Check here whether or not operations were attended at time of incident.

16. CONSTRUCTION Indicate the general type of construction of the building or structure where incident occurred. Information on general type of construction of roof, floors and framing is desired.

Fire Resistive Construction Example: reinforced concrete roof, floors, and structural members plus non-combustible walls. A steel structure completely fire proofed and having concrete roof and floors plus non-combustible walls could also qualify as fire resistive.

Non-combustible Construction Example: steel frame with steel or other non-combustible type floors, roof and walls.

Combustible or Part Combustible Construction Example: a construction system that includes significant use of combustibles such as wood in roof, floors, walls or framing.

The type of construction checked should reflect general type of construction in the area of the incident. An incident occurring at grade level in a multi-level building of non-combustible construction except for a wooden roof would be checked as non-combustible. On the other hand if the incident occurred in the top level of the same building the wooden roof would be reflected by checking combustible or part combustible.

Check "Outdoor" when no building or open frame structure is involved. Examples would include yard areas, outdoor transformer or switch gear equipment, outdoor machinery, outdoor free standing columns, tanks and so forth.

17. SPECIAL FEATURES Check applicable special features, if any, incorporated in the construction to minimize extent of damage.

Open Structure is the typical open frame multi-level structure

Explosion Venting refers to loosely fastened exterior wall panels designed to blow open and safely relieve sudden internal pressure build-up.

Fire Proofed Steel refers to presence of a specific coating on structural steel to extend the fire damage resistance rating of the structure. The painted coatings of only a few mils thickness is not fire proofing.

Heat and Smoke Vents refers to specific closures, usually in the roof, designed to open automatically or closures that can be opened manually to vent heat and smoke from a building. Special low melting point plastic panels are also used for heat and smoke venting.

Cut-offs refer to wall enclosures having a specific useful fire resistance rating and designed to serve as a fire barrier between adjoining occupancies. Another type cut-off would be the explosion resistant wall designed and installed to shield surrounding occupancies from an occupancy with specific explosion hazard. Examples would include standard fire walls to separate large capital and production interruption values; fire cut-off walls to separate manufacturing from warehousing or isolate special hazard operations from surrounding occupancies. This

latter application could also represent a use of an explosion resistant wall.

Items 18 through 25 relate mainly to fire and explosion incidents. However, confirm the presence or lack of sprinkler protection in the area involved for every incident regardless of whether or not the incident related to a fire or explosion. If remaining items in the block (19 through 25) are not applicable to the incident indicate by marking N/A (not applicable).

18. SPRINKLERS IN AREA Indicate here whether or not area is sprinklered. Indicate sprinklers by circling type of system. If non-freeze (anti-freeze) system write in "Non-freeze". If manually operated write in "Man." ahead of type system and circle both. Write in number of sprinklers that opened, if none opened indicate.

19. DURATION OF SPRINKLER OPERATION Indicate duration of sprinkler operation in minutes when incident involved sprinkler operation.

20. LARGE HOSE Indicate here number of large hose streams (2½ inch hose nozzle) used. Two and one half inch or larger hose used to supply 1½ inch or smaller hose is not a 2½ inch stream. Write in "None" if no 2½ inch hose streams were used.

21. DURATION OF FIRE Indicate duration of fire if any, in minutes.

22. OTHER APPARATUS USED Circle types of other fire fighting equipment used, extinguishers, small hose or fixed system.

23. FIXED SYSTEM If a fixed system was actuated circle "Fixed Syst" and write in type of system (foam, CO_2, dry chemical, steam smothering, explosion suppression) and so forth. Indicate whether the fixed system is arranged for automatic or manual operation and whether the system was effective, that is, did it extinguish the fire or suppress the explosion.

24. PROTECTION RESTORED Write in date and time full protection was restored. The instruction on the form specifically refers to sprinkler protection. However, this space can be used to indicate when other fixed protection systems are restored to service if sprinklers are not involved. However, clarify if other than sprinklers are being reported placed back in service.

25. FIRE PUMP STARTED Indicate in this space whether fire pumps were started or not. Circle "None" if there is no fire pump in the fire protection system. Where a fire pump is located at an adjoining site but also supplies fire service water to the location where the incident occurred circle whether or not the pump was started.

26. DEFICIENCIES Deficiencies relate to the conditions that; first permitted the accident to occur, and second, contributed to the extent of damage., Deficiencies are subdivided into two groups. "Deficiencies Responsible for Occurrence and Deficiencies Contributing to Extent of Damage". List up to three items in order of importance, by numerical sequence (1,2,3) in each of the two categories. Provide two or three word description to further identify each numbered item. This is really a use of the "Keyword" concept for identification.

27. DEFICIENCIES RESPONSIBLE FOR OCCURRENCE Five specific categories are listed plus space for listing others. Deficiencies responsible for occurrence relate to deficiencies in listed items, that is deficiency in training, in housekeeping, and so forth.

Deficiencies in Training could relate to operator training, maintenance skills, supervisory training and so forth.

Deficiencies in Housekeeping would relate to the order and neatness of the facility; the congestion or crowded condition of the equipment and/or materials in process.

Deficiencies in Design would relate to all phases of the design of a process. Deficiencies could involve materials of construction from a strength, corrosion-erosion and process compatibility stand point; venting capacities, instrumentation control including backup controls, and accessibility of equipment for operation and maintenance.

Deficiencies in Equipment could include defective equipment or use of equipment of questionable reliability in an area where equipment with high reliability is needed.

Deficiencies in Personnel could include actions of the operator, maintenance and other service personnel and all levels of supervision.

28. DEFICIENCIES CONTRIBUTING TO EXTENT OF DAMAGE Five specific items are listed plus space to list other items. Deficiencies contributing to extent of damage refers to deficiencies in the

listed items, that is, deficiencies in fire protection, in other protection, in emergency action, and so forth.

Deficiencies in Fire Protection could include lack of sprinkler protection if a serious fire occurred in an unsprinklered area. Plugged sprinklers or piping, sprinkler discharge obstructed by storage, equipment or platform, wrong type of system or weak water supplies would be possible deficiencies in sprinkler protection if the protection did not extinguish or control the fire, or cool structural steel and surrounding equipment adequately to prevent serious fire damage.

Other deficiencies in fire protection could include failure of automatic starting fire pumps to start automatically, faulty hydrants or monitor nozzles or faulty operation of the fire truck. Failure of special protection systems, such as foam, carbon dioxide or dry chemical systems to extinguish the fire or explosion suppression system to suppress the explosion would also be deficiencies in fire protection.

Deficiencies in Other Protection would relate to damage limiting devices provided on equipment. Such devices would include relief valves, rupture discs, explosion venting and shutdown interlocks and alarm systems. Deficiencies in over current protection devices differential relay protection and so forth on electrical equipment would also fit in this category.

Deficiencies in the protective devices could include lack of devices, inadequately sized, incorrect setting or rating of devices or failure of devices to operate.

Deficiencies in Emergency Action would relate to how the emergency was handled. Deficiencies in the organization and execution of control measures by personnel could be reflected here. Also deficiencies in the communications network of the emergency organization could be covered here.

Deficiencies in Construction could include lack of fire proofing if fire proofing would have materially reduced damage to steel from fire exposure or lack of explosion venting if specific explosion venting could have materially reduced extent of building and equipment damage. The lack of adequate fire cut-offs or failure of fire doors would be reflected here. The lack of physical separation or fire walls to adequately separate processes could also be reflected here.

Deficiencies in Occupancy could involve poorly arranged piping for flammable liquids and gases; poor handling of flammables; dusty conditions, where combustible dusts are involved, poor housekeeping and inadequate means for prompt disposal of waste materials. Piping systems that do not include accessible or remote operated isolating valves to permit prompt shutoff of gas or flammable liquid flow could contribute to extent of damage and could be reflected here. The storage or use of combustibles in the immediate area of a process handling flammables or immediate area of important electrical switchgear or control panels could also be covered here.

Lack of adequate drainage for water discharged in fire fighting or spilled liquids and storage susceptible to water damage stored directly on the floor also reflect occupancy conditions that could contribute to the extent of damage.

29. NARRATIVE REPORT Use this space and back of form to provide a narrative description of the incident. Important items such as: cause, damage and salvage, and production interruption should be covered in greater depth here. Also items of significant interest not covered in the check off portion of the form can be brought out in the narrative report.

Include probable recommendations and initial preventative measures under the Conclusions and Recommendations section of the preliminary report when final recommendations are not yet available.

30. TYPE OF INCIDENT This refers to the predominate type of damage resulting from the incident. Circle the single most applicable item listed or circle "Other" and write in single other type of incident on the basis of predominate type damage.

A fire may follow an explosion or explosion follow a fire but usually one or the other accounts for the greater portion of the loss. Lightning striking electrical gear causes a voltage surge that can result in direct damage to the gear. This would be lightning damage. On the other hand lightning striking a storage tank containing flammables could result in a fire. The fire damage would likely represent the greatest damage and would be the type of incident. Lightning would be the ignition source.

A process related incident that does not properly fit an explosion, runaway reaction or spill can be indicated as "Other Process" or "Other". Identify if checked as "Other".

31. ESTIMATED LOSS Enter here the estimated dollar figures for total property loss (building, equipment, contents and cleanup), business interruption (profit and continuing expense) and sum of both for a total dollar loss figure. Estimated loss in dollars is what is desired. Audit type figures are not essential and the necessity for prompt reporting usually precludes the availability of audit type figures. If subsequent information results in significant change in the dollar estimates submit a revised report.

32. Indicate here whether the reported business interruption represents actual sales loss.

If a claim is made on the Insurance Reserve (See Controller's Bulletin 08-01) this will be computed on the basis of actual sales lost

33. ESTIMATED MAXIMUM LOSS POTENTIAL IN DOLLARS This block is provided to call attention to the possible maximum loss potential if the incident had reached its ultimate capacity for damage.

Circumstances, protection facilities or prompt action often result in quick containment of an incident. Whereas, with adverse circumstances the end result could be a major loss. A massive flammable liquid spill or combustible gas release that does not happen to find an ignition source amounts to little loss. On the other hand if ignition does occur a major or catastrophic loss could result.

Check the appropriate category of estimated maximum loss potential when an incident reflects a potential for loss in excess of $25,000.

Provide brief description of the circumstances that would have permitted incident to reach maximum involvement and what major equipment, buildings and business interruption would have been involved. Also bring out here any obvious potential for disabling injuries or fatalities.

Check "Not Applicable" when the estimated maximum loss potential and estimated actual loss are essentially equal.

34. The shaded areas on the report form will be completed by CED and should not be used.

INCIDENT [illegible]

Complete form for each incident with Estimated Loss Total of $2500 or over, or having Estimated Maximum Loss Potential in excess of $25,000. Forward within 5 days to Safety and Property Protection, St. Louis. Submit revised report when completed investigation develops important new facts or major change in loss estimate. See CED Procedure 601 for further explanation. (Complete by checking and or circling applicable items).

LOCATION (1)	CITY	STATE	COUNTRY
REPORTED BY	DATE	☐ NO LOSS FOR MONTH OF (2)	

(3) ☐ TELEPHONE REPORT ☐ INITIAL REPORT ☐ REVISED REPORT ☐ SUPPLEMENTAL REPORT TO FOLLOW

DATE OF LOSS Day, Date, Time (4) LOCATION Yard, Building, Level, Tank Farm, Plant Sub-Station, Off Premise Utility, Etc. (5) PERSONNEL INJURY YES (6) NO

OCCUPANCY State Process, Material Stored, or Non-Manufacturing Occupancy (7) Number Dl ____

EQUIPMENT Machine(s), Device, or Equipment Initially Involved (8) Number Serious ____

DAMAGE TO Building (9)

Contents and Equipment (10)

CAUSE (Or Probable Cause) (11)

DISCOVERY Prompt ☐ Delayed ☐ (12) By Whom Employe ☐ Watchman ☐ Outsider ☐ (13) Automatic Alarm-A Factor Yes No

EMERGENCY ACTION (Check if Responded) (14) Employe ☐ Plant Emerg. Organiz. ☐ Public Fire Dept. ☐ Operations Attended At Time of Loss (15) Yes No

CONSTRUCTION GENERAL TYPE (16) (Roof & Floor) Fire Resistive ☐ Non-combustible ☐ Comb. or Part Comb. ☐ Outdoor (No bldg. involved) ☐

SPECIAL FEATURES (17) Open Structure ☐ Expl. Venting ☐ Fire Proofed Steel ☐ Heat & Smoke Vents ☐ Cutoffs ☐

SPRINKLERS IN AREA None (18) Wet Dry Deluge No. Opened DURATION OF SPRINKLER OPERATION (19)

LARGE HOSE (2½") NUMBER STREAMS USED (20) DURATION OF FIRE (21)

OTHER APPARATUS USED (22) Extinguishers Small Hose Fixed Syst. (Type) (23) Control Auto. ☐ Manual ☐

PROTECTION RESTORED (24) Effective Yes ☐ No ☐

Date and Time When Sprinklers were Replaced and Full Fire Protection Restored (25) FIRE PUMP STARTED Yes No N

(26) DEFICIENCIES Rate up to three most applicable items 1, 2, 3, in order of importance for each of two categories below. Describe each briefly.

DEFICIENCIES RESPONSBILE FOR OCCURRENCE (27)		DEFICIENCIES CONTRIBUTING TO EXTENT OF DAMAGE (28)	
Training	☐	Fire Protection	☐
Housekeeping	☐	Other Protection	☐
Design	☐	Emergency Action	☐
Equipment	☐	Construction	☐
Personnel	☐	Occupancy	☐
Other (Describe)	☐	Other (Describe)	☐

DESCRIPTION OF INCIDENT (29)

SC 004263

(See Reverse)

TYPE OF INCIDENT (Circle One) (30) 01. Fire 02. Explosion 03. Runaway Reaction 04. Spill 05. Other Process 06. Mechanical Failure 07. Electrical Failure 08. Collision 09. Wind 10. Lightning 11. Other (identify)

CED USE ONLY Trans Code 1 2 3 4 (34)

DESCRIPTION: 1F, 2P, 3H, 4E, 5

DATE OF INCIDENT Mo. Day Yr.	LOCATION CODE
INSURABLE: 1 YES 2 NO	DIVISION CODE
INS. CODE 1 DSM 2 FIRE	DOTH 3 / CED REPORT NO. —

(31) ESTIMATED LOSS

Total Property (Bldg., Contents, Cleanup) $ ____

Business Interruption (Profit & Cont. Expense) $ ____

TOTAL $ ____

Does Business Interruption Represent Actual Sales Loss (32) 1 YES 2 NO

ESTIMATED MAXIMUM LOSS POTENTIAL IN DOLLARS

(33) 1. ☐ - N A
2. ☐ 25 - 100M
3. ☐ 100 - 1000M
4. ☐ Over 1000M

CED 1688 REV 2-70

LAM005473

(CIDEN. (CON'T)

DAMAGE AND SALVAGE

RRUPTION TO PRODUCTION

CAUSE

LUSIONS AND RECOMMENDATIONS

SC 004264

FOR ESTIMATED
UM LOSS POTENTIAL