ACTION PLANS FOR PCB's

As a result of our complete study of the PCB situation, which was reviewed by the Board of Directors on December 8, 1971, the following decisions have been taken:

1. Terminate immediately all sales of PCB fluids for use in heat transfer applications by formal notice to all customers. However, at the discretion of the President or his designee, if a customer's special circumstances prevent an immediate change to other materials, sales may be continued for the shortest possible period, provided that any such sales will be dependent upon the receipt of agreements acceptable to Monsanto, holding Monsanto harmless from legal liability associated with the use of PCB's in heat transfer applications from customers whose financial responsibility makes such agreements meaningful in Monsanto's opinion.

2. Sales of PCB fluids for transformer or capacitor use will be dependent upon the receipt of agreements acceptable to Monsanto, holding Monsanto harmless from legal liability associated with the use of PCB's in transformers and capacitors from customers whose financial responsibility makes such agreements meaningful in Monsanto's opinion.

3. Immediately implement a plan to terminate all sales of polychlorinated terphenyls:

   75% of such sales will be terminated by March 31, 1972.

   The remainder will be terminated no later than June 30, 1972.

4. In addition to notices previously given and those appearing on labels, all sales are to be accompanied by an appropriate warning as to consequences of improper use or disposition.

Action plans to implement these decisions are under way.

December 9, 1971.