November 9, 1970

Mr. Keith Kelly
Manager of Purchasing
Power Systems
Westinghouse Electric Corporation
Box 341
Bloomington, Indiana 47401

Dear Keith:

At our meeting in St. Louis on 30 October you asked that Monsanto clarify several items relative to the Aroclor 1242 sales contract between our respective companies.

First, I want to confirm that our existing contract, by this letter, is expanded to include Aroclor 1232*. We request that Westinghouse use the same precautions that you now do with Aroclor 1242 to prevent the product from entering into the environment through spills, leakage, disposal, vaporization or otherwise. Only those applications where the product can be totally contained should be considered. At your convenience I would like Westinghouse's estimated requirements through June 1973.

The second item is the contract termination clause. Originally the clause was added to the contract to protect against the unknown. At the time, Monsanto did not know if the industry, in their use of the Aroclors, could and would be willing to "close the system" and prevent the products from entering into the environment. We did not know whether Monsanto could "close the system" within our own production facilities. Both the electrical industry and Monsanto have made considerable progress in the last six months.

Monsanto management is committed to continuing the supply of this product to the electrical industry as long as all customers continue to take the action necessary to prevent the Aroclors from entering into the environment and until a suitable alternate product is available.

This is now the intent of the termination clause. Monsanto will terminate an agreement with a given customer if the

*changed - original letter stated 1254. 11/30/70

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industry in general or that specific customer does not adequately prevent the product from entering the environment. Monsanto may terminate the agreement if a suitable substitute product becomes available.

I hope this adequately covers your company's concern of Monsanto's Aroclor plans for the future. As I said in the St. Louis meeting, it is very important that we open up the communications between our companies respective managements. We should proceed with arrangements for a meeting in St. Louis in the near future.

Very truly yours,

T. L. Gossage
Director of Sales
Functional Fluids

/lso

bc: H. S. Bergen
W. B. Papageorge
P. G. Benignus
G. R. Graham