

# Monsanto

MONSANTO INDUSTRIAL CHEMICALS CO.  
800 N. Lindbergh Boulevard  
St. Louis, Missouri 63166  
Phone: (314) 694-1000

## SPECIAL UNDERTAKING BY PURCHASERS OF POLYCHLORINATED BIPHENYLS

Monsanto Company ("Monsanto") manufactures certain polychlorinated biphenyl products ("PCB's") which General Electric Company ("Buyer") desires to purchase. While Buyer desires to purchase PCB's because of certain desirable flame resistant and insulator properties, Buyer acknowledges that it is aware and has been advised by Monsanto that PCB's tend to persist in the environment; that care is required in their handling, possession, use and disposition; that tolerance limits have been or are being established for PCB's in various food products.

Monsanto has therefore adopted certain restrictive policies with respect to its further production, sale and delivery of PCB's, including the receipt of undertakings from its customers as set forth below, and Buyer is willing to agree to such undertakings with respect to sales and/or deliveries of PCB's by Monsanto to Buyer.

Accordingly, Buyer hereby covenants and agrees that, with respect to any and all PCB's sold or delivered by or on behalf of Monsanto to Buyer on or after the date hereof and in consideration of any such sale or delivery, Buyer shall defend, indemnify and hold harmless Monsanto, its present, past and future directors, officers, employees and agents, from and against any and all liabilities, claims, damages, penalties, actions, suits, losses, costs and expenses arising out of or in connection with the receipt, purchase, possession, handling, use, sale or disposition of such PCB's by, through or under Buyer, whether alone or in combination with other substances, including, without implied limitation, any contamination of or adverse effect on humans, marine and wildlife, food, animal feed or the environment by reason of such PCB's.

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a unit of Monsanto Company

EX P-0622  
Page 1 of 2

PCB-ARCH0039335

All existing contracts for the sale of PCB's by Monsanto to Buyer are hereby amended to contain the provisions set forth above.

Nothing herein shall create or imply any duty or obligation of Monsanto to sell or deliver any PCB's to Buyer. No conditions, understandings or agreements purporting to modify or vary the terms hereof shall be binding unless hereafter made in writing specifically referring to this agreement and signed by the party to be bound and no modification or variance of the above undertaking shall be effected by the acknowledgment or acceptance of any sale document, purchase order, shipping instruction or other forms containing terms or conditions at variance herewith.

GENERAL ELECTRIC CO.

(Buyer)

BY:

Walter A. Schottelbach

TITLE: Vice President and  
Corporate Counsel

DATE: January 21, 1972

MONSANTO COMPANY

BY:

[Signature]  
Vice President

0041819



# SPQR

Service Performance Quality Reliability



April 18, 1972

SUBJECT: SUPPLY PYRANOL

TO: FIELD SALES DISTRICT MANAGERS  
FIELD SALES ENGINEERS  
PLUS SELECTED PRODUCT DEPARTMENT SALES MANAGERS,  
INTERNATIONAL SALES DIVISION, FASO, I&SE &  
SERVICE SHOP PERSONNEL

RECEIVED

AUG 11

EDWARD L DOBBINS

Information Letter - MT-166



To: Holders of SPOT ✓  
File this under

Information  
Letter Tab  
of  
Section I

Since early 1970, Monsanto Chemical Company, sole supplier of Pyranol, has advised that this material, under the generic term askarel, contains polychlorinated biphenyls (PCB). Polychlorinated biphenyls are highly stable compounds and are not readily biodegradeable. Therefore, when placed in the environment, they may be considered contaminants and may adversely affect some species of animal and marine life.

At that time all customers were advised through Sales Channels to take every precaution to prevent any entry of this material into the environment through spills, usage, leakage, disposal, vaporization or otherwise.

In the past we have supplied Pyranol to transformer repair shops, and to companies requiring these products for top-up of existing transformers. Pyranol was also available from Monsanto under GE Specification A13B3B without restriction regarding its usage.

These sales have been discontinued by Monsanto as of January 15, 1972, except to those who have entered into special agreement to indemnify Monsanto with respect to this product for use in transformers.

General Electric has agreed to indemnify Monsanto for this use, as have several other major manufacturers. Some manufacturers have chosen not to indemnify Monsanto and have decided to discontinue manufacturing askarel-filled transformers.

The Medium Transformer Products Department will be the only supplier of GE transformer Pyranol effective immediately. This is further defined as follows:

1. All orders for supplying Pyranol for all General Electric Company Pyranol transformers will be placed on the Medium Transformer Products Department, Rome, Georgia.
2. MTPD, Rome, may ship direct to customer or from Monsanto Chemical Company when circumstances warrant such shipment, but orders will always be placed on Rome.



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GENERAL ELECTRIC COMPANY  
MEDIUM TRANSFORMER DEPARTMENT, ROME, GEORGIA

GENP 001842

3. Sales by Rome are only for use in askarel-filled transformers including repair and maintenance of any askarel-filled transformer, and for use in any new GE-manufactured transformer.
4. Bulk sales for askarel-filled transformers only will be made to the following customer classes:
  - a) Utilities.
  - b) Industrial and other customers for their own use.
  - c) Service shops for transformer use only.
5. Sales will not be made to:
  - a) External OEM's for their own use.
  - b) Distributors for resale.
  - c) Other external customers for resale, except for an independent Service Shop to fulfill a service contract on their customer's transformer.
6. All bulk orders to MTPD, Rome, from external customers must be acknowledged with the attached statement.

All Sales Departments must not only include this Indemnification Clause but state on the customer's purchase order and the GE requisition that the material is for transformer use only, before the order will be fulfilled by the Medium Transformer Products Department.

Other fluids for transformer use are presently under study which exhibit a higher degree of environmental compatibility. Studies indicate that some of these are feasible for use in transformers. However, until these materials have been proven suitable for transformer use, the above policy will remain in effect.

In the meantime, Handbook Section 5713, pages 1, 2, and 3 have been withdrawn and are being reviewed by the Medium Transformer Products Department, Rome, Georgia.

Please refer all requests for quotations on supplying Pyranol to:

H. J. Pinson  
Specialist - Product Service  
Medium Transformer Products Department  
Rome, Georgia 30161

*R. W. Frahm*

R. W. FRAHM  
MANAGER-MARKETING

:hs  
Attach.

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GENP 001843

Add to terms and conditions of sale on acknowledgment form which will be sent to the Purchaser in each instance, the following:

This material is sold on the understanding that it is for use in transformers only.

Pyranol<sup>®</sup> contains polychlorinated byphenyls (PCB's) which tend to persist in the environment and, therefore, care is required in its handling, possession, use and disposition. Accordingly, Buyer agrees that it shall defend, indemnify and hold harmless Seller, its directors, officers, employees and agents from and against any and all liability or expense whatsoever arising out of, or in connection with, the possession, handling, use, sale or disposition of such Pyranol<sup>®</sup> purchased by Buyer on this order which relates in any way to contamination of, or adverse effect on, any part of the environment including but not limited to humans, all other animal life, plant life or food by reason of such Pyranol<sup>®</sup>.

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GENP 001844

DISTRIBUTION:

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February 10, 1971

Mr. Lowell E. Miller, Director  
Pesticide Regulation Division  
Environmental Protection Agency  
South Agricultural Building  
Washington, D.C. 20250

Dear Mr. Miller:

I recently noted in United States Department of Agriculture PR Notice 70-25 dated October 29, 1970 that polychlorinated biphenyls must be eliminated from economic poisons. We at Monsanto understand and are in complete agreement with this action as indicated in correspondence Dr. R. E. Kelly, Monsanto's Medical Director, had with Dr. Harry W. Hayes and Dr. C. Cueto, Jr. when the Pesticide Regulation Division was part of the U.S. Department of Agriculture.

I am deeply concerned, however, to note that this elimination has been extended to include the polychlorinated terphenyls. We have thoroughly searched all available literature and communicated with many laboratories, industrial, academic and regulatory, and been unable to find evidence that would indicate the polychlorinated terphenyls are contaminating the environment or that they are responsible for adverse effects on fish or wildlife.

We realize the importance of preventing the contamination of the environment but seriously question whether the polychlorinated terphenyls can be properly classified as contaminants. Does your division have available any information or data which would justify the elimination of these materials from economic poisons?

Sincerely,

W. B. Papageorge  
Manager  
Environmental Control

/lsc

NEV 012520



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BCC: J. MASON - JMASON  
H. S. BERGEN  
E. P. WHEELER - EWHEELER  
J. D. EARLY - WASHINGTON  
W. S. CLARK - WCLARK

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