

March 19, 2004

PRESS RELEASE

The Federal Court case, Tolbert v. Monsanto, was settled for \$300 million. According to the claimants' lawyers, this case was settled because, at the time, Solutia was threatening bankruptcy and the Defendants indicated that, if the \$300 million was not accepted, the claimants may receive nothing. Indeed, Solutia has subsequently filed for Bankruptcy protection. The Defendants also made it clear that there was no more money to be paid beyond the Settlement amount.

Today, Ed Gentle, the Claims Administrator for the Tolbert Qualified Settlement Fund, provided an update on the administration of the Settlement.

He confirmed that there are approximately 18,447 claimants. Of the \$300 million in the Settlement, \$25 million will be paid in annual installments of \$2.5 million each for a Medical Clinic, leaving \$275 million. Of the \$275 million, following payment of Court-approved attorneys' fees, advance payments and PCB blood test expenses, there is approximately \$142.5 million left for payments to claimants.

Therefore, an average amount of \$7,725 per claimant is available for claims. However, some claimants will receive much less than the average amount, possibly only qualifying for the original \$500 advance payment already paid to most claimants. Others will receive more than the average amount. The Claims Administrator is proposing that the amount each adult personal injury claimant receives will be based upon his or her PCB blood test results, a disease interview with a Registered Nurse and how long each claimant lived or worked near the Solutia Plant. Today, the Claims Administrator sent a questionnaire to the claimants asking for their views on how the Claimant Payment Program should be designed, and asking how these three test factors should be weighed to determine a personal injury payment for adults.

The questionnaire also asks the claimants for their view on making an additional advance payment to claimants with higher than average PCB levels based upon the blood test, and to claimants who own property in the area being cleaned-up by EPA.

Other questions asked of the claimants will help the Claims Administrator to determine how to divide the Settlement monies into a Property Damage Subfund and a Personal Injury Subfund, and how to split the Personal Injury Subfund between adults and children.

The Claims Administrator expressed concerns that the long term health effects of PCBs should be considered before paying adult claimants for personal injury. Later, when the long term disease effects of PCBs may manifest themselves, there may be no money to compensate adult claimants for getting sicker.

In order to plan for these potential chronic effects of PCBs, the Settlement includes funding for a Medical Clinic. Also, the EPA's remediation program to clean up the West Anniston

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community may help reduce the health effects of PCBs. Finally, in our questionnaire we are asking the claimants if some of the Adult Personal Injury Fund should be held for payment of future developing diseases as adult claimants get sicker.

The Claims Administrator confirmed that the PCB blood test is on schedule. Drawing of Alabama resident claimant blood began on January 12, 2004, with approximately half of the 14,000 Alabama claimants having their blood sampled by the end of February. It is projected that almost all of Alabama claimants will have their blood drawn by the end of April. Blood drawing for claimants living in the 41 other states began on March 1, 2004, and is projected to be completed by the end of May. Special provisions are being made to blood test shut-in, incarcerated and Armed Services claimants.

On May 22, 23 and 24, 2004, there will be Claimant Payment Program Workshops where each claimant will be asked to provide his or her input on how to design a Claimant Payment Program that is fair. Instead of following the Town Meeting format used in December 2003, there will be ten to fifteen Working Groups at each meeting Chaired by a lawyer to ensure optimum claimant participation in Claimant Payment Program design.

By July, it is anticipated that the Claims Administrator will have the PCB blood test and Registered Nurse disease interview results from almost all claimants. The blue Personal Injury forms providing data on how long each claimant lived or worked near to the Solutia Plant, mailed to claimants on February 2, should also have been received and analyzed.

In July, the Claims Administrator, using claimant input from the Workshops, advice of the Settlement's Expert Medical Panel, input from the attorneys and ultimately based upon the guidance and decision of the Court, will design a proposed Claimant Payment Program. We will write each claimant who was timely tested, giving her or his PCB blood test results, Registered Nurse interview results and Personal Injury Form results. The letter will also provide each adult claimant with an estimate of what she or he will be paid under the proposed Claimant Payment Program. This proposed Program will be reviewed at Town Meetings, currently scheduled for August.

The Claims Administrator explained that he is sensitive to the claimants' demand that this case be resolved and the monies be distributed as soon as possible. However, the design of the Claimant Payment Program and its implementation must be as fair as possible. The only fair way to present the Claimant Payment Program to the claimants for their review is to do so when they know how they scored under the Claimant Payment Program, so that they: (1) will not be asked to review it blindly, and (2) will know approximately how much they will be paid.