

THE TRAVELERS

Claim Department
D. B. Sisk, Manager

November 1, 1973

Monsanto Company
800 North Lindbergh Boulevard
St. Louis, Missouri 63166

Attention: Mr. Robert Chapman
Director of Insurance

Dear Mr. Chapman:

File No: 155LB7059353
Insured: Signet Graphic Products
Re: Pratt, et al
D/L: 5-25-71

Pursuant to my telephone conversation with you of this date, attached you will find a copy of our attorney's letter of October 29, 1973 relative to the defense of our insured, Signet Graphic Products. You will note the reference to PCB's.

By way of background, apparently a party by the name of Bliss operated a waste disposal system and he contacted our insured, Signet Graphic, and for a price, agreed to dispose of waste from our insured's operation. In general, Signet's operations is a sort of stenciling process in which "ink" is applied to the surface on which a sign is printed through a silk screen. After the screen is subjected to light, a substance is applied which enables the "ink" to penetrate through the screen. The screen is then washed off with ordinary water and the thing called "ink" is applied. This is not printer's ink in the ordinary sense but a kind of paint. When the job is done, the screen is cleaned with a solvent so that it can be used again. The solvent used is a substance known as type wash, the chemical nature of which I do not yet know. The solvent is used several times and stored in a container during the use. After a while, it becomes too dirty to use again and is emptied into a tank in the yard from which Bliss took away the material in his disposal truck. We have learned that all Signet employees frequently have their hands emersed in the substance, and they breath the air surrounding the substance at all times. Signet has had no employee ever reporting any ill effects, several of them having periodic physical examinations for insurance for other purposes and no pathological condition has been found.

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That, is in substance the background until recently we have had some allegation and inference as to PCB's however, until the letter of October 29, I did not become overly concerned. My lack of concern was based upon a report of Scientific Associates to our attorneys in reference to a test made upon the waste material of our insured. At that time, PCB's were found in the amount of 0.27 parts per million. Scientific Associates indicated that was a high figure in the context of permissable concentrations in food, but felt it was a meaningless figure for inhalation toxity, since PCB was not a volatile substance.

I would appreciate if you would review this letter, perhaps with your Legal Department, and I would like to discuss the matter further with you. Whether or not the Product PCB is actually involved in this claim, remains to be seen. From the reports that we have, it is not the substance nor, could it have been the substance which has caused the alleged damage to the minor child or the horses of the plaintiff. Oh, Bob, I do not know if I filled you in enough on the telephone, but apparently Bliss contracted with the plaintiffs to apply this area in the Arena or Barn of premises on which they operated a horse ranch or boarding farm. Apparently, Bliss simply received the waste from Signet and according to information we have been able to obtain, simply dumped it into a large holding tank with other substances he may have collected from other parties, such as service stations, etc., etc.

If you feel additional information is required, prior to a meeting or discussion relative to possible involvement of Monsanto, please advise.

Very truly yours,

Karl

Karl F. Meyer
Assistant Manager

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