

SERRA BRANCA INCIDENT AT MIDDLESBROUGH :

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N ROBERTS
R WILLIAMS/M BOWEN

CORPORATE DISTRIBUTION, EUROPE

UNITED KINGDOM OFFICE



REPORT OF AN INCIDENT INVOLVING DAMAGE AT SEA TO PART OF A
CONSIGNMENT OF AROCLOR 1016N DESPATCHED FROM NEWPORT WORKS
TO THE S/S SERRA BRANCA AT LIVERPOOL FOR SANTOS, BRAZIL :

CUSTOMER	:	INDUCON DO BRAZIL	*
ORDER NO	:	EE 769436	*
DESPATCH DATE/NEWPORT	:	5TH DECEMBER 1974	
SAILING DATE/LIVERPOOL	:	16TH JANUARY 1975	
VESSEL ROTATION	:	LIVERPOOL/GLASGOW/MIDDLESBROUGH	
DATE OF INCIDENT	:	17TH JANUARY 1975	

* APPENDIX I

Prepared by : RWD MACINTOSH
January 1975

DSW 266341

STLCOPCB4062517

CONCLUSION :

By Friday, 31st January, almost two weeks after the Serra Branca had docked at Middlesbrough, all clean up work was completed, the residual waste materials used during the operations returned to Newport for destruction and the vessel was making preparations to sail.

Infrutra GmbH, the European Agent for the Shipowners, authorised the UK Agent, Lamport & Holt, Liverpool, to release the Bs/L for the original 109 drums, and our customer billing therefore proceeded as for any normal transaction.

The draft of a letter confirming our custody of the damaged Aroclor was agreed with Infrutra and is now being legalised and endorsed by the Brazilian Consulate in London, whereupon it will be airmailed to the Lines' office in Rio de Janeiro to await arrival of the vessel.

Confirmation is to hand from the Guardian Royal Exchange Insurance Company, London agents for Motor Union, Brazil, that the latter are holding the original consignment insured; their Surveyor has inspected the damaged material in our custody at Newport and will no doubt agree a salvage value with us in due course.

→ All Monsanto costs which have been incurred in dealing with the incident have been isolated in a special cost centre at Newport and a claim for their recovery will be entered in due course on the cargo insurers.

(The incident was very briefly reported in the Middlesbrough local press on the 20th January but there was no further reference to it in the local or national press and PR Department did not consider it necessary to issue the statement which they had prepared.)

(A file on the incident has been assembled in London, including some ten pages of notes recording details as they occurred. The contents are available should they be required, in support of our claims or any legal actions which may follow.)

THE INCIDENT :

After loading our 109 drums of material at Liverpool, the SERRA BRANCA sailed to her next port of call which was Glasgow and en route encountered storm conditions at sea during which it is reported that our cargo, which was stowed in the port side after end of No: 3 Tween Deck, broke loose and 60 of the 109 drums fell into the open deep tank through No: 3 hatch.

These drums suffered considerable damage and an unspecified number were holed and leaking.

The incident was reported, presumably by ship's telegraph through the agent to Newport, by whom arrangements were made for retrieval of 3 drums said to be leaking, together with some powder material, the property of another shipper, said to have been contaminated with Aroclor.

It is reported that a representative of the Protection and Indemnity Insurance Company, acting for the shipowners, joined the vessel at Glasgow and proceeded on the voyage to Middlesbrough, during which his closer inspection revealed the fuller extent of the damage and the nature of the material which was leaking from our drums.

This presumably would have been specified in the ship's manifest. It is also understood that in consequence the P&I Insurance Company required the ship's master to discharge at Middlesbrough the entire contents of the No: 3 tweendeck's hold and the deep tank so that the full extent of any contamination could be identified and the vessel cleaned before proceeding on her voyage to Santos.

It was said that the P&I were prepared to with-hold insurance cover if the shipowners refused to comply with this instruction.

CARGO DAMAGE :

When the first report of the incident was received a meeting was urgently convened by Corporate Distribution, London and one of the first actions to be initiated was the appointment of an independent cargo surveyor at Middlesbrough, who was instructed to act as an observer in Monsanto's interests and, during the course of his inspection of the cargo, to pay particular attention to the conditions under which the Aroclor loaded at Liverpool was stowed.

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An extract from the Survey Report is attached (Appendix II) and this reveals that all of the damaged Aroclor drums were by then located in the deep tank into which they had fallen the 46 remaining in the tweendecks being apparently in sound condition, although overstowed by a powdered material which was packed in cardboard containers which had also been damaged resulting in much spillage of their contents.

A verbal report from our surveyor, following his inspection, indicated that in addition to the damaged Aroclor drums, the deep tank contained something in excess of 1000 drums of miscellaneous cargo. Assuming that any spilled Aroclor could be cleaned off these drums it, therefore, seemed possible that no other shippers' goods had been actually contaminated with our product. With the exception of the small quantity of powdered material which we retrieved at Glasgow this subsequently turned out to be the case.

TERMS OF SALE :

The first point to be established in considering our course of action was the ownership of the goods as indicated by the transaction documents. Terms of sale were shown on our invoice to be "FOB Plus Freight" and it was confirmed with Brussels that the original order was similarly drawn.

FOB plus freight is an unconventional basis for a sales contract and was apparently adopted for transactions with Brazil because their commercial law requires that marine insurance on Brazilian imports be effected by local insurance companies as a pre-requisite to obtaining an Import Licence.

However, as our Brazilian customer Inducon was not represented here by a buying or forwarding agent, and as we were paying ocean freight and other charges, Bills of Lading had to be taken out in the name of Monsanto as shippers. Thus, the transaction was being effected, de facto, upon a C&F basis under marine insurance presumed to have been arranged by the receiver, Inducon.

The implications of the foregoing are not unimportant as the extent of our involvement, legal liability, and any actions which we might or might not take in dealing with the situation at Middlesbrough related directly to determination of ownership of the goods at the time of the incident.

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OWNERSHIP :

Any transaction involving deep sea shipment of goods to a foreign customer is governed by two basic instruments. One is the Contract of Sale which should specify by the use of international commercial terms (INCOTERMS) the point and place at which ownership of the goods will pass from seller to buyer. The other is the Bill of Lading which is the document of title to the goods whilst in transit between seller and buyer.

Clearly these two documents must not be in conflict, if confusion about title and liability is to be avoided in the event of a mishap. In the case in question, the documents are in conflict unless supported by a statement that we are acting as forwarding agents for our customer.

Our Contract of Sale with Inducon, if construed as an FOB sale, implies that ownership should transfer at the ship's rail at the port of loading; in which case it would have been proper for the buyer to have accepted to pay for the goods at that point, whereas we have stipulated payment against a term draft which may not be presented by the receiving bank until after arrival of the goods at port of discharge.

As we also paid the ocean freight to Santos it is difficult to define how our "FOB and freight" contract differs from the more usual "C AND F" - except in the expression of the cost of goods plus charges on our invoice (on which the final sum is indeed shown as the total cost "C&F Santos").

The Bill of Lading (Appendix III) had to be drawn to the order of Monsanto as shippers, thus giving us title to the goods during transit and up to ship's rail at port of discharge, and consequently conflicting with the FOB terms of the Contract of Sale.

It is important to note that, notwithstanding the points made above, our actions at Middlesbrough were based upon our contention that we had effected an FOB transaction and were not, therefore, the owners of the goods at the time of the incident.

MONSANTO ASSISTANCE & OBJECTIVES :

During initial discussions between Distribution/Legal/Insurance/Sales Services and Public Relations reps at which the Company's position was defined, the following primary objectives were established.

1. That we should make available at Middlesbrough all the expert advice and assistance at our disposal, without prejudice, and in such manner as to avoid any responsibility or liability for any actions taken upon our advice or costs arising from the incident.
2. That we should ensure that the spillage of Aroclor was properly contained and all residual material and contaminated waste be given into our safe custody in the interests of environmental control and to preserve the attitude of Monsanto world-wide toward the handling of PCB's.

Both of these objectives have been achieved, subject to ultimate definition of responsibility arising from ownership of goods at the time of the incident.

NORMAL PROCEDURE :

We informed the Shipowners that in our expert opinion the Aroclor which had to be decanted from the 57 damaged drums at Middlesbrough would be unfit for sale (out of spec.) and, because of its hazard to the environment, should be left in our custody, along with 3 retrieved from Glasgow, pending instructions from its owners or insurers. We would have expected them to act upon our advice and after clean up of the vessel, to proceed to destination, where they would short present the remaining 49 drums against Bills of Lading for 109; whereupon the receiver would enter a claim on his insurers (now known to be Motor Union, Brazil) for the difference. Motor Union would instruct Monsanto about salvage or destruction, their loss no doubt being reduced if we were able to re-work the damaged material.

This indeed is the procedure now in train but there were a series of constraints which for some time prevented its getting under way.

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CONSTRAINTS :

1. Having established at Middlesbrough a recommended procedure for offloading all the cargo from No: 3 hold and the deep tank, containing suitable provisions for the safety of personnel, containment of spillage, decanting of damaged drums, retrieval of all residues and cleaning of the vessel, the first problem arose when the dockers walked off the scene, believing Aroclor to present a serious hazard to personnel. After two days this was resolved.
2. Then the Manager of the Port Authority refused to permit discharge until someone (anyone?) presented him with a total indemnity for £20,000. Writer confirmed no such indemnity would be provided by Monsanto. After a further two days, an indemnity was signed by the P&I Insurance Company, but limited to operations aboard the vessel. It was rejected, as Dock Company required total indemnity covering all operations associated with the incident until all affected cargo was removed from dock premises. After a further day's delay the matter was resolved, presumably by removal of the restriction by P&I and discharge commenced at 1615 hours on Friday, 25th January. During the week there had been a threat to move the vessel to Rotterdam and discharge the contaminated cargo there. Writer alerted DTI in case their assistance was needed to detain the vessel and effect the discharge at Middlesbrough.
3. Also during the week it was learned that Lines' agent in Liverpool refused to release the Bill of Lading on grounds of mis-declaration (see text of telexes at Appendix IV), which was refuted. They continued to with-hold the Bs/L on instructions from their Hamburg office.
4. Upon completion of unloading and decanting of 57 damaged drums into new drums supplied from Newport, all these drums, including damaged empties, were loaded on road vehicle prior to transfer to Newport. Shipowners refused to release the truck pending our agreement to issue new Bs/L for 49 drums of material which were undamaged and restowed on board. Writer refused, as we had shipped 109 drums at Liverpool.

...../.....

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4.

They then requested replacement of 60 damaged drums with drums of new material, whereupon they would release Bs/L for 109; Brussels were agreeable to this but writer refused as no drummed material was immediately available from Newport and shipment of the order quantity would have removed the possibility of any claim by Inducon under their marine insurance, thus leaving us with various irrecoverable losses, including provision of 60 drums of new material (\$13000-less salvage of the quantities retrieved from the Serra Branca). The writer also reminded the Shipowner that refusal to release Bs/L after commencement of voyage could be an illegal act.

As a final alternative the Shipowners said they would re-load the damaged material from the road truck. Writer warned that in Monsanto opinion this was now out of specification, albeit safely packed in new drums, would be rejected by the receiver and would have to be returned to UK for salvage or destruction.

5. It was at this stage that the reason for the Lines' attitude became evident. Their European Agent in Hamburg informed us that under Brazil Customs regulations the quantity of cargo landed must agree with that specified on the Bs/L or Manifest. If there was a major discrepancy, the vessel was likely to be detained and a fine imposed on the owners of up to 120% of the value of cargo short landed (\$15600).

This was not our problem but we offered to assist by issuing a letter, legalised and endorsed by the UK Brazilian Consulate, as evidence that Monsanto had custody at Newport of the missing cargo.

This offer was ultimately accepted and our Bs/L for 109 drums shipped at Liverpool were released. The truck load of damaged drums was also released from the dock at Middlesbrough and proceeded to Newport.

CO-ORDINATION :

In dealing with an incident such as this, a great many people are likely to have an interest and a need to be involved. Experience, therefore, suggests that it is vital to set up quickly centres of communication and co-ordination, which ideally should be as close to the scene as is practicable. It is equally important in avoiding utter confusion that there is minimal interference with the judgement of the man on the scene - assuming he will ask for help, advice or decisions when he needs them - and that his time is not wasted giving the same answers to a host of different questioners.

All concerned, at whatever stage they enter the situation, should follow the ground rule of seeking to communicate only through the centre and issuing instructions only through the co-ordinator.

For interest, the following is a list of internal departments and outside bodies (individuals aside) who were involved in the Serra Branca incident.

INTERNAL :

<u>Newport</u>	- Production
	- Distribution
<u>Ruabon</u>	- Dr Kupp
<u>London</u>	- Corporate Distribution
	- Insurance
	- Legal
	- Public Relations
	- Sales Services
<u>Seal Sands</u>	- Various staff and Plant personnel
<u>Brussels</u>	- Company Distribution (MICC)
	- Corporate Distribution
	- Marketing
	- Field Sales
	- Trade Relations (Environment)
<u>Sao Paulo</u>	- Distribution
	- Field Sales

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EXTERNAL :

Serra Branca	-	Master and Officers
P&I Insurance Company	-	For Shipowners
Guardian, Royal Exchange Insurance Company	-	Agent for customer's insurers
Constantine & Company	-	Cargo Surveyors for Monsanto
Johnson, Sons & Mowatt	-	Cargo Surveyors for GRE Insurance
Tees Harbour Authority	-	
Tees Factory Inspectorate	-	
Tees DOE Inspectorate	-	
Tees Customs Office	-	
DOTI (Dangerous Goods Section)	-	
Lamport & Holt	-	Lines' Agent, Liverpool
Biggland & Hogg	-	Lines' Agent, Middlesbrough
Infrutra GmbH	-	Lines' Agent, Europe
C.Shaw Lovell	-	Monsanto Agent, Liverpool

Additionally - local haulage contractors, dock labour representatives, special cleaning crews etc.....

There was communication through London during the two weeks in question with everyone of the Bodies listed above.

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STLCOPCB4062526

MONSANTO LIMITED

INVOICE

MONSANTO HOUSE, 10-18 VICTORIA STREET, LONDON SW1H 0NQ

TEL 01-222 5678

TELEX 91 60 93

M

YOUR ORDER NO.		INSURED VALUE		DESPATCHED FROM	
DELIVERY TERMS F.O.B. U.K. PORT + FREIGHT		The goods specified in this document are insured for an amount of so valued in accordance with insurance conditions stated on certificate of insurance.		DATE DESPATCHED	
PAYMENT BANK	Nett cash 90 days draft D/A		CUSTOMS DOCUMENTS		PER
			Per s.s. "SEARA BRANCA" (Brazilian) Sailing 16th January, 1975 From Liverpool to Santos Owners: Empresa de Navegacao		
SOLD TO	Inducon Do Brazil Capacitores S.A. (CX. INT. 1513), Rua Julio Ribeiro 2389 Santo Amaro - Sao Paulo - Brazil. (C.E.P. 04717) 27405		INVOICE DATE		DAVIDSON
			9th December, 1975		PLEASE PRINT
END USER			SHIPPED TO AND/OR MARKS		INT. 1513
			INDUCON AROCLOR 1016 N SANTOS		

DESCRIPTION	652	02	900	50	61	QUANTITY	PRICE PER UNIT	TOTAL
Guia de Importacao No.52-74/16539 dated 23.10.74 valid until 21.4.75 (Total Shipment)								
Arroclor 1016 N								
109 x 275 kg.Drums						29975 kgs.	\$0.786 kg.	
16.1040.362						F.O.B. U.K. PORT		
						Excluding Various Charges		
Total Gross:32918 kilos								
Measurements:88.0 x 59.5cms.								
Cons Decl:29.02.99.00 Qualquer outro derivado halogenado de hidrocarboneto aromatico,TRI CLORO DIFENIL INDUSTRIAL. Grau de pureza. 96% estado fisico. liquido: Embalagem Tambores de aco o / capacidades aprox. para 27216 kgs. Nome Comercial "ARROCLOR 1016 N". Para uso na Industria Electrica. Fabricante:Monsanto Ltd.,Monsanto House, 10-18 Victoria Street,London SW1 H ONQ.Inglaterra. Exportador:O mesmo.								
29975 kgs. @ US\$0.786 per kg.								
F.O.B. U.K. PORT Excluding Various Charges						£10179.46		US\$23560.35
Plus Various Charges						3.00		6.94
F.O.B. U.K. PORT Including Various Charges						£10182.46		US\$23567.29
Plus Freight						1157.09		2678.08
C. & F. SANTOS						£11339.55		US\$26245.37

We hereby certify that the goods charged on this invoice are of British manufacture.

CERTIFIED CORRECT
MONSIEUR LIMITED

In case of shortage or damage to a shipment insured under Monsanto Open Cover with Lloyd's Underwriters, please make the usual reserves towards the carrier before signing his discharge. Then please contact the nearest Lloyd's agent for survey and settlement.

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IMPORTANT

"This product contains POLYCHLORINATED BIPHENYLS (PCB'S) which some studies may be persistent, an environmental contaminant and, possibly, injurious to forms of bird, aquatic and animal life. Prevent any entry into the environment by spills, leakages, disposal, vapourisation, re-use of containers or other means. Spills, leakages and waste product must be collected. Use of this product must be restricted to applications which can be controlled so that entry into the environment does not occur and to applications in which it does not come into contact with food, animal feedstuffs or pharmaceuticals.

"We hereby certify that the Invoice to Inducon Do Brazil Capacitores S.A. herewith is authentic and that the value shown thereon namely US\$ 26245.00 is the actual selling price for export of the goods based on local market quotations and that the merchandise herein is of United Kingdom Origin and that we are acting as agents for the importers in Brazil".

"We hereby certify that the figures appearing on this Invoice are true and correct selling prices".


P. Eldridge
Monsanto Limited

DSW 266352

STLCOPCB4062528

NOTE: It is the responsibility of the Assured to separate the damaged packages from the sound.
In case of shortage, Lloyd's Agents should state if possible, in addition to the following details, the invoiced and landed weights of the goods, also weight at time of survey.

Marks and Numbers	No. of Packages	Description of Goods	Quantities Sound	Quantities Missing or Damaged
INDUCON "AROCLOR" 1016 N SANTOS	106	STEEL DRUMS "AROCLOR" LIQUID	NOT ASCERTAINED	
21.1.75 M.V. SERRA BRANCA TEES/BRAZIL SURVEY REPORT DAMAGED DRUMS "AROCLOR" LIQUID At the request of Monsanto Ltd., of London I visited the m.v. "Serra Branca" lying afloat at No. 3 berth, Teardock and with the permission of the Chief Officer examined the stow of 106 Steel drums of "Aroclor" liquid, I found that 60 drums were stowed in Starboard forward and of the deep tank No. 3 hatch, the remaining 46 drums were stowed in the Port side after end of number three tween deck. The drums in the deep tank I found to be loosely stowed and not secured with several drums at the fore end spaced approx 2 feet apart, this is in my opinion without prejudice an unsatisfactory stow and I found upon inspection that there were approx 40 drums already severely damaged with crushing damage and suspected leakage, with possible damage to the remainder. The stow in the after end of number three tween deck on the port side I found to be secured by two lengths of 1½" dia steel wire and a piece of 5" x 5" timber railed over the length of five drums at the fore end, the drums were found overstowed by stout cardboard drums marked FISON powder which it was apparent had broke loose and several had lost port contents. This stow in my opinion without prejudice is not satisfactory, a visual examination revealed two drums with contact dents but apparently no leakage. The Chief Officer stated that on voyage from Liverpool after the drums were loaded to Glasgow the vessel experienced Gale Force winds from the SW and heavy sea and swell and that during heavy rolling the 1½" dia Steel Wire securing the original stow of 109 drums in the after end Port side of number three tween deck snapped, the drums became loose and sustained damage causing leakage. Three drums were landed at Glasgow as unfit for carriage and 60 drums fell into the open deep tank - during the heavy rolling and pitching experienced on passage.				

1st SURVEY

COPY

DSW 266353

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Should any of the information called for in this report not be available, the reason for the omission should be stated



Report No. 3/1975

STANDARD FORM OF SURVEY REPORT (GOODS)

for use by LLOYD'S AGENTS and SUB-AGENTS only

This report is issued for use in connection with the claim against the parties responsible, but does not that the loss is recoverable from Underwriters. This must depend upon the terms of the Policy of Insurance.

1.—(a) Name of Consignee of goods specified in annexed Schedule	(a) INDUCON DO BRAZIL, SAO PAULO -
(b) Name of Applicant for survey	(b) MONSANTO LTD., LONDON
(c) If goods transhipped, name(s) of original carrying vessel(s) and of transhipment port(s)	(c) NOT APPLICABLE
(d) Name of vessel from which goods discharged	(d) SERRA BRANCA (BRAZILIAN)
(e) Port at which goods discharged	(e) MIDDLESBROUGH
(f) Date of arrival of vessel at port of discharge	(f) 19TH JANUARY 1975
(g) If landed by lighter, date of discharge into lighters	(g) NOT APPLICABLE
(h) Date goods landed at port of discharge	(h) NOT APPLICABLE
(i) State reason for delay, if any, in lighter	(i) NOT APPLICABLE
2. (a) Was a clean receipt given to vessel on discharge?	(a) NO
(b) If not, then state exceptions noted on receipt	(b) DRUMS DENTED AND DAMAGED
(c) Was a clean receipt given to lighter on landing?	(c) NOT APPLICABLE
(d) If not, then state exceptions noted on receipt	(d) " "
3. (a) Date of receipt of goods by Customs	(a) NOT APPLICABLE
(b) Condition of goods at that time—state exceptions noted by Customs	(b) NOT APPLICABLE
(c) Date of delivery of goods from Customs	(c) NOT APPLICABLE
(d) Condition of goods at that time—state exceptions noted on receipt	(d) NOT APPLICABLE
4.—(a) Date of delivery to place where survey held	(a) NOT APPLICABLE
(b) Delay, if any, in taking delivery stated by Consignee to be due to	(b) NOT APPLICABLE
5.—(a) External condition of packages when delivered to place where survey held, as reported by Consignee	(a) DRUMS DAMAGED SOME LEAKING
(b) Was a clean receipt given at the time of delivery? If not, state exceptions noted on receipt	(b) NOT APPLICABLE
(c) External condition of packages at time of survey	(c) AS (a)
6.—Date of application for survey	21ST JANUARY 1975
7.—(a) Delay, if any, in applying for survey due to	(a) NOT APPLICABLE
(b) If survey not held in Consignee's premises, state Consignee's reason for not taking delivery	(b) STILL ON VESSEL
8.—Date and place of survey (State, for example, if in Customs, Custom House warehouse, Consignee's warehouse or on quay. If not at port of discharge, state name of place where surveyed.)	21.1.75 NO. 3 BERTH TEESDOCK
9.—(a) Nature of exterior and interior packing (Describe in detail)	(a) STEEL DRUMS
(b) New or second-hand?	(b) NEW
(c) Whether customary?	(c) YES
10.—(a) Description of loss/damage	(a) SEE SURVEY REPORT
(b) Cause, after examination, attributed by the Surveyor to (The Surveyor should state, if possible, the circumstances in	(b) SEE SURVEY REPORT

DSW 266354

STLCOPCB4062530

11.--Is Lloyd's Agent aware of any casualty suffered by the carrying vessel to which the loss/damage found might be attributable? If so, brief details should be given	GALE FORCE WINDS AND HEAVY SEA AND SWELL
12.--Has the shipping invoice been inspected? ...	YES NO X 325
13.--On the date of compromise or sale, the arrived sound market value of the damaged goods amounted to (State whether Duty Paid or in Bond.)	US \$ 26245.37
14. In the interest of all parties concerned, the damage has been assessed by way of compromise, and an allowance on arrived sound market value has been agreed amounting to	NOT ASCERTAINED
15. No compromise being agreed with Consignee, the damaged goods were with our approval sold by public sale or private tender for account of Consignee. The proceeds, as per attached account sales, amounted to (If for any reason the proceeds have not been taken over by the Consignee, Lloyd's Agent should explain why.)	NOT APPLICABLE
16. Duties payable on the goods in sound state are ...	NIL
17. In view of loss or damage has Consignee applied for a rebate of duty? If so, with what result?	NOT APPLICABLE
18. (a) Was original copy bill of lading been inspected? (Delete whichever does not apply.)	(a) NO
(b) What is the reference therein to the condition of the goods?	(b)
19. (a) Has Consignee given notice of loss/damage to or made claim against Steamship, Railway, other Carriers or Bailees?	(a) NOT APPLICABLE
(b) If not, what does Consignee give as reason? ...	(b)
If notice given or claim made state:	
(c) Date on which Consignee states goods delivered into his custody	(c)
(d) Date on which Consignee gave notice of loss/damage or made claim and to whom (Ship/land)	(d)
(e) Summary of reply, if any, received (Correspondence with Carriers/Bailees to be attached if available)	(e)
(f) Was a survey by Carriers/Bailees and Consignee held? If so, on what date and where?	(f)
20. Sterling rate of exchange on date of sale or agreement as to loss was	NOT APPLICABLE
21. Name of Surveyor appointed by Lloyd's Agent ... (If Surveyor is a member of Lloyd's Agent's staff, this fact should be mentioned.)	CAPT. R.A. GRAYSON

22.--Further remarks:

NOTE: If there has been any delay in holding survey or in issuing report the reasons must be stated.

COPY

DSW 266355

Signature of Surveyor.

Certified correct and approved, and issued without prejudice and subject to the terms, conditions and amount of the Policy of Insurance.

(place) MIDDOLESBROUGH

(date) 22nd January

19 75

The following fees have been paid by Consignee:--

Agency Fee	5.00
Surveyor's Fee	12.00
Expenses	2.00
Administration Fee	0.50

Total £ 20.00



STLCOPCB4062531

Shipper:

MONSANTO LIMITED,
10/18, VICTORIA STREET,
LONDON. SW1H 0NQ.

BILL OF LADING No:

61

APPENDIX III

CAN. 12712.

ORDER NOTIFY:

INDUCON DO BRAZIL

CAPACITORES S.A.(CX.INT.1513) RUA JULIO

RIBEIRO 2389, SANTO AMARO-SAO PAULO

BRAZIL (C.E.P. 04717)



ALIANÇA

EMPRESA DE NAVEGAÇÃO ALIANÇA S/A

R. DE JANEIRO

EDIFICIO BALLY NO. 100, R. A. 111
AV. VENÉZIA NR. 510, 10110-000
PHONE 22.0901 CABLED 101101

General Agents for Europe:

ENERUTRA

ONG - GMBH & CO

2 HAMBURG 1

FRUCHTHOF

PHONE 34.11.27 CABLED 34.11.27 34.11.27

(if pre-carriage)

SERRA BRANCA
LIVERPOOL

SANTOS
LIVERPOOL
THREE

Mark & Nos.	Number	Kind of packages	Description of goods	Weight
INDUCON AROCLOR 1015 N SANTOS 1-109	109 DRUMS	AROCLOR 1015 N		32918 KILOS
	34.531 C.M. @ £26.70		£ 921.98	34.531 C.M.
	B/SCH. @ 17½%		161.35	
			1083.33	
	S/CONG. @ 8%		73.76	
			1157.09	
	B/LADING VISA		3.00	
			1160.09	
	L.H.C. @ £1.00 P.T.K.		32.92	
			£1193.01	

ONE THOUSAND ONE HUNDRED
AND FIFTY SEVEN POUNDS NINE PENCE.

DSW 266356

MONSANTO LIMITED,
C. SHAW LOVELL & SONS LTD.

Tony Nabor.

COPY NOT NEGOTIABLE

FREIGHT:

SHIPPED on board in apparent good order and condition unless otherwise stated and to be discharged at the aforesaid port of discharge or so near thereto as the vessel may safely get and be always afloat.

Weight, measure, marks, numbers, quality, contents and value, if mentioned in the Bill of Lading, are to be considered unknown unless the contrary has been expressly acknowledged and agreed to. The signing of this Bill of Lading is not to be considered as such an agreement.

In accepting this Bill of Lading the Merchant expressly accepts and agrees to all its stipulations, exceptions and conditions, on both pages, whether written, printed, stamped, or otherwise incorporated as fully as if they were all signed by the Merchant.

In WITNESS whereof the Master or the agent has signed the number of original Bills of Lading, stated above, all of this tenor and date, one of which being accomplished the others to be void.

One of the Bills of Lading must be surrendered duly endorsed in exchange for the goods or delivery order.

Place and date of issue:

LIVERPOOL

16 JAN 1975

for the master:

STLCOPCB4062532

TEXT OF TELEX FROM INFRUTRA GmbH, HAMBURG TO C.SHAW
LOVELL, LIVERPOOL.

WE CERTAINLY KNOW THE DIFFICULTIES INVOLVED WITH THE
RETAINMENT OF THE BILLS OF LADING. HOWEVER, AS YOU
KNOW THE EVENTS DURING THE TRANSIT FROM LIVERPOOL TO
GLASGOW HAVE CREATED A SPECIAL SITUATION. WE HAVE
NOT BEEN AWARE NOR WARNED ABOUT THE TOXIC ATTITUDE
OF THIS COMMODITY AND ONLY NOW WHEN THE DRUMS WERE
DAMAGED SHIPPERS DISCLOSE HOW DANGEROUS THIS COMMODITY
IS. WE HAVE TO CONSIDER THIS AS A MISREPRESENTATION
AND THIS IS THE REASON WHY WE FIRST WANT THE END OF
THE AFFAIR TO BE SEEN BEFORE GIVING AWAY THE ORIGINAL
BILLS OF LADING.

REPLY FROM C.SHAW LOVELL.

MUST ON BEHALF OF OUR PRINCIPALS MONSANTO LIMITED
REPUDIATE LIABILITY REGARDING YOUR STATEMENT MIS-
REPRESENTATION. HAZARDOUS DECLARATION WAS ATTACHED
TO SHIPPING NOTE WHICH WAS ALSO CLAUSED "DANGEROUS
HAZARDOUS CATEGORY 9" IN ACCORDANCE WITH B.O.T.
REGULATIONS. PLEASE RELEASE B/L ACCORDINGLY.

DSW 266357

STLCOPCB4062533

PRESS STATEMENT

For use in event of queries concerning Aroclor in Middlesbrough

A Brazilian vessel en route from Glasgow to Middlesbrough encountered a storm which resulted in damages to a small number of drums of Aroclor which were stored in the hold. Monsanto has sent specialists to Middlesbrough docks where the vessel is currently berthed to investigate the situation. Assistance has been provided with the handling of damaged drums and we will be making arrangements for the recovery and disposal of any product not suitable for further shipment. Aroclor is a dielectric fluid which if correctly handled according to instructions printed on all packages does not present any abnormal hazard to human health.

24th January, 1975

DSW 266358

STLCOPCB4062534

2ND SURVEY

SCHEDULE

APPENDIX VI

COPY

NOTE: It is the responsibility of the Assured to separate the damaged packages from the sound.
In case of shortage, Lloyd's Agents should state if possible, in addition to the following details, the invoiced and landed weights of the goods, also weight at time of survey.

Marks and Numbers	No. of Packages	Description of Goods	Quantities Sound	Quantities Missing or Damaged
INDUCON "AROCLOR" 1016N SANTUS	106	STEEL DRUMS "AROCLOR" LIQUID	49	57
<u>24TH/30TH JANUARY 1975</u> <u>M.V. SERRA BRANCA LIVERPOOL/GLASGOW/TEES/BRAZIL</u> At the request of Monsanto Limited, of London I attended the above vessel at No. 3 berth Tees Dock during the unloading, cleaning, decanting of damaged drums to new drums, landing and loading of vehicles from number three deep tank of the vessel. All personnel engaged in the operation were fully equipped with decontamination clothing, boots and gloves in accordance with regulations; a sandpit situated in the number three tween deck on top of tarpaulins forward of the deep tank was constructed and drums of "FINASOL" E.S.K. were placed at each side of the sandpit for cleaning and decontamination of the drums from the deeptank, separate personnel from the stevedores being engaged for this purpose, extractor fans were used to ventilate the deep tank. On Friday 24th, the unloading from the number three deep tank commenced all drums being lifted to tween deck where washing off with Finasol took place before drums were stowed to await cargo, on Saturday 25th, 31 drums of "Aroclor" were lifted to tween deck, and on 26th January 26 drums of "Aroclor" were lifted to tween deck, of the 57 drums 23 drums were found to be heavily damaged and were decanted to new drums, all drums were cleaned with Finasol and landed to vehicles for transport to Monsanto, Newport as was all contaminated materials used in the operation. Remaining in vessel were 49 drums found to be in good order and condition, being stowed in the after and port side of number three tween deck and are in my opinion without prejudice in a satisfactory condition for the purposes of the consignee.				

DSW 266359

2ND SURVEY

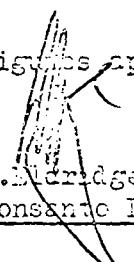
STLCOPCB4062535

IMPORTANT

"This product contains POLYCHLORINATED BIPHENYLS (PCB'S) which some studies have shown may be persistent, an environmental contaminant and, possibly, injurious to certain forms of bird, aquatic and animal life. Prevent any entry into the environment through spills, leakages, disposal, vapourisation, re-use of containers or otherwise. Spills, leakages and waste product must be collected. Use of this product must be restricted to applications which can be controlled so that entry into the environment does not occur and to applications in which it cannot come into contact with food, animal feedstuffs or pharmaceuticals.

"We hereby certify that the Invoice to Inducon Do Brazil Capacitores S.A. submitted herewith is authentic and that the value shown thereon namely US\$26245.37 is the actual selling price for export of the goods based on local market quotations and that the merchandise herein is of United Kingdom Origin and that we are not the agents for the importers in Brazil".

"We hereby certify that the figures appearing on this Invoice are true and correct selling prices".


P. Aldridge
Monsanto Limited

DSW 266360

STLCOPCB4062536

Should any of the information called for in this report not be available, the reason for the omission should be stated



COPY

Report No. 5/1975

SCHEDULE C

STANDARD FORM OF SURVEY REPORT (GOODS)

for use by LLOYD'S AGENTS and SUB-AGENTS only

This report is issued for use in connection with the claim against the parties responsible, but does not imply that the loss is recoverable from Underwriters. This must depend upon the terms of the Policy of Insurance.

1.—(a) Name of Consignee of goods specified in annexed Schedule (b) Name of Applicant for survey (c) If goods transhipped, name(s) of original carrying vessel(s) and of transhipment port(s) (d) Name of vessel from which goods discharged (e) Port at which goods discharged (f) Date of arrival of vessel at port of discharge (g) If landed by lighter, date of discharge into lighters (h) Date goods landed at port of discharge (i) State reason for delay, if any, in lighter	(a) INDUCOM DO BRAZIL. SAO PAULO, BRAZIL (b) MUNSANTO LIMITED, LONDON (c) NOT APPLICABLE (d) SERRA BRANCA (e) MIDDLESBROUGH (f) 19TH JANUARY 1975 (g) NOT APPLICABLE (h) 26TH/27TH JANUARY 1975 (i) NOT APPLICABLE
2.—(a) Was a clean receipt given to vessel on discharge? (b) If not, then state exceptions noted on receipt (c) Was a clean receipt given to lighter on landing? (d) If not, then state exceptions noted on receipt	(a) NO RECEIPT GIVEN (b) (c) NOT APPLICABLE (d)
3.—(a) Date of receipt of goods by Customs (b) Condition of goods at that time—state exceptions noted by Customs (c) Date of delivery of goods from Customs (d) Condition of goods at that time—state exceptions noted on receipt	(a) 26TH/27TH JANUARY 1975 (b) SEE SURVEY REPORT (c) 28TH JANUARY 1975 (d) SEE SURVEY REPORT
4.—(a) Date of delivery to place where survey held (b) Delay, if any, in taking delivery stated by Consignee to be due to	(a) 26TH/27TH JANUARY 1975 (b)
5.—(a) External condition of packages when delivered to place where survey held, as reported by Consignee (b) Was a clean receipt given at the time of delivery? If not, state exceptions noted on receipt (c) External condition of packages at time of survey	(a) SEE SURVEY REPORT (b) NO (c) SEE SURVEY REPORT
6.—Date of application for survey	24TH JANUARY 1975
7.—(a) Delay, if any, in applying for survey due to (b) If survey not held in Consignee's premises, state Consignee's reason for not taking delivery	(a) NONE (b)
8.—Date and place of survey (State, for example, if in Customs, Customs House warehouse, Consignee's warehouse or on quay. If not at port of discharge, state name of place where surveyed.)	25TH/26TH/27TH/28TH JANUARY 1975 NO. 3 BERTH TEES DOCK
9.—(a) Nature of exterior and interior packing (Describe in detail) (b) New or second-hand? (c) Whether customary?	(a) STEEL DRUMS (b) NEW (c) YES
10.—(a) Description of loss/damage (b) Cause, after examination, attributed by the Surveyor to (The Surveyor should state, if possible, the circumstances in which loss/damage above referred to occurred.)	(a) SEE SURVEY REPORT (b) SEE SURVEY REPORT

DSW 266361

STLCOPCB4062537

11.—Is Lloyd's Agent aware of any casualty suffered by the carrying vessel to which the loss/damage found might be attributable? If so, brief details should be given	HEAVY WEATHER ON PASSAGE
12.—Has the shipping invoice been inspected? ...	YES. NO.X 325
13.—On the date of compromise or sale, the arrived sound market value of the damaged goods amounted to (State whether Duty Paid or in Bond.)	U.S. \$ 26245.37
14.—In the interest of all parties concerned, the damage has been assessed by way of compromise, and an allowance on arrived sound market value has been agreed amounting to	NOT ASCERTAINED
15.—No compromise being agreed with Consignee, the damaged goods were with our approval sold by public sale or private tender for account of Consignee. The proceeds, as per attached account sales, amounted to (If for any reason the proceeds have not been taken over by the Consignee, Lloyd's Agent should explain why.)	NOT APPLICABLE
16.—Duties payable on the goods in sound state are ...	NIL
17.—In view of loss or damage has Consignee applied for a rebate of duty? If so, with what result?	NOT APPLICABLE
18.—(a) Has original/copy bill of lading been inspected? (Delete whichever does not apply.) (b) What is the reference therein to the condition of the goods?	(a) NO (b)
19.—(a) Has Consignee given notice of loss/damage to or made claim against Steamship, Railway, other Carriers or Bailees? (b) If not, what does Consignee give as reason? ... If notice given or claim made state: (c) Date on which Consignee states goods delivered into his custody (d) Date on which Consignee gave notice of loss/damage or made claim and to whom addressed (e) Summary of reply, if any, received ... (Correspondence with Carriers/Bailees to be attached if available.) (f) Was a survey by Carriers/Bailees and Consignee held? If so, on what date and where?	(a) NOT APPLICABLE (b) (c) (d) (e) (f)
20.—Sterling rate of exchange on date of sale or agreement as to loss was	NOT APPLICABLE
21.—Name of Surveyor appointed by Lloyd's Agent ... (If Surveyor is a member of Lloyd's Agent's staff, this fact should be mentioned.)	CAPT. R. A. GRAYSON

22.—Further remarks:

NOTE: If there has been any delay in holding survey or in issuing report the reasons must be stated.

Certified correct and approved, and issued without prejudice and subject to the terms, conditions and amount of the Policy of Insurance.

(place) **NIDDESBOUGH**

(date) **31ST JANUARY**

1975

The following fees have been paid by Consignee:—

Agency Fee	10.00
Surveyor's Fee	50.00
Expenses	3.50
ADMIN. FEE	0.50

Total **64.00**

Signature of Surveyor.

LLOYD'S AGENCY
[Signature]
Signature of LLOYD'S AGENT(S).

DSW 266362

STLCOPCB4062538