

Alfred Boder

Aldrich

[Signed Aldrich] Bet against  
the company

1941-1942

QUEEN'S UNIVERSITY ARCHIVES	
LOCATOR	5109
BOX	11
FILE	4



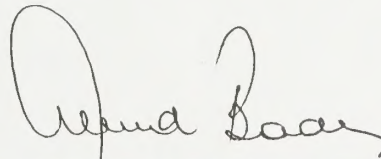
EMPLOYEE AGREEMENT NOT TO DIVULGE CONFIDENTIAL INFORMATION

This agreement made and entered into this 14th day of October,  
1971, between Alfred Bader and the Aldrich Chemical  
(Employee's Name)  
Company, Inc. (Aldrich), witnesseth that:

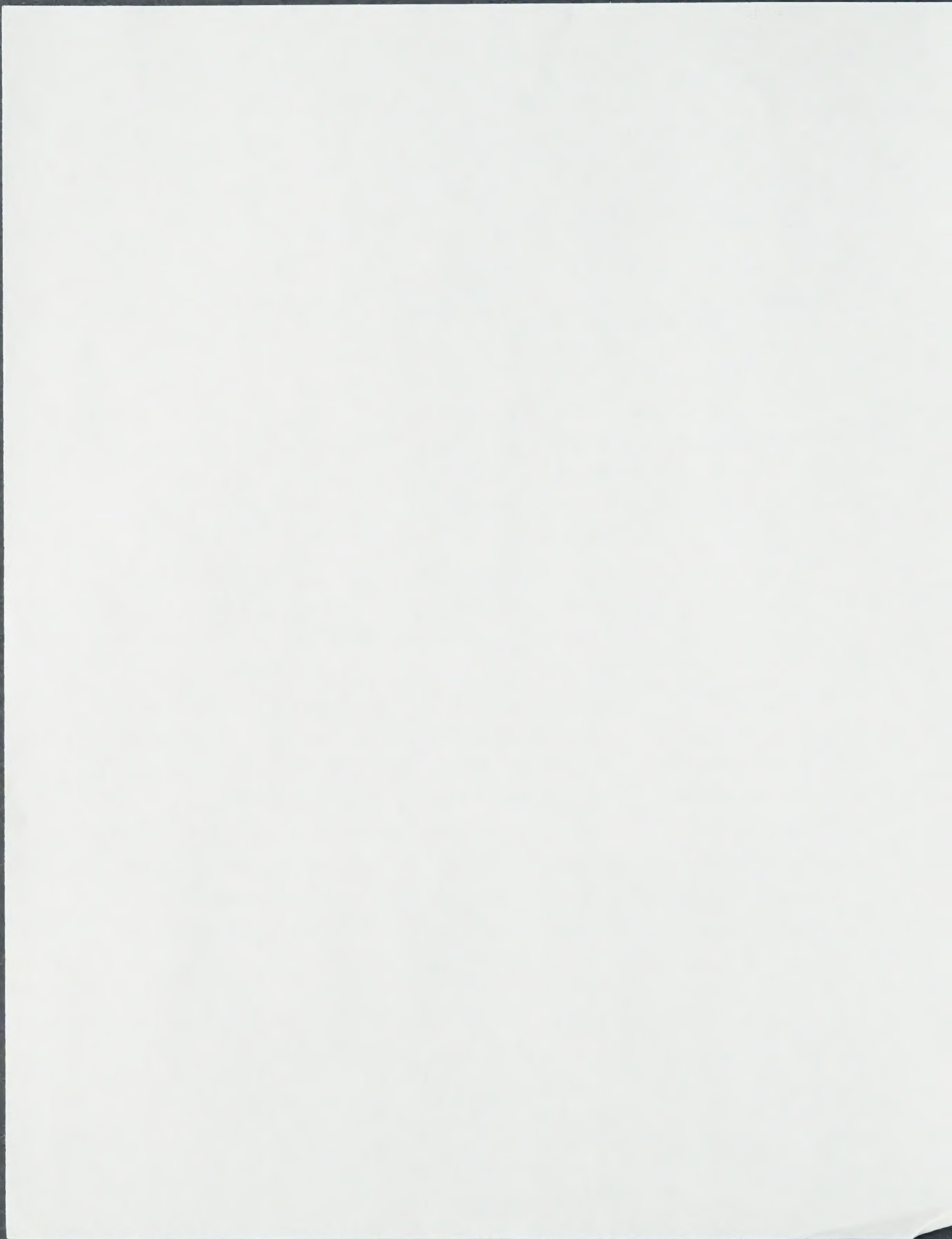
WHEREAS, the undersigned has been or is about to be employed by Aldrich and as a part of his employment will be engaged on behalf of Aldrich in discovering, developing and receiving information relating to sales by products or customers, customer identity, sources of supply or procedures including chemical procedures used by the company in connection with its business; and

WHEREAS, the undersigned acknowledges that said information was developed at considerable effort and expense by Aldrich and is considered by Aldrich proprietary information;

NOW, THEREFORE, in consideration of said employment and of the salary from time to time paid to the undersigned, the undersigned hereby agrees that at all times, both during his employment and after the termination of his employment, he will hold inviolate and keep secret all knowledge or information as to sales by products or customers, customer identity, sources of supply and procedures that were made known to him by Aldrich or any of its officers or employees or learned by him in Aldrich's employ, and that he will not utilize the same in competition with Aldrich or impart or make known any of the same or information relating to the same to any competitor or other person, firm or corporation except when authorized to do so in writing, signed by the president or vice-president of Aldrich.



\_\_\_\_\_  
(Employee's Signature)





EMPLOYEE'S AGREEMENT TO ASSIGN INVENTIONS

In Consideration of One Dollar (\$1.00), the receipt whereof by me is hereby acknowledged, and of my employment hereafter by The Aldrich Chemical Company, Incorporated, a corporation of Wisconsin, hereinafter referred to as Aldrich, during such time as may be mutually agreeable to Aldrich and myself, I hereby assign and agree to assign to Aldrich, its successors and assigns, all my rights to inventions which, during the period of my employment by Aldrich or by its predecessor or successors in business, I have made or conceived or may hereafter make or conceive, either solely or jointly with others, in the course of such employment or with the use of Aldrich's time, material or facilities, or relating to any subject matter with which my work for Aldrich is or may be concerned, or relating to any problems arising in said employment; and I further agree without charge to Aldrich but at its expense, to execute, acknowledge and deliver all such further papers, including applications for patents, as may be necessary to obtain patents for said inventions in any and all countries and to vest title thereto in The Aldrich Chemical Company, Incorporated, its successors and assigns or nominees; and I further agree that I will not, except as required in the conduct of Aldrich's business or as authorized in writing on behalf of Aldrich, publish or disclose, or authorize anyone else to publish or disclose, during such term of employment or subsequent thereto, any secret or confidential knowledge concerning any invention or other matter relating to Aldrich's business which I may in any way acquire by reason of my employment by Aldrich.

I hereby acknowledge to have this day received a copy of this agreement.

EMPLOYEE'S AGREEMENT TO ASSIGN INVENTIONS

Witness my hand and seal this 19<sup>th</sup> day of December 19 62  
at 2371 N. 30<sup>th</sup> St., Milwaukee, Wis

Witnesses (to signature and payment)

Bernard Edelstein

Ernest Berg

Employee's  
Signature

Alfred R. Bader

(Seal)

(Print or Type  
Name in Full)

Dr. Alfred R. Bader

Check Information as Follows:

No previous agreement to assign inventions to this Company signed by this employee.

Previous agreement to assign inventions to this Company signed by this employee under date of \_\_\_\_\_.

Employee who signed this agreement is a minor and will attain his majority on \_\_\_\_\_

RATIFICATION UPON ATTAINMENT OF MAJORITY

Employee's  
Signature \_\_\_\_\_

(Seal)

Date \_\_\_\_\_

Witnesses (to signature)

\_\_\_\_\_

\_\_\_\_\_

*Strictly Confidential  
Person*

January 8, 1992

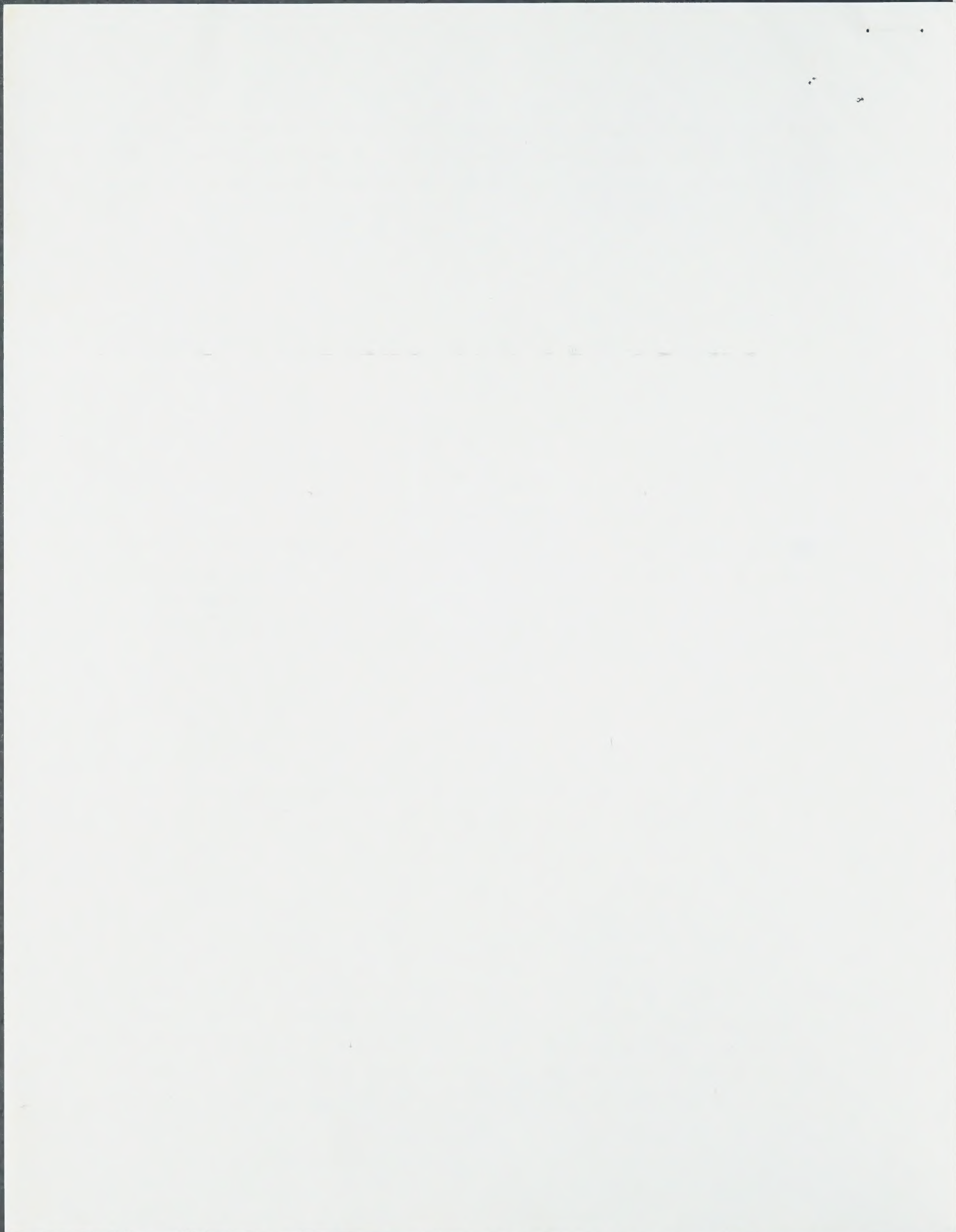
Dear Alfred,

Since our conversation on Sunday morning, I have spent several sleepless nights agonizing over what my response should be to your repeated request : "please help me". Of course, there is nothing I want to do more than to help my dear friend. The question is how I do that in the best way. Should I say "If that is your decision, Alfred, let's go to it"? Believe me Alfred, the temptation was very great to say that, and it would probably have more readily put an end to my agonizing. However, I keep coming back to the feeling that to encourage you in a course of action which would in my judgment not only be unsuccessful but be detrimental to you in both the short run and the long run, would be a serious disservice to you and not in keeping with the way in which we have functioned together over these many years.

Your plan of a direct challenge to Tom in a proxy fight is in my view doomed to failure, even if the vote should go your way, which is highly unlikely. With all the resources of the company and the entire Board against us, there is every likelihood that Tom would emerge the winner and be more arrogant than ever. Further, your thought of installing David as C.E.O. even if we do win would probably not work. As soon as the gauntlet is thrown down Tom would demand and receive David's firm commitment to stand by him no matter what happens. He would do the same with the Board, which elects the C.E.O. (rather than the stockholders). They might even elect him to the Board by adding one position. I will not try to elaborate on or imagine all of the things that the opposition will say and do in a proxy fight; I am sure however they will be full of half truths and mixed statements of fact and opinion which will be very difficult to deal with and almost certainly injurious to the deserved impeccable image of my very dear friend Alfred Bader.

Of course, to those who know you well, nothing will change their opinion of you regardless of what they or we do or do not do. To many others, however, you will be made to look like the "old man who would not let go" and justify in the eyes of many what will be Tom's claim and that of the Board, that your severance was necessary to permit management to operate without hindrance. False as this impression would be, your head on challenge to Tom would help him to create it.

Thus, I feel that while the proposed fight, far from achieving our objective, would have the opposite result, the controversy itself would shake investors' confidence in the Company which once lost is most difficult, if not impossible, to regain. Wholly aside from whatever adverse effect this





might have on the many good things which David, Daniel, you and Isabel can accomplish with the values represented by S/A stock it could injure many of the small shareholders, including chemists, who have invested in and held onto their shares all these years ~~for~~<sup>by</sup> reason of their confidence in you. If, after you become disassociated from the Company, they decide to dispose of their shares (and it is not unlikely that many of them will ask you what happened) that is another matter. However, a proxy fight would necessarily hit the press and the market before small shareholders would get a chance to react.

On the other hand, if we assume that ~~a~~<sup>the</sup> directors will not back down with respect to our directorships on February 18th (and I am not as sure of this as you are) and assuming we do not engage in the proposed proxy fight I see the situation somewhat as follows: whether the Company stumbles in the future or not, Alfred Bader will be known as the man who built a great company and made an inestimable contribution to chemistry and mankind, and who after a successful career as a chemist and businessman, turned his avocation as an art historian into a second successful career and became one of the great art historians of his day. In the meantime, if S/A continues to succeed it will be recognized as being in no small measure due to the foundation laid by Alfred Bader and Dan Broida; if not, it will be due to the stupidity of Tom Cori and the Board turning their backs on you in 1992.

Moreover, if we are not renominated as directors and do not start a proxy fight, we can more effectively start making a record as shareholders who are not a part of the decision making process, to challenge the Board and management with mismanagement (if that should occur) in a stockholders derivative suit. Beginning with the termination of your consulting arrangement and directorship and continuing with any future imprudent acquisition decisions or mishandling of executive or other personnel, we can write closed registered letters to the Board and management stating our protest on behalf of stockholders. If we should turn out to be wrong, no harm is done. If we should turn out to be right and serious damage results, we have the grist for a successful stockholders suit. Heads we win, tails they lose. If we first engage in a proxy fight, whether we win or lose that becomes the potential turning point and our position in any possible stockholders suit is considerably weakened. It almost appears that our best position would be if they act foolishly on Feb. 18th and terminate us both. However, I would sincerely ask that they not do so, for I believe that at this time that would be in your best interest and the Company's. In any event,

might have on the very good things which David, Daniel, you and Jacob can ac-  
 complish with the values represented by SVA stock it could injure many of the  
 small shareholders, including clients who have invested in and held onto their  
 shares all these years ~~the~~ reason of their confidence in you. If, after you be-  
 come disassociated from the Company, they decide to dispose of their shares  
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 not, Alfred Bader will be known as the man who built a great company and made an  
 inestimable contribution to chemistry and mankind, and who after a successful  
 career as a chemist and businessman, turned his vocation as an art historian  
 into a second successful career and became one of the great art historians of  
 his day. In the meantime, if SVA continues to succeed it will be recognized as  
 being in no small measure due to the foundation laid by Alfred Bader and Dan  
 Brodsky; if not it will be due to the acuity of Dan Ford and the Board mem-  
 bers who took their backs on June 1957.

Moreover, if we are not re-elected as directors and do not start a  
 proxy fight, we can more effectively start making a record as shareholders who  
 are not a part of the decision making process, to challenge the Board and man-  
 agement with utmost vigor (if that should occur) in a shareholders derivative  
 suit. Beginning with the termination of your consulting arrangement and director-  
 ship and continuing with any future important corporate decisions or mis-  
 handling of executive or other personnel we can write closed related letters  
 to the Board and management stating our protest on behalf of shareholders. If  
 we should turn out to be wrong, no harm is done. If we should turn out to be  
 right and secure damage results, we have the price for a successful stock-  
 holders suit. Hence we win, either way. If we first engage in a proxy fight,  
 whether we win or lose that becomes the potential turning point and our position  
 in any possible shareholders suit is considerably weakened. It almost appears  
 that our best position would be if they act foolishly on Feb. 18th and terminate  
 us both. However, I would sincerely ask that they not do so, for I believe that  
 at this time that would be in your best interest and the Company's. In any event,

I expect that if we do get renominated this time there will soon be an age limit which will eliminate me the next year and probably you, Branden and Weinberg within a year or two thereafter. Thus sooner or later we will be in a position of properly concerned and interested stockholders, suitable for representing the interest of all stockholders should the company stumble.

Please forgive my going on at length this way but I wanted you to have my thoughts to reflect upon before we sit down to talk about this in full on Feb. 17th. We have always found a way to resolve any differences in judgement and I feel confident we will do so in this very difficult situation.

I am sure you will review this with Isabel as well as David and Daniel but no one else, unless it be Jere to whom I have not passed on these thoughts.

*I hope that all is well with you and Isabel, and that all of this is not getting you down. It's just a matter of weeks, before we return and, as I am gaining in strength from day to day, I feel I will be in good shape by Feb 16, when I fly back. We look forward to Daniel's return w/ to Israel with us in March.*

*Love from Jan, the family and myself.*

*Mom -*

*P.S. Isabel, to do not expect to see me appearing in person, sorry. Better I'd be home, the time and money would be well to fight next week. I'll be home with a lot of letters, too, when I see you next week. Love - Jan*



31 MAR '93 00:30 MARVIN E. KLITSNER 972 2 660860

P.1

**FOLEY & LARDNER**  
777 EAST WISCONSIN AVE.  
MILWAUKEE, WIS. 53202

TEL (414) 871-2400

Date ~~March 29, '93~~

From: MARVIN E. KLITSNER

To: Alfred

Dear Alfred

I really do not think it worth the effort for you and Isabel to drive down to St. Louis for the annual meeting.

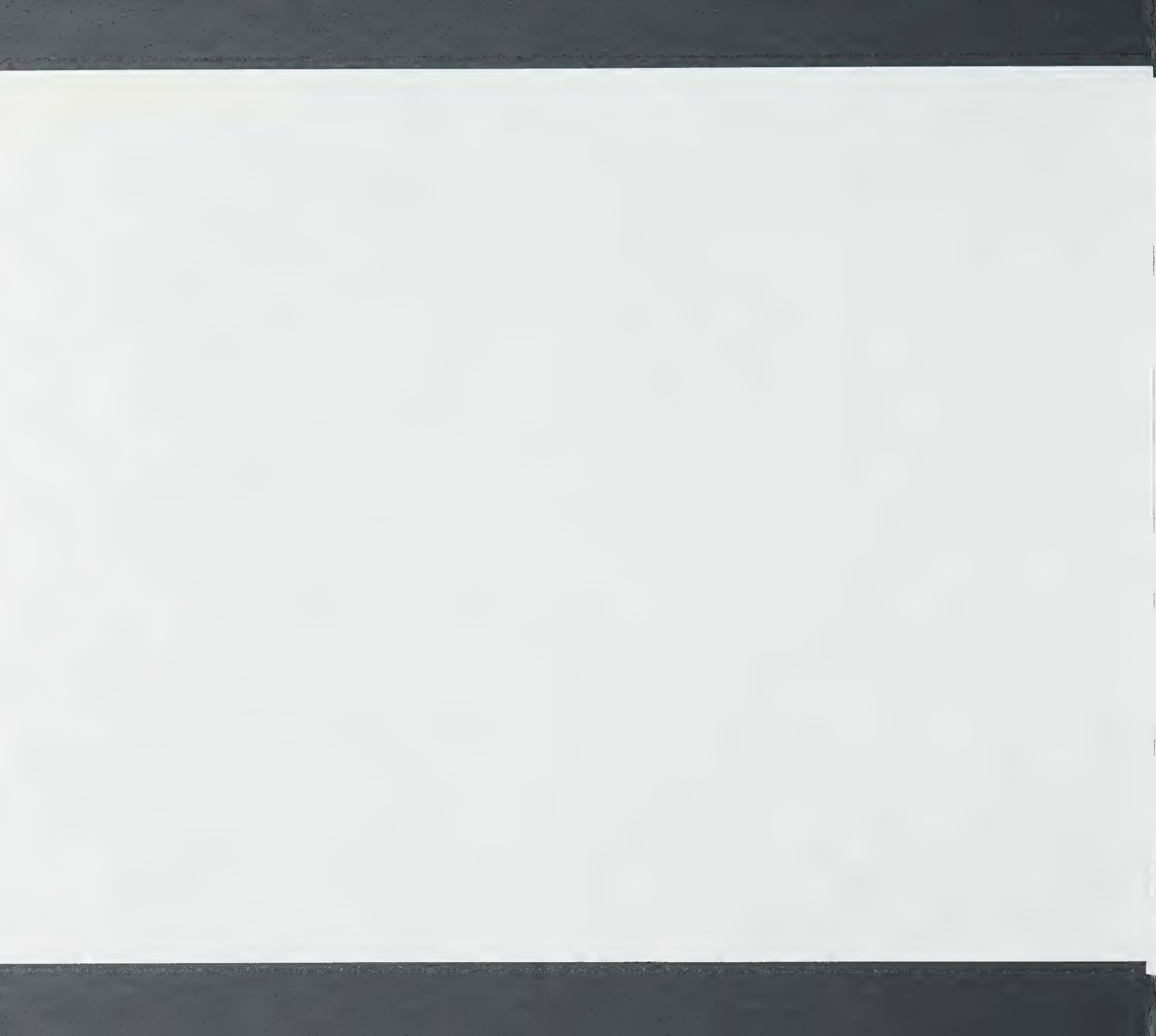
I never think it pays to try to make your points in the other fellow's court, especially when the other fellow has full control of the proceedings and a packed court.

Unfortunately-- from the point of view of your and your family's financial interests-- I think the day will come when the questions will not only be embarrassing, but the performance, over all will also be so. That will be the time to appear at a meeting, loaded for bear.

Our best wishes to you, Isabel, and the family for a happy, healthy Pesach.

love,

*Marv*  
Marv



FROM: SIGMA CHEMICAL STL TO: 4149628322 MAR 11 1992 9:42AM #310 P.01

**FAX MESSAGE**

TO COMPANY: Alfred Boder DATE: 3/11/92  
FAX NUMBER: 414-962-8322 FROM: Tom Tolliver  
ATTENTION: \_\_\_\_\_

**SIGMA CHEMICAL COMPANY • 3050 SPRUCE ST. • ST. LOUIS, MO 63103 U.S.A.**

ANYWHERE IN THE USA—FAX # 1-800-535-2674 OUTSIDE THE USA—FAX # 314-534-2674

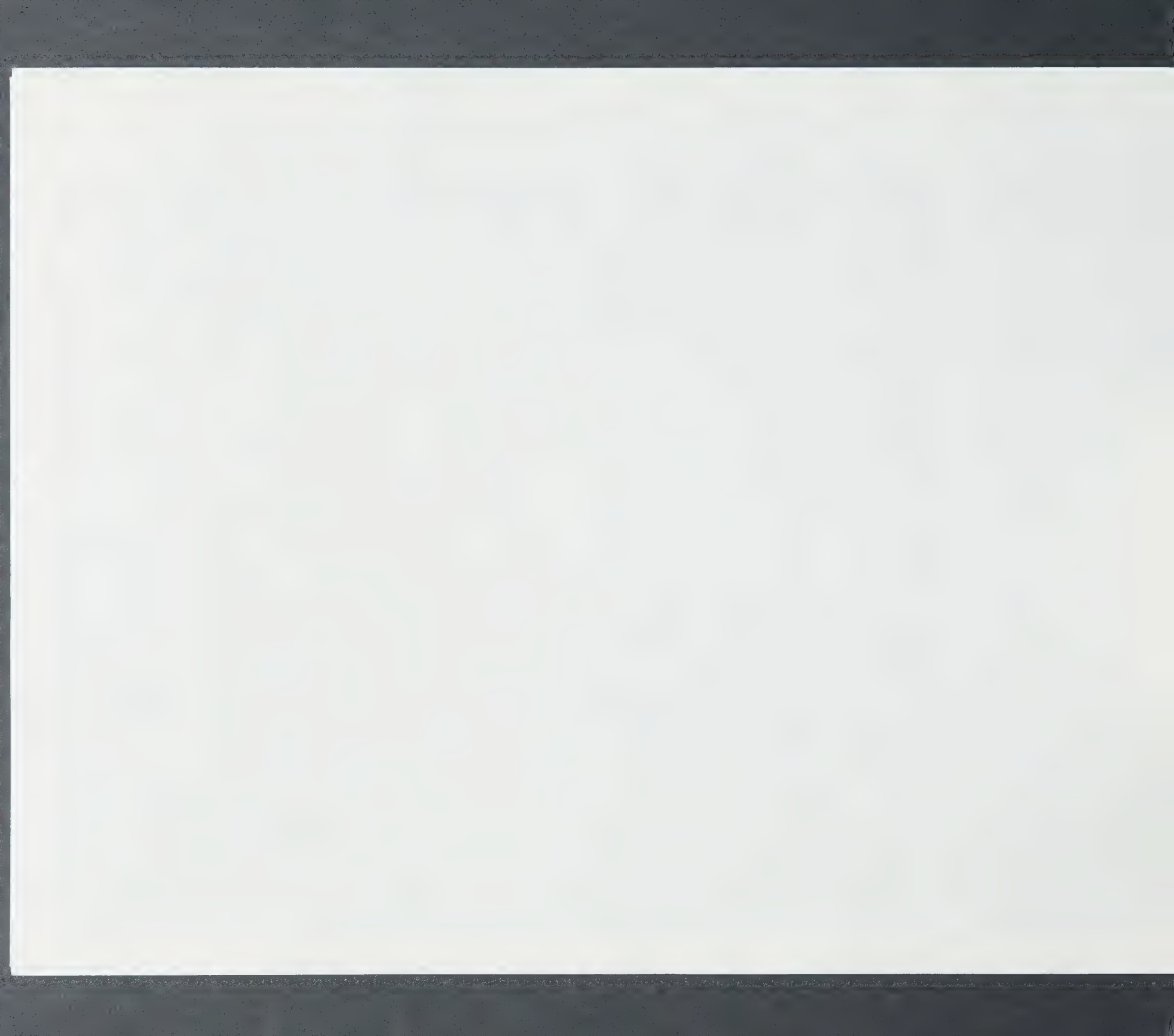
ANSWER BACK SIGMACORICARR

TELEPHONE 1-800-521-8958 314-771-5765

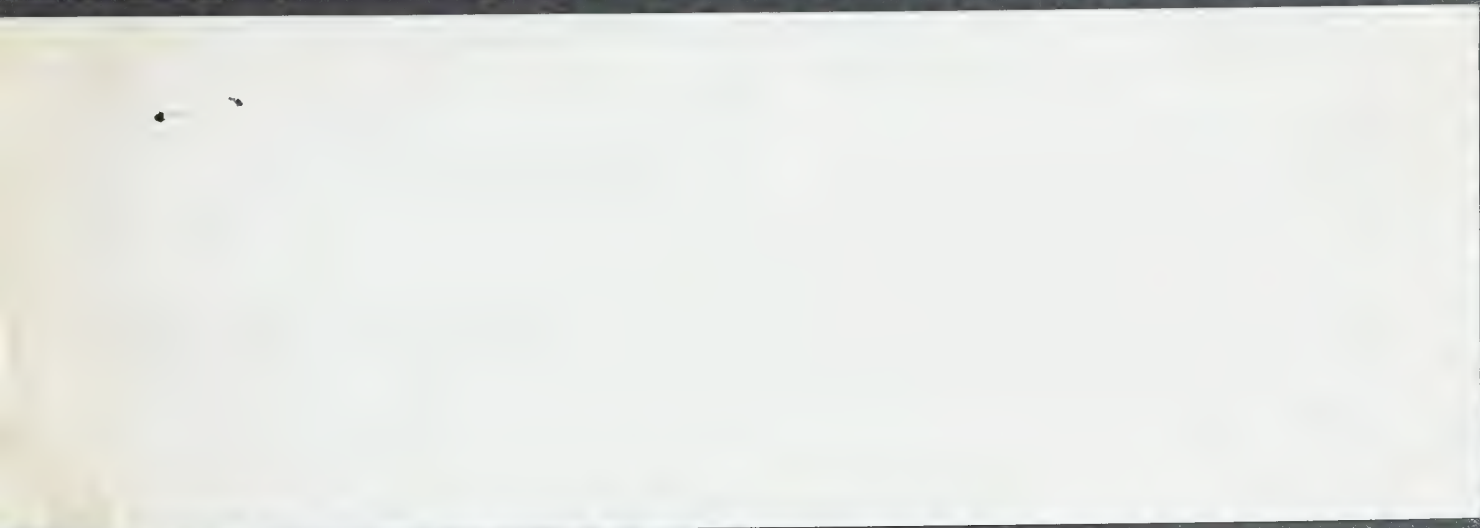
Dear Alfred:

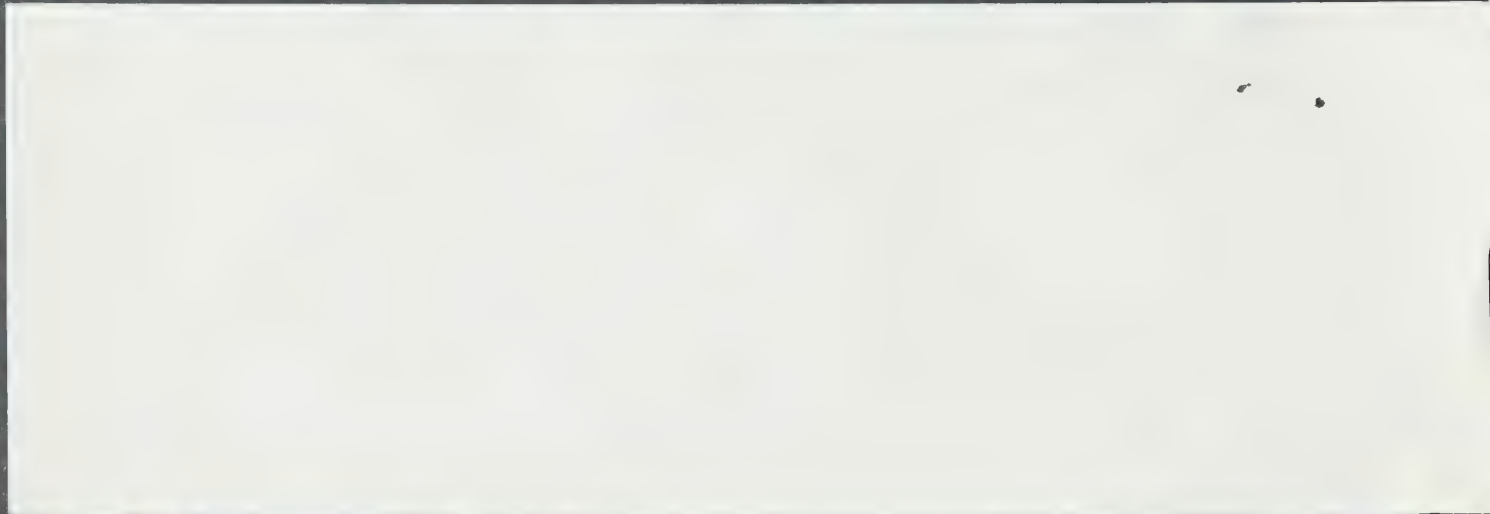
Here are the pages to the front portion of 1991 Annual Report. I would appreciate any comments or suggested changes you may have.

Tom Tolliver









Dr. Alfred R. Bader  
2961 N. Shepard Ave.  
Milwaukee, Wisconsin 53211

Dear Mr. Bader:

This letter indicates the undersigned's receipt and acceptance from you of your gift of \_\_\_\_\_ shares of Sigma-Aldrich Corporation Common Stock and cash of \$26,250, together with and subject to 100 January call option obligations covering 10,000 shares of Sigma-Aldrich Corporation Common Stock having an exercise price of \$45.00 per share and expiring January 17, 1992. All such items have been placed in our account at Robert W. Baird & Co. Incorporated. The undersigned understands and agrees that, as a condition of this gift, the undersigned is obligated under the call option contracts. You may instruct Robert W. Baird & Co. Incorporated that it may rely on the agreement set forth above.

Sincerely,

QUEEN'S UNIVERSITY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Enclosure

Urgent

Dear John  
Please call me today

to discuss

Frank

26 III 51

Supra





Queens University  
Kingston, Canada  
K7L 3N6

December 26, 1991

Dr. Alfred R. Bader  
2961 N. Shepard Ave.  
Milwaukee, Wisconsin,  
U S A 53211

Dear Mr. Bader:

This letter indicates the undersigned's receipt and acceptance from you of your gift of 10,000 shares of Sigma-Aldrich Corporation Common Stock and cash of \$25,250, together with and subject to 100 January call obligations covering 10,000 shares of Sigma-Aldrich Corporation Common Stock having an exercise price of \$45.00 per share and expiring on January 17, 1992. All such items have been placed in our account at Robert W. Baird & Co. Incorporated. The undersigned understands and agrees that, as a condition of this gift, the undersigned is obligated under the call option contracts. You may instruct Robert W. Baird & Co. Incorporated that it may rely on the agreement set forth above.

Sincerely,

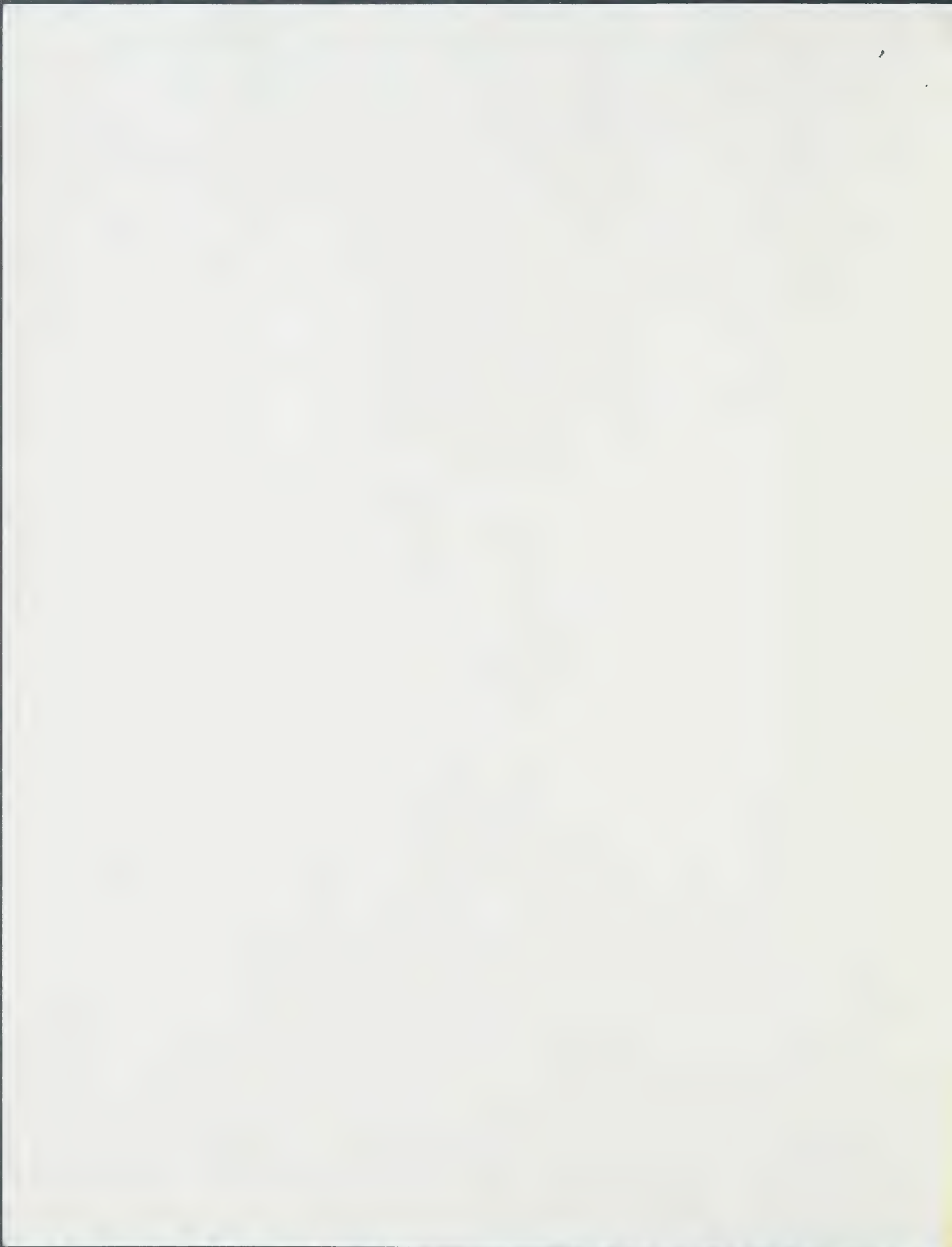
Queen's University at Kingston

By:

*John J. Heney*  
John J. Heney,

Director of Development

Dated: December 26, 1991

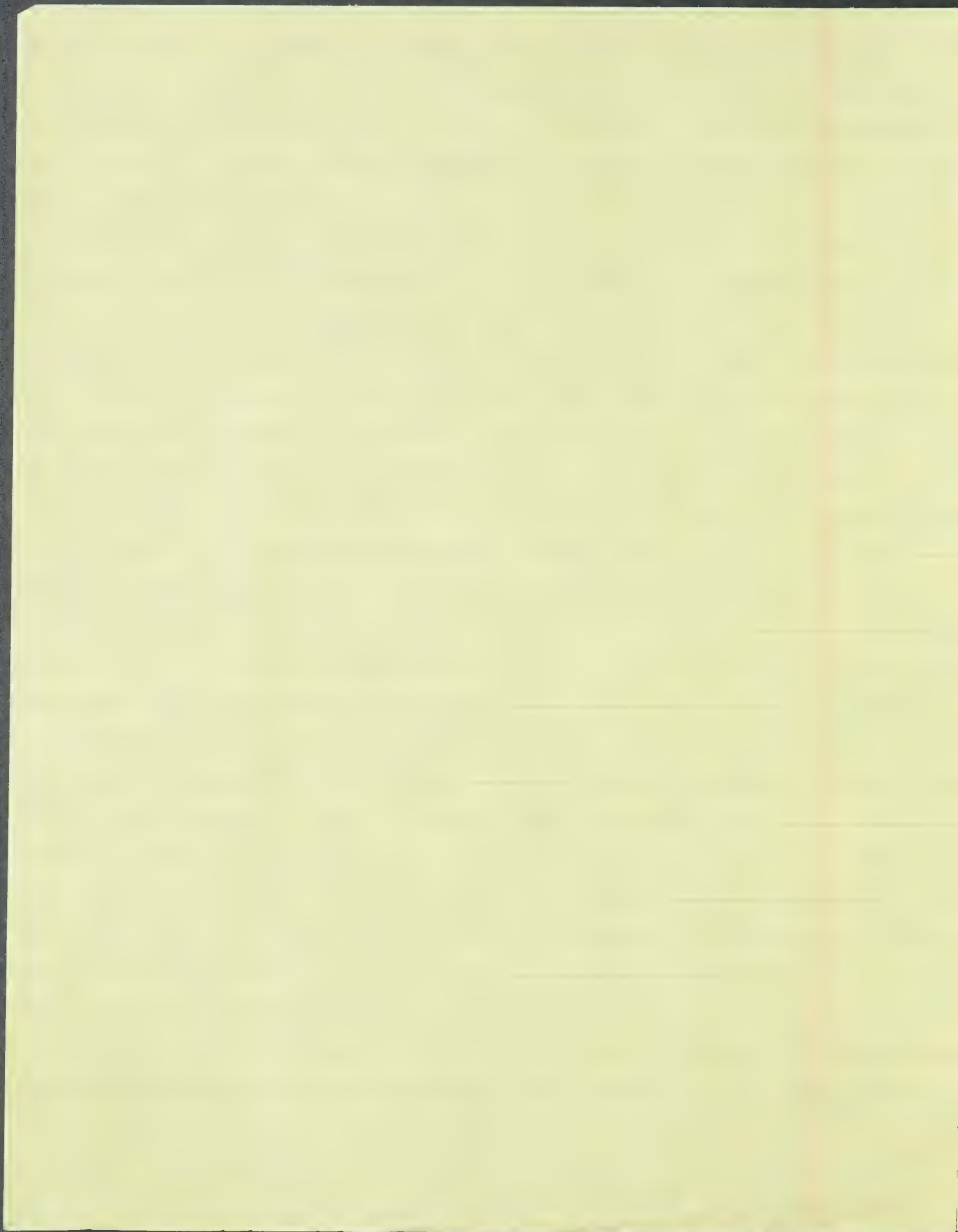


Draft of letter to my employees

Dear ...

On November 15, just before a lecture in the chemistry department of Queen's University in Kingston, Ontario, I received a message to phone Tom Cori. He told me he had to see me and could not discuss the matter by phone. Meeting in Toronto was impossible for Tom, coming to St. Louis impossible for me. And so he told me to meet him in London; it was so urgent that he would fly over specially - I was to give him several hours.

cont. on p. 2





~~must come~~

- 2 -

David Hartley and Tom Cori flew to London on ~~November 19~~ and met me in their hotel room for 17 minutes <sup>on November 20<sup>th</sup></sup> accused me of actions unbecoming a director of the company and told me that they and ~~all~~ the other directors of Pigma - Aldrich

(except Martin Keitsner who had just had heart-surgery) had decided that I should cease ~~being~~ <sup>to be</sup> a director.

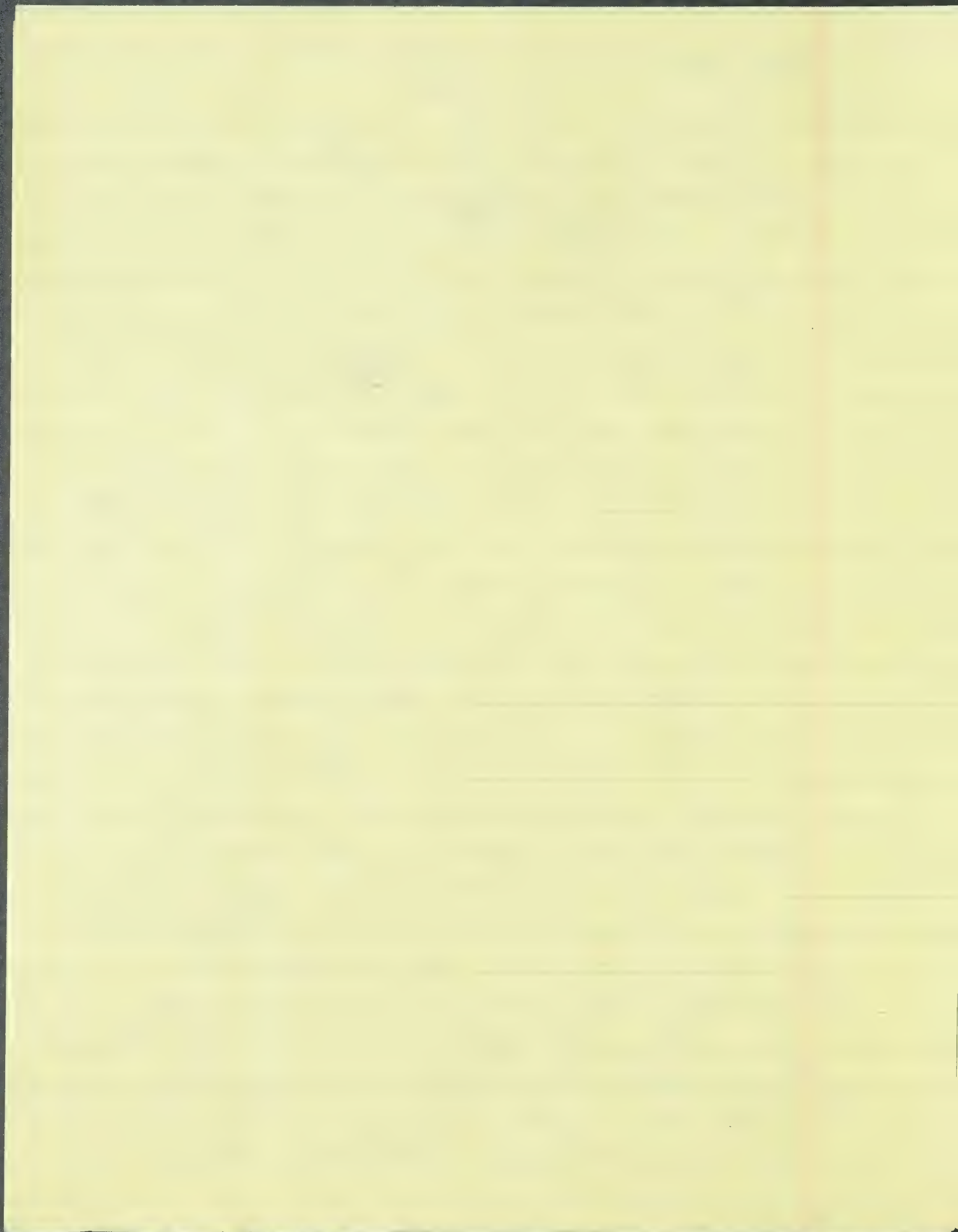
Tom handed me a letter of resignation which, of course, I refused to sign. Tom also told me that my contract with the company, which expires on December 31 would not be renewed.

You, who have worked with me so well and for so long, should know the facts about the 'good' reason for this dismissal - as I have said often before: people have good reasons and real reasons - and there are often not the same.

Earlier this year, Isabel and I decided to make a substantial gift to my ~~alma mater~~, Queen's University, partly in cash and partly in Pigma - Aldrich stock. <sup>(X)</sup> At the August board meeting, Tom Cori told the board that the top officers of the company planned to sell about 10% of their stock, and you may have read in the ~~press~~ <sup>paper</sup> mentioned that Tom Cori, David Hartley and Peter Clark had done so.

7500 and 5000 shares of Pigma - Aldrich stock respectively. On the way back home from that meeting.

(X) as I have done often before.



draft cont

X 3-

Martin Keston, my best friend, the only attorney I know, and a director of Pfizer. He told me that a good way to maximize proceeds from a stock sale would be to sell an option of the stock I wanted to give to Queen University, the maximizing that the university would receive.

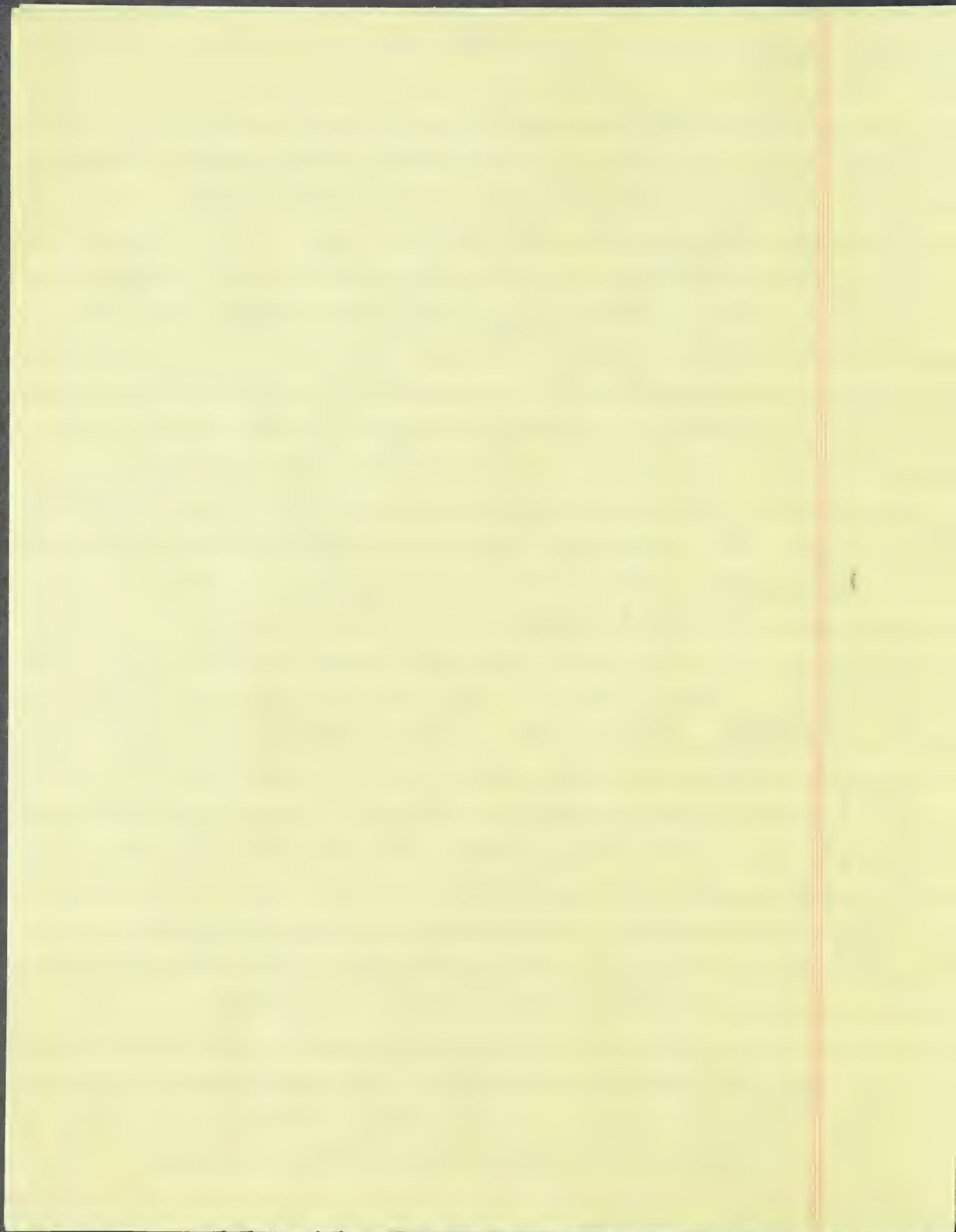
In August 15 I paid an option for 10000 shares. Unfortunately within a few weeks (she now lives in Israel) my stockbroker knew that I planned to report the gift of the shares to the SEC in September - ~~because of~~ a regulation that ~~came into effect in May 1~~ will not be filed by the SEC, but the failure will of course report option sales.

Tom took the position that ~~as a director~~ ~~of the~~ ~~company~~ ~~was~~ "betting against the company" which is plainly not true. I decided to maximize my gift to Queen, X

Tom's real reason will be due to you. I am one of the few directors who know what mistakes management has made - how many able and good people have been fired and how the company is run by fear.

Then Queen University gave me a honorary doctor of laws for years ago I said that I am gratefully happy to be given an honorary law degree, however.

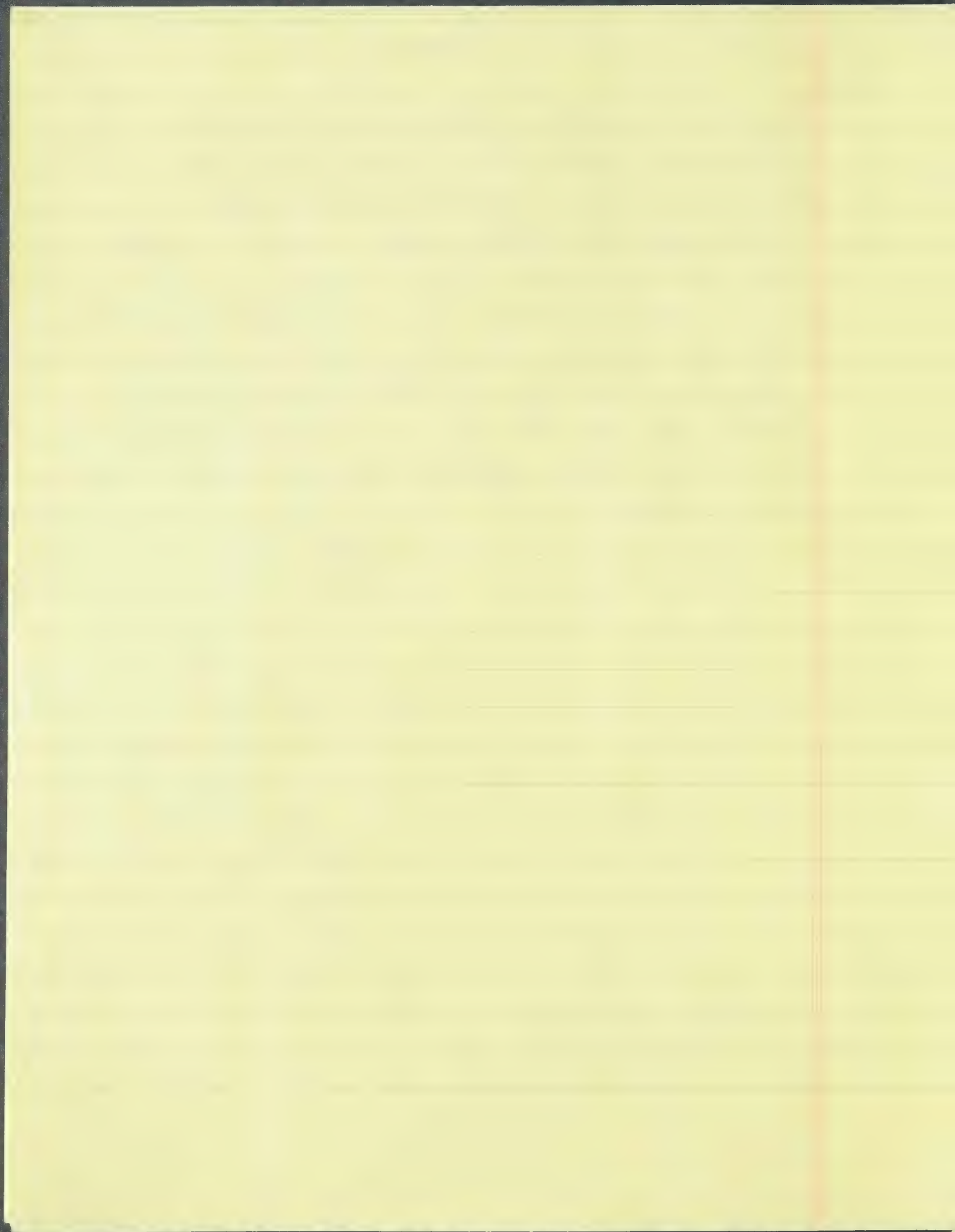
Vertical text on the left margin, possibly bleed-through or notes: "I am one of the few directors who know what mistakes management has made - how many able and good people have been fired and how the company is run by fear."



I always enjoyed a fight when I know —  
 or thought I knew that I was right. In  
 this case, I am absolutely certain that  
 I am ~~correct~~ ~~of my~~ right, and will fight  
 Tom as best I can.

In its waywardness, my thoughts, good  
 wishes and prayers are with the thousands of  
 good people at home, who do not fence  
 Together we have built a wonderful company —  
 don't let a few people drive by and  
 tear it down.

Sincerely



On Friday, December 27 Tom Cor  
called me at the lab. I think he expressed  
anger that Jerry McGaffey's fax had come  
to him on an open fax — Pat Can had  
sent it! By the way, I thought he was saying  
that Ken he asked me what I thought of it  
all, and I answered — I think actually — but  
I felt he was making a serious mistake  
of course, I was sorry I had sold the option  
to help Queens — if only management had  
~~can~~ cautioned us. Jim Weinberg had explained  
that most companies had cautioned its directors —  
why not SA?

Tom was his most charming self —  
asked that I let him pull over all this, and he  
would be back to me the next day, Saturday,  
or Sunday. If I were unable to call him at home  
I should — and he gave me his number.

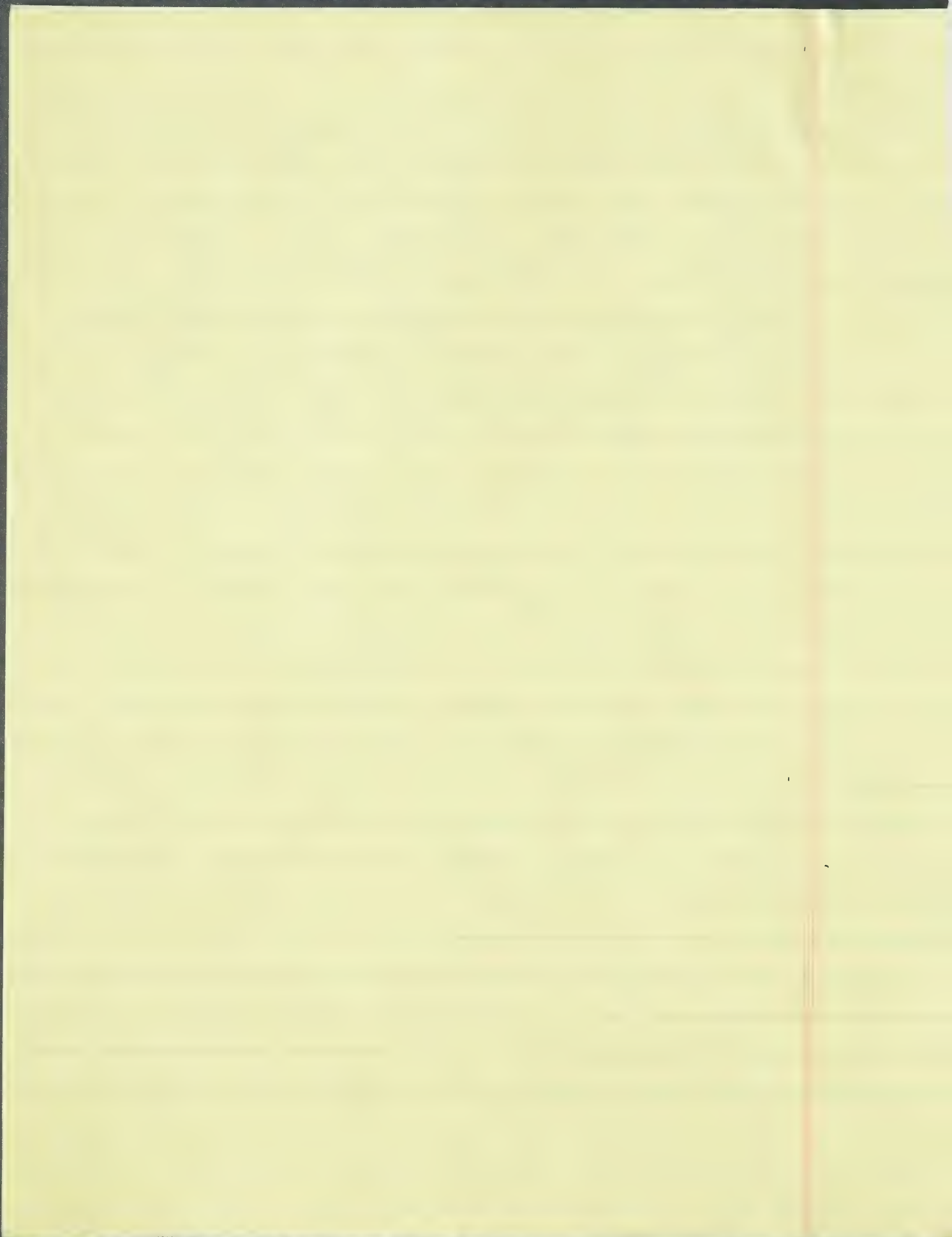
For the next two days I hoped that Tom  
might see reason — but he was just staying firm.  
He called me at home on Sunday morning to say  
he had not changed his mind.

Monday and Tuesday at the office and  
of course I found — the last two working days  
after building the company into the year.  
David Harvey called to see how papers to file  
on the Tuesday morning, and they were returned  
in the afternoon, ~~there was~~ a brief note, signed





My Tom was posted, announcing my retirement.  
Dana and Isabel helped me move a lot  
of papers and some paintings to my home  
on New Year's day. Thursday and Friday  
Jan 2-3, I tried to get papers organized,  
received many calls, spent a couple of hours  
in the office, (on Friday) signing the last  
letters Marilyn had typed, went over ABC  
collection just received with Bob Winters.



Dear John I don't forget to send you  
 analysis like the long piece yesterday  
 Cici's handwriting  
 If a you receive it

- Prof. George Miller UC
- Prof. John Kille RMC
- Dr. Wray Mottswell IC
- Prof. C.W. Lee IC
- Prof. Frank Stoddart Bham
- Prof. David Ollis Bham
- Dr. David Cox Bham
- Prof. Ralph Caplan Cambridge
- Prof. Allan Watersley -
- Dr. Andrew Johns -
- Dr. Dudley Williams -
- Dr. Stephen Miller Oxford
- Dr. George Peat -
- Prof. Michael Lerner -
- Dr. John Gao Royal Soc. Chem
- Prof. Colin Dexter Glasgow
- Prof. Charles Brown -
- Dr. James Mason -
- Dr. David Wilson -
- Prof. David Jones -
- and of course, the best - at IC
- Dr. John Kevley
- Prof. Steven Kay
- Dr. Roger Alder Bristol

There is a quarterly with a list of names of some best friends in Bham. You might like to check to some of them about our work.

Frank Reynolds 1/1/0  
 March 1977



### A Letter to Chemists

Many of my chemist friends around the world have called me to inquire why I was no longer calling on them on behalf of Sigma-Aldrich and why I was not nominated to continue as a director of the Company. It is difficult to respond to all of you individually, <sup>and</sup> so I have chosen this means to do so.

Some of you know me as the man who founded Aldrich some 40 years ago and who built it into your favorite supplier of research chemicals. <sup>Many</sup> Several of you know me as the chemist collector who finds paintings for Aldrich's catalog and Aldrimica Acta covers. Some of you know of the ABC's of my life -- art, Bible and chemistry and the Alfred Bader Chemical collection of research samples from some of the world's greatest chemists. Many of you know me as the chemist who comes to your laboratory with Isabel, his wife, and asks "what can we do better?" And surely you know that we mean it: for years we have been an important link between academic research and Sigma-Aldrich and many of your suggestions have become Aldrich's and Sigma's new products.

EA 7

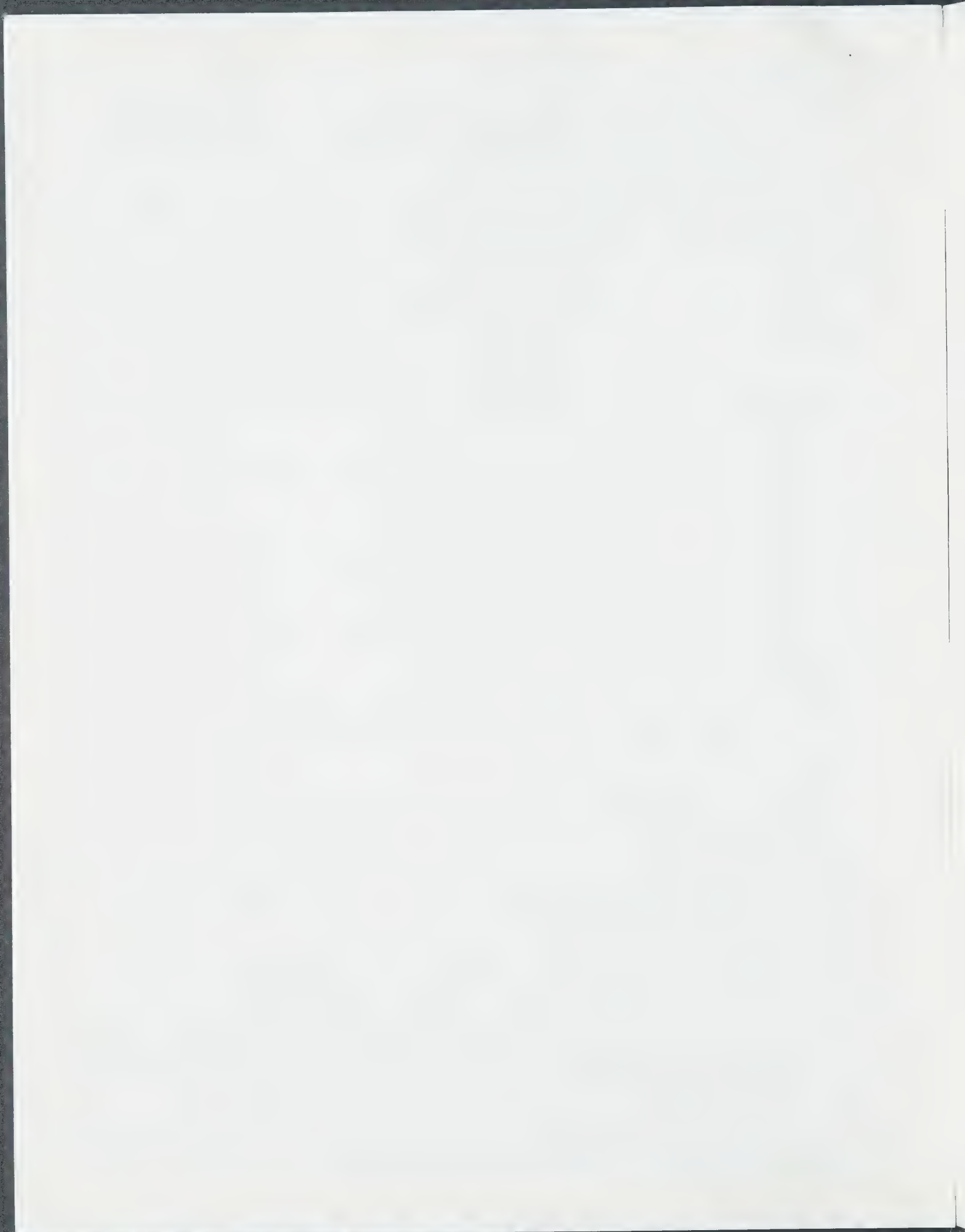


On November 20 of last year, Sigma-Aldrich's CEO, Dr. Cori, together with David Harvey, the chief operating officer, flew to London <sup>personally</sup> to demand that I resign as a director of Sigma-Aldrich because, in their words, I had "bet against the company." They said that in an ~~hour~~-long telephone conversation with all directors except myself and Marvin Klitsner (who was undergoing heart bypass surgery at the time), ~~that~~ they had put this interpretation upon my having sold options for 10,000 out of over 3,600,000 of my shares of Sigma-Aldrich stock. I was, of course, flabbergasted, refused to resign and attempted to point out how erroneous that interpretation was. <sup>NYK. This is a... I had heard me to build to Aland and Sigma-Aldrich...</sup>

The events leading to this November 20th meeting are simple. In the summer of 1991 I had heard about option sales as a conservative way of marketing a limited number of shares at a price somewhat above the current market. I had never sold any stock in Sigma-Aldrich but had given a great deal of it away to universities around the world, to ACS, to the Chemical Institute of Canada, and to many other institutions, to help people. <sup>As explained in my... My...</sup>

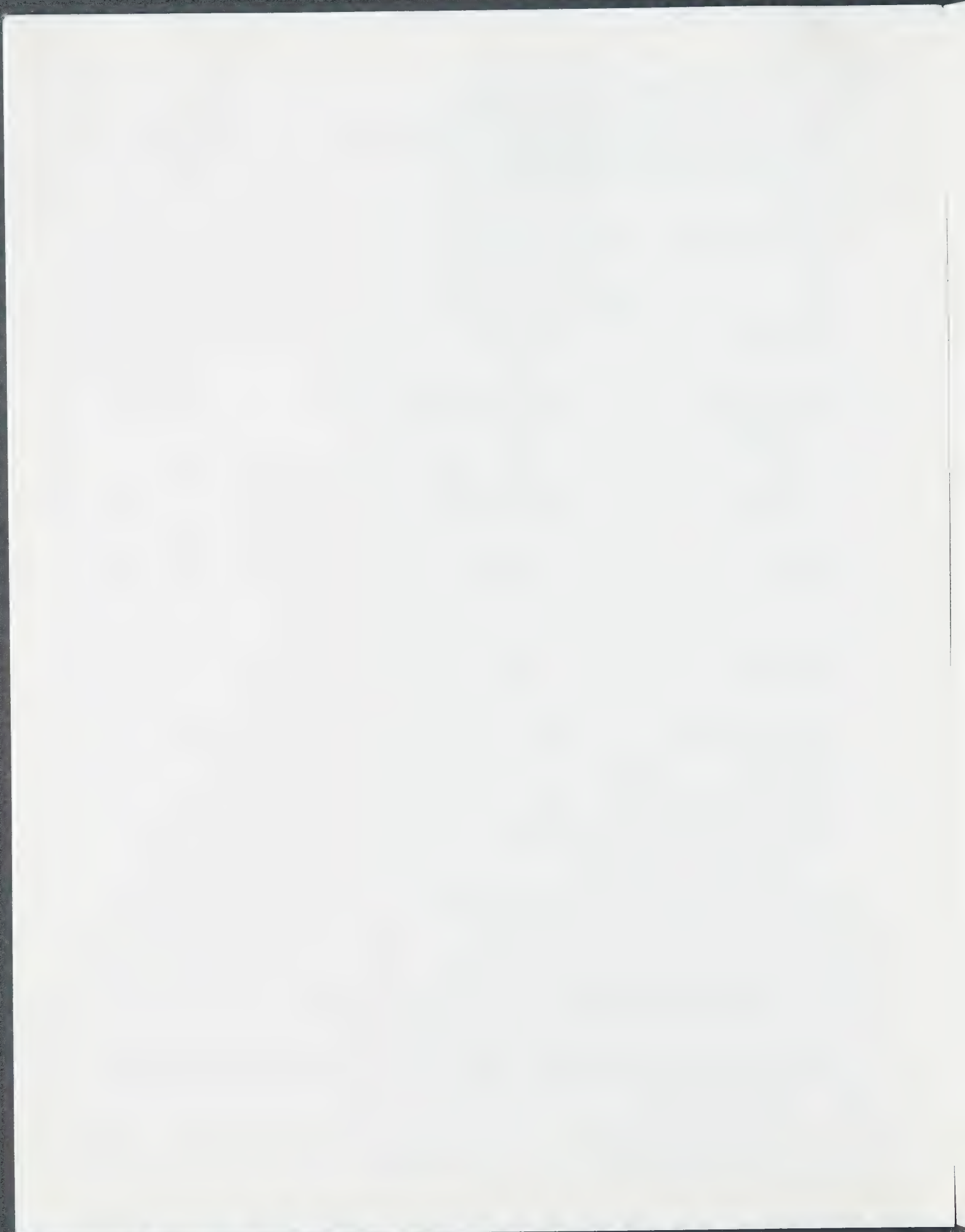
*...to my... to... of...*

*Left...*



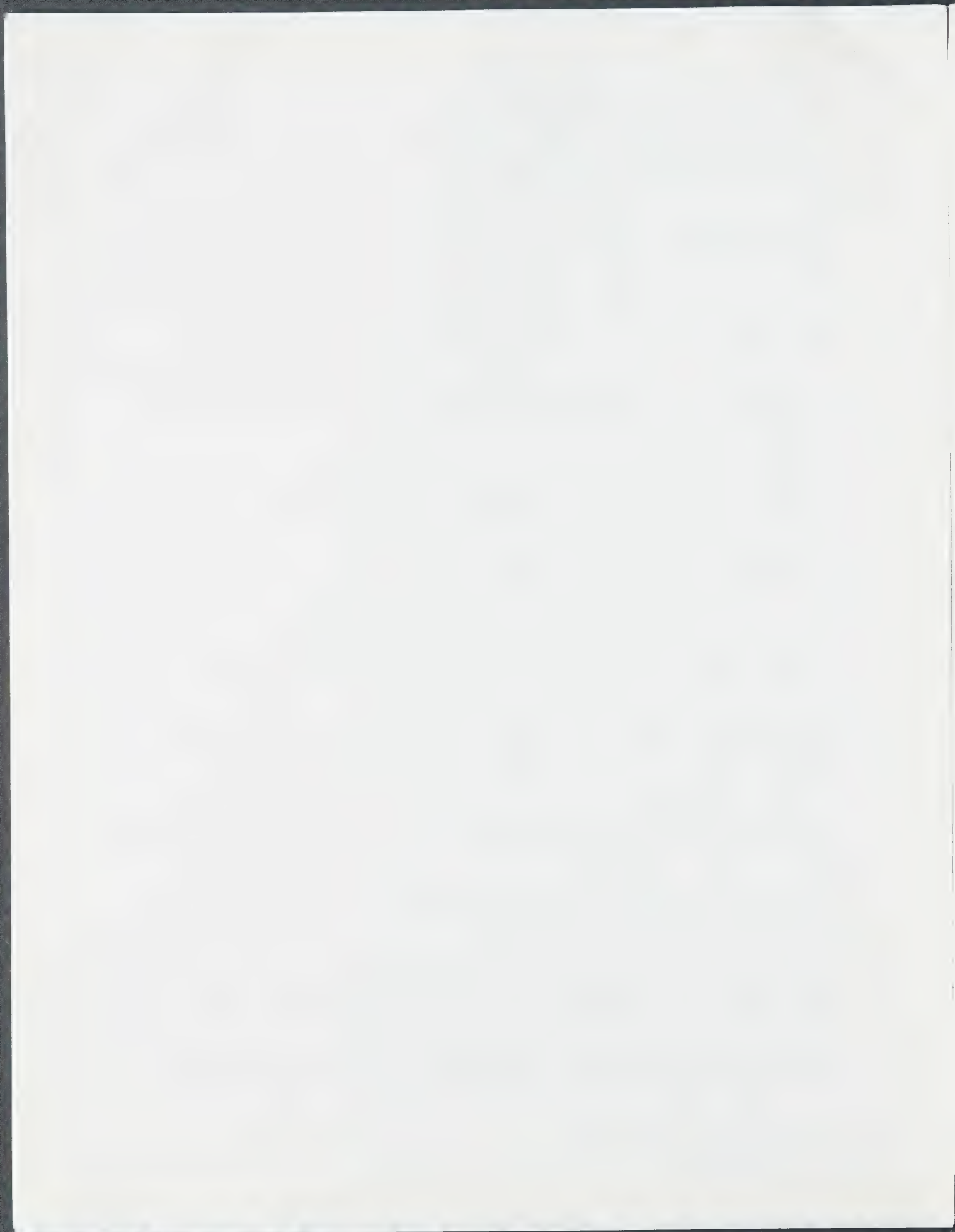


*wanted to make*  
family and I had promised ~~\$2,000,000~~ to my Alma Mater, Queen's University, ~~for a stated purpos.~~ On August 15, I sold call options covered by 10,000 shares of my Sigma-Aldrich stock as a part of that ~~promised gift to Queen's University.~~ The stock was then selling at around \$41.00 and I knew that the University's practice would be to sell the stock upon receipt. The options which was subsequently taken up in January was for \$45.00 a share, ~~were sold~~ *in the Chicago Board of Trade* at \$2-5/8 per share making the total proceeds of \$47-5/8 per share, ~~all of which I explained was to be and now has~~ *to Mrs. Cori F. Haven* been ~~given to Queen's University.~~ Interestingly, Dr. Cori sold 10,000 shares of his holdings ~~at \$41-3/8~~ in Sigma-Aldrich stock at 41-3/8 at about the same time as I sold my options. This represented 10% of <sup>his</sup> holdings. Other executives sold the same percentage of their stock. My option sale represented about 1/3 of 1% of mine. It baffles me how my transaction can be considered a "bet against the company" while theirs would not (and I have no criticism of their desire to do so). Mine was an effort to yield somewhat more than the current market for Queen's



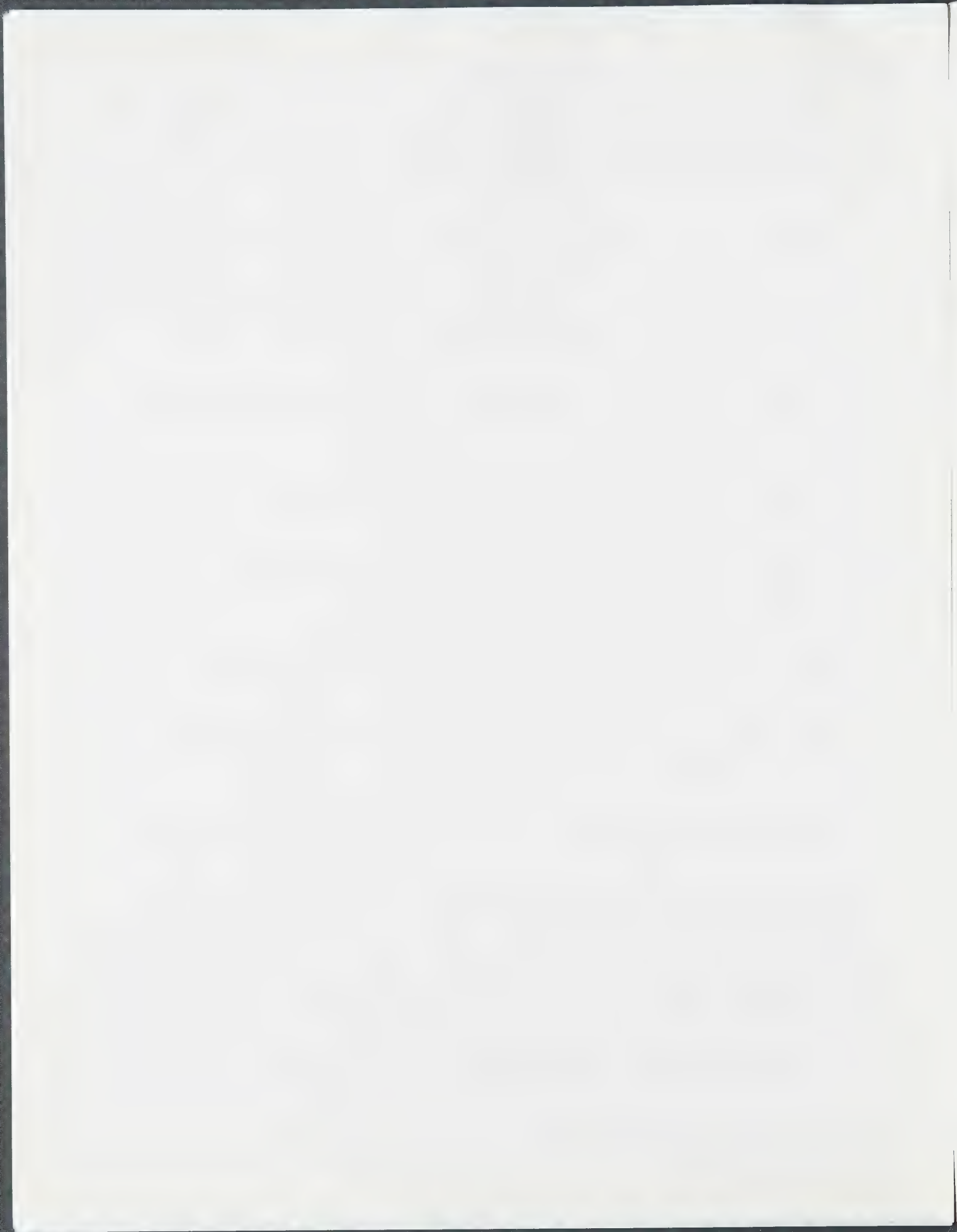
and demonstrated confidence that I was not concerned with the risk that the market would drop during the option period in which I was committed to holding the shares to cover the option. The outright sale by other executives eliminated any risk of a market drop and foreclosed any benefit from a further market rise which, in fact, resulted in producing <sup>same profit as</sup> ~~more~~ dollars for Queen's. As the only major stockholder who never sold any of his stock, I have been and continue to be betting <sup>with</sup> ~~on~~ the company with by far the biggest portion of my assets.

Just eight days before ~~Dr.~~ <sup>#</sup> Cori's meeting with me in London, following the Sigma-Aldrich board meeting in St. Louis, Dr. Cori and I had agreed that I should continue working as chairman emeritus without <sup>compensation</sup> ~~salary~~ doing what I love doing -- helping chemists and helping Sigma-Aldrich continue to grow as a world leader in ~~the~~ providing ~~of~~ research chemicals. At that time, Dr. Cori had said forcefully, "Keep working; I have known many people who have just retired and were dead six months later." At the November 20 meeting, Dr. Cori reversed himself



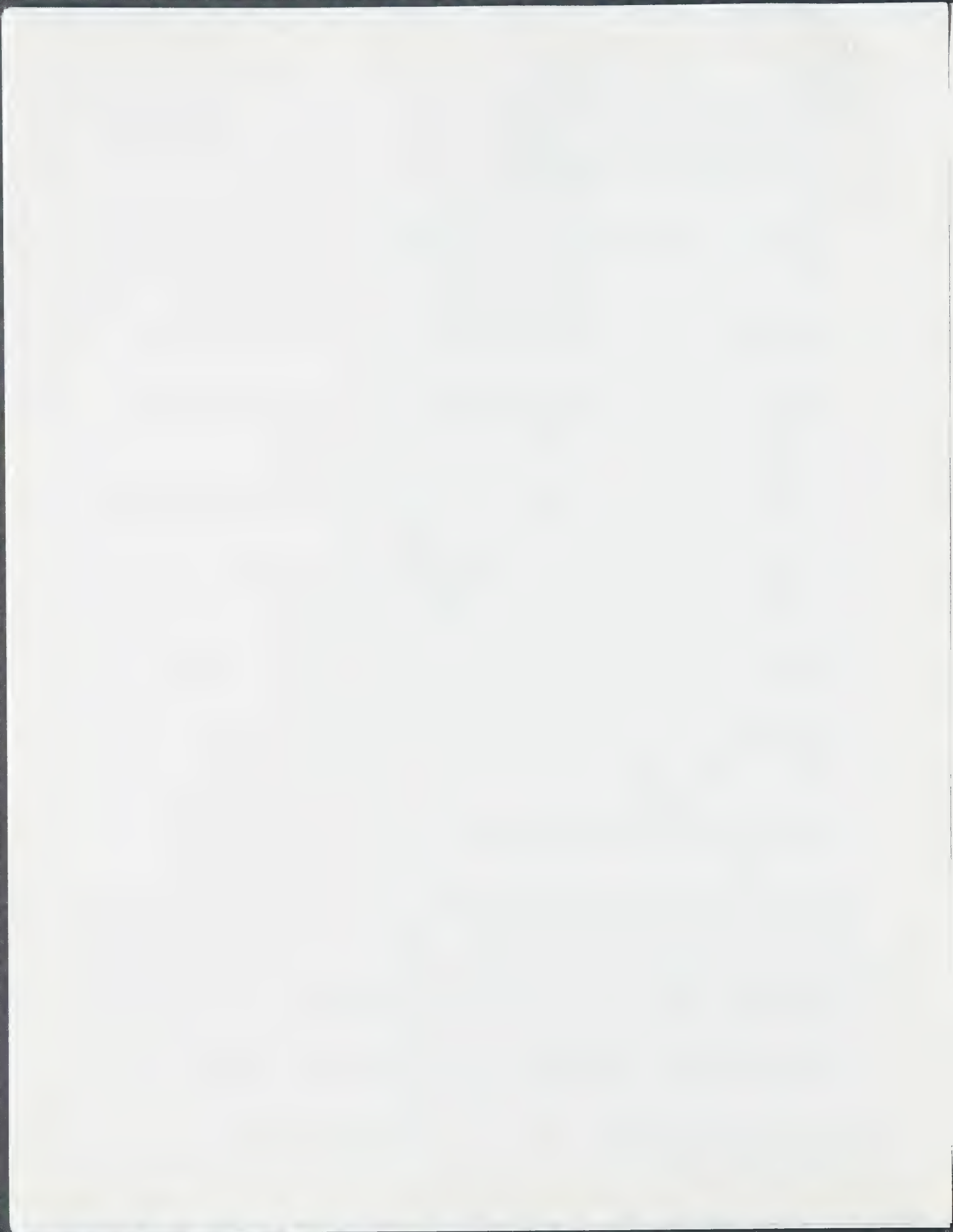
*to the members of the board*  
and stated I was not to continue in any capacity. As I advised  
*to next board meeting in Ft. Lauderdale*  
Cori and the Board at their meeting on February 18, I would love  
nothing more than to continue doing for the company what I have  
been doing, not primarily for my sake but in the best interests  
of Sigma-Aldrich by continuing a flow of suggestions for new  
products necessary to help chemists throughout the world and by  
continuing to be a link between the chemists of the world and the  
company so that chemistry, chemists and the company might benefit  
to the maximum. ~~While the directors appeared to listen, it was~~  
*clear*  
~~apparent to me that their minds were made up, and within a very~~  
~~few minutes they presented to the Board a previously prepared~~  
~~resolution eliminating~~ *me* ~~from the list of nominated directors.~~

While Dr. Cori and the directors claim that any  
transaction in options by a director or officer is frowned upon  
by most public companies, I have learned that this is far from  
*being*  
*beubg* universally true, and that those companies which do so have  
generally so advised their directors and officers. In the case  
of Sigma-Aldrich, no such advice was ever given. Indeed, a memo



sent by the company on May 2 advising of some changes in the SEC regulations made no reference whatever to option transactions by insiders, I have subsequently learned that some change in the manner of reporting options transactions was included in the regulation referred to -- none, however, which would prohibit such transactions. Had this been a company policy with respect to options, certainly the memo should have said so.

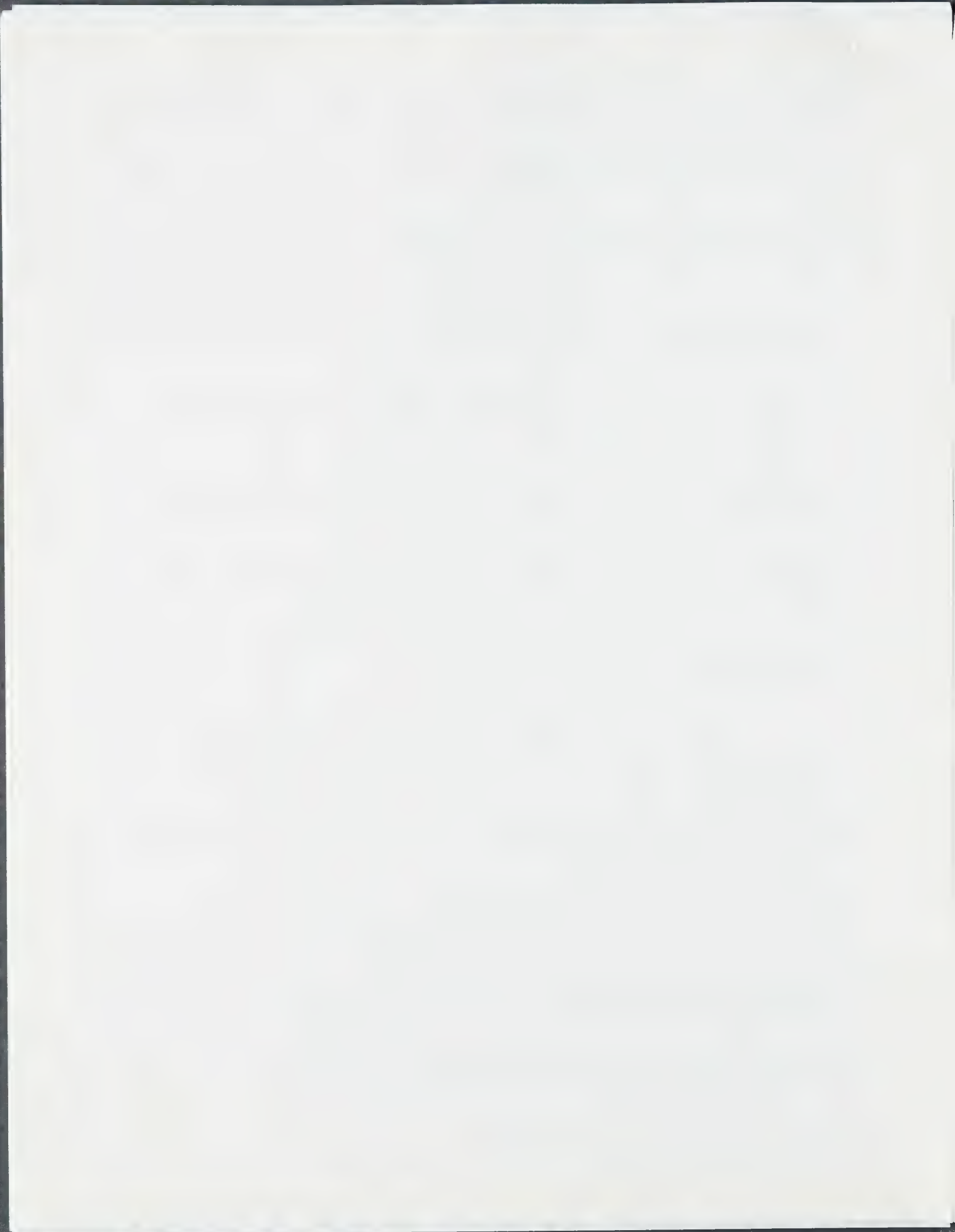
Ever since November 20, I wondered why the management and directors decided that I must ~~sever~~ <sup>stop</sup> my commission as a director, <sup>and my work</sup> as chairman emeritus and as a consultant. <sup>without compensation</sup> For many decisions there are stated reasons and real reasons. The stated reason that I "bet against the company" certainly has no substance and cannot not be the real reason. It cannot be that I interfered with <sup>de</sup> Cori's management as CEO or with his compensation. I did not do so in any way. His cash compensation in 1990 was over \$1 million -- more than five times my highest compensation ever -- and he received 17,904 shares under a very generous incentive bonus plan at no cost to him. I supported





both his compensation and the stock bonus plan of which he is the major recipient. While I have occasionally questioned the manner of distribution under the incentive bonus plan, in that it excluded entirely or included in token minimal amounts, a second tier of management such as, for example, the presidents of Sigma, Aldrich, and Bee-Line, I have never questioned the generous amounts allocated to Mr. Cori. Is it possible that Cori, as intelligent as he is, could not tolerate on the board someone whose knowledge of and experience in the business and of the research chemical industry worldwide exceeded that of any other non-management director?

Some of my friends, including other shareholders, have asked me why I do not initiate a proxy fight to alter this unfair decision of Cori and the board. My response is that I do not do so because at this time I continue to feel, as I have throughout the years, that the present management is doing an ~~excellent~~ <sup>good</sup> job and will continue the remarkable record performance of the company. While it is unfortunate that they are not able

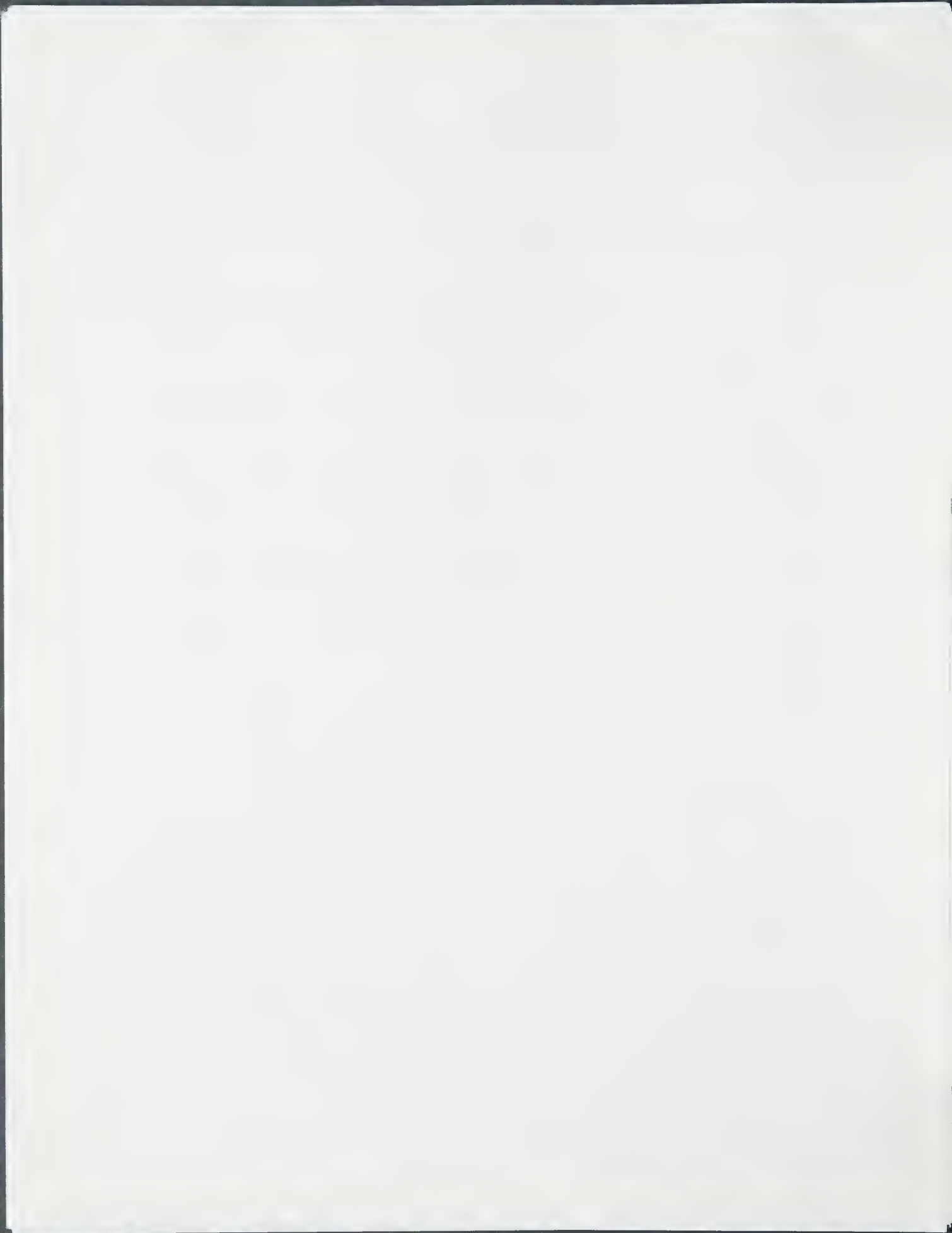


to see the additional growth and benefits which would be  
available if they continued to take advantage of my services, I  
have no desire to change the managerial <sup>unit</sup> ~~team~~ (although I would <sup>very</sup> ~~like~~ <sup>much</sup>  
like to see it strengthened) or to force myself upon a management  
which feels, for whatever reasons, <sup>for</sup> it does not want me.

X  
I will miss my visits to my friends in the chemical  
business throughout the world, but you may continue to be sure  
that, (on a personal basis) I will respond to the best of my  
ability to any calls for assistance or advice you may care to  
make. Thank you for the wonderful experiences I have had with <sup>so</sup>  
many of you.

Sincerely,

~~Dr.~~ Alfred Bader





(Continued from other side)

PROXY # 578935

The undersigned acknowledges receipt of the Notice of Annual Meeting and Proxy Statement dated March 27, 1992 and hereby revokes all proxies heretofore given by the undersigned for said meeting. This proxy may be revoked prior to its exercise.

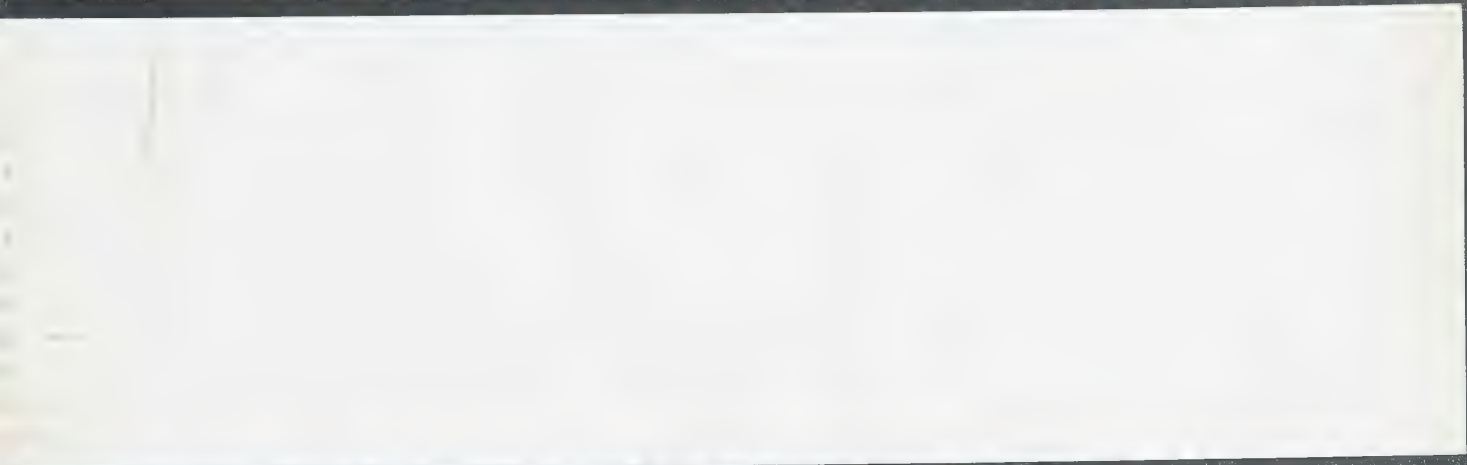
ALFRED R BADER  
2901 N SHEPARD AVE  
MILWAUKEE WI 53211

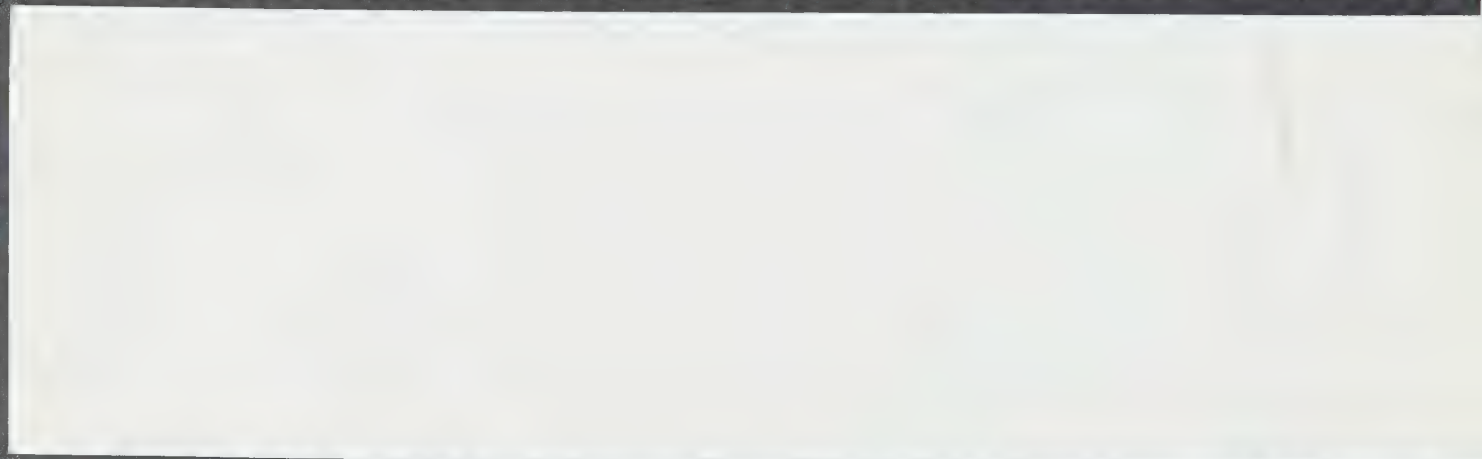
Dated May 5, 1992

Alfred R Bader

Please sign name or names as appearing on this proxy. If signing for estates, trusts or corporations, title or capacity should be stated. If shares are held jointly, every holder should sign.

PLEASE SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.



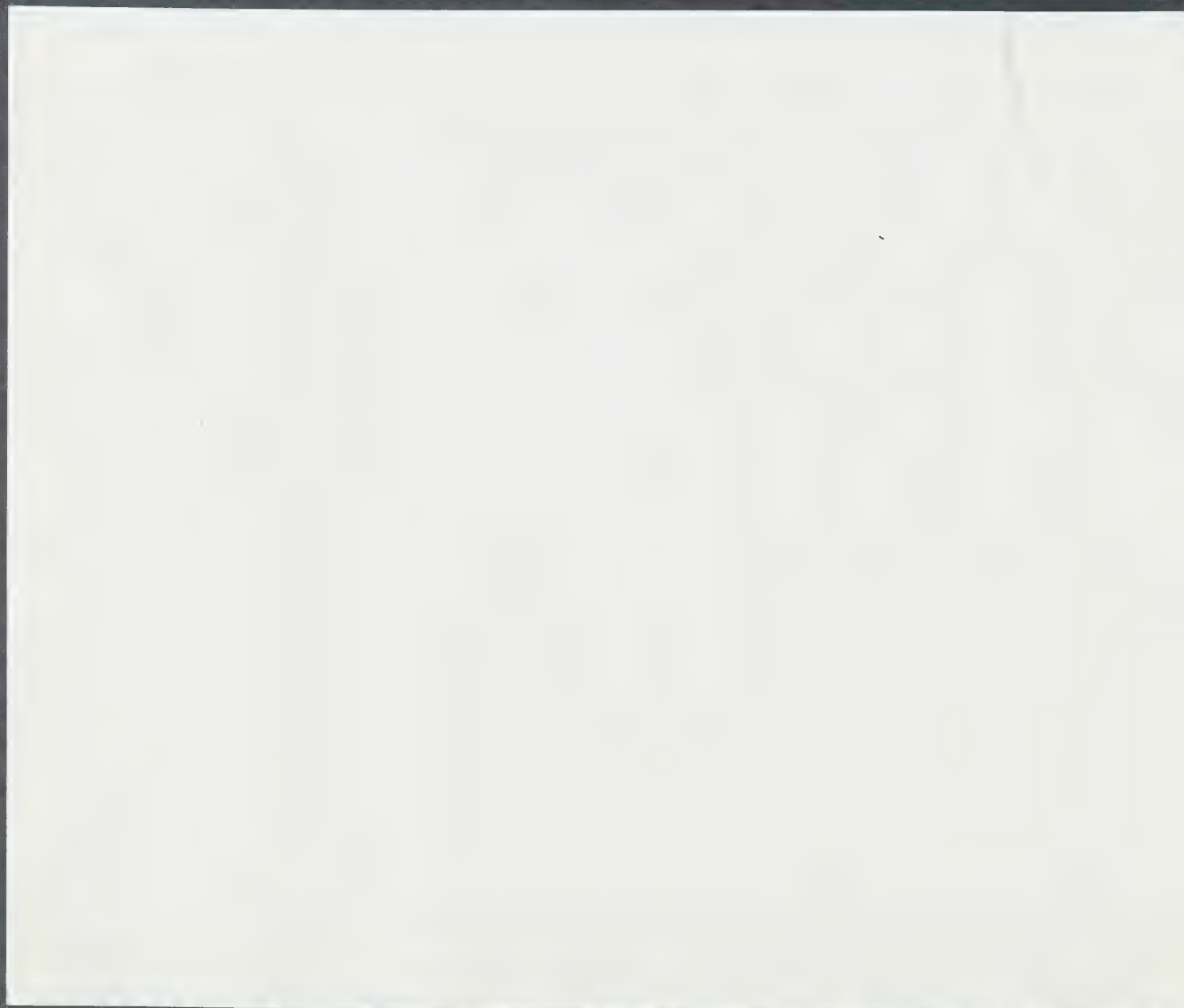




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12

13



SIGMA-ALDRICH CORPORATION

Resolutions to be presented to the Board of Directors at meeting of February 18, 1992:

RESOLVED, that pursuant to Section 2.01 of the By-Laws the 1992 annual meeting of the shareholders be held at 11:00 a.m. (CDT) on Tuesday, May 5, 1992, at The Boatmen's National Bank of St. Louis, 100 North Broadway, St. Louis, Missouri 63101;

FURTHER RESOLVED, that the record date for shareholders entitled to vote be March 6, 1992;

FURTHER RESOLVED, that the proxy form designate Andrew E. Newman and William C. O'Neil, Jr., or either of them as proxies;

FURTHER RESOLVED, that Larry Kallio is hereby appointed to act as inspector of election at the 1992 Annual Shareholders Meeting in accordance with Section 231 of the Delaware General Corporation Law, and that Jerry Smith and John Reitano, in that order, are hereby designated as alternate inspectors.

\* \* \*

RESOLVED, that Article 3.01 of the By-Laws of Sigma-Aldrich Corporation be amended, effective at the 1992 annual meeting, to read as follows:

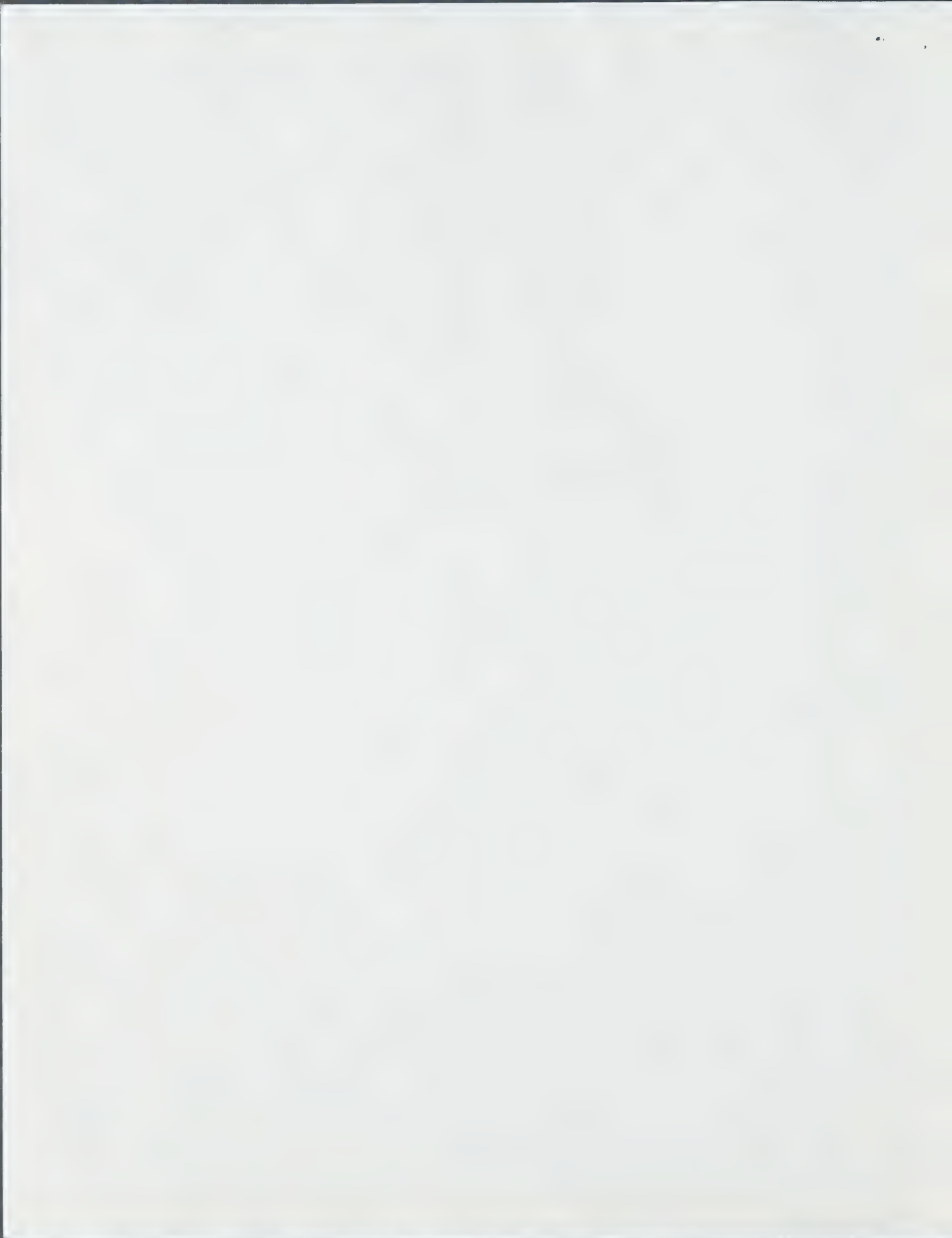
3.01 General Powers, Number and Election.

The business and affairs of the corporation shall be managed by its Board of Directors. The number of directors of the corporation shall be nine who shall be elected by the shareholders at the annual meeting of shareholders.

\* \* \*

RESOLVED, that management's slate of directors to be submitted to the shareholders at the annual meeting be Donald N. Brandin, Carl T. Cori, David R. Harvey, David M. Kipnis, Andrew E. Newman, William C. O'Neil, Jr., Jerome W. Sandweiss, Thomas N. Urban, Jr. and Sidney J. Weinberg, Jr.

WO:bb  
2/14/92



## S.E.C. REPORTING

### DISCLOSURE OF SECTION 16 VIOLATIONS

- A memo describing reporting requirements was distributed to non-management directors in April, 1991 (form on reverse)
- Disclosure of reporting requirements and any violations in 1991 year-end reports is as follows:

Form 10-K - The following statement will appear on the cover of this report:

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [  ].

1992 Proxy Statement - A statement of the reporting requirements together with the compliance by required parties will be disclosed as follows:

Section 16(a) of the Securities and Exchange Act of 1934 requires that the Company's officers and directors, and persons who own more than ten percent of the Company's outstanding stock, file reports of ownership and changes in ownership with the Securities and Exchange Commission and any national securities exchange on which the Company's securities are listed and furnish the Company with copies of all Section 16(a) reports so filed.

Since May 1, 1991, to the knowledge of the Company, all Section 16(a) filing requirements applicable to its officers, directors, and ten percent owners were complied with except as set forth below.

Alfred R. Bader filed one report late relating to one transaction and Marvin E. Klitsner filed four reports late covering an aggregate of fourteen transactions, both due to a misinterpretation of the reporting requirements for derivative securities. In addition, Peter A. Gleich filed one report late covering two transactions due to a misinterpretation of the beneficial ownership rules.

- Items not requiring disclosure - Section 16 liability paid to the Company by Marvin Klitsner in the amount of \$25,475 need not be disclosed since it is less than the minimum disclosure amount of \$60,000.

KAR/tm  
2/11/92

---

Date: April 23, 1991

To:

From: K. Richter

Subject: SEC REGULATIONS FOR REPORTING STOCK ACTIVITY OF NON-MANAGEMENT DIRECTORS

---

In January 1991, the SEC revised Section 16 rules governing insider reporting and short-swing profit liability. The new rules, which become effective on May 1, 1991, deal primarily with:

- a. Clarification of persons subject to Section 16. The directors and officers of Sigma-Aldrich continue to be subject to the Section 16 regulations. A review of the regulations by Bryan, Cave, et al concludes that no division or subsidiary officer is considered an insider.
- b. Reporting of stock activity. Form 4 remains unchanged and must be filed by the tenth day of the month following a purchase, sale or transfer of Company stock. A new Form 5 has been added that requires insiders to report other transactions within 45 days after year-end.

The names of directors who have failed to file any Form 4s on a timely basis during the past two years must be disclosed in the annual proxy statement. Any form not filed previously need not be disclosed if filed prior to May 1, 1991.

Please review your records to determine that filings are current. The most recent Form 4 in our files for you is dated \_\_\_\_\_. Please send copies of any subsequent Form 4s to me by April 29, 1992. If you need any assistance in completing or filing these forms, please let me know so that all filings can be submitted prior to May 1, 1992. Copies of all future Form 4s should also be sent to me. We will also assist in preparing the Form 5, if required, at year-end.

KAR:tm

Dr. Alfred R. Bader  
2961 North Shepard Avenue  
Milwaukee, Wisconsin 53211

January 9, 1992

357 9848  
Via Fax 212 797-3610

4 pages  
Mr. Jim Weinberg  
Goldman Sachs

Dear Jim,

When I called you from England last month, you told me that you believed that directors of most companies were advised by management not to deal in options, and that option trades had to be reported under the new May SEC regulations.

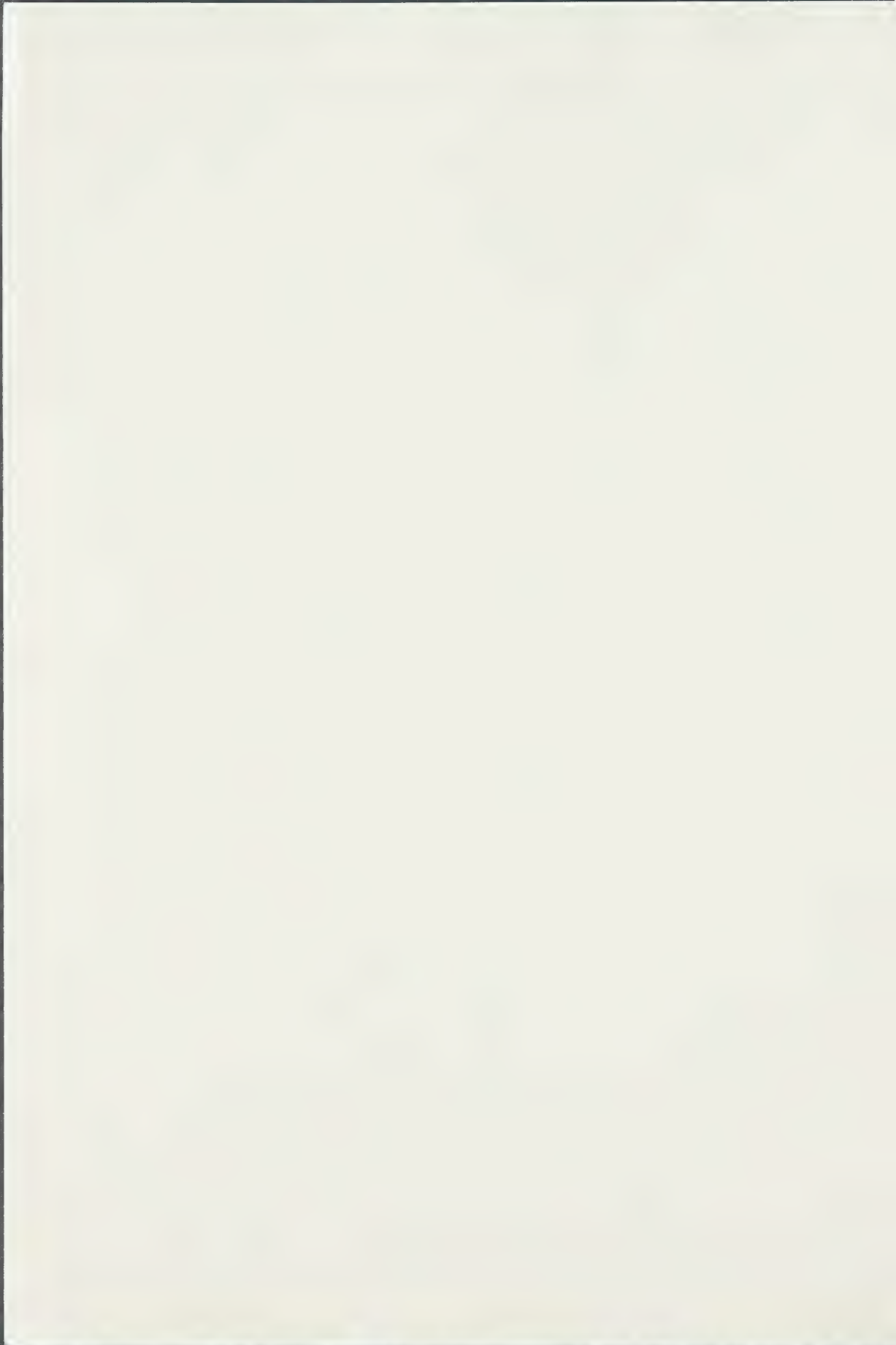
Sigma Aldrich management did not do this. All we received was Kirk Richter's memo of May 2. Also our board passed on May 7 a resolution regarding compliance with the regulations.

Copies of both are attached, as is Tom Cori's notice regarding my retirement.

Please call me at your convenience to discuss. My home phone number is 414 962 5169; my fax is 414 962 8322.

Best regards,







SIGMA-ALDRICH CORPORATION  
AGENDA  
St. Louis, Missouri

February 18, 1991  
St. Louis Club  
15th Floor, 7701 Forsyth Boulevard  
(314) 726-1964

6:15 p.m. Cocktails --- Jefferson Room

7:00 p.m. Dinner --- Chouteau Room

Out of town directors will be staying at the Daniele Hilton, 216 North Meramec, Clayton, Missouri, telephone (314) 721-0101.

February 19, 1991  
Boardroom, 3050 Spruce Street

8:00 a.m.---Compensation Committee Meeting: D. Brandin, D. Kipnis, A. Newman,  
W. O'Neil

8:30 a.m.---Nomination Committee Meeting: D. Brandin, T. Cori, D. Kipnis,  
A. Newman, W. O'Neil

8:45 a.m.---Audit Committee Meeting: M. Klitsner, J. Sandweiss, S. Weinberg

9:15 a.m.---Board of Directors' Meeting

Call to Order - A. Bader

Approval of Minutes - Directors' meeting of November 13, 1990.  
See attached.

Report of the Audit Committee - S. Weinberg (10 minutes)

Report of the Nomination Committee - D. Kipnis (10 minutes)

Financial Report - K. Richter (15 minutes)

Consideration of a \$.055 Dividend - Payable March 15, 1991 to  
stockholders of record as of March 1, 1991. (5 minutes)

Senior Management Report - T. Cori, P. Gleich, D. Harvey, K. Richter  
(45 minutes)

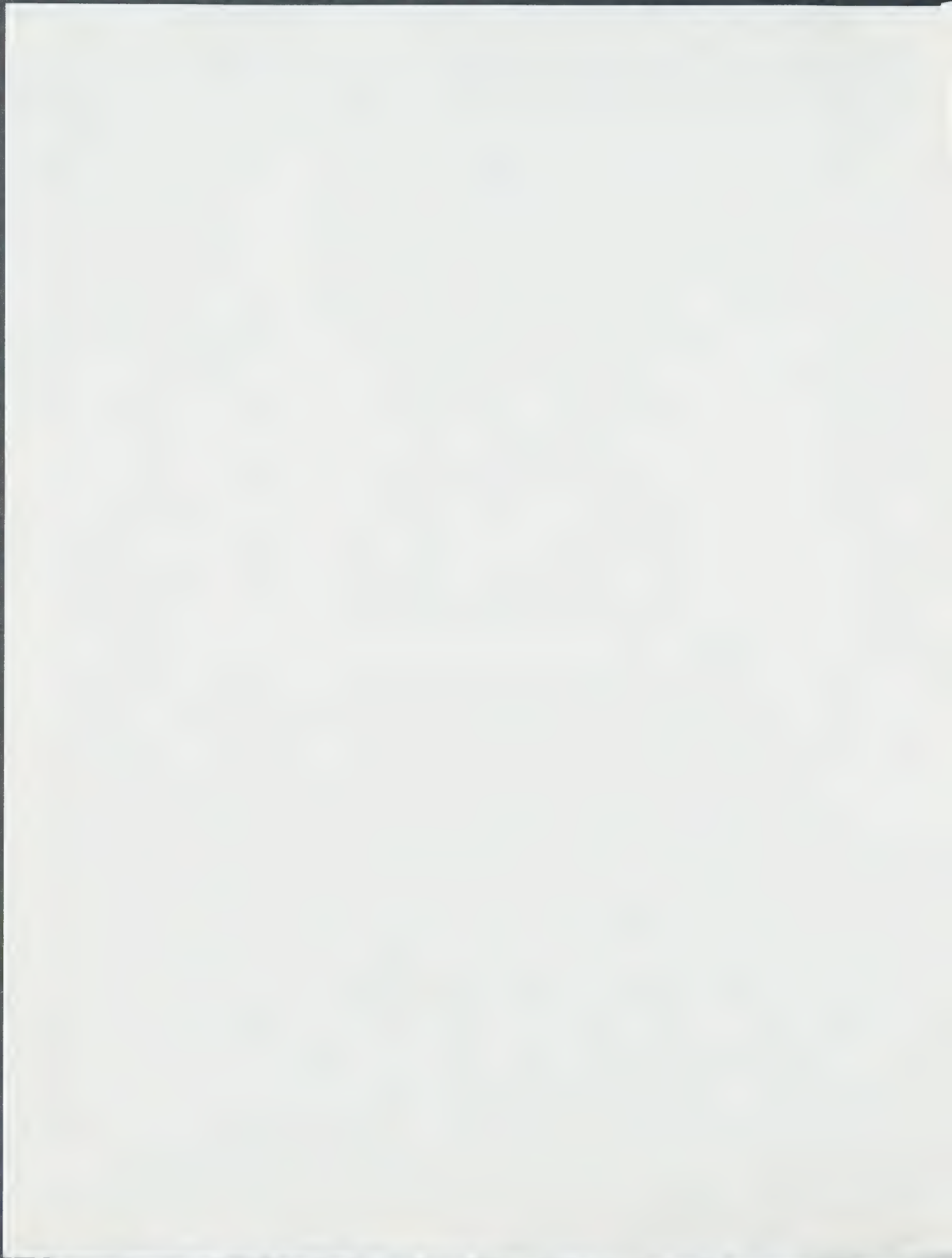
Miscellaneous Business - (5 minutes)

Lunch will be served after this meeting.

The next meeting is scheduled for Tuesday, May 7, 1991 in Milwaukee.



Peter A. Gleich  
February 14, 1991



(Brandin blue)

February 6, 1991

Mr. Donald N. Brandin  
60 Briarcliff  
St. Louis, Missouri 63124

Dear Don:

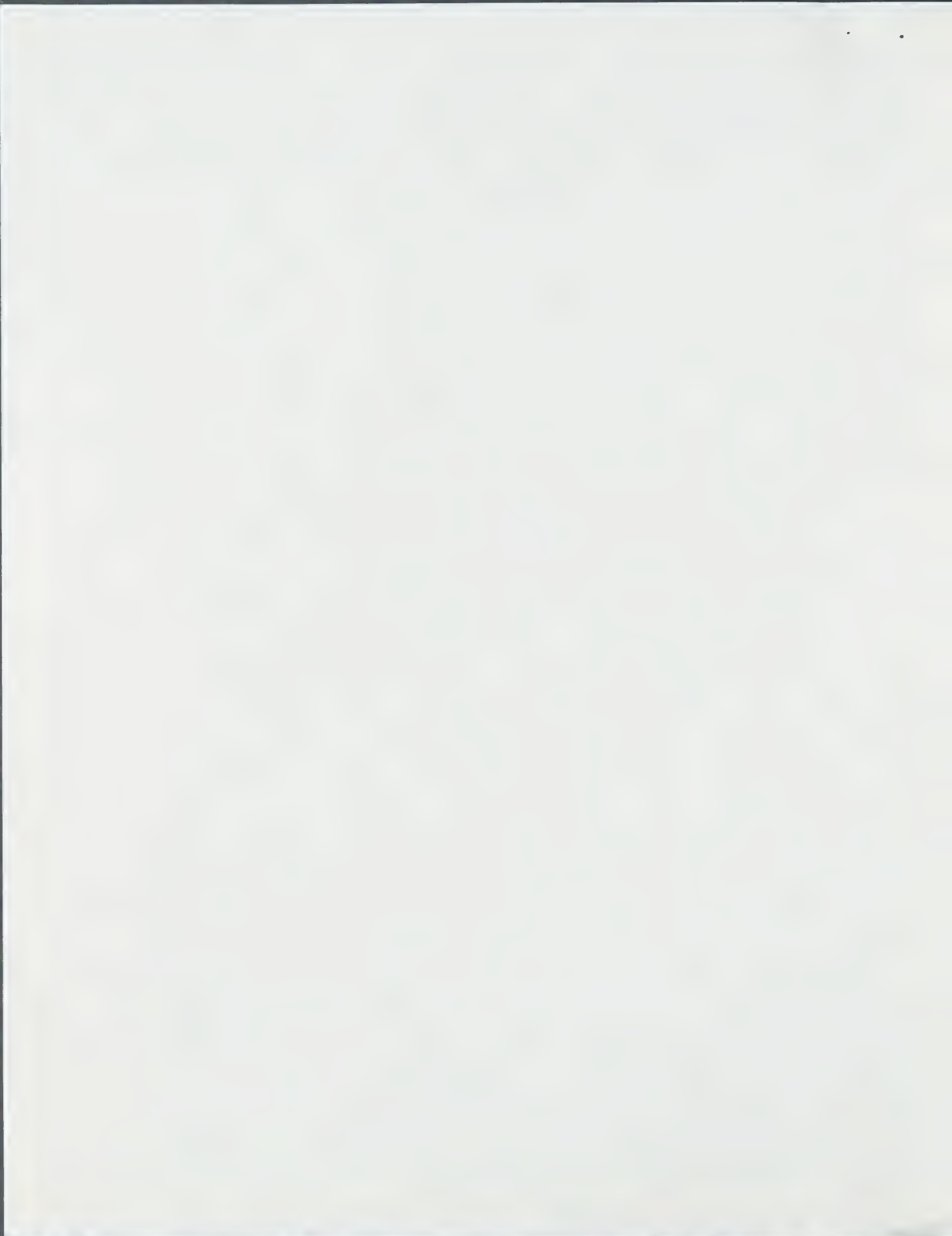
After the last compensation committee meeting, you told me that you wanted to avoid the kind of fight Sigma-Aldrich had with Dan Broida, and that hence I should resign as Chairman in May, and let Tom be Chairman and President.

It seems to me that the cases of Dan and me are as different as chalk and cheese. You know what Dan was like, immensely able and hard-working, but also autocratic and incapable of sharing authority with anyone. Since Tom became President and CEO and I Chairman, Tom has made all the important decisions and I have tried hard to do that which I think I do best--as I will outline.

Unfortunately there is only one director, David Harvey, who knows in some detail what I do, and how consistently hard I work. Certainly none of the members of the compensation committee know, and so I would like to outline this to you.

I travel about half of the time, always on company business, about four months in Europe and two in the United States. I concentrate on:

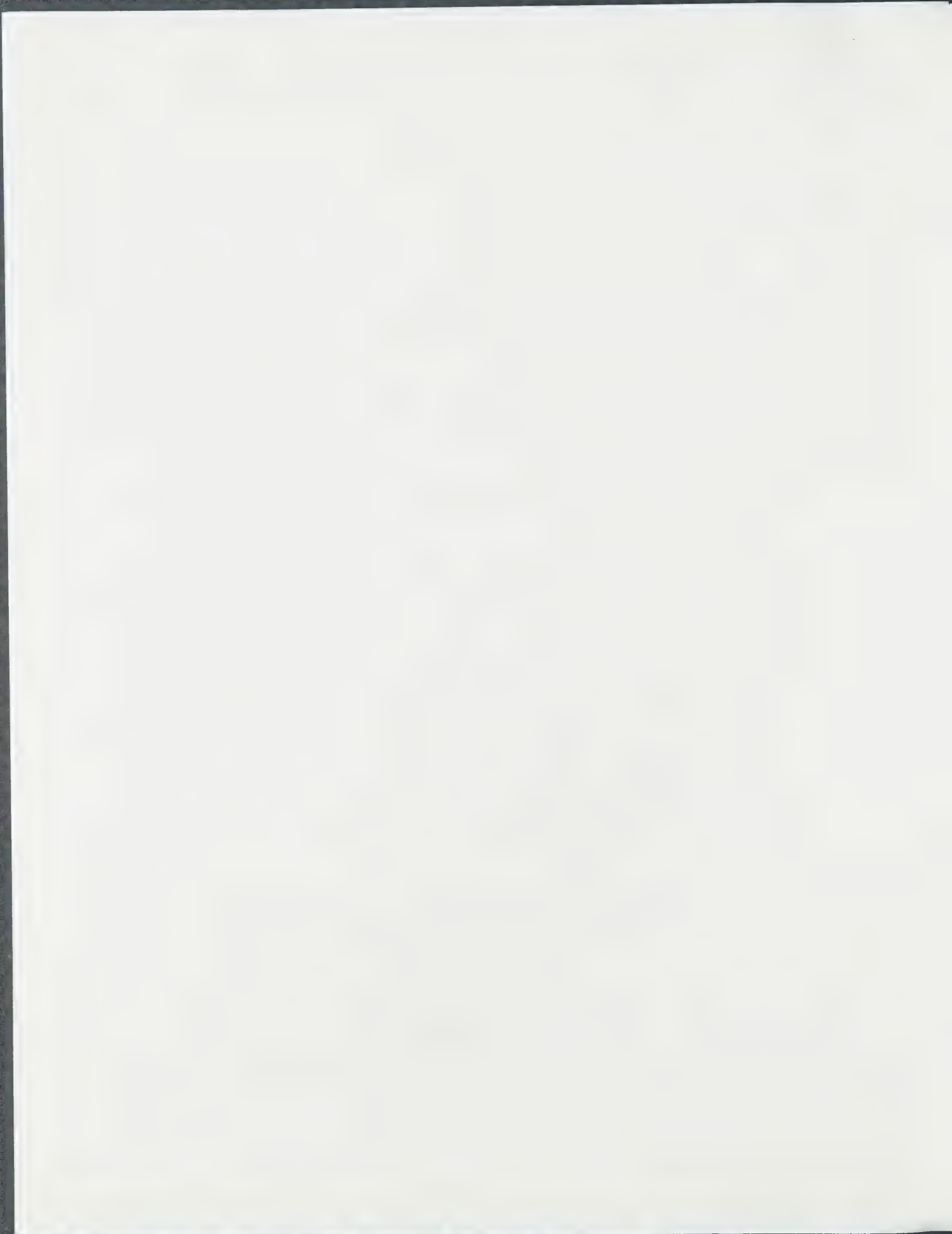
1. Acquisition of new products, both for Sigma and Aldrich, since they assure our future growth. Last year I paid special attention to products from East Germany, Czechoslovakia and Hungary. I also visit many dozens of established suppliers and order those products which are new to them and us.
2. Contact with academics in North America and Europe. Ninety per cent of the world's best research is done by ten per cent of the academics, and I try to visit these each year to get their suggestions for new products we could make. Attachment A shows the list of new products made at Aldrich recently; the products starred were suggested through my personal visits. These came to Aldrich, but those of biochemical interest are quickly added to the Sigma catalog.
3. Recruitment of scientists. During my travels professors often tell me of really able chemists about to graduate. The last two Ph.D.'s to be hired by Aldrich Ltd. and several Ph.D.'s at Sigma Poole, for instance, joined us through such referrals.



Mr. Donald N. Brandin  
February 6, 1991  
Page Two

4. Bulk purchases. Many of our best sellers are based on purchase contracts which are not routine, and require tricky, personal negotiation. Naturally I share all the details of these with David Harvey and our purchasing people.
5. The Aldrichimica Acta (attachment B) has become the best chemical house organ in the world. It goes to 250,000 scientists and is accepted as a responsible scientific journal. Most of the papers are submitted through me, and I am responsible for its layout.
6. Advertisements. Aldrich advertises in about ten international scientific journals, generally full page, back cover (attachment C). Many of the suggestions for these come from me, and some are written by me.
7. Contact with subsidiaries. I visit most of our subs each year, and speak to our German and English companies several times a week--usually to coordinate purchases. Keep in mind that only two in our management speak German--David Harvey and I--and that greatly facilitates communication.
8. The Alfred Bader Library of Rare Chemicals (attachment D). This is a collection of about 50,000 research samples acquired from professors around the world. Sales, handled by two people, are about \$500,000 annually, and very profitable. About five per cent of my time is spent acquiring collections and making special sales.
9. Lectures (attachment E). I present about 80 lectures a year. The lead lecture, "Challenges at Sigma-Aldrich" gives some of the history of the company and what we do now. Naturally it is aimed at our customers and prospective employees. Other lectures deal with our selection of new products, and chemistry, art and the Bible, and with the history of chemistry.
10. Public relations (attachment F). I have funded a number of awards and many scholarships and prizes in the United States, Canada and Britain. As I am Chairman of the company, these awards are identified with Sigma-Aldrich. Our personal donations in 1990 alone have exceeded \$600,000.

Naturally the time will come when I should cease being Chairman, and perhaps continue as honorary chairman, and do whatever I can to help the company. That should be when Tom has a really competent successor in place as president, and one or perhaps two younger executives have learned carefully what I do. Right now, Don, our management is terribly thin and that scares me no end.





Mr. Donald N. Brandin  
February 6, 1991  
Page Three

You know, perhaps better than I, what Tom is like: he is one of the most intelligent and hard-working people I know, yet he also has difficulties sharing authority, and many competent people in management have come and gone. And I am often surprised at Tom's thoughtless acts. His suggestion--made after the last directors' dinner--that my salary be cut--regardless of the millions of dollars I bring in annually, is an example. Clearly I can live comfortably without my salary, but I would find a cut demeaning and so counterproductive. And I would find being removed as Chairman without Tom's succession in place equally demeaning, and what is to be gained?

Despite Tom's proven intelligence and hard work, our top management is so thinly spread that we have made some pretty horrible mistakes which have affected morale and the bottom line.

Please discuss all of this with Tom. I am sending copies of this to the other members of your committee, and will visit with you in St. Louis before the next board meeting if you think such a meeting would be constructive. Before the last Aldrich board meeting, I tried to find out how the company would benefit if I ceased being Chairman of the Board and to explain all of this to Tom, but time was short and I received no answer that I could understand, and am not sure that Tom understood.

Occasionally Tom has asked me for my help, and I have been as pleased as punch to do my best. Our Sigma purchasing people ask for help regularly and I work constantly with our Aldrich sales and purchasing people and our customers and suppliers, here and abroad. And I truly enjoy helping (attachment G).

Luckily scientists around the world appreciate me --as evidenced by six honorary doctorates from universities in the United States, Canada and Britain, and being invited to consider the presidency of the American Chemical Society (attachment H). I would not accept that now because it would interfere too much with my work at Sigma-Aldrich. Similarly I have turned down an adjunct professorship at a prestigious university and have been assured that the offer would be kept open.

Don, I started Aldrich just 40 years ago (attachment I) and am proud of what Sigma-Aldrich has become--the world's finest supplier of research chemicals, saving researchers millions of man-hours of work. Everywhere--except in Spain--I am introduced with the same question: where would biochemists be without Sigma and organic chemists without Aldrich?

Tom is very much a loner--you know his favorite statements--"I don't trust anyone, why should I trust you," and "There are no friends in business,"--and yet, through his ability and hard work he has done wonderfully well guiding Sigma-Aldrich. Yet what if . . .he is in his fifties, without clear succession. His life and the company's future would be much more secure if he



Mr. Donald N. Brandin  
February 6, 1991  
Page Four

found a really able successor he can trust and if he would work also with me sincerely. He knows that I have not challenged his authority, nor do I present any threat.

Please help by considering all this carefully, and discussing it with Tom, and then with me.

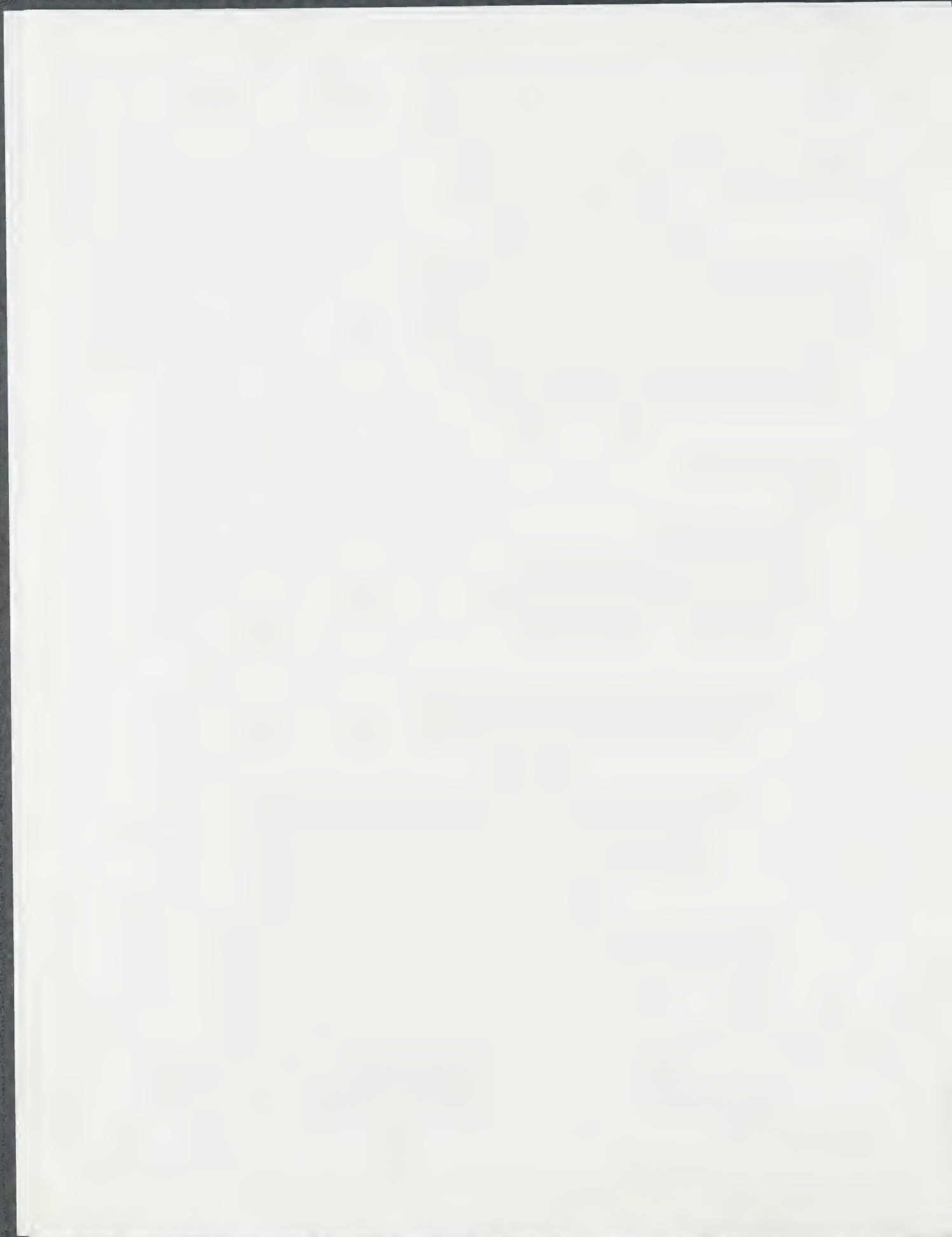
Sincerely,

Alfred Bader

AB:mmh

Enclosures

cc: Dr. Tom Cori  
Dr. David M. Kipnis  
Mr. Andrew E. Newman  
Mr. William C. O'Neil, Jr.



Dr. Alfred R. Bader  
2961 North Shepard Avenue  
Milwaukee, Wisconsin 53211

January 9, 1992

Via Fax 212 797 3610

4 pages

Mr. Jim Weinberg  
Goldman Sachs

Dear Jim,

When I called you from England last month, you told me that you believed that directors of most companies were advised by management not to deal in options, and that option trades had to be reported under the new May SEC regulations.

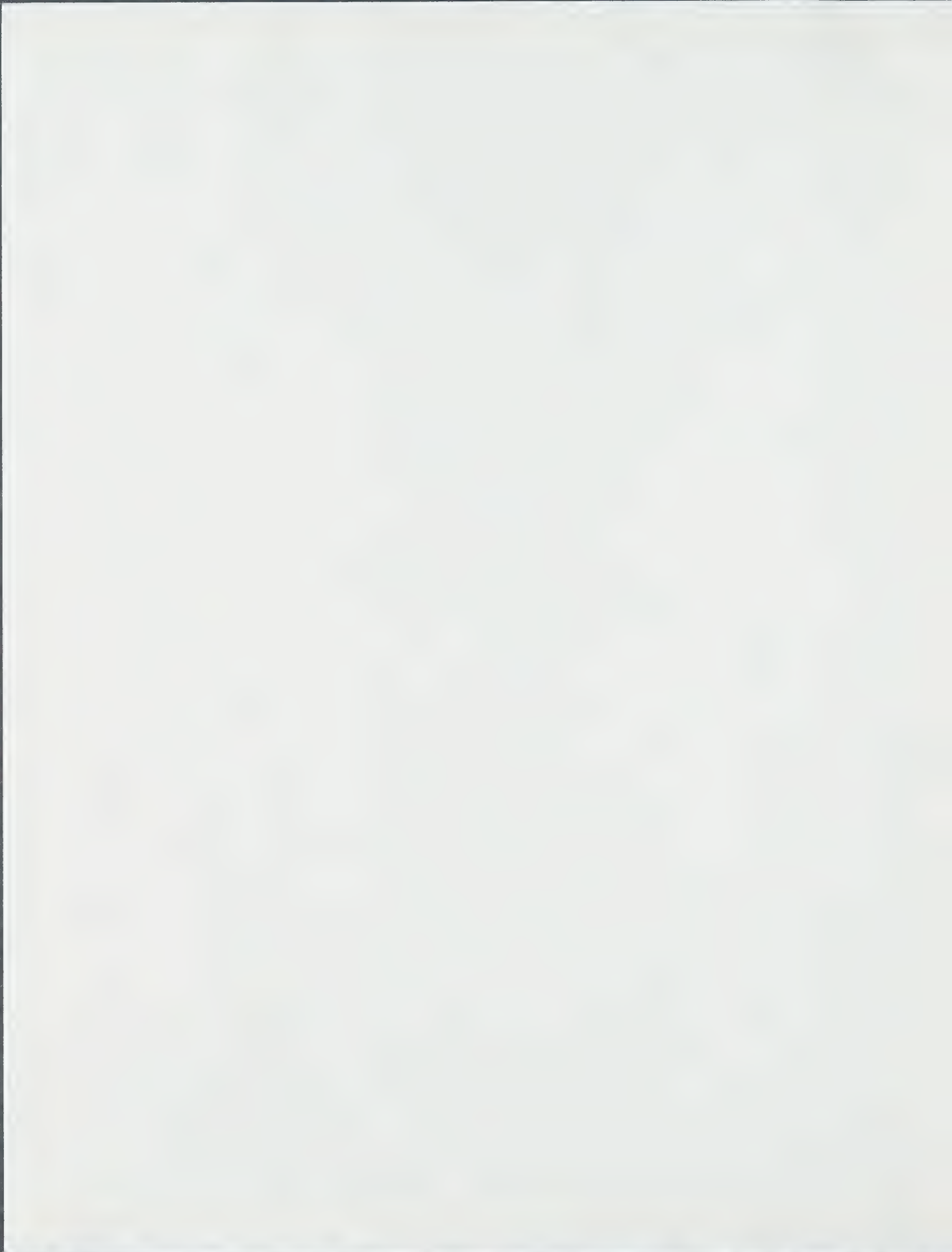
Sigma Aldrich management did not do this. All we received was Kirk Richter's memo of May 2. Also our board passed on May 7 a resolution regarding compliance with the regulations.

Copies of both are attached, as is Tom Cori's notice regarding my retirement.

Please call me at your convenience to discuss. My home phone number is 414 962 5169; my fax is 414 962 8322.

Best regards,





BRYAN, CAVE, McPHEETERS & McROBERTS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

700 THIRTEENTH STREET, N.W.  
WASHINGTON D.C. 20005-3960  
202) 508 6000

333 SOUTH GRAND AVENUE  
LOS ANGELES CALIFORNIA 90071 3171  
(213) 628 8000

245 PARK AVENUE  
NEW YORK NEW YORK 10167-0034  
212) 692 1800

2800 NORTH CENTRAL AVENUE  
PHOENIX ARIZONA 85004-1019  
602) 230 7000

200 MAIN STREET  
KANSAS CITY MISSOURI 64141-6914  
816) 374-3200

500 NORTH BROADWAY  
ST. LOUIS, MISSOURI 63102-2186  
(314) 231-8600  
FACSIMILE (314) 231 5817

18881 VON KARMAN  
RVINE CALIFORNIA 92715 1500  
714) 757 8100

120 BROADWAY  
SANTA MONICA, CALIFORNIA 90401-2305  
213) 576-2100

29 QUEEN ANNE'S GATE  
LONDON SW1H 9BU  
44) (71) 222 0511

POST OFFICE BOX 20883  
RIYADH 11465 SAUDI ARABIA  
966) (1) 465-1371

STRESEMANNALLEE 33  
D 6000 FRANKFURT AM MAIN 70  
.49) (69) 6315024

November 1, 1991

VIA FEDERAL EXPRESS

FOIA CONFIDENTIAL  
TREATMENT REQUEST

David S. Kempers, Esq.  
Branch of Enforcement  
United States Securities  
and Exchange Commission  
Regional Office  
Room 1204  
Everett McKinley Dirksen Building  
219 South Dearborn Street  
Chicago, Illinois 60604

Re: Response to October 22, 1991 Voluntary Request  
For Information to Kirk Richter, Controller,  
Sigma-Aldrich Corporation ("the Company")

Dear Mr. Kempers:

This will confirm our recent conversation in which I advised you that we represent Sigma-Aldrich Corporation in connection with your October 22, 1991 voluntary request for information.

I understand your request is based on a possible leak of information concerning Sigma-Aldrich's second quarter financial results prior to their release to the public on August 13, 1991. I also understand that your inquiry does not pertain to the contents of the second quarter financial results or timing of their public announcement. Please let me know if these understandings are incorrect.

David S. Kempers, Esq.  
November 1, 1991  
Page -2-

The enclosed response to your request contains a chronology of the significant events leading to the public announcement of the June 30, 1991 results, as well as the identities of the key personnel involved in that process.

In response to your request that we treat your inquiry as confidential, we would also respectfully ask that this letter and enclosure be given confidential treatment pursuant to applicable Freedom of Information Act regulations, 17 C.F.R § 200.83, et seq.

Together with our client we intend to cooperate fully in providing you with any data pertinent to your inquiries. So, don't hesitate to contact me.

Sincerely,

  
J. Thomas Archer

Enclosures

cc: Kirk Richter, Controller  
Sigma-Aldrich Corporation

Freedom of Information Act Officer,  
Securities and Exchange Commission

SIGMA-ALDRICH CORPORATION

Resolutions to be presented to the Board of Directors at meeting of February 18, 1992:

RESOLVED, that pursuant to Section 2.01 of the By-Laws the 1992 annual meeting of the shareholders be held at 11:00 a.m. (CDT) on Tuesday, May 5, 1992, at The Boatmen's National Bank of St. Louis, 100 North Broadway, St. Louis, Missouri 63101;

FURTHER RESOLVED, that the record date for shareholders entitled to vote be March 6, 1992;

FURTHER RESOLVED, that the proxy form designate Andrew E. Newman and William C. O'Neil, Jr., or either of them as proxies;

FURTHER RESOLVED, that Larry Kallio is hereby appointed to act as inspector of election at the 1992 Annual Shareholders Meeting in accordance with Section 231 of the Delaware General Corporation Law, and that Jerry Smith and John Reitano, in that order, are hereby designated as alternate inspectors.

\* \* \*

RESOLVED, that Article 3.01 of the By-Laws of Sigma-Aldrich Corporation be amended, effective at the 1992 annual meeting, to read as follows:

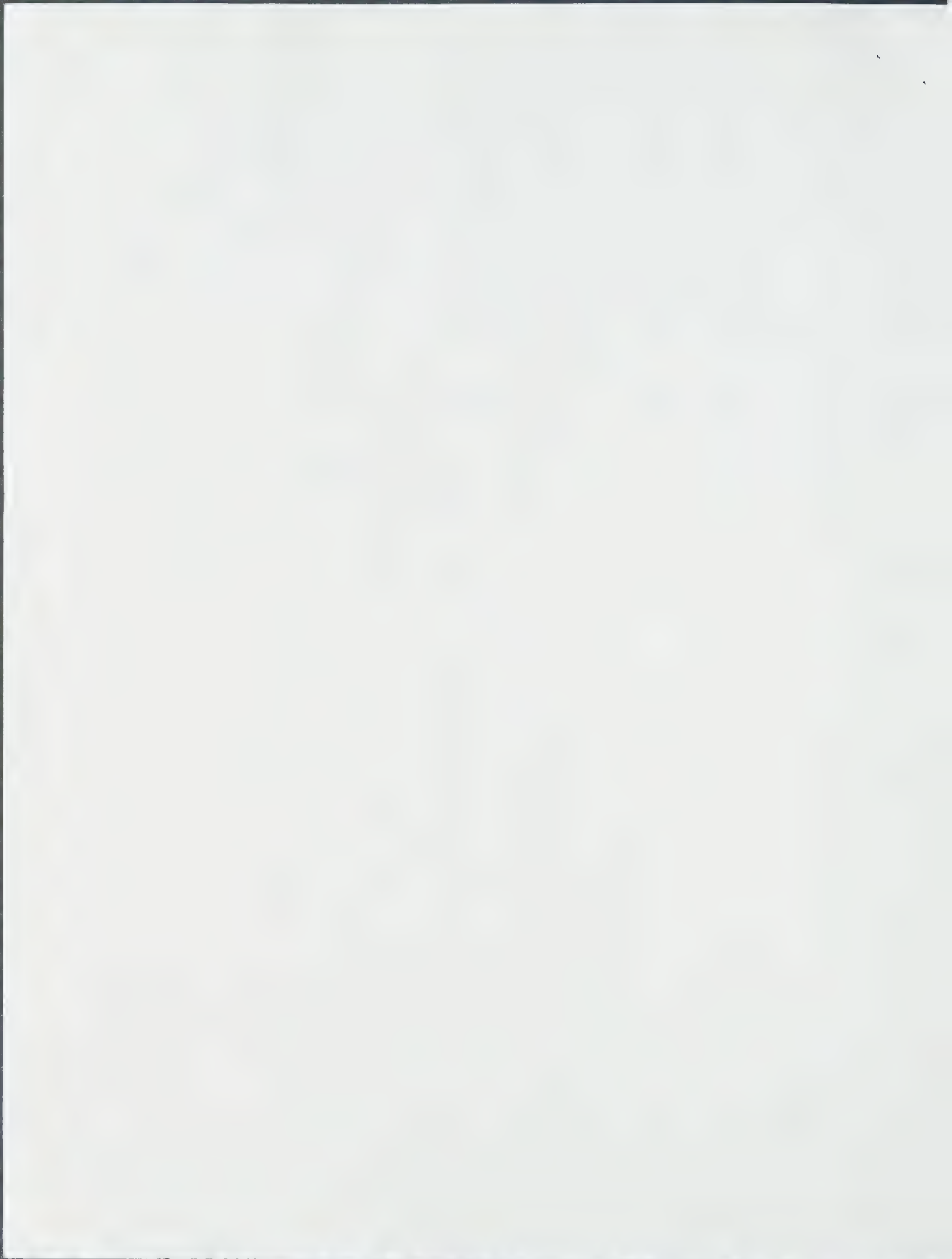
3.01 General Powers, Number and Election.

The business and affairs of the corporation shall be managed by its Board of Directors. The number of directors of the corporation shall be nine who shall be elected by the shareholders at the annual meeting of shareholders.

\* \* \*

RESOLVED, that management's slate of directors to be submitted to the shareholders at the annual meeting be Donald N. Brandin, Carl T. Cori, David R. Harvey, David M. Kipnis, Andrew E. Newman, William C. O'Neil, Jr., Jerome W. Sandweiss, Thomas N. Urban, Jr. and Sidney J. Weinberg, Jr.

WO:bb  
2/14/92





## S.E.C. REPORTING

### DISCLOSURE OF SECTION 16 VIOLATIONS

- A memo describing reporting requirements was distributed to non-management directors in April, 1991 (form on reverse)
- Disclosure of reporting requirements and any violations in 1991 year-end reports is as follows:

Form 10-K - The following statement will appear on the cover of this report:

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [ ].

1992 Proxy Statement - A statement of the reporting requirements together with the compliance by required parties will be disclosed as follows:

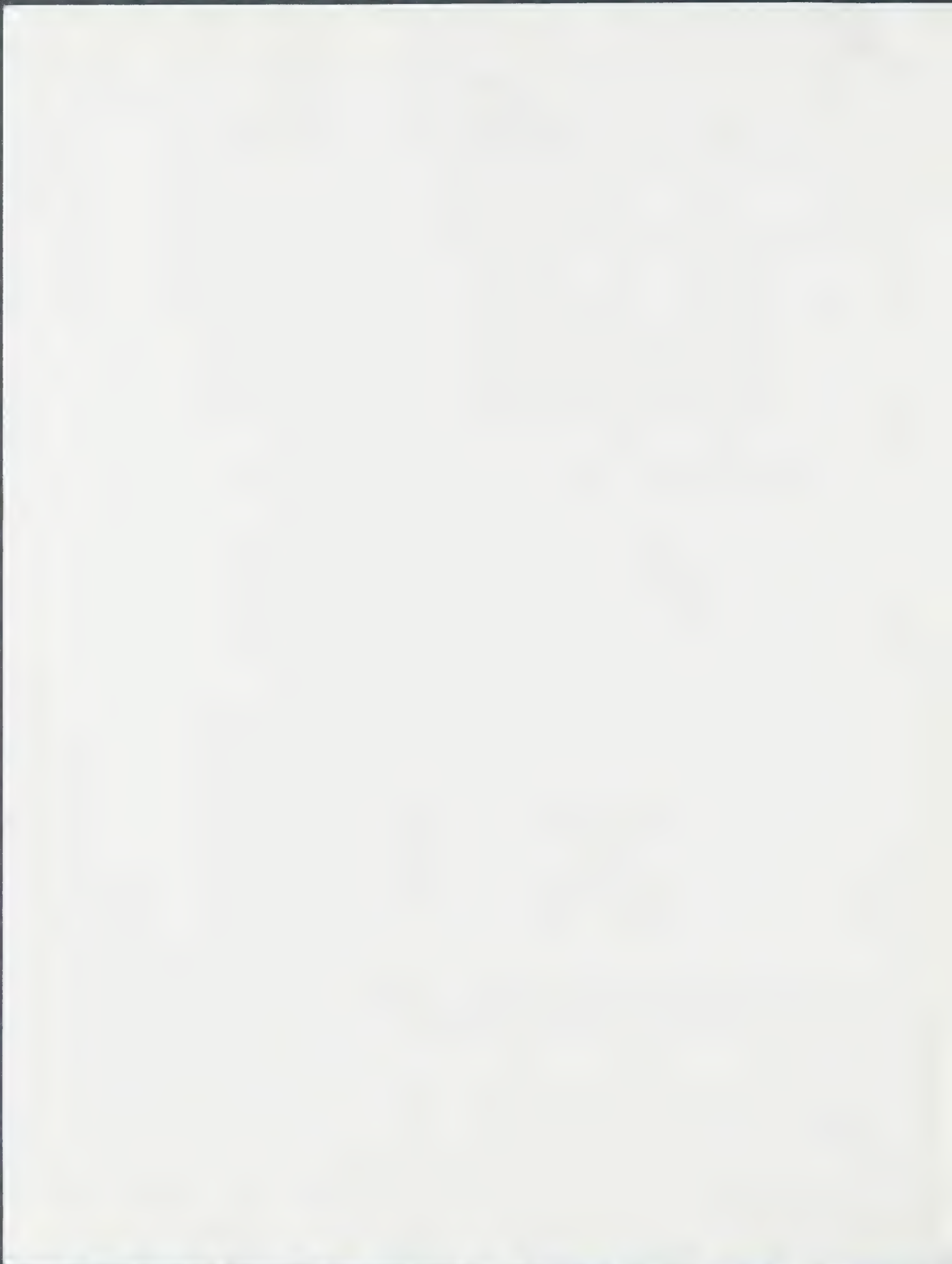
Section 16(a) of the Securities and Exchange Act of 1934 requires that the Company's officers and directors, and persons who own more than ten percent of the Company's outstanding stock, file reports of ownership and changes in ownership with the Securities and Exchange Commission and any national securities exchange on which the Company's securities are listed and furnish the Company with copies of all Section 16(a) reports so filed.

Since May 1, 1991, to the knowledge of the Company, all Section 16(a) filing requirements applicable to its officers, directors, and ten percent owners were complied with except as set forth below.

Alfred R. Bader filed one report late relating to one transaction and Marvin E. Klitsner filed four reports late covering an aggregate of fourteen transactions, both due to a misinterpretation of the reporting requirements for derivative securities. In addition, Peter A. Gleich filed one report late covering two transactions due to a misinterpretation of the beneficial ownership rules.

- Items not requiring disclosure - Section 16 liability paid to the Company by Marvin Klitsner in the amount of \$25,475 need not be disclosed since it is less than the minimum disclosure amount of \$60,000.

KAR/tm  
2/11/92



4

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FACSIMILE (414) 289-3791

WRITER'S DIRECT LINE

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MADISON, WISCONSIN  
CHICAGO, ILLINOIS  
WASHINGTON, D.C.  
ALEXANDRIA, VIRGINIA  
ANNAPOLIS, MARYLAND  
JACKSONVILLE, FLORIDA  
ORLANDO, FLORIDA  
TALLAHASSEE, FLORIDA  
TAMPA, FLORIDA  
WEST PALM BEACH, FLORIDA

November 12, 1991

**VIA MESSENGER**

**(DELIVER PERSONALLY TO MARILYN HASSMAN)**

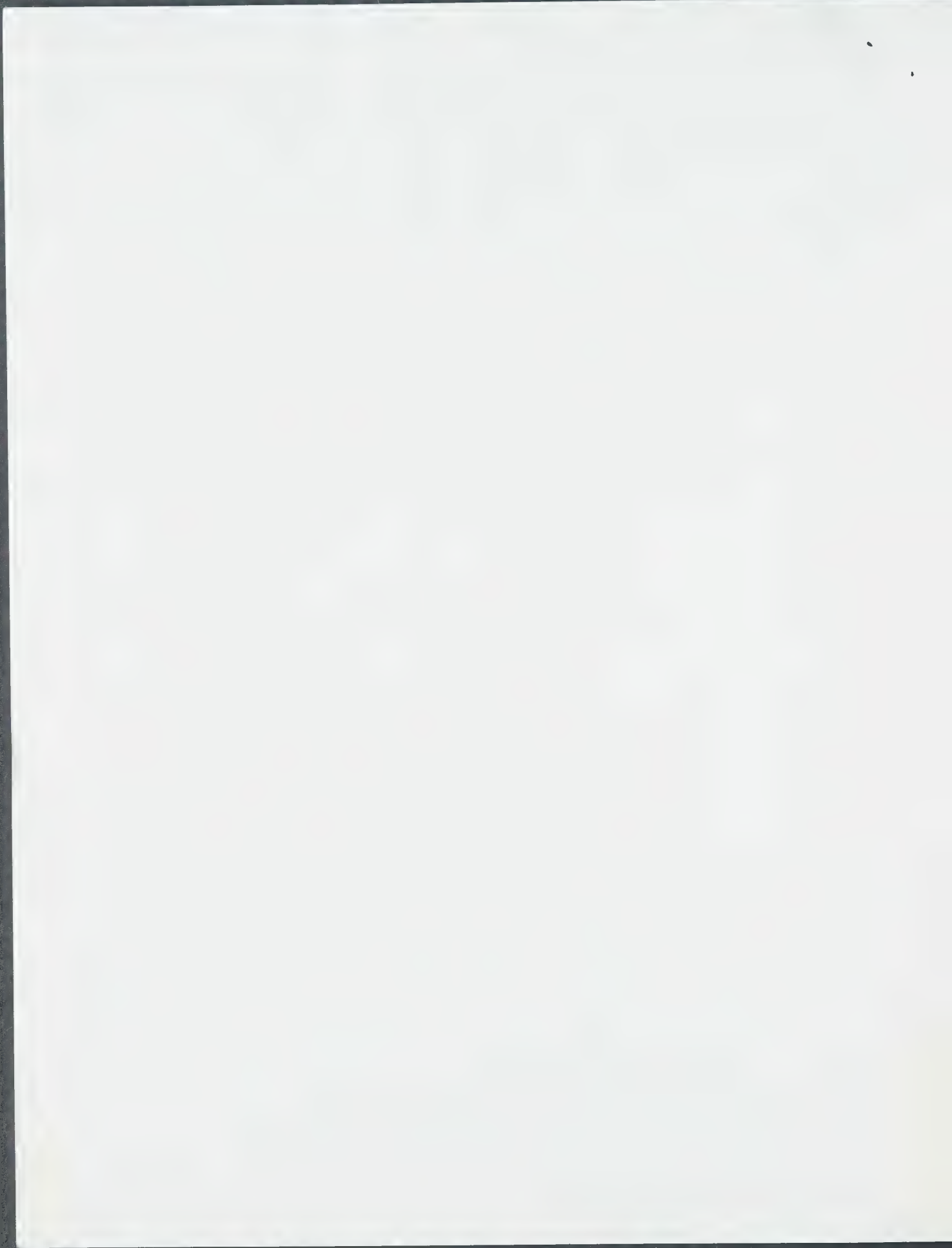
Dr. Alfred R. Bader  
Aldrich Chemical Company, Inc.  
940 W. St. Paul Avenue  
Milwaukee, Wisconsin 53233

Dear Alfred:

It just came to our attention through Marv Klitsner and Bill Shield that on August 15, 1991 you wrote 100 covered call options in Sigma-Aldrich Common Stock and earned a total premium of \$26,875. The options have an exercise price of \$45 per share and expire January 31, 1992.

Under new SEC rules which became effective May 1, 1991, insider purchases and sales of standardized, exchange-traded options in securities of their companies are now fully subject to the Section 16(a) reporting (i.e., Forms 4 and 5) and Section 16(b) short-swing liability provisions. This was not the case under the old Section 16 rules.

Under the new rules, the writing of a call option by an insider constitutes the sale of a so-called "derivative security" and a deemed sale of the underlying shares and must be reported in a Form 4 no later than 10 days after the end of the month in which the transaction occurred (i.e., by September 10 in your case). (Note that a Form 144 should also be filed upon writing the call.) An insider's delivery of stock to satisfy the exercise of a fixed price, in-the-money call option is exempt from Section 16(b) because the transaction is simply a continuation of the sale of stock which was deemed to have occurred upon the writing of the call. An insider may voluntarily report such transaction on a Form 4 or otherwise on his year-end Form 5 (and should also amend his Form 144 at the time of exercise). Importantly, the expiration or cancellation of a call option written by an insider is deemed to be a repurchase of the underlying securities for purposes of Section 16(b) and the new SEC rules specifically provide that any premium earned on an option that expires within six months of its writing



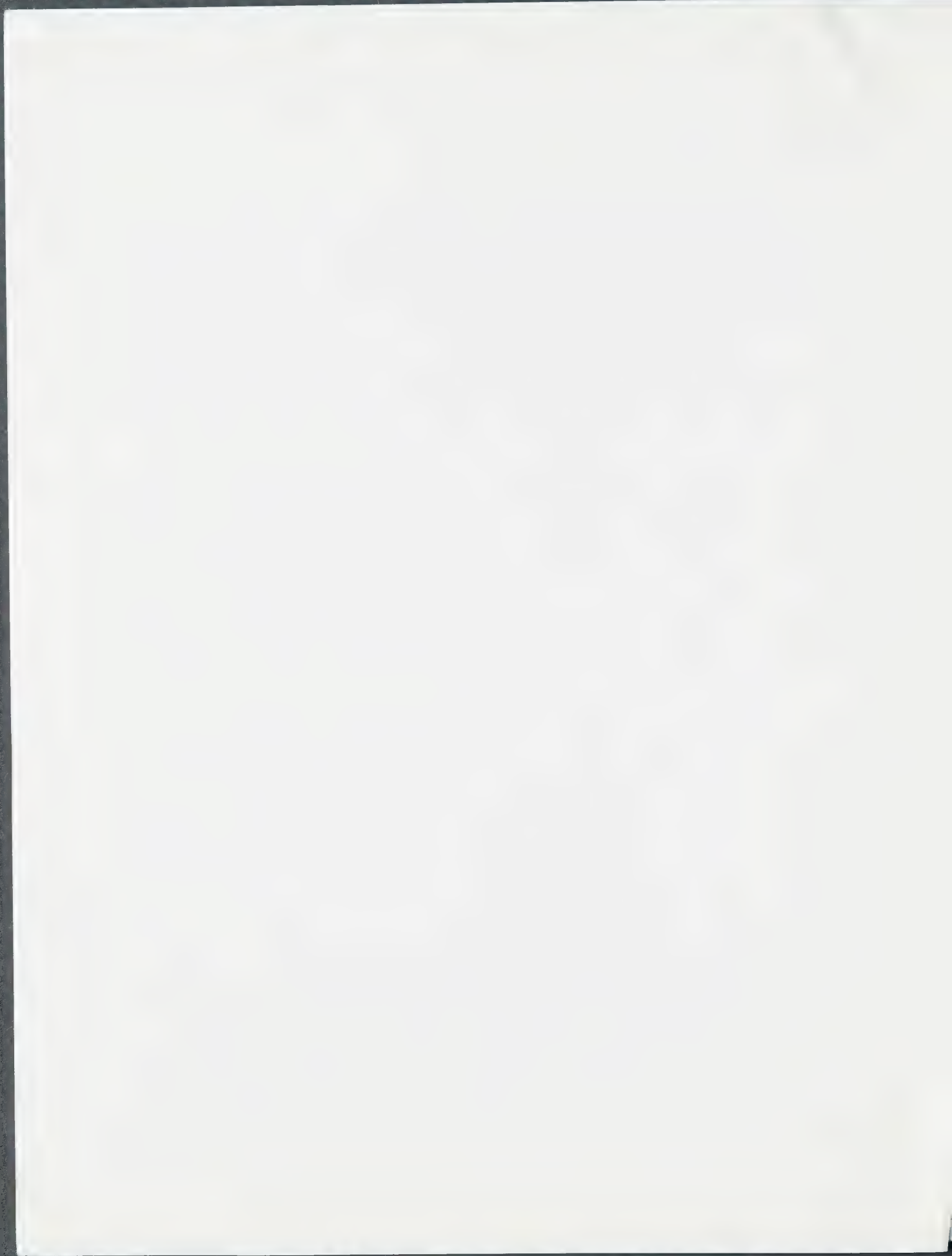
Dr. Alfred R. Bader  
November 12, 1991  
Page 2

is subject to disgorgement under Section 16(b). Expiration of options require a Form 4 filing within 10 days after the month in which the expiration occurred. (For your information, some influential Section 16 commentators take the view that an insider's writing of call options on his company's stock presents a conflict of interest since it is, in essence, a bet against the company.)

Therefore, if the call options which you wrote in August remain out-of-the money and go unexercised, the premium you earned will be subject to disgorgement to the Company under Section 16(b) (you will have no short-swing liability if the options are exercised).

We have considered potential alternative ways to deal with your options. We considered whether you could rollover your January options to April or some subsequent option period. However, this is not a workable solution, since the rollover of the derivative security would apparently be deemed the equivalent of a closing out or expiration of that derivative security and not only would create a Section 16(b) problem for the initial sale and rollover transaction, but would also create an additional Section 16(b) problem for the rollover and its associated expiration date (if within six months). (The only possible advantage to a rollover is its complexity in reporting on a Form 4--which may work to confuse potential discoverers of the violation.)

We also looked at your, in essence, buying back your January call options. This is a possibility and could reduce the disgorgeable spread; however, it is clearly a matchable transaction under the SEC short-swing profit rules and it seems that nothing much is gained by such a buy back (*i.e.*, you would have to pay the buy-back price and still disgorge any remaining premium retained). We also considered, as a last resort, whether you could resign as a director, but this is not workable since all transactions which occur within six months after your last trade while you were a director are matchable under Section 16(b). Perhaps the most practical approach is to wait and see whether or not your options will be in-the-money in early or mid-January. If the options are expected to be in-the-money, then there is no problem since the exercise of the options is a mere continuation of the deemed sale of the Company stock which occurred upon your initial writing of the calls in August. However, if it appears the options will remain out-of-the-money and go unexercised, you could bona fide gift the call obligations and the underlying 10,000 shares of Company Common Stock to your children (or anyone else). This would be an effective continuation of the original deemed disposition of the shares and would result in "saving" the premium earned. However, this approach is not without its downfalls, since 10,000 shares of Company Common Stock at \$40 per share represents \$400,000



Dr. Alfred R. Bader  
November 12, 1991  
Page 3

in value to be gifted away in order to save \$26,875 in premium. It also may have significant gift tax problems. Nonetheless, this may be the most viable option to avoid any appearance of impropriety.

Factored into this analysis, you should be aware that the new Section 16 rules are new and complex, and the foregoing events are not "run of the mill" transactions. Therefore, there is a good possibility that the Section 16(b) plaintiff's lawyers who review Form 4 filings, as well as the Company, may not complain about the foregoing transactions even if your options expire.

As a final note, we have included three copies of a Form 4 for the month of August in which you wrote your covered calls. Please sign the Forms and return them to me so that a filing--although late--can be made with the SEC. (There is no sense in filing a late Form 144 since it is only a "safe harbor" filing anyway.) Unfortunately, the Company will be required to disclose such late filing in its 1992 annual proxy statement.

If you have any questions, please do not hesitate to call me.

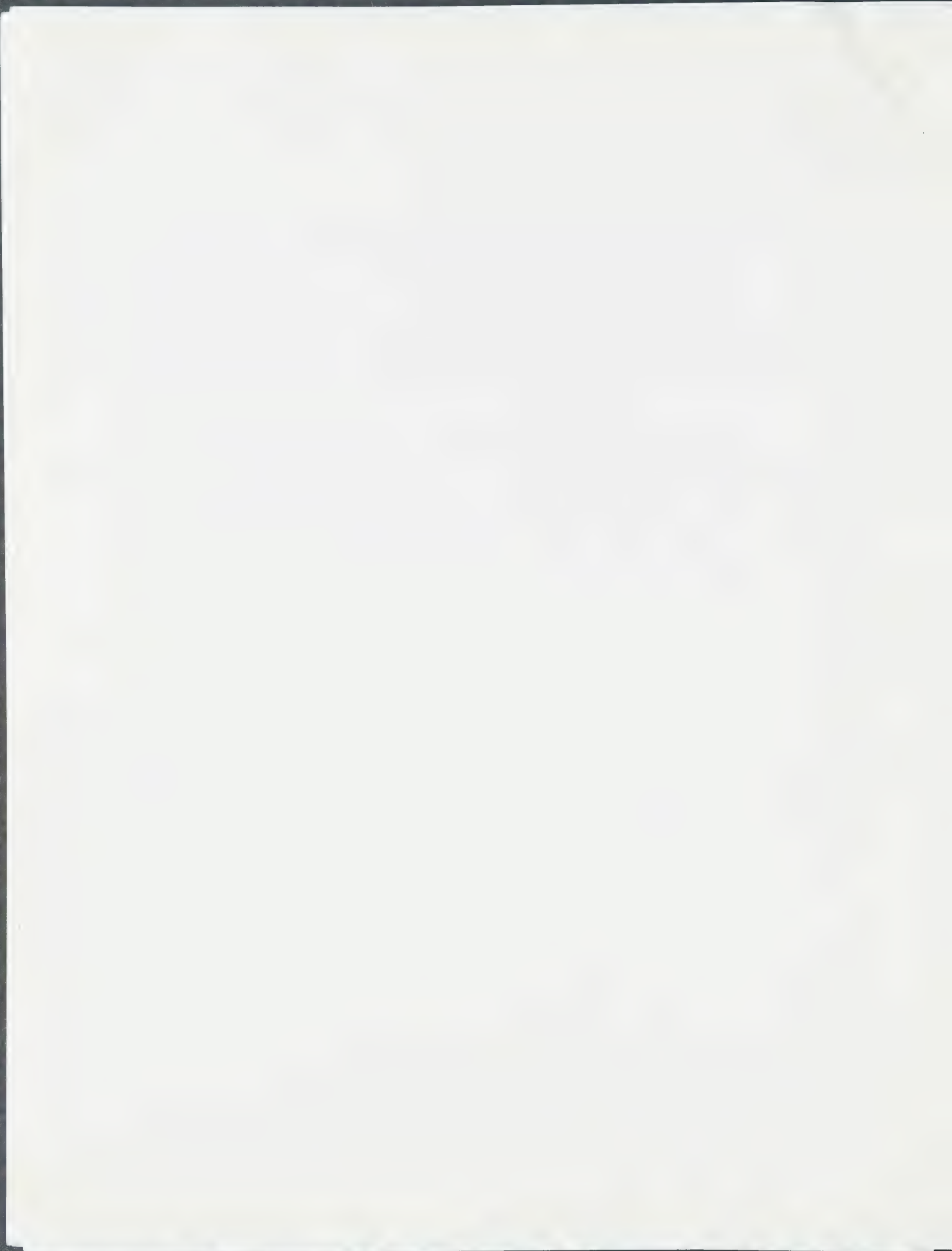
Very truly yours,



Steven R. Barth

Enclosure

cc: Marvin E. Klitsner  
Jere D. McGaffey, Esq.





FOR

CEOs, CFOs, DIRECTORS, EXECUTIVE OFFICERS AND THEIR ADVISERS

**THE CORPORATE EXECUTIVE**

PUBLISHER/EDITOR: JESSE M. BRILL

P.O. Box 3895, San Francisco, CA 94119

THE NEWSLETTER FOR OFFICERS AND DIRECTORS OF PUBLIC COMPANIES

Vol. V, No. 4

September-October 1991

KAR OCT 14 '91

## EXCHANGE-TRADED PUT AND CALL OPTIONS IN COMPANY STOCK—STAY CLEAR AND SECTION 16 PLAINTIFFS' ATTORNEYS' REACTIONS TO THE NEW RULES

### A Word From The Editor

Once again we devote a good portion of this issue to Section 16 related items, in recognition of our readers' need to keep abreast of developments here. Included within are some interesting initial findings on what others are doing in response to the new Section 16(a) reporting requirements, and how the plaintiffs' lawyers are reacting.

You will note that we have attached a new Section 16 Questionnaire to this issue to help us all get a better reading on what others are doing. We ask that you take a moment right now to complete and return the Questionnaire. We would also appreciate your passing copies of the questionnaire on to others as we would like to have as broad a response as possible. (We fear that findings from our readership alone may be somewhat skewed on the side of diligence, so it would be especially helpful for our law firm subscribers and others to pass this questionnaire on to non-subscribers.)

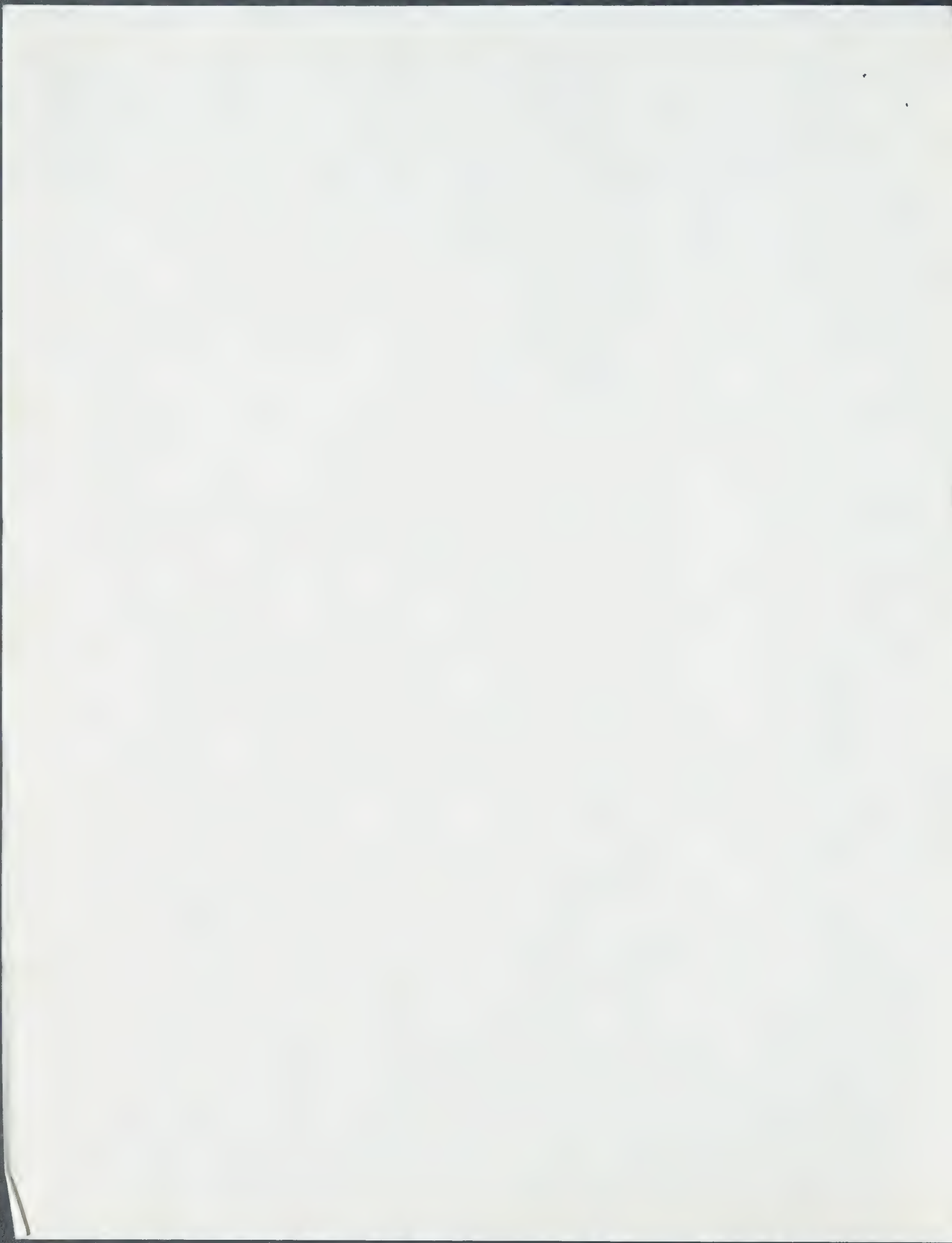
### PUT AND CALL OPTIONS

As promised, we are devoting a portion of this issue to the pitfalls facing officers and directors who may be considering engaging in exchange-traded put and call transactions involving company stock. (The transactions we are referring to include: (1) purchase (and eventual sale) of a call option, (2) the writing of a call option by an insider (i.e., the insider sells through his or her broker a right to purchase the insider's already-owned shares), (3) purchase (and eventual sale) of a put option, and (4) the writing of a put option by an insider (i.e., the insider sells someone a right to sell company stock to the insider).)

Readers have asked us whether there is any place for put and call options in an executive's financial planning strategy. And, if so, what are the securities laws ramifications.

We are strongly opposed to the use of puts and calls by executives, both from a securities law perspective and for the message (quick profits) such transactions send to shareholders.

Most executives understand the hazards of (and thankfully choose to avoid investing in) standardized, exchange-traded put and call option contracts. However, many executives have been



2 approached by brokers and financial planners suggesting that writing call options on already-owned company stock may be a way to have your shares earn money for you while continuing to hold onto them. While a conservative option writing program may make sense for some investors, we cannot see a place for option writing for executives of public companies. When considered in light of the securities laws and company policy considerations, we cannot see any justification for put and call transactions by executives.

## Securities Laws

### Section 16

One impetus for the new Section 16 rules was a concern by the Commission that put and call transactions were not adequately addressed by the old rules, so that it was not clear whether an option transaction would be treated as a transaction in the underlying common stock. Under the new derivative securities concept, acquisitions and dispositions of options are treated as equivalent to transactions in the underlying common stock, which (1) would have to be reported currently on Form 4 (making the transaction highly visible) and (2) would be subject to §16(b) liability if there were a matching transaction (in either an option or the common stock) within six months. [Under the new rules, the acquisition, disposition and expiration (but not exercise) of an option are all reportable/matchable events. Thus, the purchase of a call (or the writing or sale of a put) would be a purchase of the underlying common stock, and the writing or sale of a call (or purchase of a put) would be treated as a sale.]

Moreover, the premium income an insider receives upon writing a call option is treated as recoverable §16(b) short-swing profit (without any matching transaction), if the call merely expires within less than six months after the option is written. Thus, insiders must write calls which do not expire for at least six months (and must not have a matching purchase within six months of the date the call is written).

And, the expiration of a call option written by an insider (whether or not more than six months after the writing of the option) is not exempt from §16(b) and thus not only must be reported currently on Form 4, but is deemed a purchase (the writing of a call option is a sale) of the underlying common stock (at the market price on the date of expiration) which can be matched against any sale

within six months (including the sale involved in the writing of another call option).

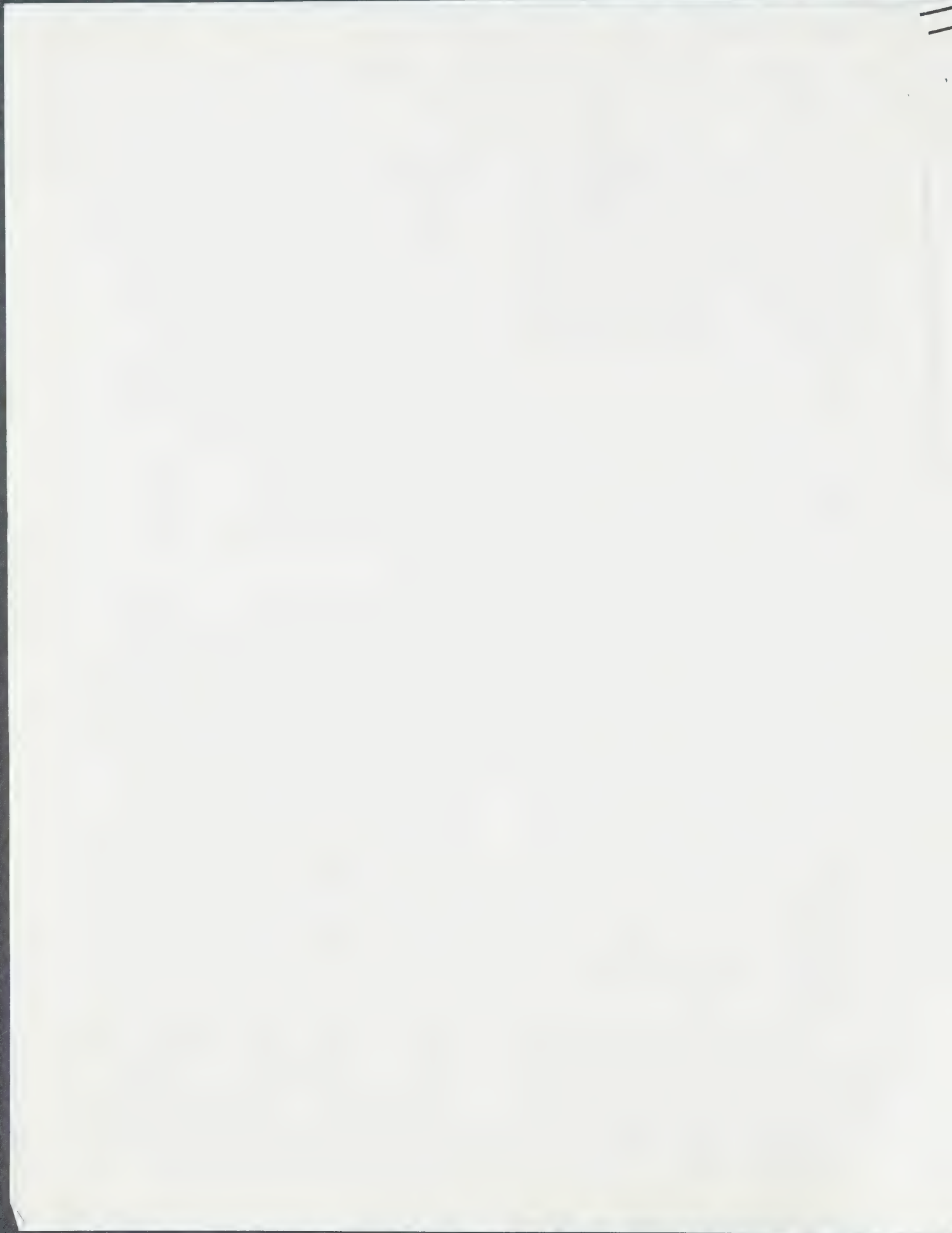
To gain a full appreciation for the application of §16(a) and §16(b) to over 14 different put and call situations, see Model Forms A-95 through A-108 of Peter Romeo and Alan Dye's *Section 16 Forms and Filings Handbook*. (While we do not approve of such transactions by insiders, we recognize the need for guidance in this esoteric area.)

Puts and Section 16(c). It should be pointed out that Section 16(c) prohibits officers and directors from engaging in short sales of company stock. It could be argued that the purchase of a put (which gives the insider the right to sell his stock at a fixed price), for example, is the equivalent of a short sale (i.e., sale without delivery of the stock) and thus prohibited by §16(c). In a recent SEC interpretive letter, this very question was raised by the Staff but left unresolved. (See the July-August 1991 issue of *The Corporate Counsel* at pg 6.)

### Rule 10b-5

As with Section 16, purchases and sales of put and call options are treated as purchases and sales of the underlying securities for purposes of Rule 10b-5. In addition, an officer or director may find that the exchange-traded put or call he has written (relating to his already-owned stock) is exercised by the holder of the option at a time when the insider is in possession of material undisclosed information. This prospect raises some interesting questions: Would the transaction resulting from the option exercise impose upon the insider a duty to publicly disclose the material inside information? Would an insider have an obligation to close out his or her open option position upon becoming aware of inside information (and, wouldn't that closing transaction, e.g., the purchase of a call to offset the call written by the insider, be matchable under Section 16(b) against any sales—including the writing of the call—and would it really solve the unaware call exerciser's 10b-5 claim)?

Writing Calls Against Stock You Do Not Want To Sell. For insiders who write call options against low-basis stock which they do not intend to sell, there is the added risk that if it were necessary to go into the market to purchase a call (or other stock to deliver to the buyer upon exercise of the call) to avoid having to deliver your low-basis stock, such forced purchase could result in a §16(b) and/or 10b-5 violation.



---

Date: May 2, 1991  
To: Sigma-Aldrich Directors  
From: K. Richter *K. Richter*  
Subject: SEC REGULATIONS FOR REPORTING STOCK ACTIVITY OF DIRECTORS

---

In January 1991, the SEC revised Section 16 rules governing insider reporting and short-swing profit liability. The new rules, which became effective on May 1, 1991, deal primarily with:

- a. Clarification of persons subject to Section 16. The directors and officers of Sigma-Aldrich continue to be subject to the Section 16 regulations. A review of the regulations by Bryan, Cave, et al concludes that no division or subsidiary officer is considered an insider. A copy of the conclusion, together with a suggested Board resolution, will be presented at the meeting.
- b. Reporting of stock activity. Form 4 remains unchanged and must be filed by the tenth day of the month following a purchase, sale or transfer of Company stock. A new Form 5 has been added that requires insiders to report other transactions within 45 days after year-end.

The names of directors who have failed to file any Form 4 or 5 on a timely basis must be disclosed in the annual proxy statement. Copies of all future Forms 4 or 5 should be sent to me for the company file. If you need any assistance in completing or filing these forms, please let me know so that all filings can be submitted on a timely basis.

KAR:bb



Sunday, January 26 1992  
On a flight from Orlando

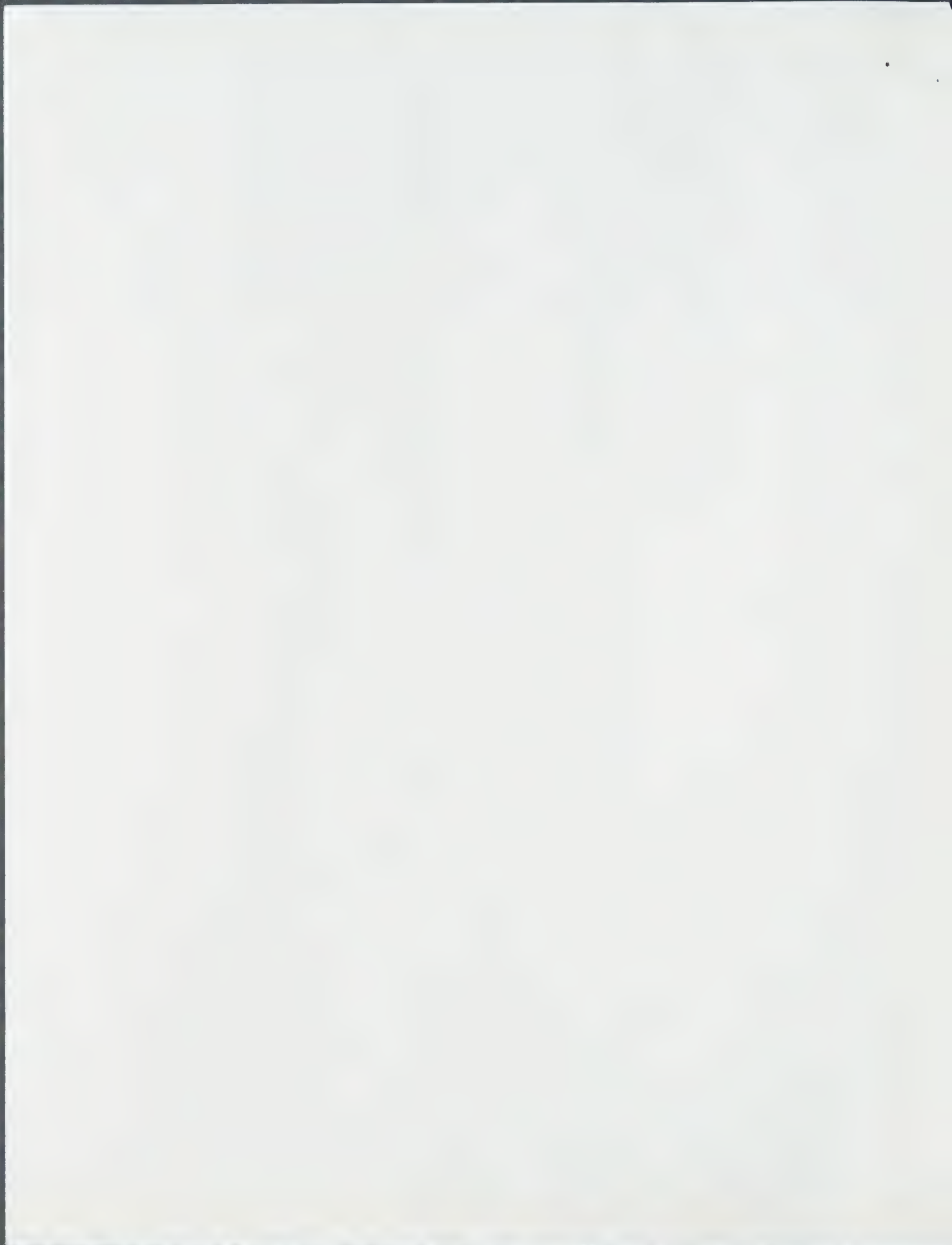
My dear Martin

Just mind that I write on such dinky paper, but we just spent 12 days in Florida - a vacation with an old friend from Lilly, who has become an art dealer and collector - a welcome change after the hectic days in Milwaukee - spent mainly working the envelope has letters, and looking for paintings (successfully) and visiting Isabel's brother and sister-in-law.

Do you remember the Tuesday just ten years ago when you and Jane witnessed Judge Landry's wedding ceremony? The ten years have gone so quickly - will we still be around ten years from now?

The Aldrich board meeting on January 14 went smoothly. Tom, David, Peter Gleich, Tom Telavico and Ben Wolfe were there and David Harvey went out of his way time and again to refer to my work here and there. Why, I wonder? Cori and I didn't say a word to each other, but after the meeting, in Cori's hearing, David asked me to come to his office to discuss a particularly difficult problem, hypothetical. That struck me as ironic, because in the London hotel on November 20, he had told me that our people will just have to learn to work without me.

My thinking now is that we should just do one level best on Feb. 18 to retain our directorships and to get my jobs back - both, not just one - and if that is not possible, to resign in protest - purely a reportable event -





and to get the two letters published. A is for the Am. Chem Soc. publication, B is for either the New York Times or the Wall Street Journal.

To-morrow afternoon I'll meet with Jerry and his partners, and they'll vet these letters to make sure they are neither libelous nor have to be submitted to the SEC because they might seem to create a proxy fight.

Of course I want my job back - but if that is impossible, I think we would be better off not to be directors. Our hands would then be free to do what we like with our stock - even to sell options! - and to fight Cori as hard as we can.

I can see you, Marvin.

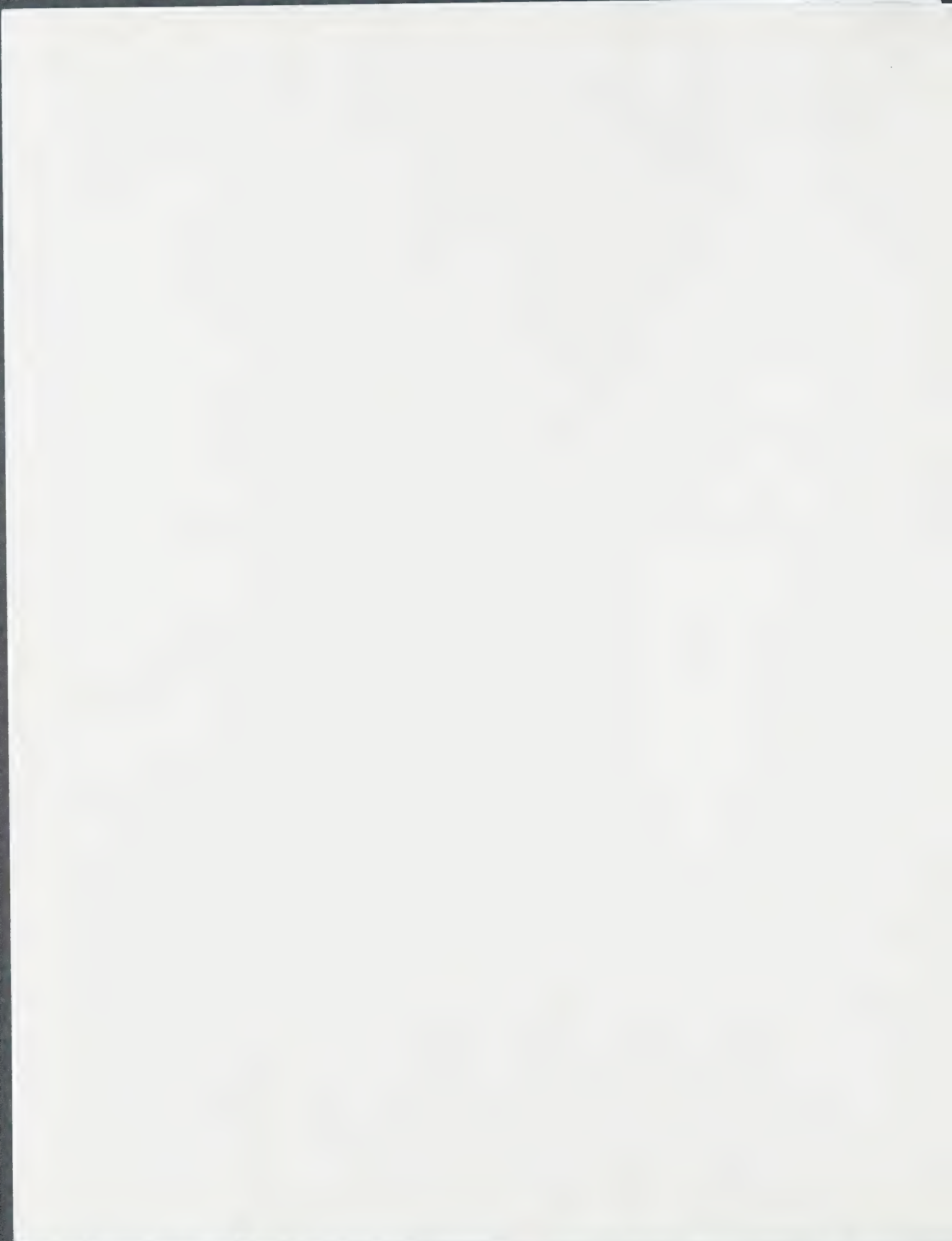
I do hope you have been having a restful time during which to continue your recovery. Certainly the weather must be easier than it has been in Milwaukee the last 10 days or so.

Florida has been a time to relax a little. We both had rest and an easing of tension - mainly due to come by, but the holiday was not perfect.

I had one Michael's engagement party yesterday. I'm sure you'll meet Michael's parents at the end of the week. I could not arrange for many of my large family at several get-togethers. I'm sure he enjoys this experience of being part of a large family.

The trip to Campania will be very busy then our trips necessary are, but here is a lot of driving. We are now moving to arrive again in February.

Love to the family and ourselves



Letter A, to charists, is of course much softer than the letter B to stockholders, and you and Jerry may counsel that I transfer this or that paragraph from one to the other. I have selected an old friend at 'Ads Inc' - confidentially of course - to be in a position to have the ads typeset and published quickly if we fail on Feb. 18.

On Tuesday, Jan. 28 I'll fax Jim Weinberg the letter suggested by Jerry - I'll fax copy to you tomorrow, in case you want to suggest changes. Jerry will have some background material on options to include. However, I doubt that you will respond - he is on the board of Macy's which is close to bankruptcy - with L. Tisch and Prudential pulling in opposite directions, and that will obfuscate Jim's thoughts about Piqua - Aldrich. Incidentally, Goldman Sachs failed to report ownership of 26 million (!) shares of Maxwell stock for several months, but that was just a technical infraction, and Goldman is suggesting the man responsible for this 'oversight' 100% percent (according to the London Times).

You must know how much I look forward to your return.

Kind regards to you and the family  
Gy. ed

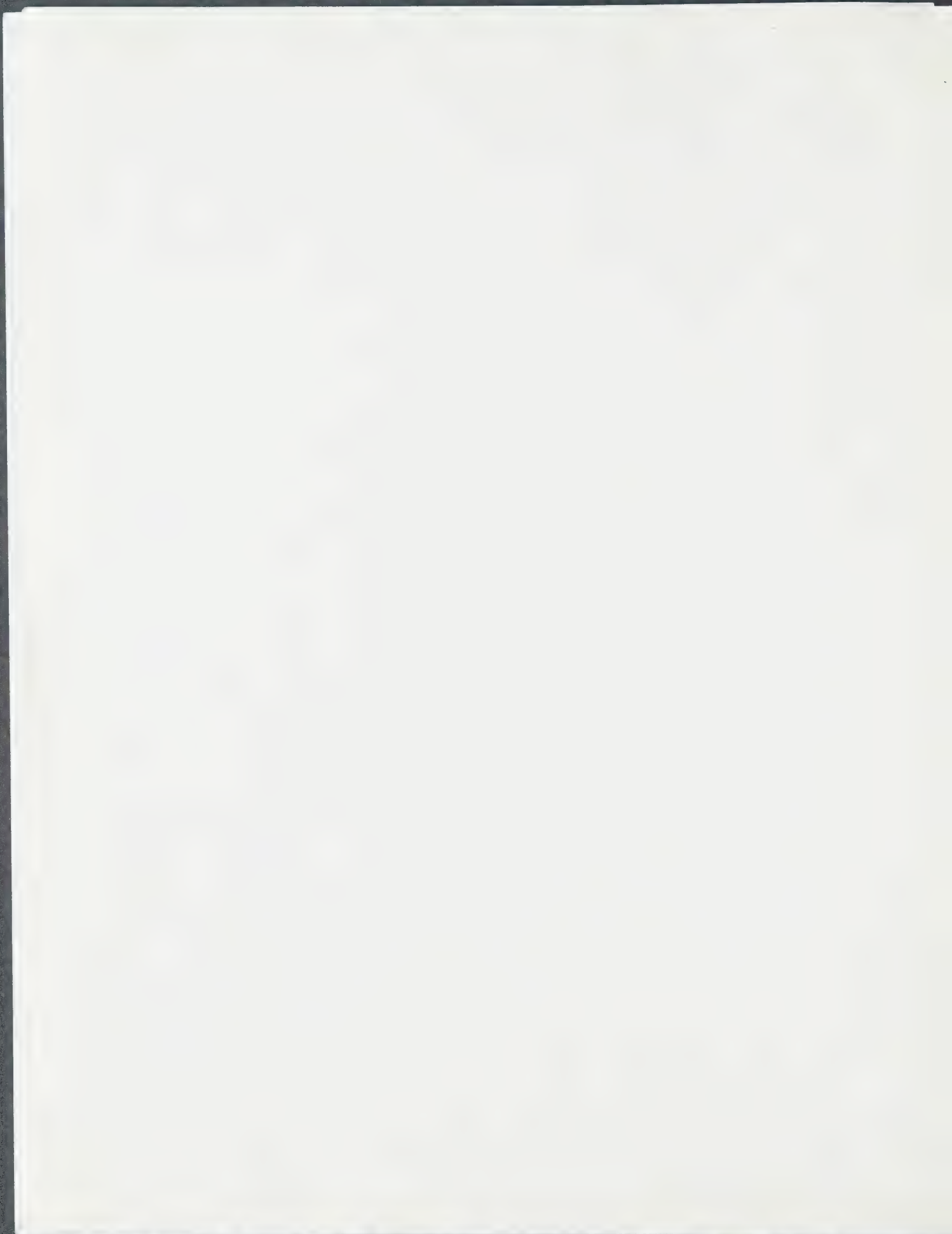


Table of Contents

1	2	3
4	5	6
7	8	9
10	11	12
13	14	15
16	17	18
19	20	21
22	23	24
25	26	27
28	29	30
31	32	33
34	35	36
37	38	39
40	41	42
43	44	45
46	47	48
49	50	51
52	53	54
55	56	57
58	59	60
61	62	63
64	65	66
67	68	69
70	71	72
73	74	75
76	77	78
79	80	81
82	83	84
85	86	87
88	89	90
91	92	93
94	95	96
97	98	99
100	101	102



Friday evening Jan 11 9.

My dear Mother

Dear

I have just received your letter of the 10th and was glad to hear from you.

I am well and hope these few lines will find you the same.

I have not much news to write at present.

I must close for this time.

Write soon.

Your affectionate son,

John

P.S. I have not time to write more.

Love to all.

John

I have not time to write more.

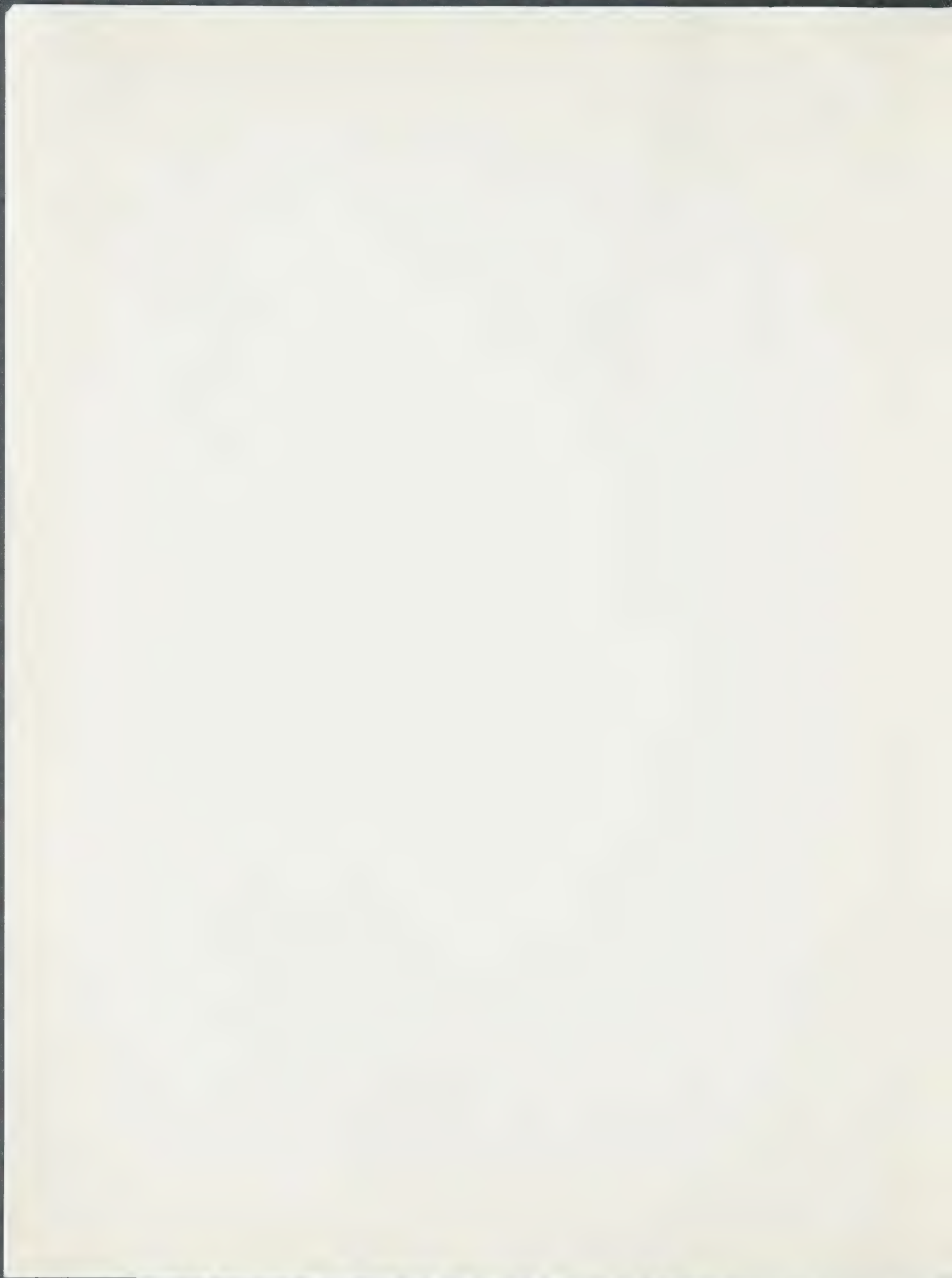
Love to all.

John

I have not time to write more.

Love to all.

John





Saturday evening, Jan. 11 92

My dear Marvin

Just a few notes which I plan to fax  
you early to-morrow morning, before talking to you.

I phoned our faxer with Jerry - I feel we  
can trust him absolutely, and I said to him that  
he is not in loco parentis' but in loco Marvin'

Jerry had concluded that I send a plunger  
fax to Jim Weinberg (copy attached). Jim  
called and spoke to me for some 20 minutes.

His main point - the decision to dismiss us was  
not just Tom's. nor was it accepted at meeting.

All the directors had a phone meeting that lasted  
over an hour, and all had expressed that decision.

had no business selling options, and that we should  
be asked to resign. of course I urged him to reconsider;

urged him to pick up the phone on Monday and  
to talk to my chemistry professor of his choice,

and ask him whether Baden had been of any help  
recently. Will you do that? I doubt it. I

did promise (not at my suggestion) to discuss

all this with Tom. I wonder whether you can



But Tom has his good reasons (right or wrong) and his real reason - megalomania and jealousy

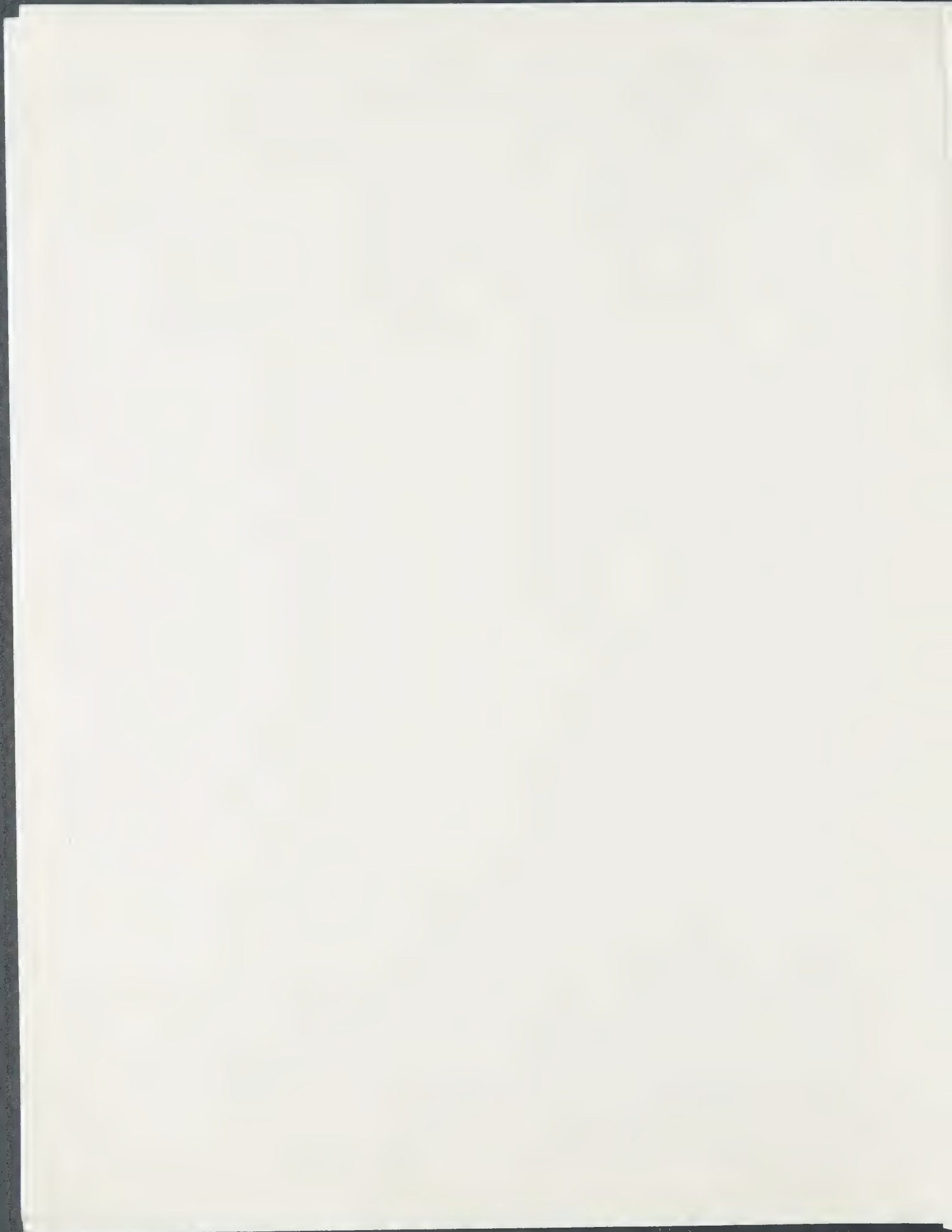
There is an Aldrich board meeting on Tuesday. What should I do if Tom orders me out?

Last week I talked to Len Rockswold and asked him to continue the Beck and AB Fine Arts paper work, on his own time, and we would pay him as we had paid Aldrich. I cordily agreed and said he would be happy to do it. Yesterday he talked to me, clearly in great embarrassment: David Hartley had talked to him very strongly, cautioning him not to have anything to do with me - and he just couldn't continue beyond January. This is not serious with the Fine Arts business, but it is with the real estate part. What do you advise? Of course the problem would solve itself if we 'win' at the February board meeting - but if not?

Do you know anything about a Milwaukee attorney JON KAMINSKY who had been my Secondary School student years ago? He is the man who is threatening to sue the publisher - Kaminsky sounds like a bully - I failed as a teacher.

I am. I'll call later to discuss

As Always  
Depend



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TALLAHASSEE, FLORIDA  
TAMPA, FLORIDA  
WEST PALM BEACH, FLORIDA

February 12, 1992

VIA FACSIMILE

Walter L. Metcalfe, Jr., Esq.  
Bryan, Cave, McPheeters & McRoberts  
500 North Broadway, 20th Floor  
St. Louis, MO 63102-2186


Fax No. (314) 231-5817

Dear Walter:

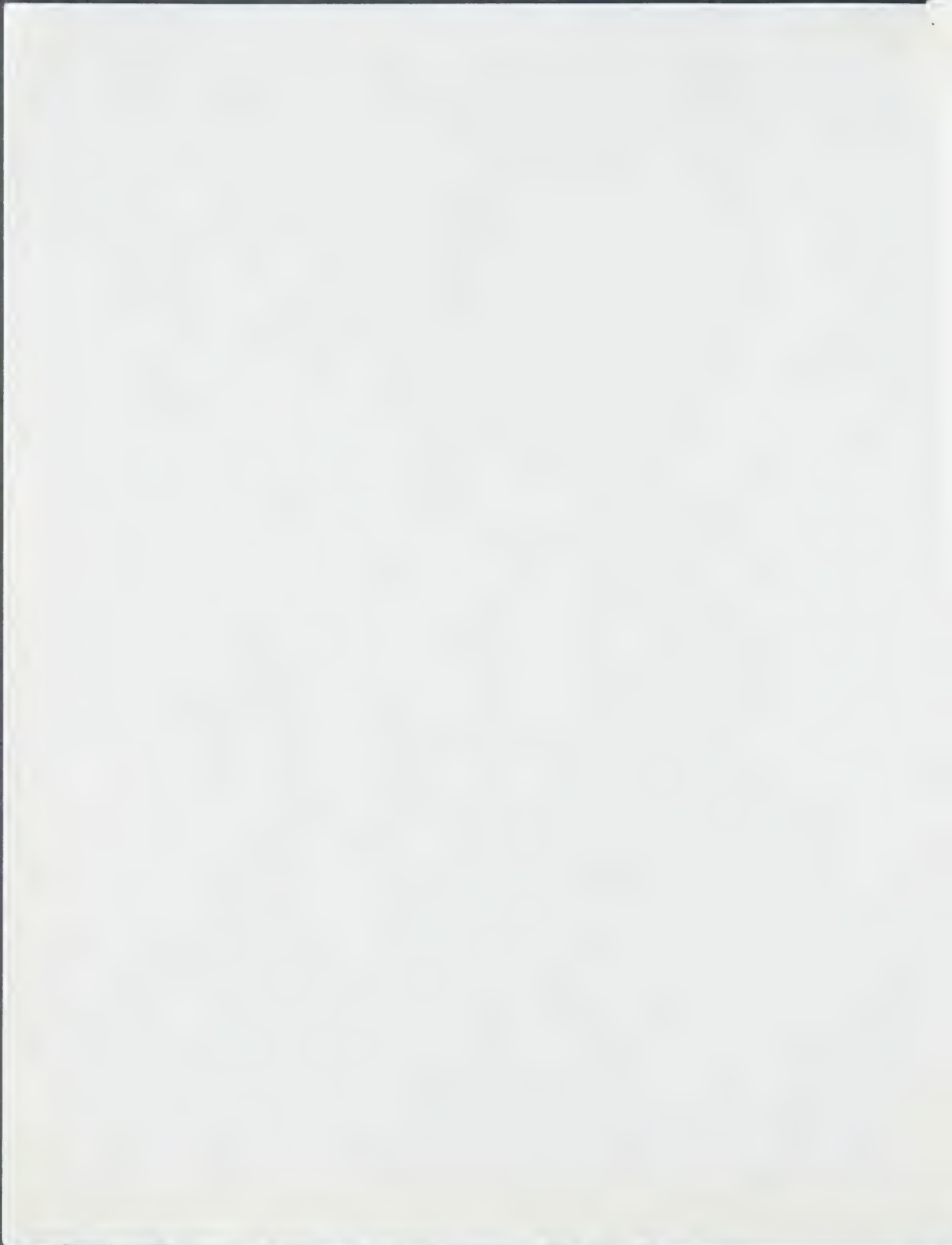
In response to your February 6th letter, please be advised that Mr. Klitsner holds 69,800 shares as reported on his Form 4s. The 2,500 share discrepancy which we have previously discussed occurred as a result of the exercise of Marv's October call options relating to such number of shares. Upon exercise, apparently Robert W. Baird did not forward Mr. Klitsner's stock certificate for transfer to Boatmen's, but instead effected an internal bookkeeping transaction reflecting the covering of the call option exercise. Baird did not realize that it had not effected a proper stock certificate transfer until we notified them to such effect; however, I understand this transfer has now been made. With respect to your other question, we believe Mr. Klitsner's Form 4s are appropriate as filed.

With respect to Dr. Bader, we are currently making inquiries on the questions you raised.

Very truly yours,

  
Steven R. Barth

cc: Marvin E. Klitsner, Esq.  
 Dr. Alfred R. Bader



Alfred R. Bader  
Milwaukee, Wisconsin

Dear Fellow-Chemists:

So many of you have inquired as to why I am no longer serving you as a consultant to Sigma-Aldrich, that I am taking this forum to explain.

Many of you know me as the man who founded Aldrich Chemical Company some 40 years ago and who built it into your favorite supplier of research chemicals. Several of you know me as the chemist collector who finds paintings for Aldrich's catalog and Aldrimica Acta covers. Some of you know of the ABC's of my life: art, Bible and chemistry, and the Alfred Bader Chemical collection of research samples from some of the world's greatest chemists. Many of you know me as the chemist who comes to your laboratory with Isabel, his wife, and asks "what can Sigma-Aldrich do better?" And surely you know that we mean it. For years we have been the link between academic research and Sigma-Aldrich. Many of your suggestions have become important new products for Sigma-Aldrich.

By talking with you, I learn what areas you are working in and what new products would make your job easier. In this way, Sigma-Aldrich develops new product offerings and you can obtain these products without hours of prep work by you. By talking with you, I also learn of new sources of supply and collections of rare chemicals that Sigma-Aldrich can buy and make available to interested chemists.

I enjoy immensely working with you and believe I am of value to both Sigma-Aldrich and the research chemical community. And I want to continue working with you.

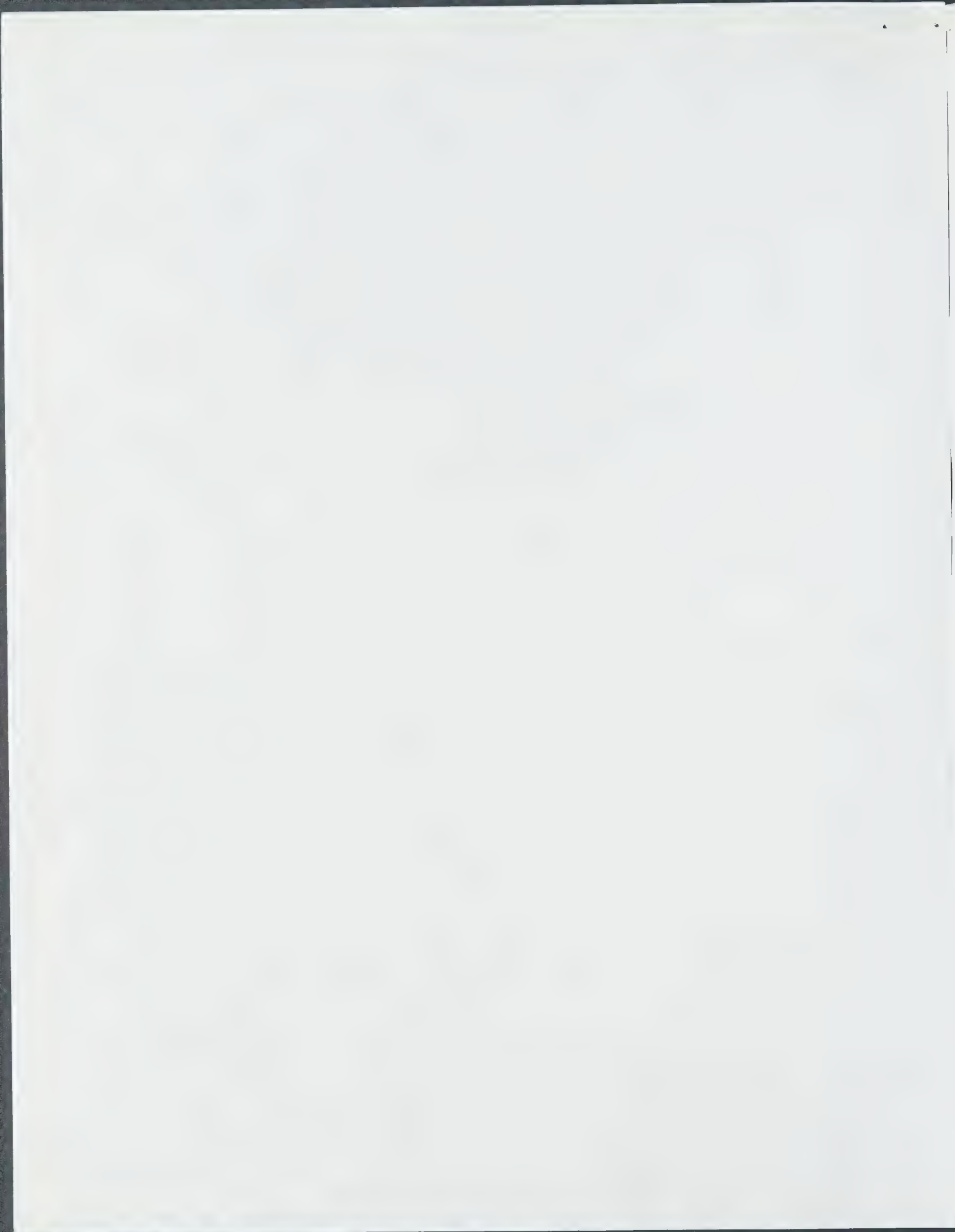
[Now, I would like to tell you about the most horrible experience of my life.

I came to Queen's University in Canada on November 15, 1941, straight out of a prisoner-of-war camp, to which many of those who had gone to Britain to escape the Nazis had been interned as enemy aliens. Despite my background, Queen's treated me wonderfully well, and I have never forgotten it. November 15, 1991, a Friday, was the 50th anniversary of my arrival at Queen's and the University arranged for a very special celebration. I was invited to give five lectures -- on art, Bible, Chemistry, the challenges at Sigma-Aldrich (Aldrich's parent company) and Joseph Loschmidt, the father of molecular modeling.

It would have been one of the most wonderful events of my life, had it not been for a troubling] On November 15, 1991, I received a phone call from Dr. Tom Cori, the CEO of Sigma-Aldrich, demanding to meet me. Because I was scheduled to go to England that weekend, I could not see Cori at Sigma-Aldrich's headquarters in St. Louis. We arranged to meet at a hotel in London on the following Wednesday, November 20. Cori would not tell me why he had to see me, just that it was vital and that I should reserve several hours for our discussion.

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Just eight days earlier, at a Sigma-Aldrich board meeting in St. Louis, I thought Cori and I had reached an understanding that I should continue to work as a consultant, without salary, doing what I love doing -- helping chemists. Cori had said forcefully, "keep working; I have known many who just retired and were dead six months later." My consultant status, Cori told me on November 20,





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At a Sigma-Aldrich board meeting on August 13, 1991, Cori told us that the three top people in the Company (he, David Harvey and Peter Gleich) would sell about 10% of their Sigma-Aldrich stock to diversify their holdings. On August 20, they sold 10,000, 7,000 and 5,000 shares, respectively, for \$41.375 per share.

I have never sold a share of Sigma-Aldrich, although I have given a great deal of my stock away -- to universities around the world, to the American Chemical Society, the Chemical Institute of Canada and to many other institutions, all with the goal of helping people.

I had recently heard about traded options, and on August 15, I sold a call option on the Chicago Board Options Exchange covering 10,000 of my 3.6 million shares of Sigma-Aldrich stock. The call gave the buyer the right to purchase (or to "call") these shares from me for \$45 per share until mid-January 1992. The buyer paid \$2.625 per share for the call option.

I gave the 10,000 shares and the call proceeds I received to Queen's, which assumed my obligation to sell them if the call was exercised. The stock was selling at about \$41 when I sold the call option. The option was exercised in January 1992 for \$45, with the result that Queen's realized effectively, \$47.625 per share. How can that be called "betting against the Company"? Especially when the three top executives in the Company were selling their stock at the same time. Having never sold any Sigma-Aldrich stock, I have been "betting with the Company" all along. I am backing my "bet" with over 3.6 million shares. The call option covered only .33% of my holdings.

I do not think my gift of stock, or my use of the option is sufficient reason for management and the directors to decide I must go. I believe I can continue to be a valuable link between chemists, such as you, and Sigma-Aldrich.

[What do I want most? Only the right to continue to represent Sigma-Aldrich, as a consultant, without salary. I am 67. Cori may say that Bader is an oldie who just wants to hang on. If hanging on means that I will continue to be a valuable link between chemists, such as you, and Sigma-Aldrich, I definitely want to.

If you agree with me, please call Tom Cori and discuss this with him. His numbers at Sigma-Aldrich in St. Louis are (800) \_\_\_\_-\_\_\_\_ and (314) \_\_\_\_-\_\_\_\_.

If you would like to share your thoughts with me, please send a fax to my home at (414) 962-8322.

If you think I can still be of help in your work, the next time you give Sigma-Aldrich an order, write at the bottom, "Bring Back Bader."]

Thank you for the many wonderful experiences I have had with so many of you.

Sincerely,

Dr. Alfred Bader



Alfred R. Bader  
Milwaukee, Wisconsin

Dear Fellow-Chemists:

So many of you have inquired as to why I am no longer serving you as a consultant to Sigma-Aldrich, that I am taking this forum to explain.

Many of you know me as the man who founded Aldrich Chemical Company some 40 years ago and who built it into your favorite supplier of research chemicals. Several of you know me as the chemist collector who finds paintings for Aldrich's catalog and Aldrimica Acta covers. Some of you know of the ABC's of my life: art, Bible and chemistry, and the Alfred Bader Chemical collection of research samples from some of the world's greatest chemists. Many of you know me as the chemist who comes to your laboratory with Isabel, his wife, and asks "what can Sigma-Aldrich do better?" And surely you know that we mean it. For years we have been the link between academic research and Sigma-Aldrich. Many of your suggestions have become important new products for Sigma-Aldrich.

By talking with you, I learn what areas you are working in and what new products would make your job easier. In this way, Sigma-Aldrich develops new product offerings and you can obtain these products without hours of prep work by you. By talking with you, I also learn of new sources of supply and collections of rare chemicals that Sigma-Aldrich can buy and make available to interested chemists.

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*Nov. 20 at the request of C.E.O. Sigma Aldrich, I went to London.*  
On ~~that~~ Wednesday, I went to Dr. Cori's hotel and met him and Dr. David Harvey, the chief operating officer of Sigma-Aldrich. ~~It turned out they had flown specially to London to demand that I sign a one sentence statement resigning as director of Sigma-Aldrich. The reason: I had "bet against the Company."~~ *we heard* The meeting lasted all of 17 minutes. Of course, I refused to sign the resignation.

*By reason of the sale of 10,000 shares*  
Just eight days earlier, at a Sigma-Aldrich board meeting in St. Louis, I thought Cori and I had reached an understanding that I should continue to work as a consultant, without salary, doing what I love doing -- helping chemists. Cori had said forcefully, "keep working; I have known many who just retired and were dead six months later." My consultant status, Cori told me on November 20,



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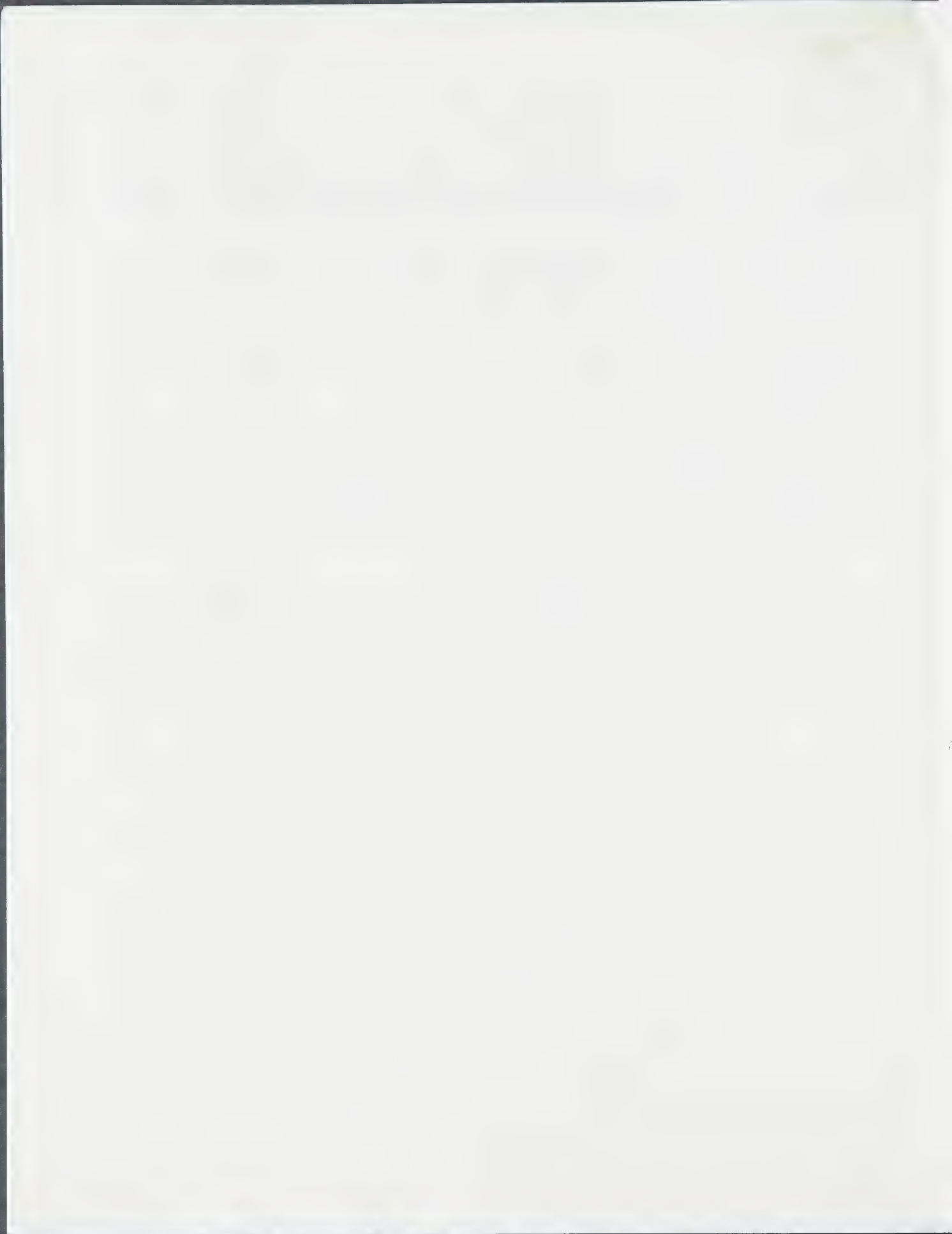
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Thank you for the many wonderful experiences I have had with so many of you.

Sincerely,

Dr. Alfred Bader



Back  
2/18/91

Letter #4

C. I.H.  
Gai

December 11 1991

J. Evans

Had a very good day at Cambridge U.  
on Monday.

Bob W. Got large collection of ABC samples from  
Chris Sporikou. Packed all small samples -  
for Pfizer & Flanco - in one box and asked  
LTD to air freight right away. Please hold for  
my return. Also packed large samples - mainly  
Phase I but some for catalog, in two other  
boxes and asked LTD to piggy back freight.  
Paid £1000 for all there - ca. \$1800.

SB Got 20 detailed preparations - including  
Roqe of 14549-1 and 120600-8 from  
Sporikou and agreed to pay £25 for each.  
These 20 are enclosed.

MH

SB

✓ Please make Xerox copies - give originals  
to SB, keep copies in Sporikou file.

SB

ARR

In my letter to Sporikou of October 3  
(you have copy) we had agreed to order  
300 g. 2-(p-acetylphenyl)-benzoquinone  
CC(=O)c1ccc(cc1)-c2cc(=O)c3ccccc3c2=O at £1.75/g. Sporikou  
did not receive PO. Did  
we send PO to Gillingham? If  
not, please send now.

Re par. 4 of that letter, Sporikou will accept  
order for 500 g. of 2,4,4-trimethylcyclopentanone,  
98% at £400. Please send him PO, via LTD

S  
A  
C



Letter 4

-2.

SB  
AER

Re par. 5 of that letter, Sporken cannot accept PO for 500g of 2-methylpyrrolidine-2-carboxylic acid at £300.

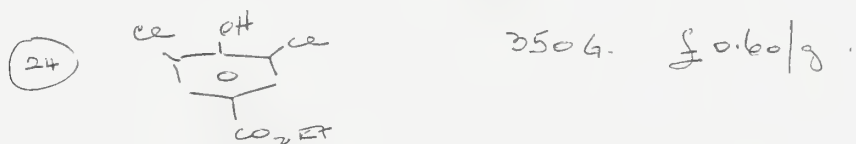
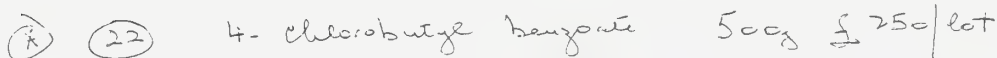
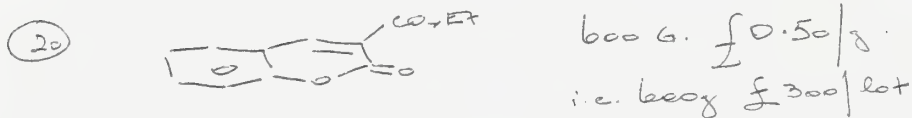
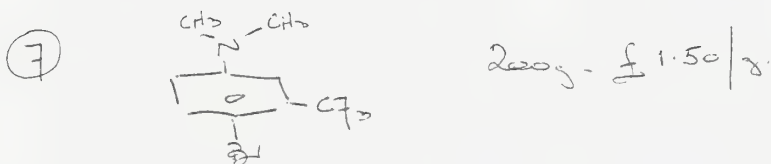
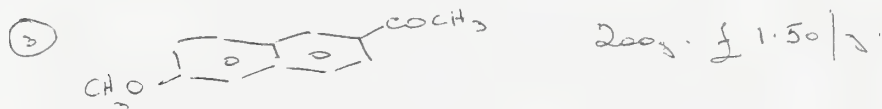
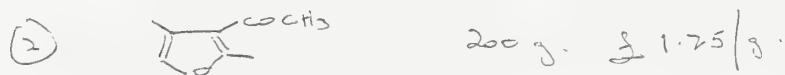
MH

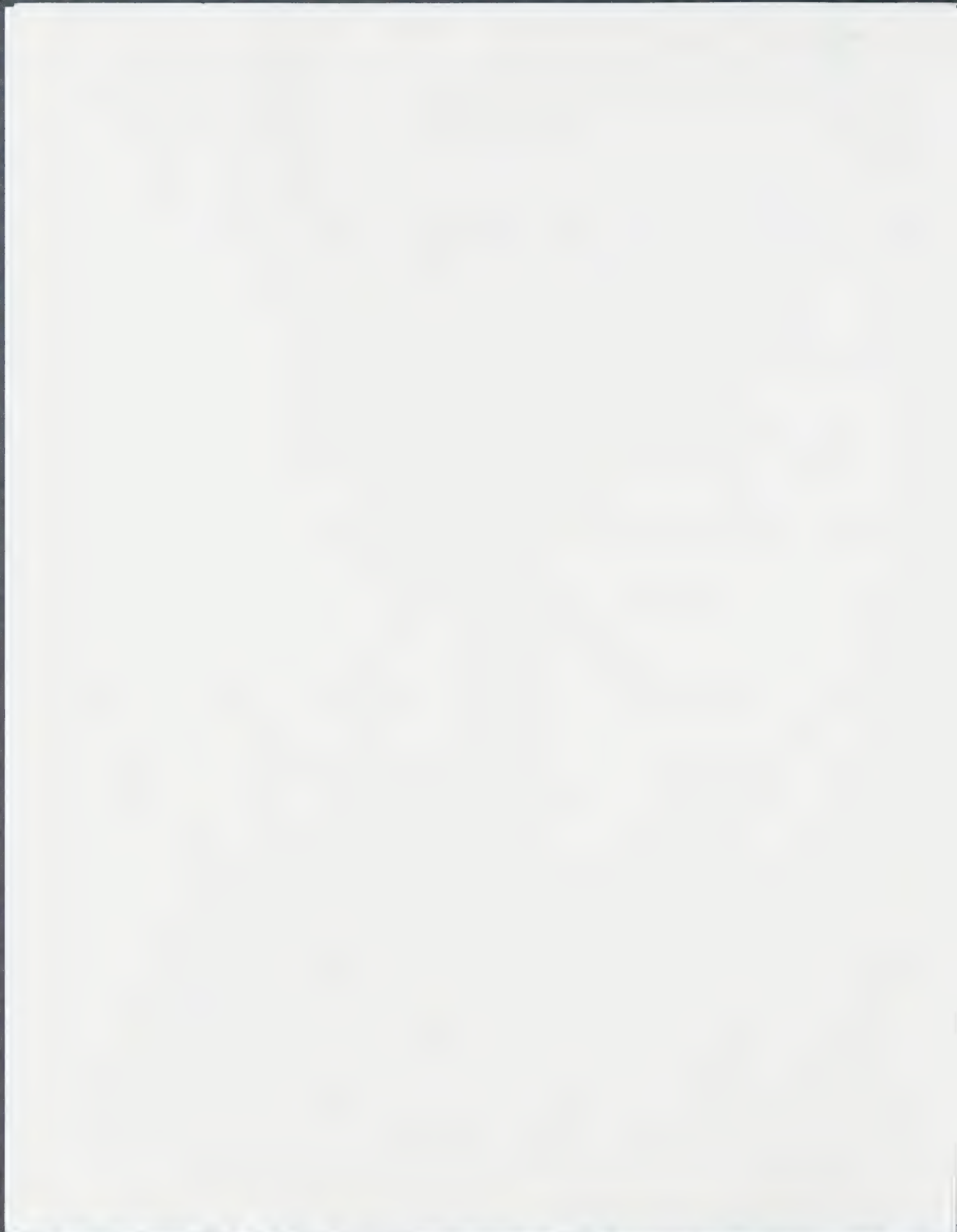
Please give copies of my Oct. 3 91 letter to Sporken, to SB and AER

SB: you have

SB  
AER

To turn now to the list of 88 compounds Sporken had offered: You, Steve, had started power, and here are prices: All 98%.



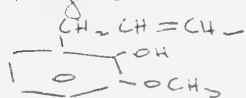


letter #4

-3-

(\*) (34)

o. Eugenol



300g £1/g.

(35)

β-D-glucose-1,2,3,4-tetraacetate

100g £2/g

(66)



30g £2/g

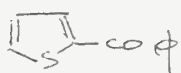
(75)

2,4-dimethylpenta-1,3-diene



150g £1/g

(83)



B 1480-9 disc. 300g £0.80/g

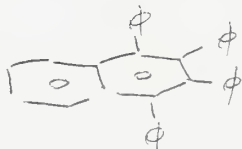
(87)

2,4,5,7-Tetranitrofluorenone

200g £1.75/g

12783-3 disc

(88)



14979-9 disc. 200g £2/g

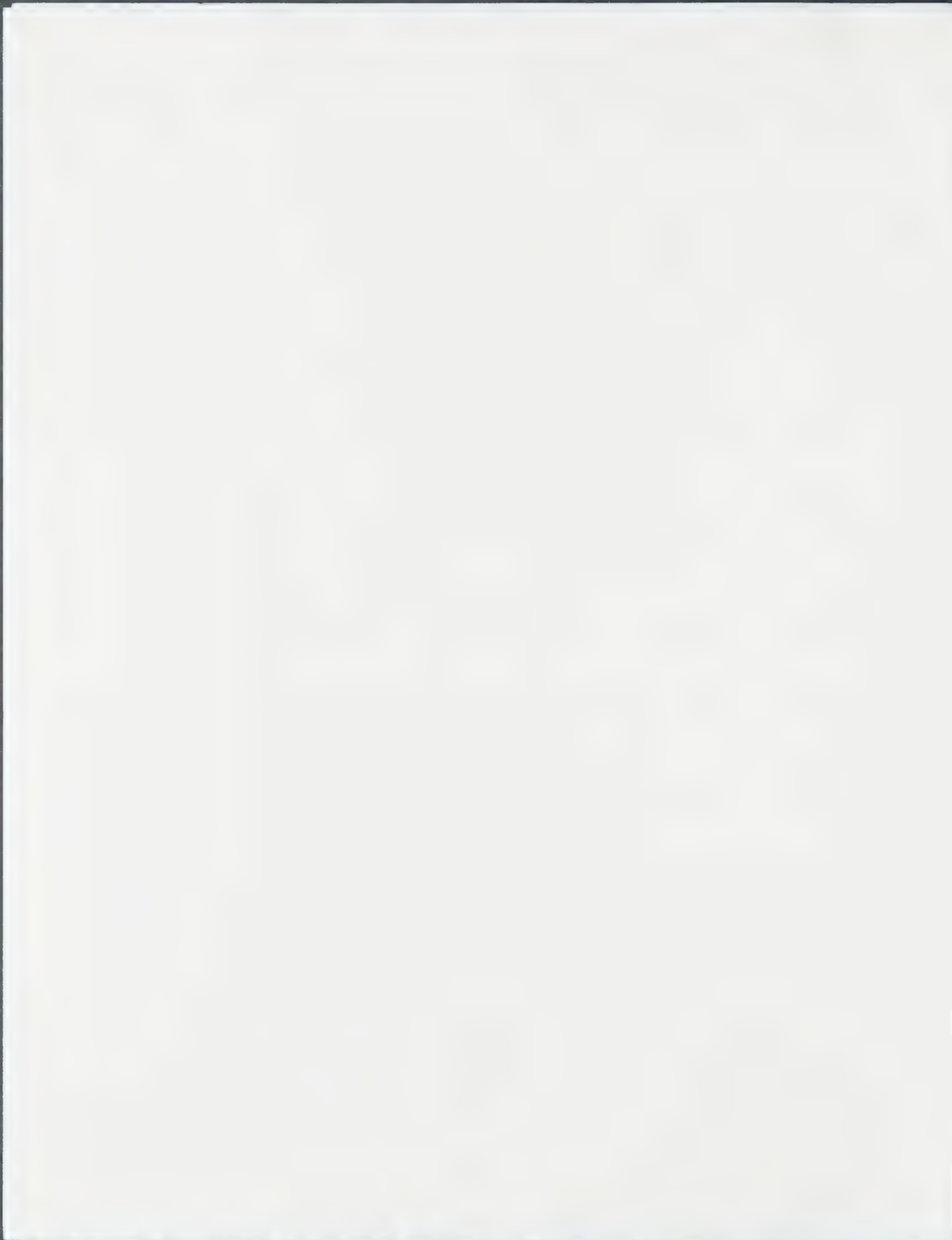
Please send orders via LTT where you think prices reasonable. With each order, we also get prep for £25 — and, in fact, I have taken prep. for (\*) (i.e. 1, 22 and 34) along. As you know, no prep work

Sporker had believed that we would order

COCH=CHCOOH at £1.50/g. It is, of

course a starting material for other





polycyclics. He is willing to reduce price to  
£1/g. and has 150 g. on hand - again, we'd  
get prop.

SB Andy Solinus will write blurb for next Acta  
jeffs on 37708-2 - he pligged ca. 1300 G.

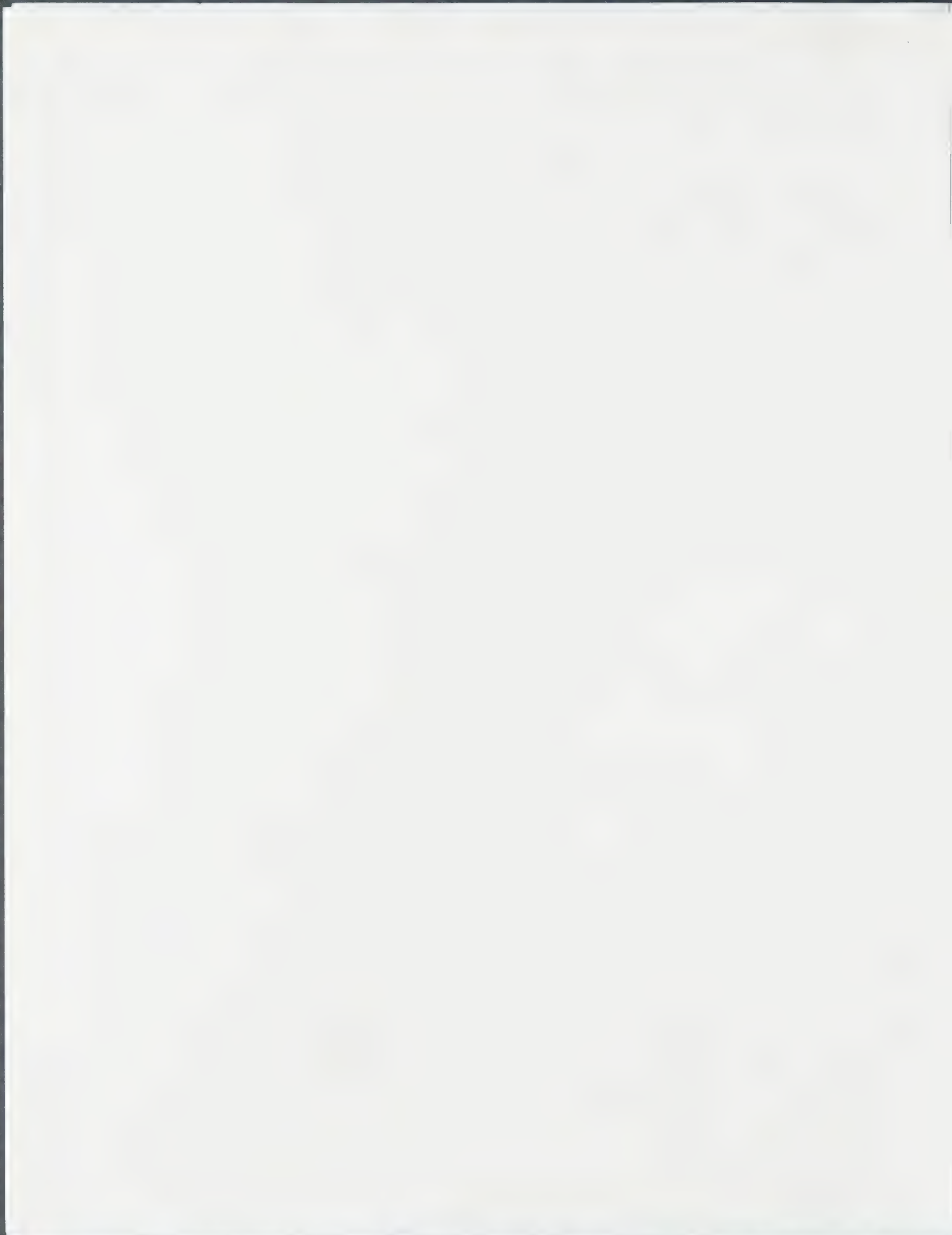
SB Dr. Ian Paterson at Cambridge U.  
Clint L. suggests that we add Feuka's  
di-*t*-butylsilyl ditriflate to our catalog -  
perhaps we already have. Also that we list  
the  $BH_3 \cdot Cl \cdot TM_3$  complex described by  
H.C. Brown et al in JACS 111, 3441 (1989) -  
see also Tet. Letters, 30, 7121 (1989).

Joe P Dr. P. Grove working with Andy Solinus in  
Cambridge suggests  $(isobutyl)_2 AlD$  - made by  
Ziegler long ago

SB Dr. F. J. Leeper in Cambridge suggests  
we offer trans - 1,4-butenediol - we list  
the cis ( $B_5O_7-6$ ) which can probably be  
isomerized.

MH I faxed you Dr. A. J. Kirby's request for  
complete printouts of all silver parts and  
all halogenated aromatic sites, and hope you  
have already sent. If not, please rush.

SB Paul Loveday in Cambridge buys lots  
Chris Hewitt of acetyl fluoride from Fluorochem. Can we  
supply? If so, please quote



John Long  
 Chuck R  
 Chris Hewitt  
 Cambridge U (Roger Parpan) buy  
 16 x 25 kg. silica gel #60 (E. Merck  
 Cat. # 7734), 70-230 mesh ASTM at  
 £650/25 kg. This is used in column  
 chromatography of course, and use is going  
 up. Can we underpell Merck?

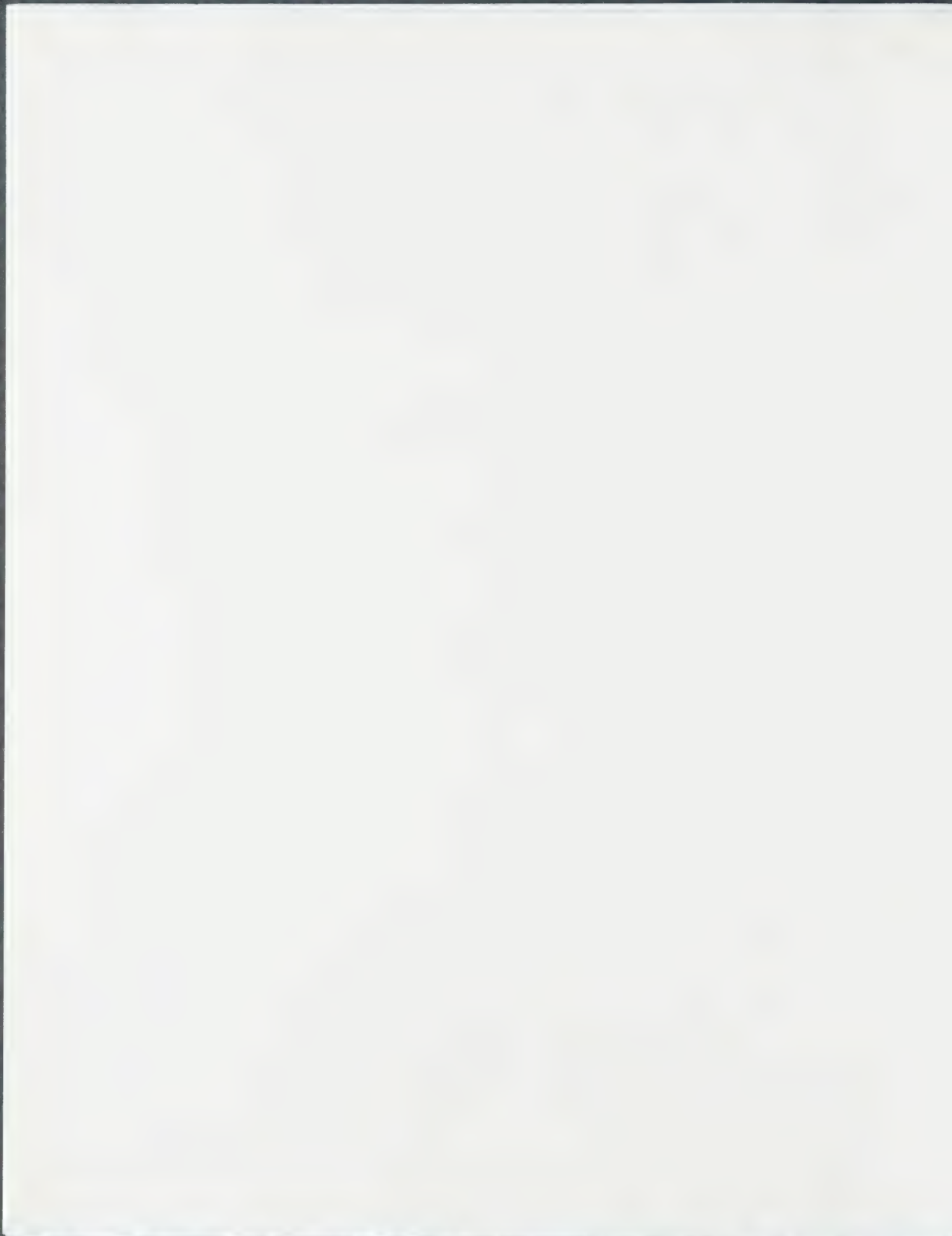
Bob Gozetz Cambridge U. (Roger Parpan) is  
 desperate for 100 G of anhydrous  
 hydrogen. Could we ship sea freight?

MH  
 12/15  
 Please send cp itaconic acid  
 derivatives (esters, anides) to Matthew  
 Pallen, c/o Dr. Sue Thomas, Imperial College.

MH  
 Please airmail to Dr. Michael  
 Gaebler, SAT - Janka New Ulm a couple  
 of hundred small polythene bags for ABC  
 samples (cp. his handwritten fax of December 1,  
 in German)

Bob G.  
 LTT Anal. Dr. Karl Sale, University College  
 received 27024-5 - p. methoxybenzyl chloride,  
 bottle under pressure - some decomposition. Please  
 check stock.

SB Dr. Paul Taylor, University College  
 suggests we offer  $\rightarrow$   
CC(=O)O  $\rightarrow$  CC(=O)O Tet. Letters,  
 331 (1978)  
 (a Pfitzer prep - we could probably get  
 more details. Reaction reminds you of  
 3-hydroxyproline prep. from pyrrolidine!





SB  
 is correct  
 below - 17/13

Dr. Taylor also suggests a new oxidizing agent for  $R_2OH \rightarrow R_2O$  which looks very important — and is made from an TEMPo Paper (JOC 56, 6110 (1991)) enclosed. This may be even better than TPAP! Please try — and then advise.

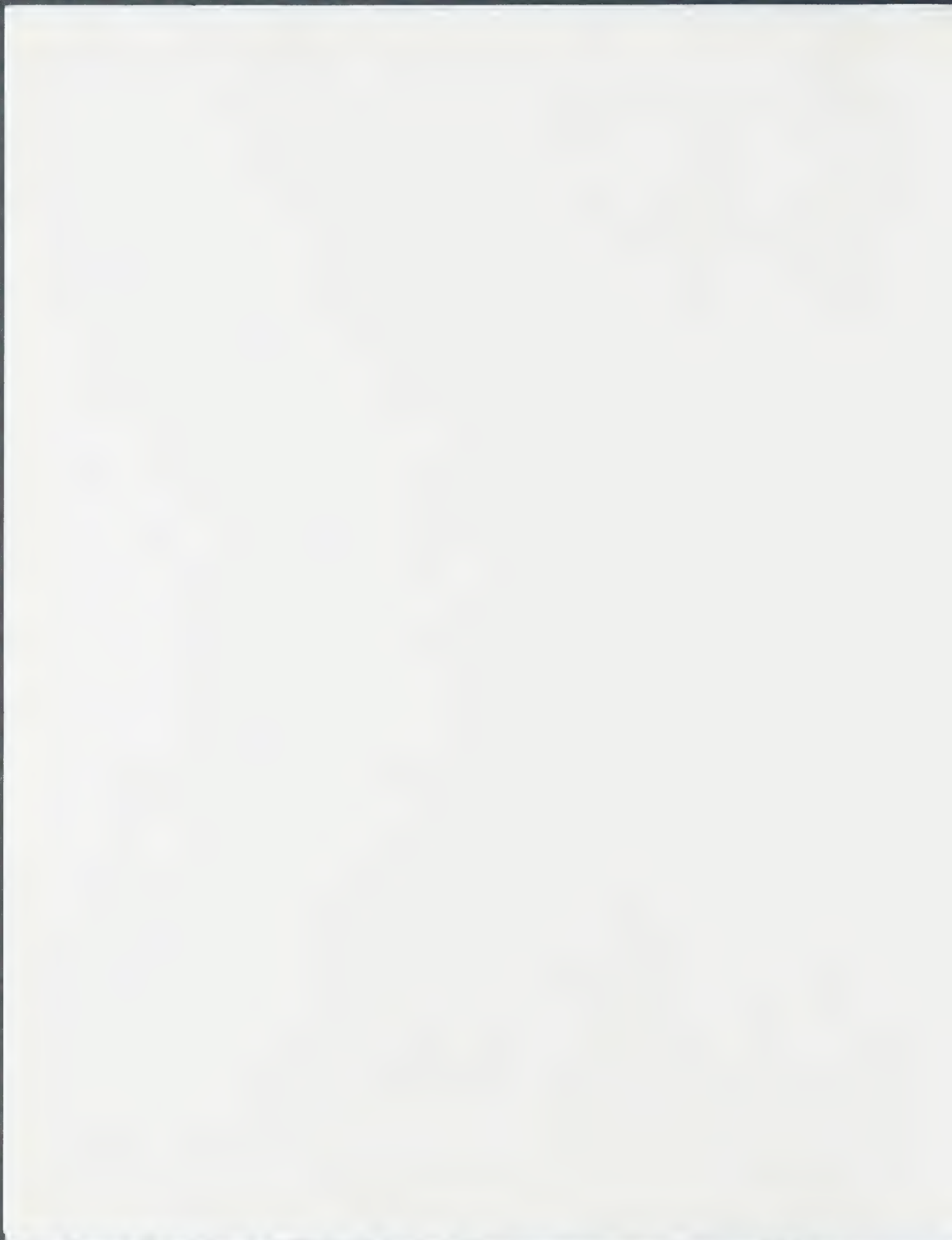
Dec. 13 91

Roger Keller E, spent part of yesterday at Queen Mary  
 Bob Warden College, packing Prof Kirk's bulk  
 Larry Summel E steroids into one large box, weighing  
 ca. 100 lbs. LTI is picking this up, and will  
 send it airfreight to Milwaukee. Anna Loizidou  
 put the Sigma numbers (1-5000) onto each  
 bottle, so getting structures will be easy.  
 Some will be used to E and A, and Larry  
 Summel should decide which to list in the next  
 E catalog. The others should go into ABC.  
 Surprisingly, there were 23 bulk steroids not  
 among Nos. 1-5000, and Anna gave them numbers  
 from 5000 - 5023, and Roger may want to  
 get spectra for book.

Bob W Anna also studied the 200 Reichstein  
 steroids, and where possible, put Sigma numbers  
 on the labels. Roger Keller will help you  
 getting structures for an ABC cards. These  
 200 Reichstein compounds are in a separate, small  
 box, which will also be airfreighted by LTI.

In the large bulk steroid box, there is  
 also a small bag labelled 'non steroids'. Please  
 get hold till my return.

Bob W. You'll remember that Dr. Yavinsky  
 sent us 52 papers — for Vinick — with names,  
 MH  
 LenK

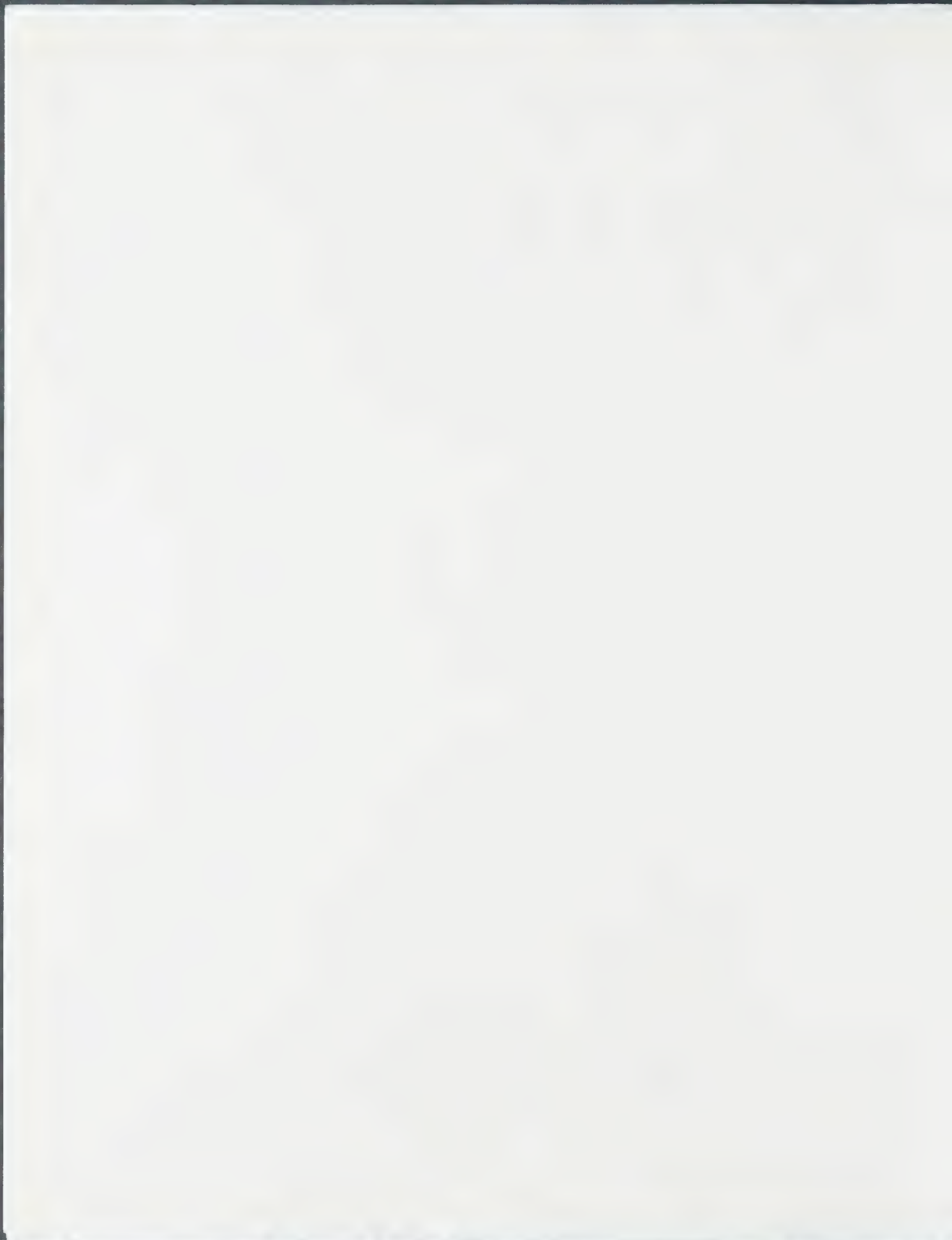


but no Structures. He now sent them to Steinheim, who sent them to Gillingham, who sent them here! Why - I'll never know! Any-way - the list is enclosed. Please put Structures with the samples - and when there are just 100 mg., send to Vinick and bill \$35 per sample. Just to make sure, please have a couple of samples checked by IR. Also, arrange to send payment to his agent in Hamburg - as we promised we would, once we have Structures.

Chuck Ruffing Prof. R. Bloch in Paris complained to Steve Ley that our TPAP doesn't work. Prof. Ley looked at bottles (enclosed) and realized the TPAP had decomposed. A new batch worked well - see paper in register enclosed. Have we had many such complaints? How old is batch?

SB Prof. Ley suggested a new reagent - 2,2-bis-dihydroxypropane which he thinks will be very important - see manuscripts of two papers enclosed. Please try to make I - watch its stability - and also make II. Ley is just checking whether the totally stable II can be used instead of I. Ley thinks this will be a most important reagent.

Prof. C. W. Ross at Imperial College suggests we offer a series (now ca. 10) of books published by the Academic Press, entitled "Best Synthetic Methods" - soft cover. Sample



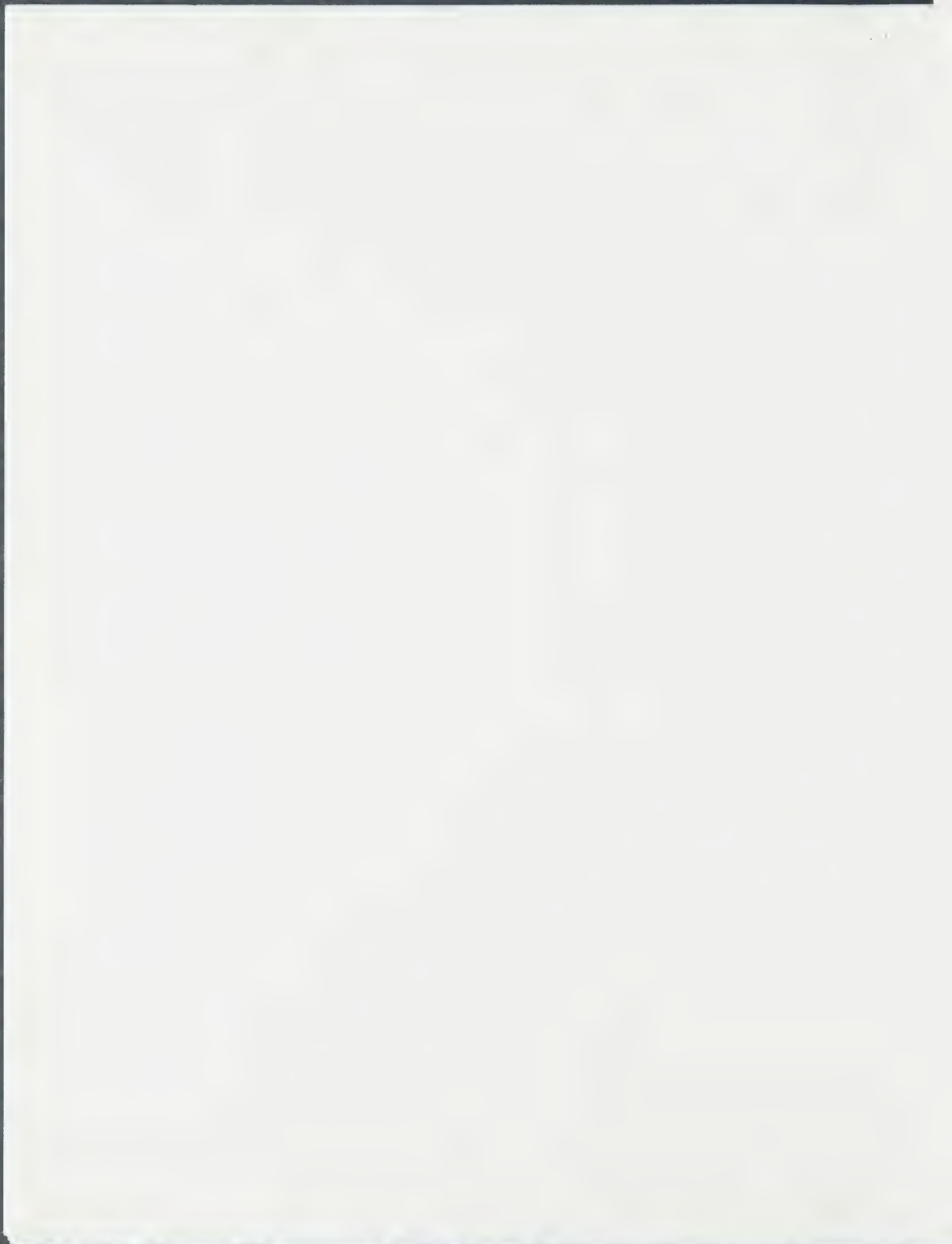
-8-

front page and list is enclosed.

I'll mail this to LTP, <sup>Dec 14</sup> requesting  
it be sent Fed-Ex - and hope it'll  
arrive before I do on Dec 23.

Best regards to all

Quinn



A

A letter to Chemists

CZE News

(5)

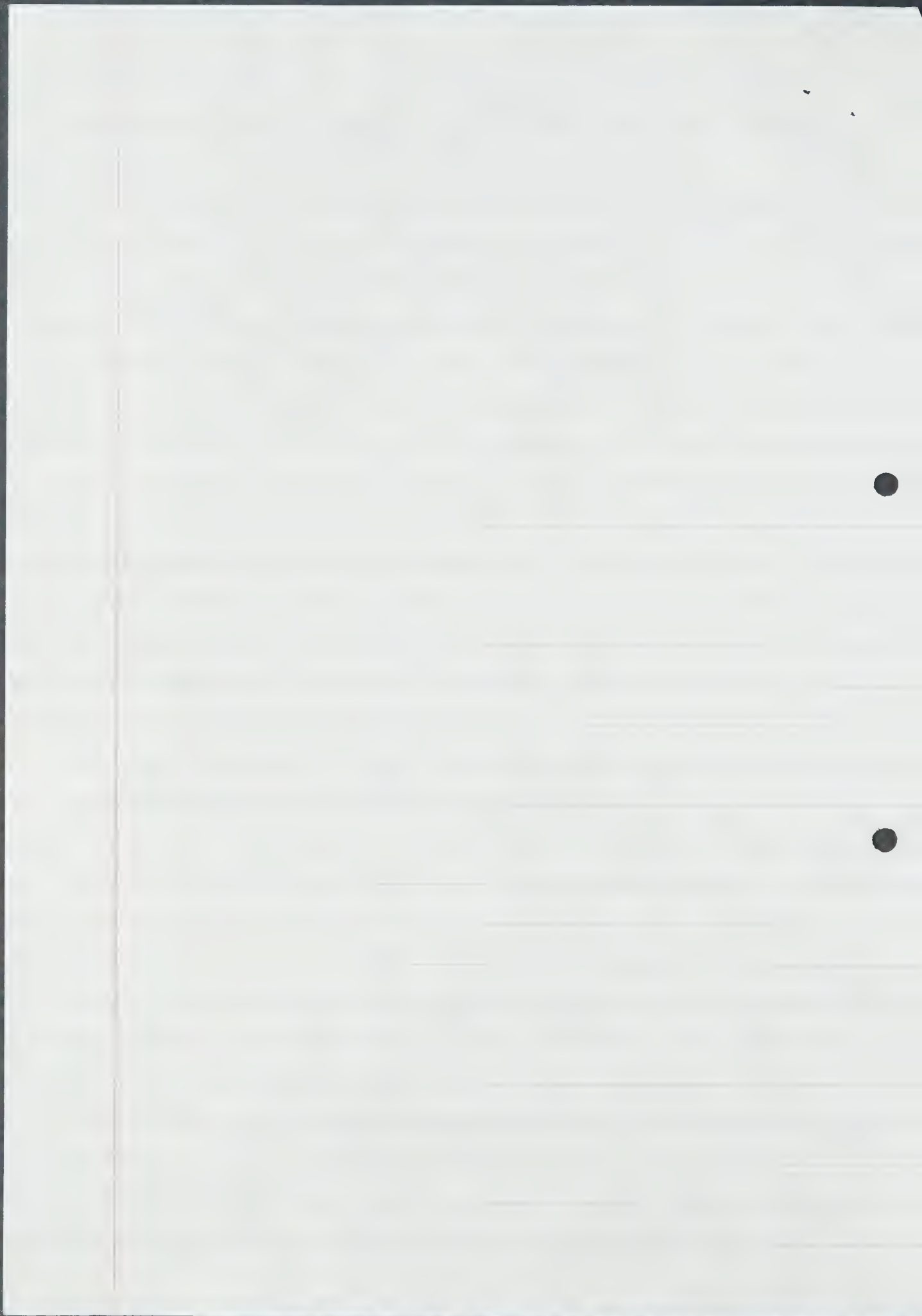
Many of you know me as the man who started Aldrich from 40 years ago and who made it into your favorite supplier of research chemicals. Some of you know me as the chemist collector who finds quantities for Aldrich outside and Aldrichman Alca makes some of you know of the ABC of my life - art, Bible and chemistry - and the Alfred Bader Chemist's collection of research samples from some of the world's greatest chemists. Many of you know me as the chemist who comes to your laboratory with the book, his wife and asks "what can we do better?".

And surely you know that in many of your papers <sup>on important</sup> there have been <sup>1</sup> the link between academic research and Aldrich and many of your suggestions have become Aldrich's new products.

Now I would like to tell you about the most horrible experience of my life.

I came to Queen's University by air Canada on November 15, 1941. I brought out of a paper - of a camp, to which many of those who had been there. Despite my background, Queen's treated me wonderfully well, and I have never forgotten it. November 15, 1941 was the 50th anniversary of my arrival at Queen's and the university arranged for a very special celebration. I was invited to give five lectures, on art, Bible and chemistry, on

and





The challenges at Sigma-Aldrich and on Joseph  
Kopelovitz, the father of molecular medicine.

It would have been one of the most successful  
events of my life, had it not been for a threatening  
phone call from Dr. Tom Cori, the CEO of  
Sigma-Aldrich, ordering me to meet him at the  
Russell Hotel in London the following Wednesday,  
November 20. Cori would not tell me why he had  
to see me - just that it was vital and that I  
should reserve personal hours for our discussion.

At 1 pm that Wednesday I was met in  
London by Dr. Cori and Dr. David Harvey, the  
chief operating officer of the company who had  
 flown specially to London to demand that I  
sign a new performance statement regarding my  
duties as director of Sigma-Aldrich. The reason, because  
I had "bet against the company". All the  
directors of Sigma-Aldrich except for Martin  
Kellman who was just undergoing heart by-pass  
surgery, had agreed in an hour long telephone  
meeting that I who had "bet against the company"  
could not continue to lead Sigma-Aldrich.

Just 5 days earlier, at a Sigma-  
Aldrich board meeting in St Louis, Cori and I had  
agreed that I should continue to work  
as chairman emeritus, without salary, doing what  
I like doing, helping chemists but had paid  
forcefully "Keep working; I have known many  
who just retired and were dead six months later."



A

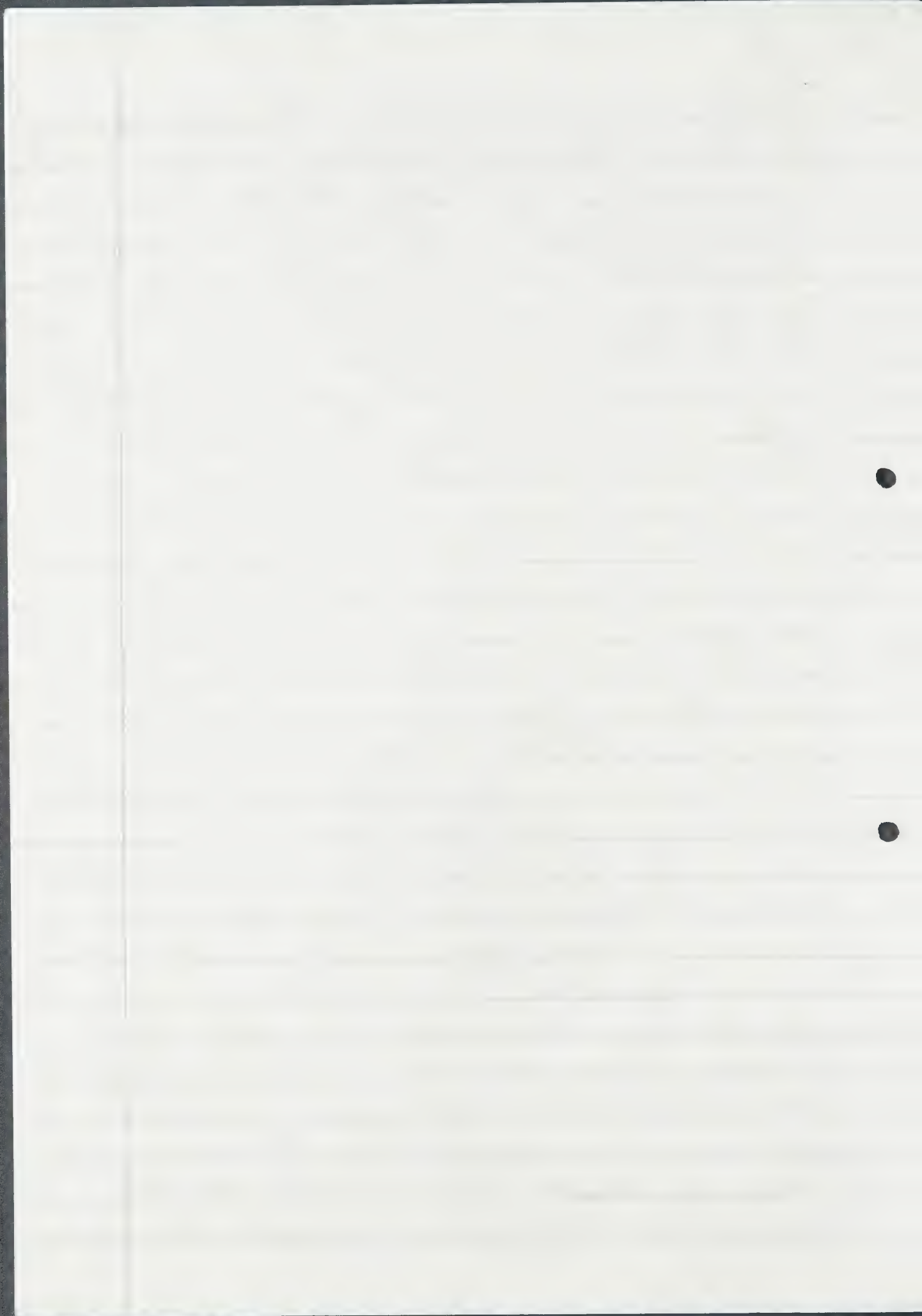
-3-

This agreement, Cori told me on November 20, was cancelled. ~~Two~~ meeting in London, in which of course I refused to sign the resignation, lasted all of 17 minutes. I would have liked to record the gist of our conversation while still with Cori and Sperry, but Cori told me to get out, they didn't have time for that.

Of course I was flabbergasted if you could of intelligent men, the directors of the company, agree that I had "bet against the company."

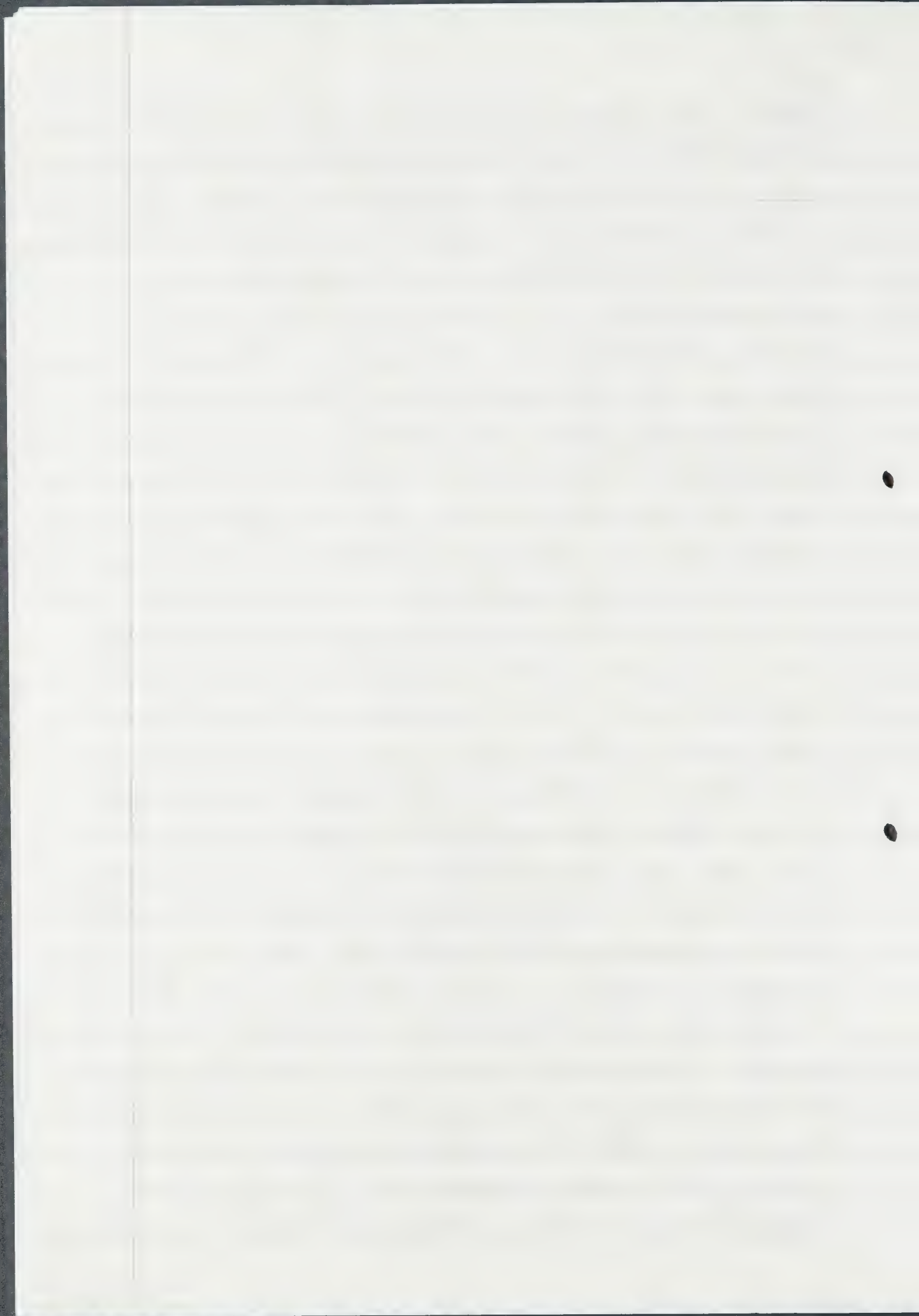
The stock listing in the November 20<sup>th</sup> meeting are purple. At a board meeting on August 13, Cori had told us that the three top people in the company, he, David Sperry and Peter Glavin would sell about 10% of their shares - Alvin's stock, to satisfy their holdings, and on August 20 they sold 10,000, 7,000 and 5,000 shares respectively for \$41.375 per share.

I had recently heard about option sales, and so I then asked Jeffrey Helman, the oldest attorney I know, my best friend who is asked with me to handle Alvin's, whether an option sale was an appropriate way to maximize the proceeds from a stock sale. He agreed that it was. I have never sold my stock in Lyman - Alvin's, although I have given a good deal of it away, to universities around the world, to the ACS, the Chemical Institute of Canada, to many other institutions, to help people. My family



and I had promised two million dollars to Queen's University by and wanted to finalize that gift on November 15. And so, on August 15, I held a call option for 1000 shares of Pique-Atlantic stock which I owned and gave the optioned stock to Queen's. The stock was then selling at about \$41. The option taken up in January was for \$45, and Queen's received  $2\frac{5}{8}$  for the option, i.e.  $\$47\frac{5}{8}$  per share, considerably better than the  $41\frac{3}{8}$  received by Cori, Harvey and Gladis. This can then be called "betting against the company" - even giving away a very possible question of my stock to a university be considered "betting against the company", when the executives' selling 10% of theirs is not? While the families of the founders of Pique have sold much of their stock since the merger of Pique with Atlantic in 1975, I had sold none and so I have been "betting with the company" all along.

Why did management and the directors decide I must go? I wish I knew. It cannot be good. Cori is exceedingly well paid. His last compensation in 1990 was over a million dollars - more than 5 times my highest compensation etc. - and he received 179000 shares under an incentive bonus plan, at no cost to him. He cannot have felt threatened by me, as ~~the~~ the decision to dismiss me has shown. The directors agree with him. For years David Farley has been telling me that Cori is the



A

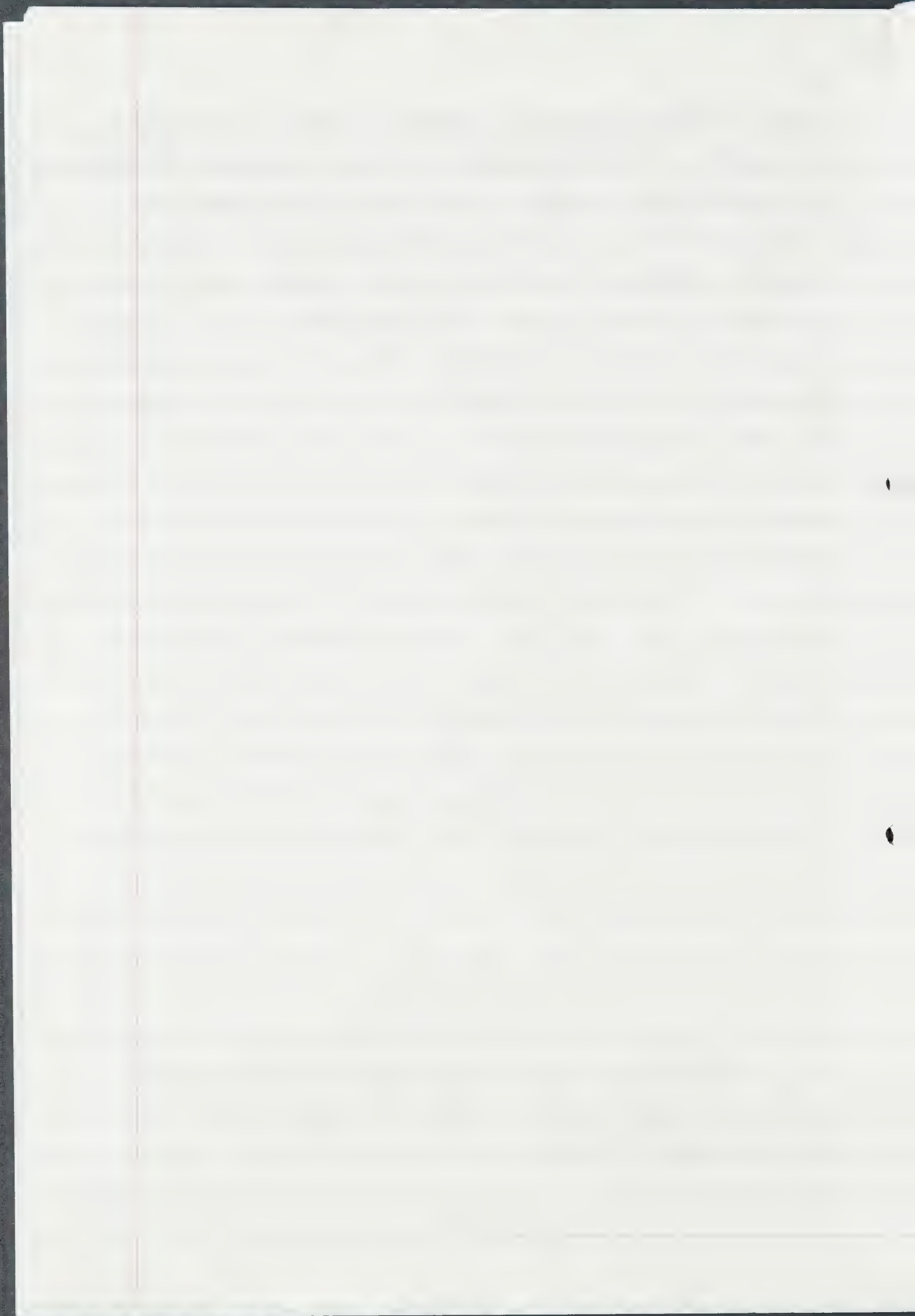
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most intelligent man he knows, but was discussing  
me really that intelligent? I have discussed this personally  
with each of the directors and most have told me  
that directors of most public companies were told  
by the managements that investors should not deal  
in options — it could be misconstrued as "a bet  
against the company." Unfortunately the management of  
Pigma-Adriole never convinced its directors against  
the sale of options and, as I am not a director  
of any other public company, I had never heard this  
caution, and still find it too hard to see how the price of an  
option of stock I own can be construed as such a bet.

What do I want most? My position back  
Cori may tell you that I am an oldie — I am 67 —  
who just wants to hang on. Perhaps, but I feel  
that I have been and could continue as a most  
effective link between chemists around the world  
and our company. If you agree, please call  
Tom Cori and discuss this with him. His numbers  
at Pigma in St. Louis are

1-800

If you would like to share your thoughts  
with me, please send a fax to my home  
at 414 962 8322





B

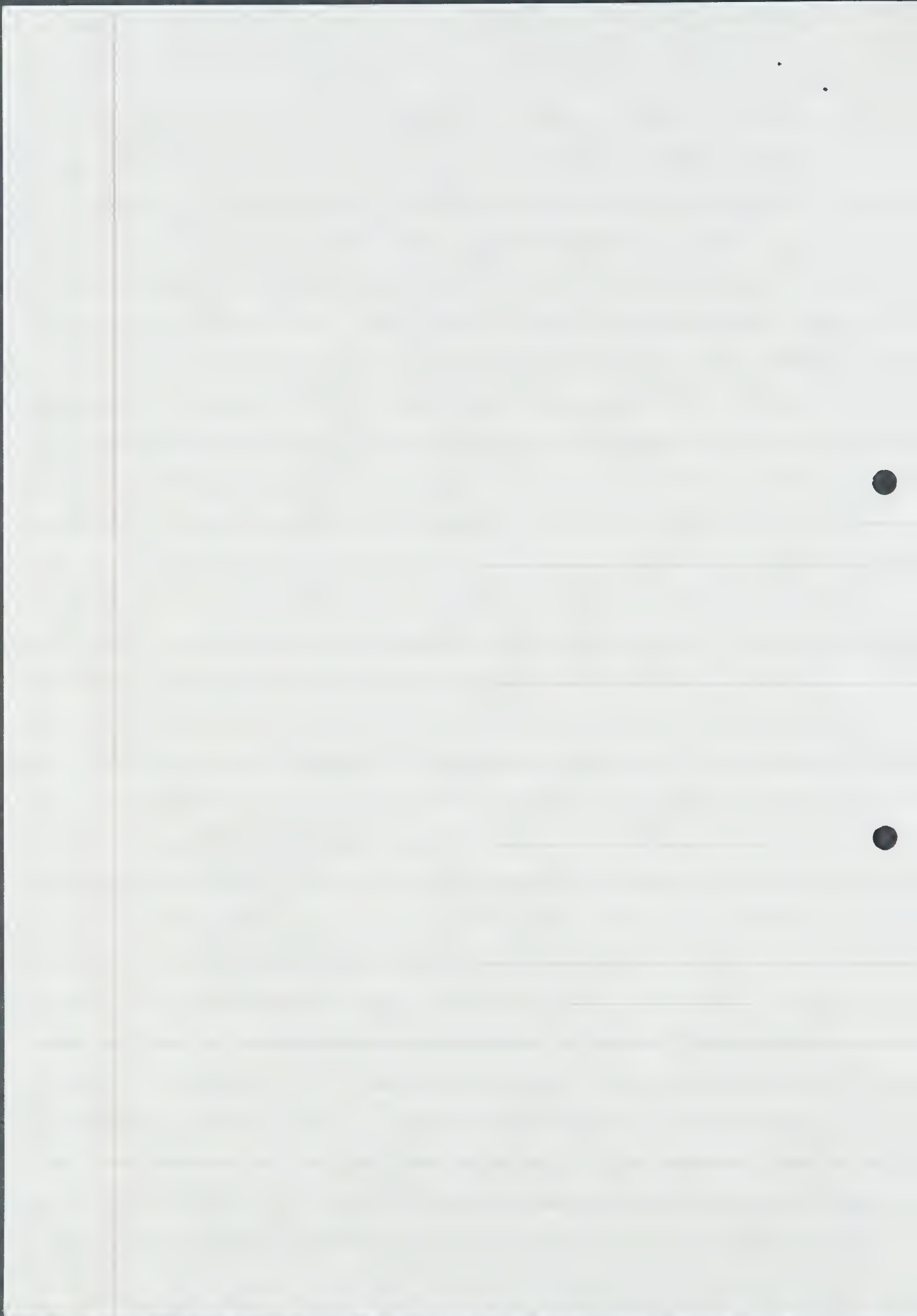
## A LETTER TO THE SHAREHOLDERS OF SIGMA-ALDRICH

Many of you know me as the chemist who started the Aldrich Chemical Company some 40 years ago, with a capital of \$500. In 1975 Aldrich merged with Sigma, America's best biochemical company and I have been Sigma-Aldrich's president and CEO, chairman and, since May 1991 chairman emeritus. I have continued as director, working hard doing what I have always done best: being an effective link between academia and the company, searching for new products and suppliers, involved in many business purchases and sales.

Last November 20 Dr. Tom Cori, the CEO of Sigma-Aldrich and Dr. David Harvey, the COO flew to London to accuse me of a terrible deed, 'betting against the company' and to demand my resignation as director.

Let me give you the background first: at the Sigma-Aldrich board meeting on August 13 Cori announced that the three top officers ~~of the~~ would sell about 10% of their holdings in Sigma-Aldrich and on August 20 Cori sold 10000, Harvey 7000 and I sold 5000 shares for  $41\frac{3}{8}$  per share. The families of the founders of Sigma have sold large portions of their shares, but I have not sold any, although I have given many shares to universities and to many institutions helping people.

In April 1991 I promised my Canadian alma mater, Queen's University a gift of two million dollars, to be given partly in cash and



B

→

partly in stock. In August I learned about  
 stock options and I asked the best attorney I knew,  
 Martin Kestner, a fellow director of Ingersoll. At that  
 whole the price of options was an appropriate way  
 of maximizing the proceeds of a stock sale. He agreed  
 that it was and on August 15 I sold a call  
 option for 10,000 shares at an exercise price of \$45  
 expiring in January and received \$25/100 per share for  
 the option. I turned the option shares and the option  
 proceeds over to Susan, the option was exercised  
 and per Susan received \$47 1/2 per share for stock  
 selling for about \$42 at the time of the option sale.

The testimony of Martin Kestner, to my  
 stockbroker or to me, that regulations in effect  
 since May 1991 required me to report option sales  
 I should have reported my sale in September but  
 did not do so until December when I first learned of  
 the regulations. This was a technical infraction  
 but purely not <sup>an</sup> act of dishonesty. According  
 to the directors, the sale of an option by a  
 board member is tantamount to "betting against the  
 company" and hence the demand for my resignation.

Aside from the fact that my gift to Susan  
 represented less than 1/2 of 1/2 of my holdings  
 and I am "betting with the company" in the sense  
 of 26 million shares, how can the sale of a call  
 option be any more a bet against the company  
 than any sale? And even if my gift was 10%  
 of their stock, I simply signed a contract



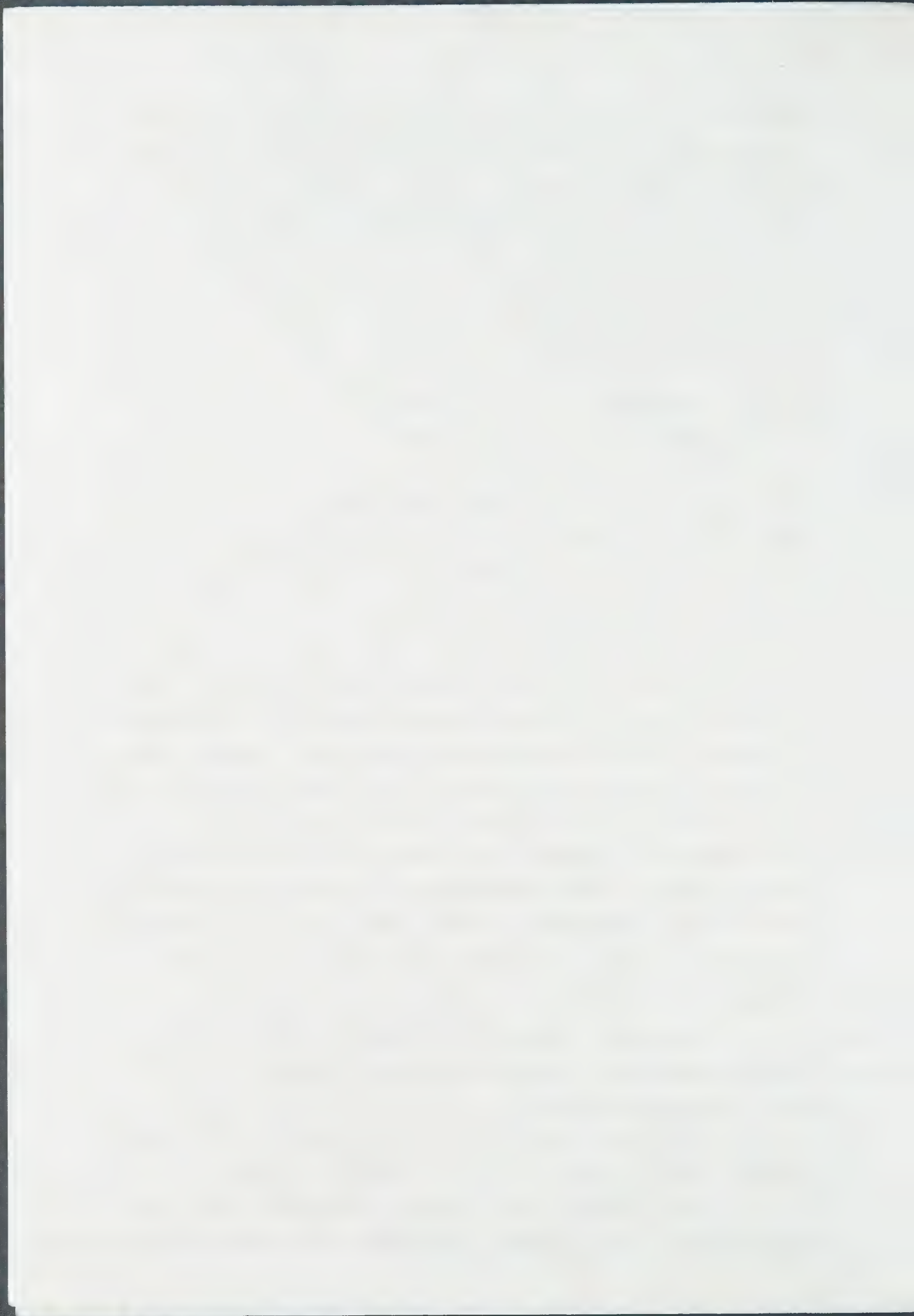
agrees to not buy at 45, which was above  
 the market. Deane and I who sit with for any  
 decline in the market, when the price of stock  
 look for an increase in price and a protection  
 against a decline in the market by issuing such  
 to insure out to be a good deal for Deane  
 which received \$47. The Co. received  
 only \$41.75 for her 1000 shares. I simply  
 cannot understand having a share constituted  
 "but against the company".

The numerous reports to Deane of  
 Deane (who had also sold shares - stock he owned)  
 and was made by all the directors in a long  
 telephone meeting in November. Most seem to me  
 - personal telephone discussion - Deane had they  
 known that directors should not take a share  
 and that most managements had contacted the  
 directors against this. Unfortunately the management  
 of Deane did it had not done so, and as we  
 are not directors of the public company, we were  
 unaware of that. Deane Deane, a most  
 knowledgeable attorney was aware of this by Deane  
 paying during that telephone meeting and when he  
 was included in it. Co. and the other  
 directors acted in ignorance and very much to  
 burden of Deane.

I cannot help thinking that Deane is a  
 classic case of "good" times "bad" returns  
 for our investments.

Setting against the company in the year  
 issue, but what - the "real" return?

It cannot be great, because Co. is  
 accordingly well paid. In 1990 we had compensation

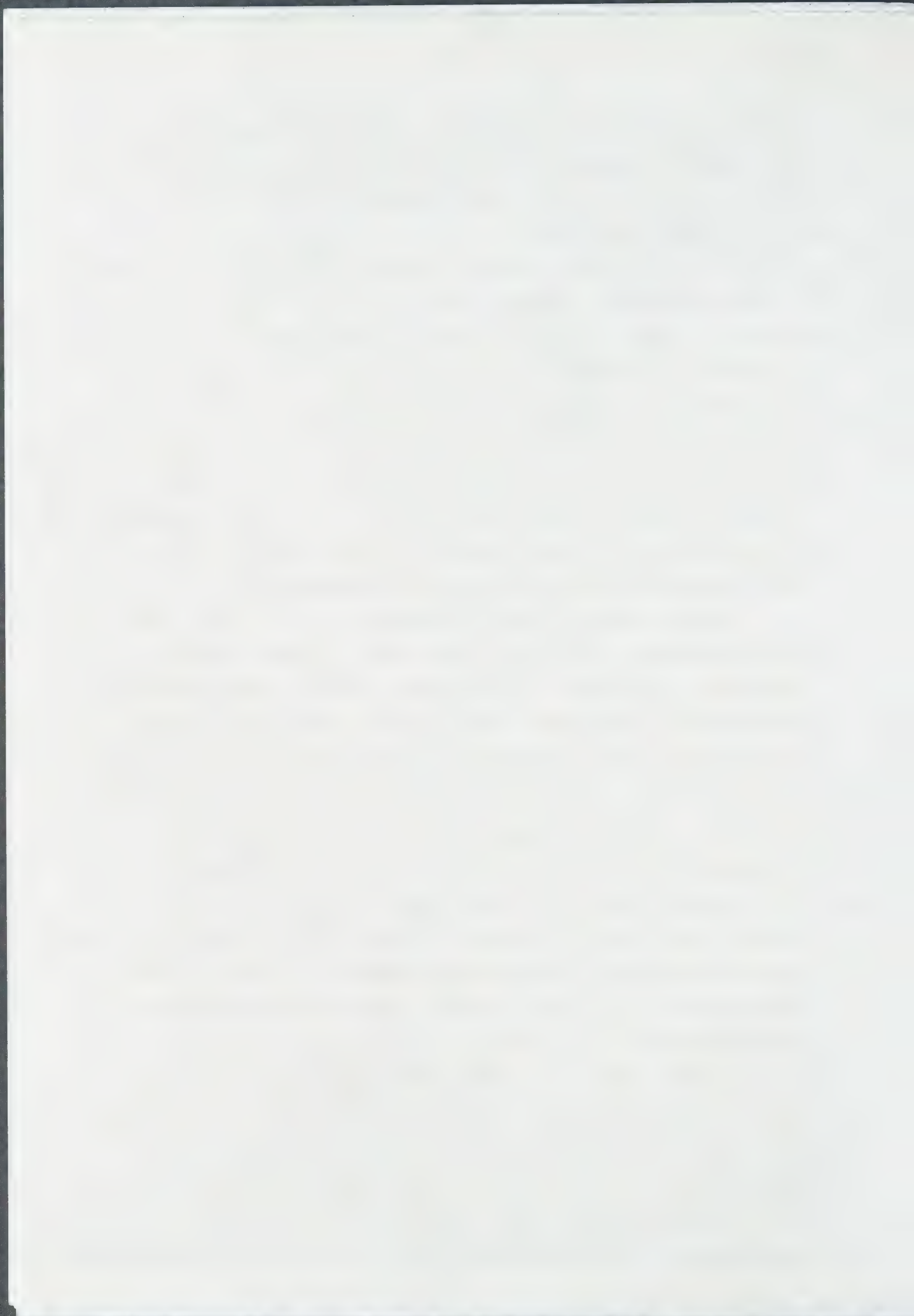


received a million dollars (more than 5 times my highest compensation elsewhere) and he received 17904 shares under an incentive stock bonus plan at no cost to him.

It is more likely to be the wish to remain the only directors who know enough about the company and are sufficiently independent to speak up about mistakes. Lee is very intelligent and hard working but so self-confident that he does not listen to others. Having his friends say "I should trust anyone why should I trust you?" and "but we are friends" is a blow to the very essence of my beliefs. I know many friends among chemists and have pointed many good moments.

Right now, Arizona. Stewart is too big for many middle managers have been fired. Many managing directors in Europe have come and gone. He is still not president of 3 years, Dr. John Foyen was fired last September - He quit. Stewart says that he was under the impression that he would succeed where Foyen had failed, Co - last reply was "if you could, you will be fired also." Management by fear.

Lee has no pressure. Sperry is very able and hard working but does not have to speak up, and Lee has made it clear to the other directors that Sperry is not the right person to succeed him when I agreed to step down as chairman a year ago, Dr. Benda the chairman of the corporation.





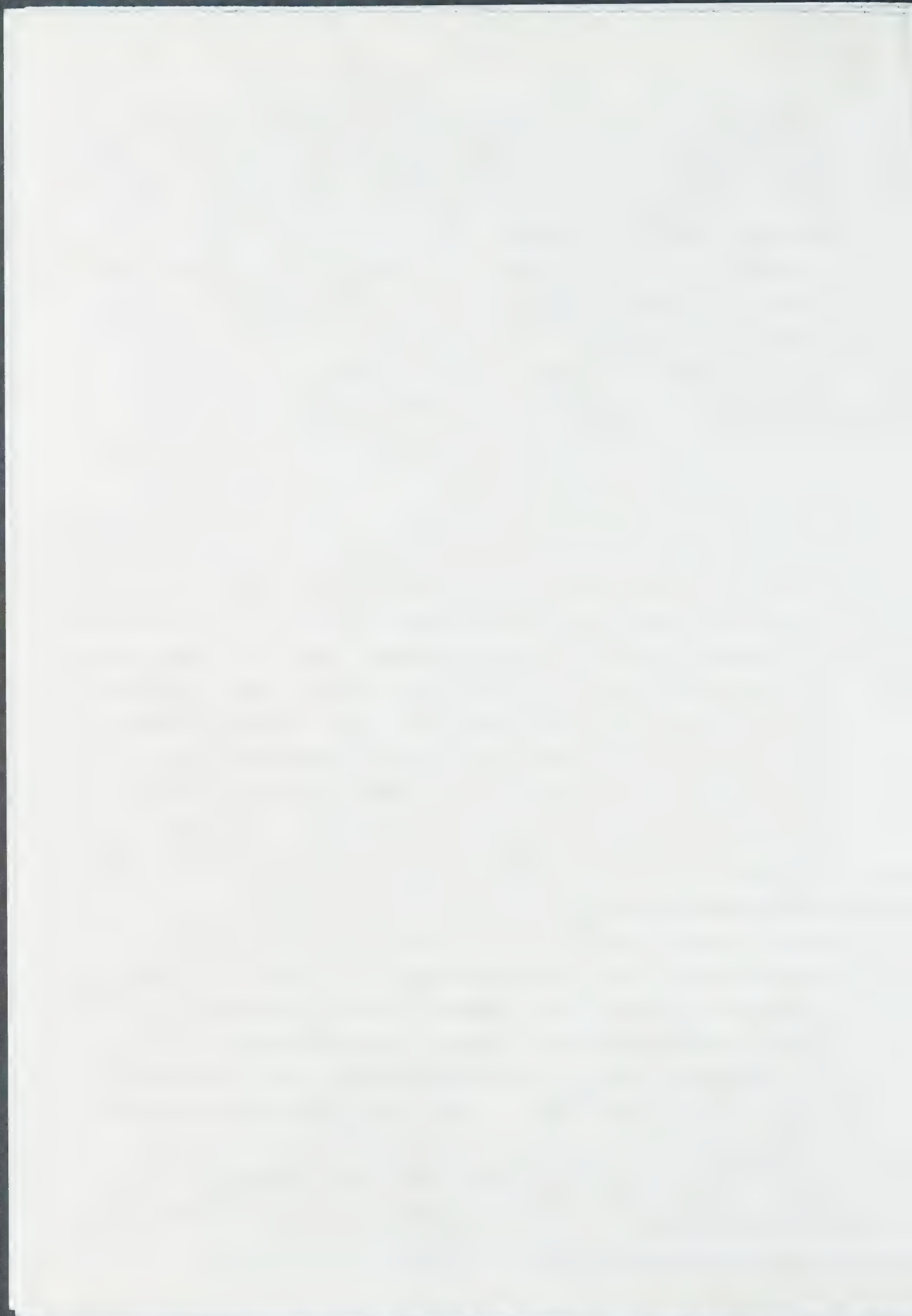
...has occurred and, And a procedure would be found within a year. That procedure has not been kept

Please don't misunderstand me. I'm not at all an expert company and the other 5000 employees would be in a position to get my report sent to an editor. I'm not the best of you are And chemical companies. I'm not at all gentle here. I've changed the way I speak is down all the time, by studying with scientific class and scientific require. I'm not really represented by an editor.

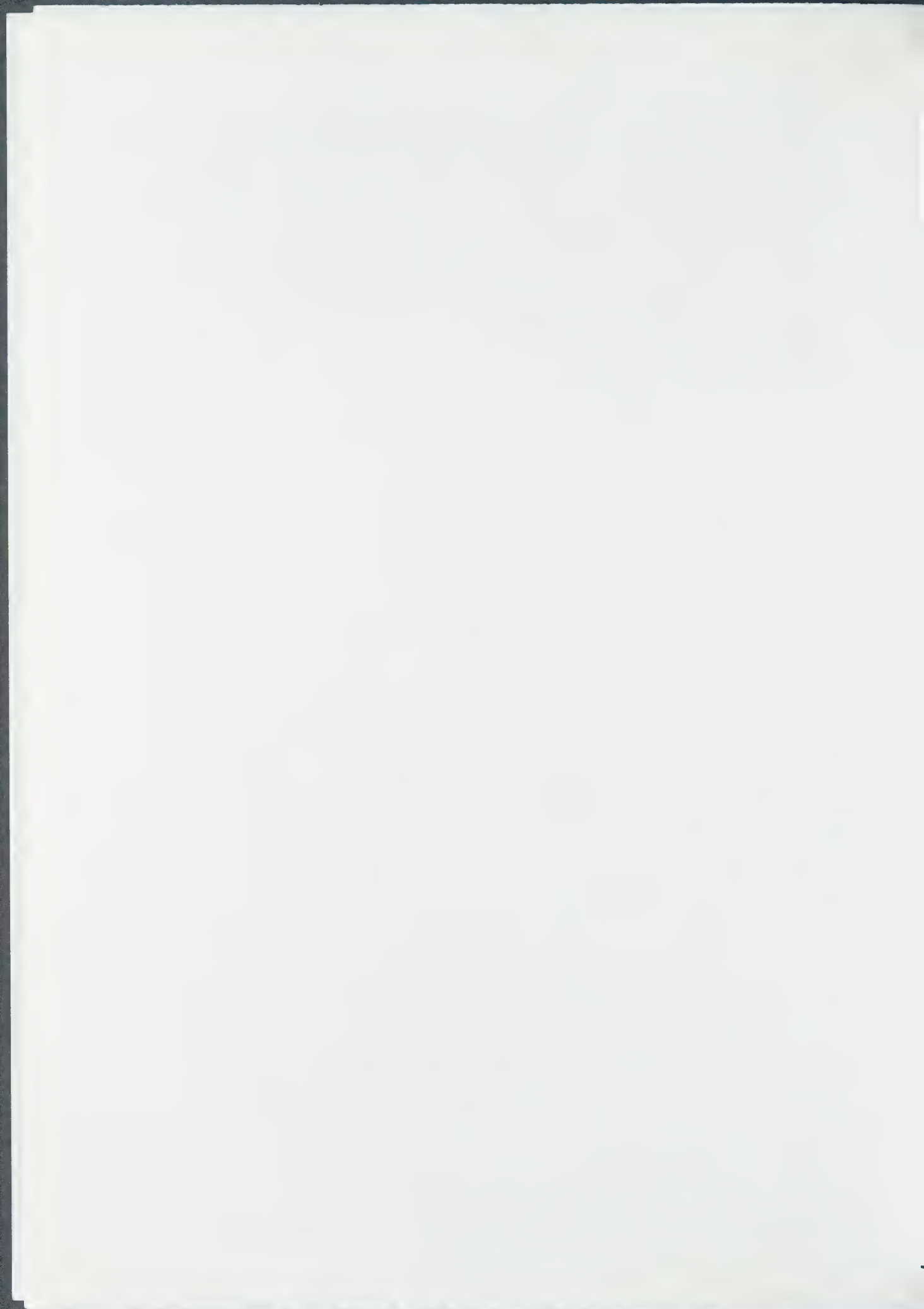
But the first thought is to own... Take an example. The company has a most generous... I'm not at all... of myself... but in you... 1970... 1970... \$520,000... \$50,000,000... received nothing... all young people.

None of the above... I'm not at all... the procedure of... I'm not at all... that... I'm not at all...

You know you have the most reason for my... I'm not at all...



First - stockholders, our employees and our  
 customers need my attention and my work for the  
 company which I had agreed to handle without  
 compensation. If you agree I would like to ask  
 you to discuss this with the Co. and the sub com  
 details - who is to be in charge of the  
 and me. This telephone and for another -  
 has nothing on



Dr. Alfred R. Bader  
2961 North Shepard Avenue  
Milwaukee, Wisconsin 53211

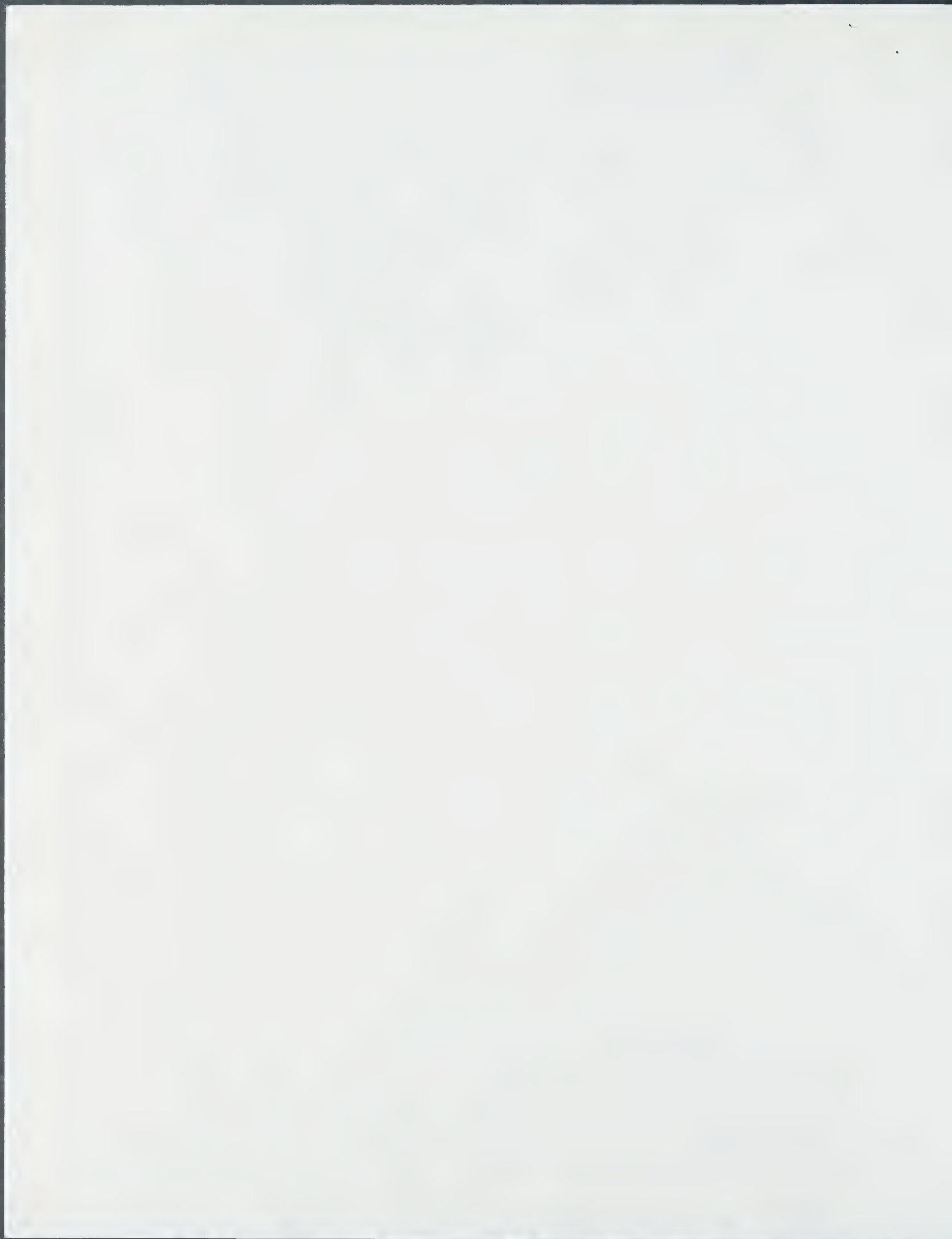
January 2 1997.

Dear Steve

As you will see from Tarr Cori's announcement, my worst fears came true; December 31 was my last day at Aldrich.

Please do not let on that I phoned the nasty details with you - the only other chemist in Britain that I confided in was an old friend Ralph Roghale.

I am sure that our not working and walking from lab to lab around the world will be a loss to chemistry, particularly in Britain where we have more friends per square mile than anywhere else. Might John Emsley be interested in writing a sympathetic story about my departure - perhaps for Chemistry in Britain? If so, the enclosed MS to be published in Canada might be



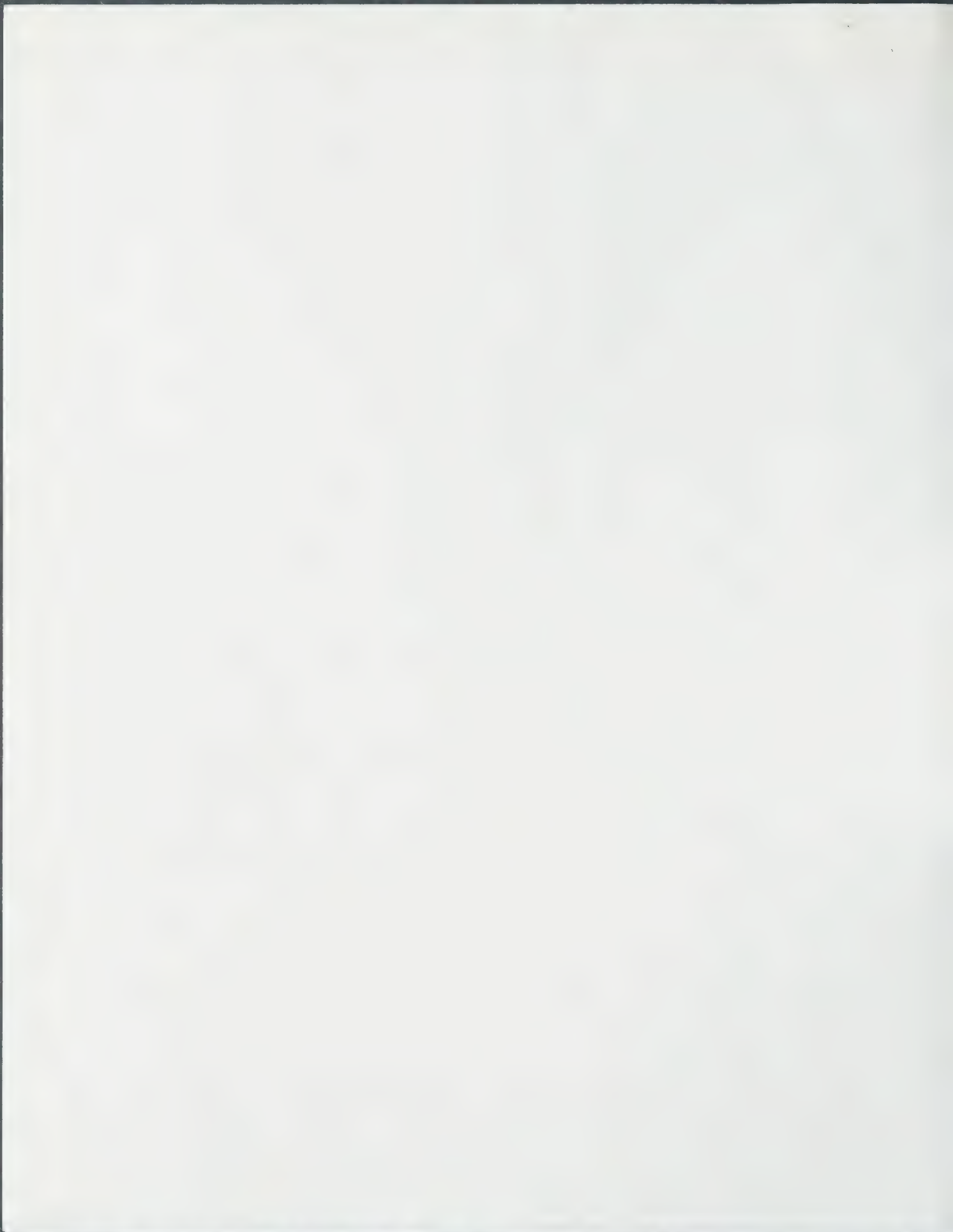
helpful. I barely know Prof. Edwards,  
but the facts he presents are correct.  
John writes so well, and might like to  
talk to Tom Cori. If so, he could call  
Dr. Bob Smith, the managing director of  
Aldrich Lillingham on our 800 number -  
800 7171 81 and the Lillingham switchboard  
has the means of transferring the call  
to St. Louis - at no charge to you.  
Alternately, Sigma offer to accept collect  
calls - fee enveloped. But please, please  
will John only that I am no longer with  
the company - not the details. Of course  
the story must come out - but probably  
not before the next Sigma-Aldrich annual  
meeting on May 5. Right after that we'll  
fly to London; I am to give a Friday  
discourse at the Royal Institution, on Hopkinside,  
on May 15.

With all good wishes for 1992, also  
to Willy and John.

As Always,

cc Prof. Riegle Raphael

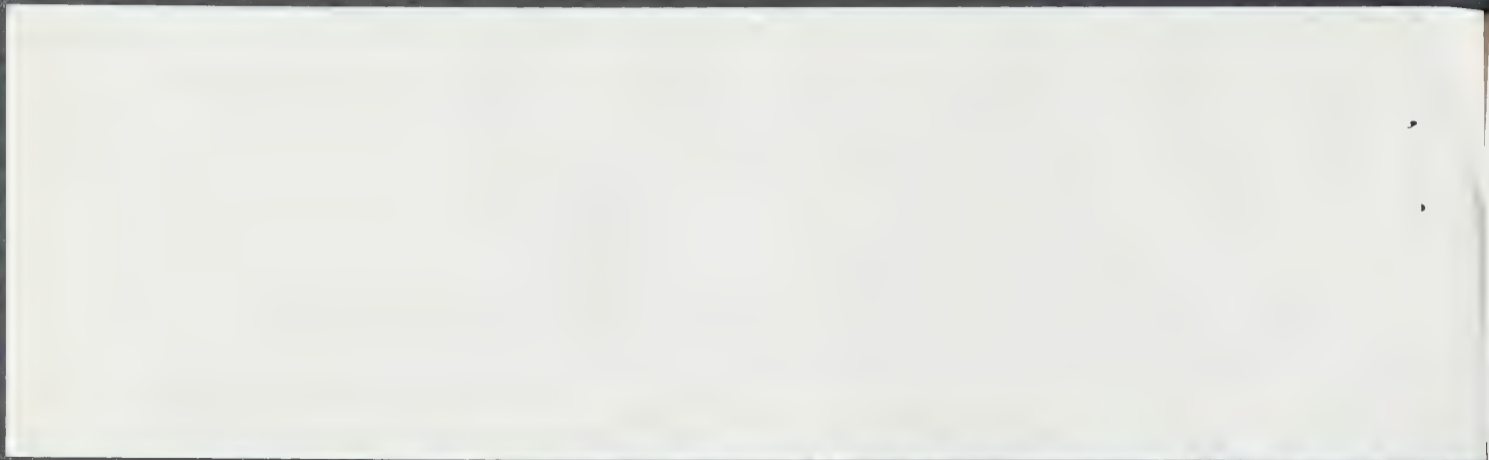
John





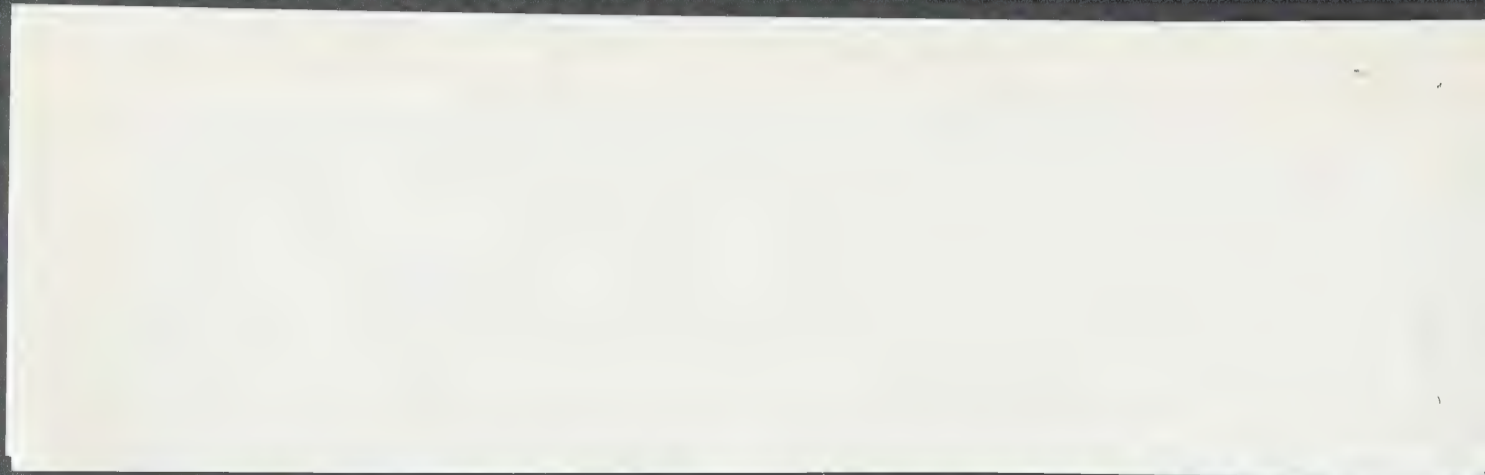
Jan 27/92  
6:35am

Jerry L. Gaffey

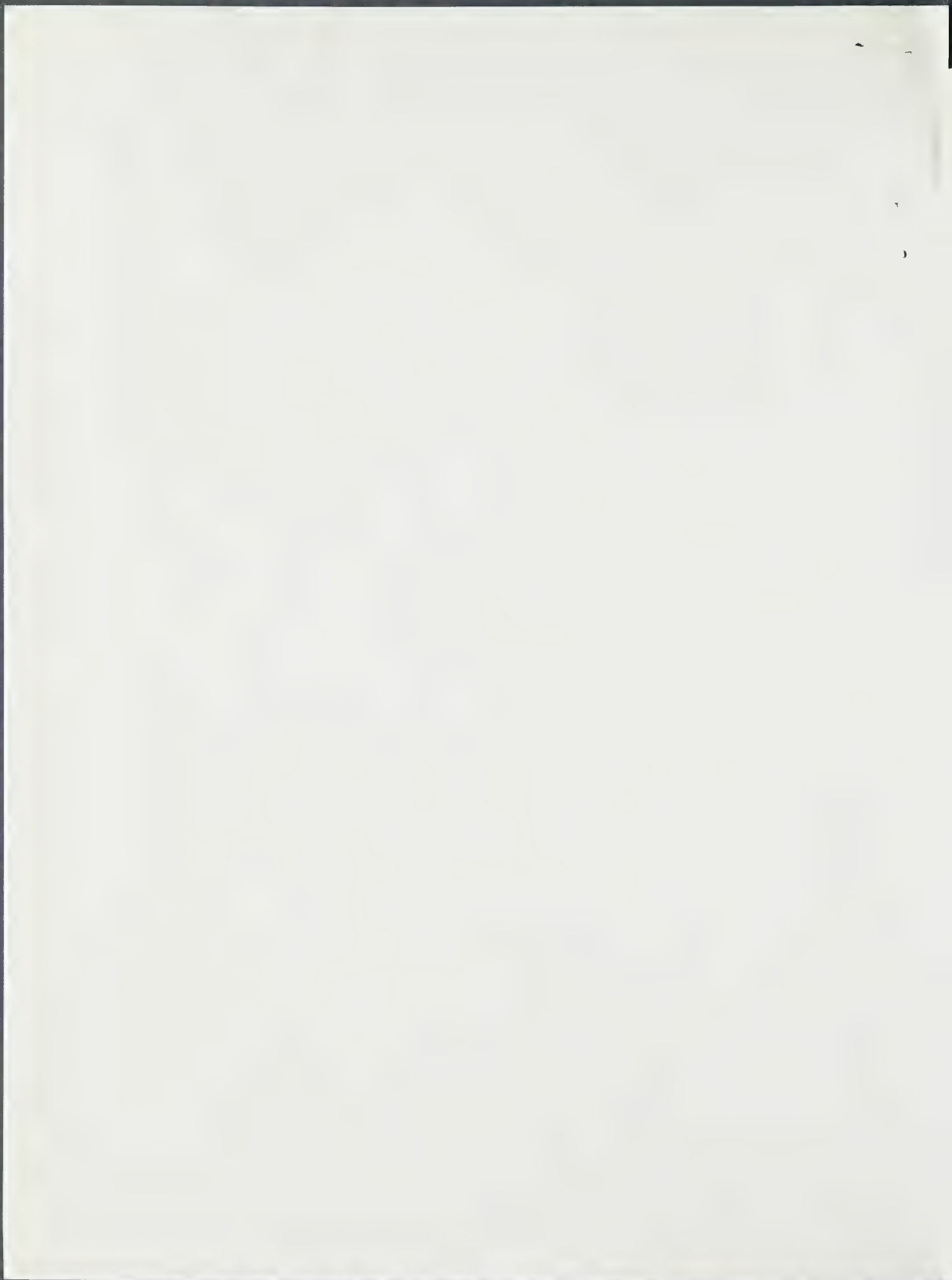


Jan 27/92 6.30 am

to Marvin





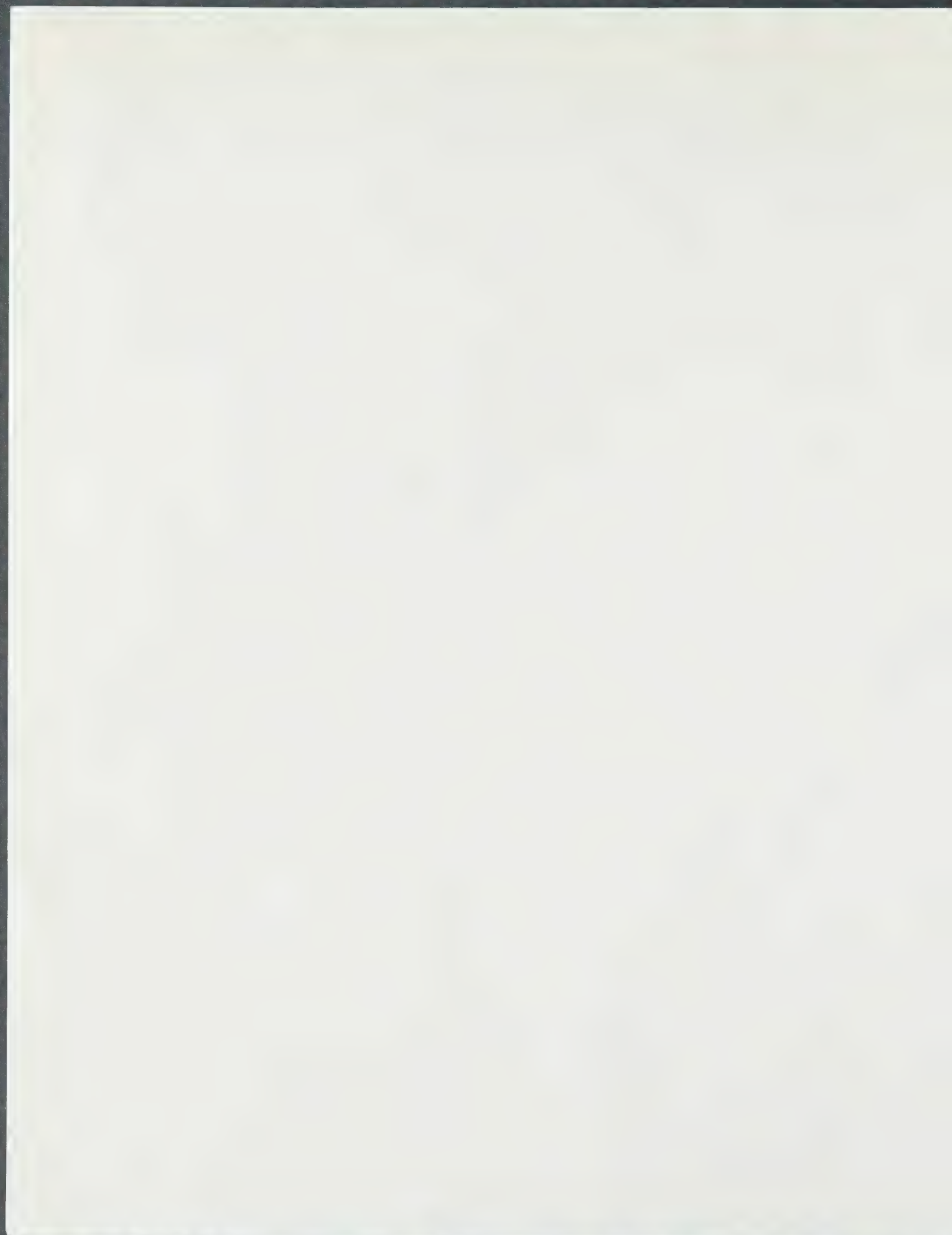


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1870





*[The following text is extremely faint and illegible due to low contrast and blurring. It appears to be a multi-paragraph letter or document.]*

To Michelle and David  
with love from

Isabel, Daniel and Aey-a

6:45 pm  
1/9/92



IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

DEPARTMENT OF CHEMISTRY



Steven V. Ley, FRS  
Professor of Organic Chemistry  
Head of Department

South Kensington, London SW7 2AY  
Telephone: 071-225 8330  
Telex: 261503 Fax: 071-823 7353

Dr. T. Cori  
President, Sigma-Aldrich Corporation  
P.O. Box 14508  
St. Louis  
Missouri 63178  
USA

16th January 1992

Dear Dr. Cori,

I have recently learnt that Dr. Bader has retired and will no longer act as a consultant or ambassador for Sigma-Aldrich Corporation. This is a sad day as I do not believe Dr. Bader would wish it to happen in this way and we in the community will greatly miss his visits.

His unique style and personal qualities have done so much to establish the success and after sales service for the company. His loyalty and enthusiasm for chemistry and Sigma-Aldrich are exemplary for which you can be proud. He has created an important vital personal contact with universities and companies worldwide. He is much respected for what he has done and this has generated a trust and friendship which leads to product and reagent acquisition which give the company an enormous competitive edge. Moreover, this personal contact has been crucial in advancing the science we do.

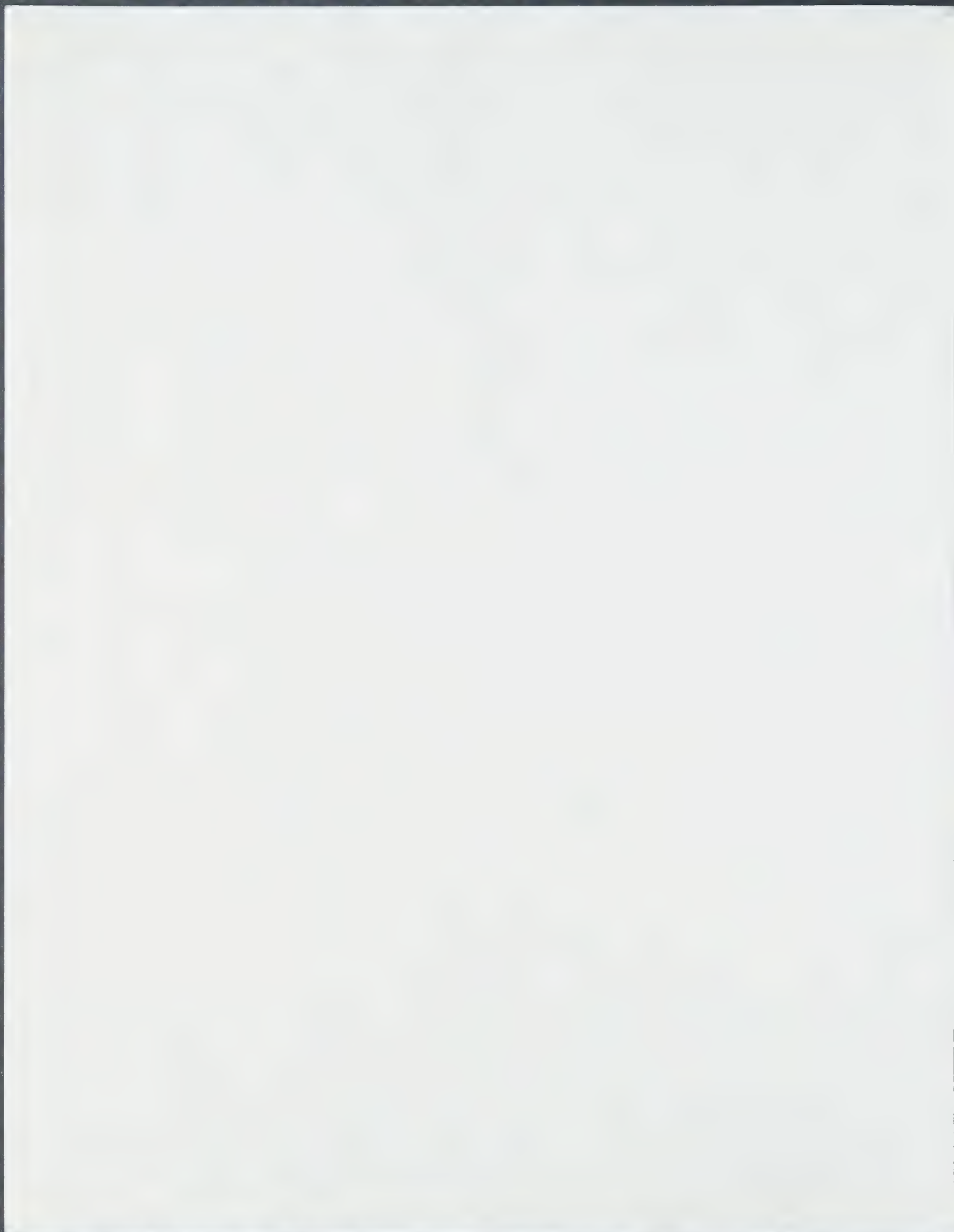
Alfred Bader has been quick to recognise new and potentially important reactions, which is good for your business but it also promotes the subject through advertisement. Largely because of Dr. Bader the *Adrichimica Acta* is now recognised by academics as an important publication which is much cited and used sometimes ahead of other respectable scientific journals. What he has helped to do through his good humour, personal contacts and friendship is establish a superb network which provides outstanding benefits for our community. This is recognised in your profits and in the loyalty we show in buying our materials from your company.

Dr. Bader is a tremendous asset to you which I hope you will continue to recognise. I hope this letter is not the beginning of a much wider debate which could ensue and may cause damage to the high esteem to which we presently hold the Sigma-Aldrich Company.

Yours sincerely,

copy read 03  
1/27/92





Dr. Thomas Cori

February 7, 1992

2

keep him in harness until he just couldn't do it, or did not want to do it anymore. Among our Caltech Trustees, certainly Stan Avery (Avery International), Arnold Beckman and Thomas Watson, Jr. (IBM) are revered by their respective companies and these men generally do far less to directly foster public relations with their companies' customers than does Alfred.

Let me suggest that keeping Alfred going in his present capacity will cost the Company very little and will make for excellent public relations. Terminating him can do no good for the Company at all and could indeed do a great deal of harm, because Alfred is so widely known, so widely respected, and so much liked.

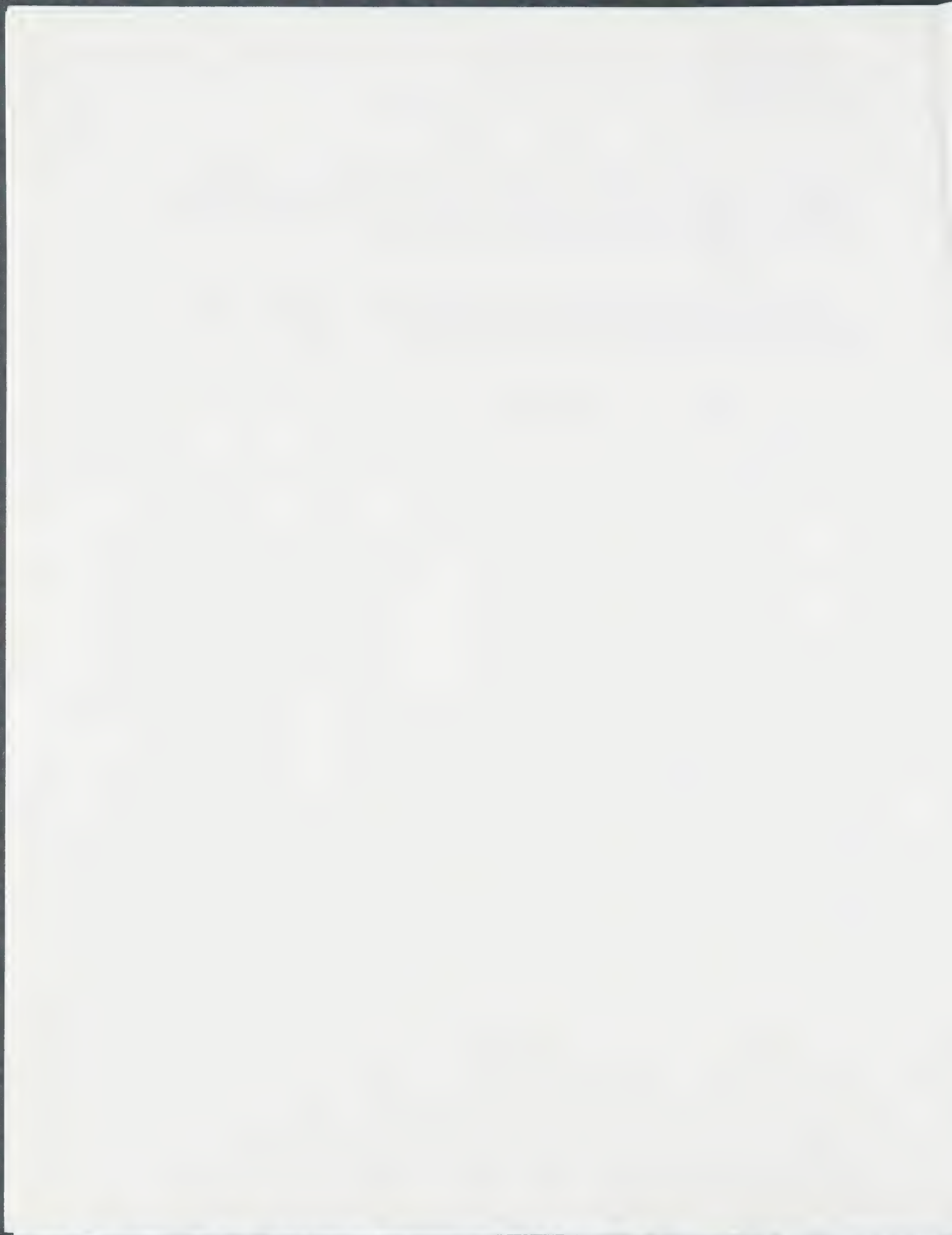
All of our faculty here, welcome and value Alfred's visits and we very much want them to continue on the present basis.

Thank you very much.

Very truly yours,

copy recd AB  
2/11/92

818 564 9297



RESOLVED, that the Sigma-Aldrich Corporation Share Option Plan of 1987 ("the 1987 Plan") be amended to correct a typographical error in Paragraph 8(b)(iv) of the Plan, to reflect the correct option termination period of ten (10) years, consistent with the exercise period of ten (10) years as provided in Paragraph 6 therein, and consistent with the intent of the Company at the time it adopted the Plan.

FURTHER RESOLVED, that the Company adopt the First Amendment to the Sigma-Aldrich Corporation Share Option Plan of 1987 in the form presented to the Board to reflect the correction of the said typographical error.

After discussion regarding compliance with SEC regulations involving insider activities and upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, the Company desires to comply with, and assist its directors and officers in complying with, the requirements of Section 16 of the Securities and Exchange Act of 1934, as amended, (the "1934 Act"), and the rules and regulations promulgated thereunder;

WHEREAS, Section 16(a) of the 1934 Act and Rule 16a-3 thereunder require "officers" of the Company to file certain reports with the Securities and Exchange Commission, securities exchanges and with the Company;

WHEREAS, Rule 16a-1(f) under Section 16 of the 1934 Act and Item 401(b) of Regulation S-K contemplate that a company may identify those persons performing policy-making functions for the company who constitute "executive officers" and thus are officers for purposes of Section 16 of the 1934 Act;

NOW, THEREFORE, BE IT RESOLVED, that the Company hereby designates the following persons as "executive officers" and as officers for purposes of Section 16 of the 1934 Act:

<u>Name</u>	<u>Position</u>
Carl T. Cori	Chairman, President and Chief Executive Officer
Peter A. Gleich	Vice President, Treasurer and Secretary
David R. Harvey	Executive Vice President and Chief Operating Officer
Kirk A. Richter	Controller
Thomas M. Tallarico	Vice President

Dr. Cori commented on the Diagnostic and B-Line activities.

Drs. Cori and Harvey discussed pending lawsuits as well as other potential acquisitions.

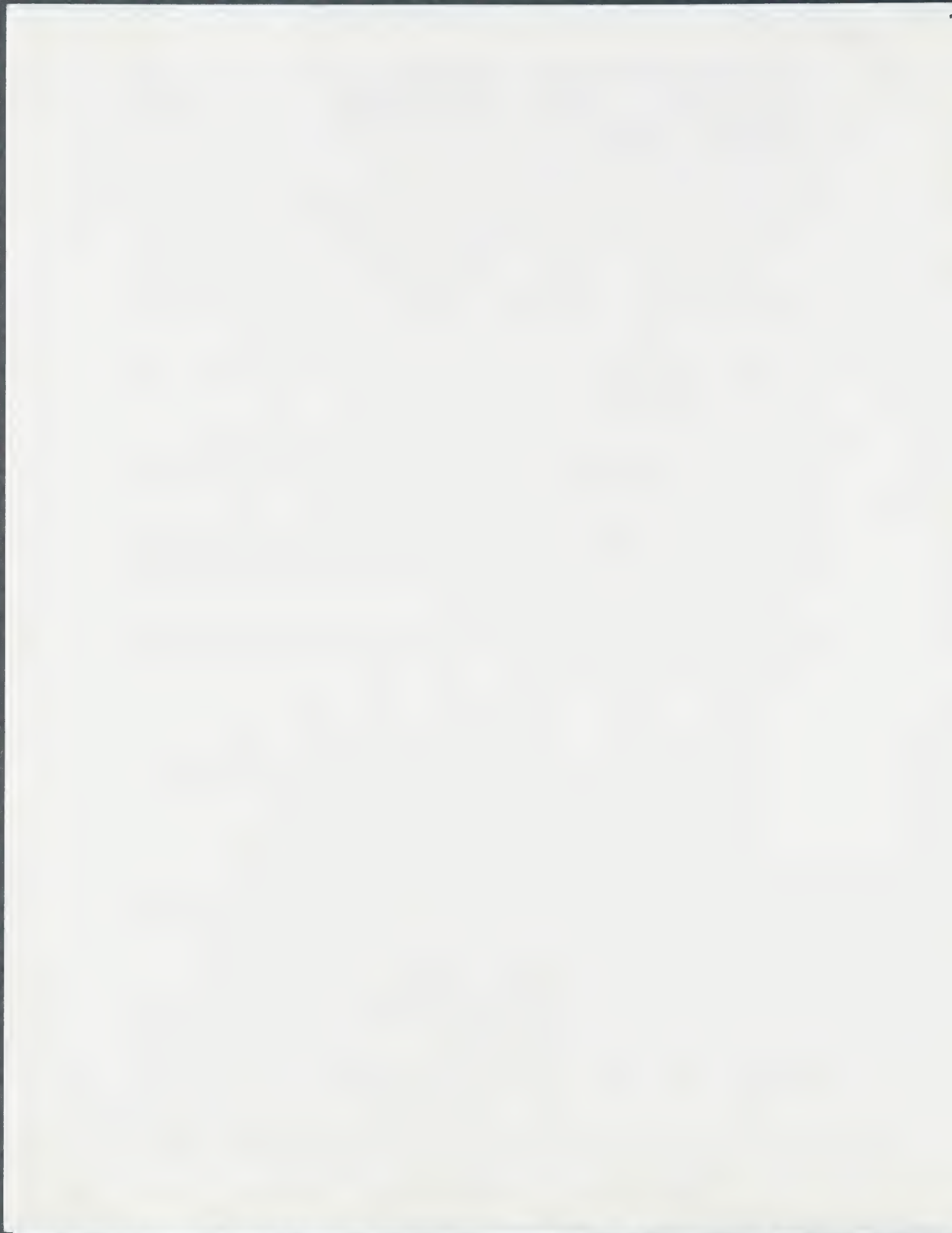
Mr. Richter discussed current insurance coverage.

Dr. Cori discussed the current organization including the recent promotion of Ron Wolfe to President of the Research Group.

There being no further business, the meeting was adjourned.

\_\_\_\_\_  
Peter A. Gleich

May 7 1991 directors meeting minutes






Dr. Alfred Bader, the founder of Aldrich Chemical Company, retired as Chairman of Sigma-Aldrich Corporation at the annual meeting of the stockholders in May of 1991. For the remainder of 1991, he has acted as a consultant to the corporation. Today marks the end of that consulting. I am sure you join the corporation in wishing Alfred Bader the best in his retirement.

Tom Cori



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Date: May 2, 1991  
To: Sigma-Aldrich Directors  
From: K. Richter   
Subject: SEC REGULATIONS FOR REPORTING STOCK ACTIVITY OF DIRECTORS

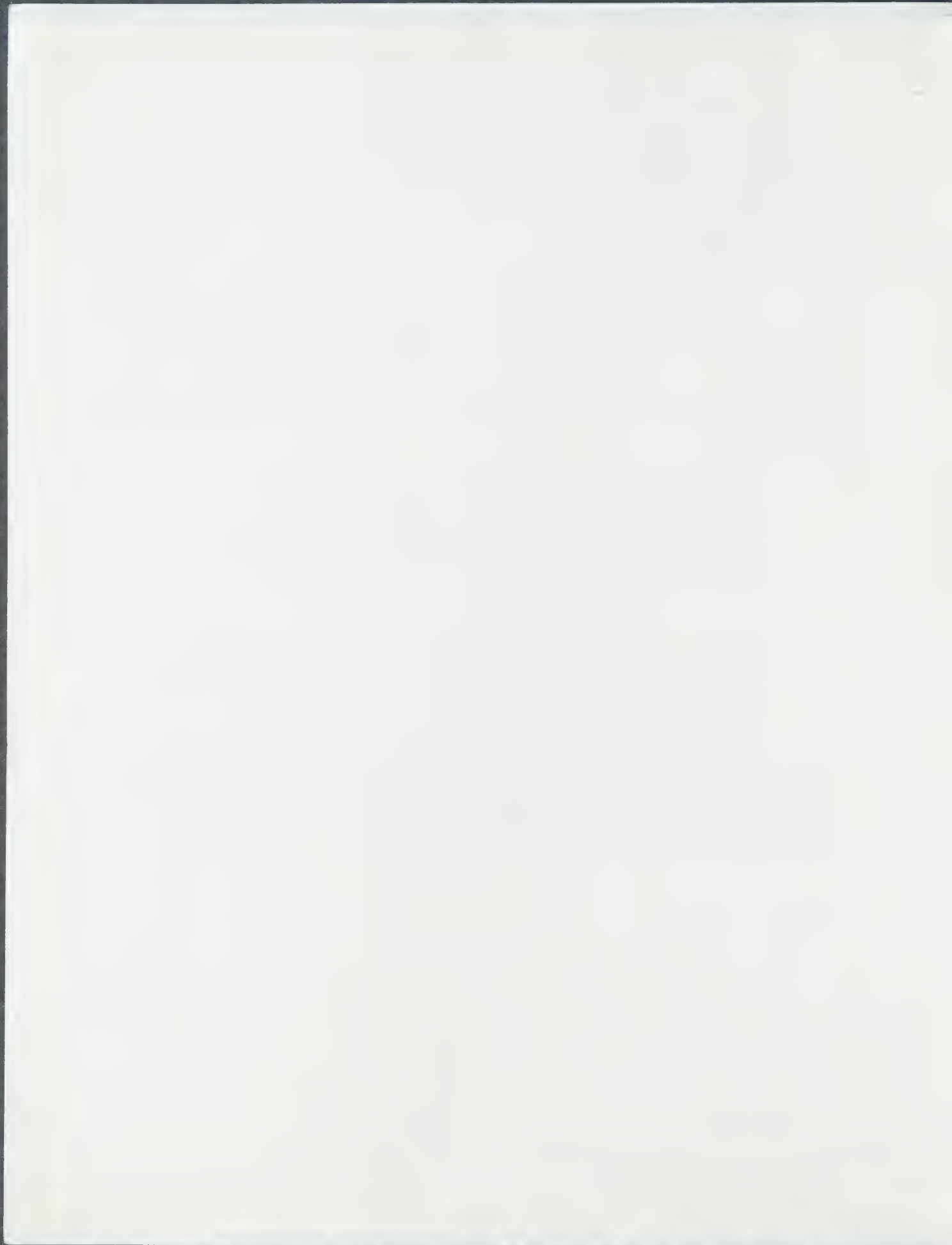
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In January 1991, the SEC revised Section 16 rules governing insider reporting and short-swing profit liability. The new rules, which became effective on May 1, 1991, deal primarily with:

- a. Clarification of persons subject to Section 16. The directors and officers of Sigma-Aldrich continue to be subject to the Section 16 regulations. A review of the regulations by Bryan, Cave, et al concludes that no division or subsidiary officer is considered an insider. A copy of the conclusion, together with a suggested Board resolution, will be presented at the meeting.
- b. Reporting of stock activity. Form 4 remains unchanged and must be filed by the tenth day of the month following a purchase, sale or transfer of Company stock. A new Form 5 has been added that requires insiders to report other transactions within 45 days after year-end.

The names of directors who have failed to file any Form 4 or 5 on a timely basis must be disclosed in the annual proxy statement. Copies of all future Forms 4 or 5 should be sent to me for the company file. If you need any assistance in completing or filing these forms, please let me know so that all filings can be submitted on a timely basis.

KAR:bb



## MEMORANDUM

TO: Outside Members of the Board of Directors of Sigma Aldrich  
cc: Tom Cori; David Harvey

FROM: Alfred Bader

DATE: December 9, 1991

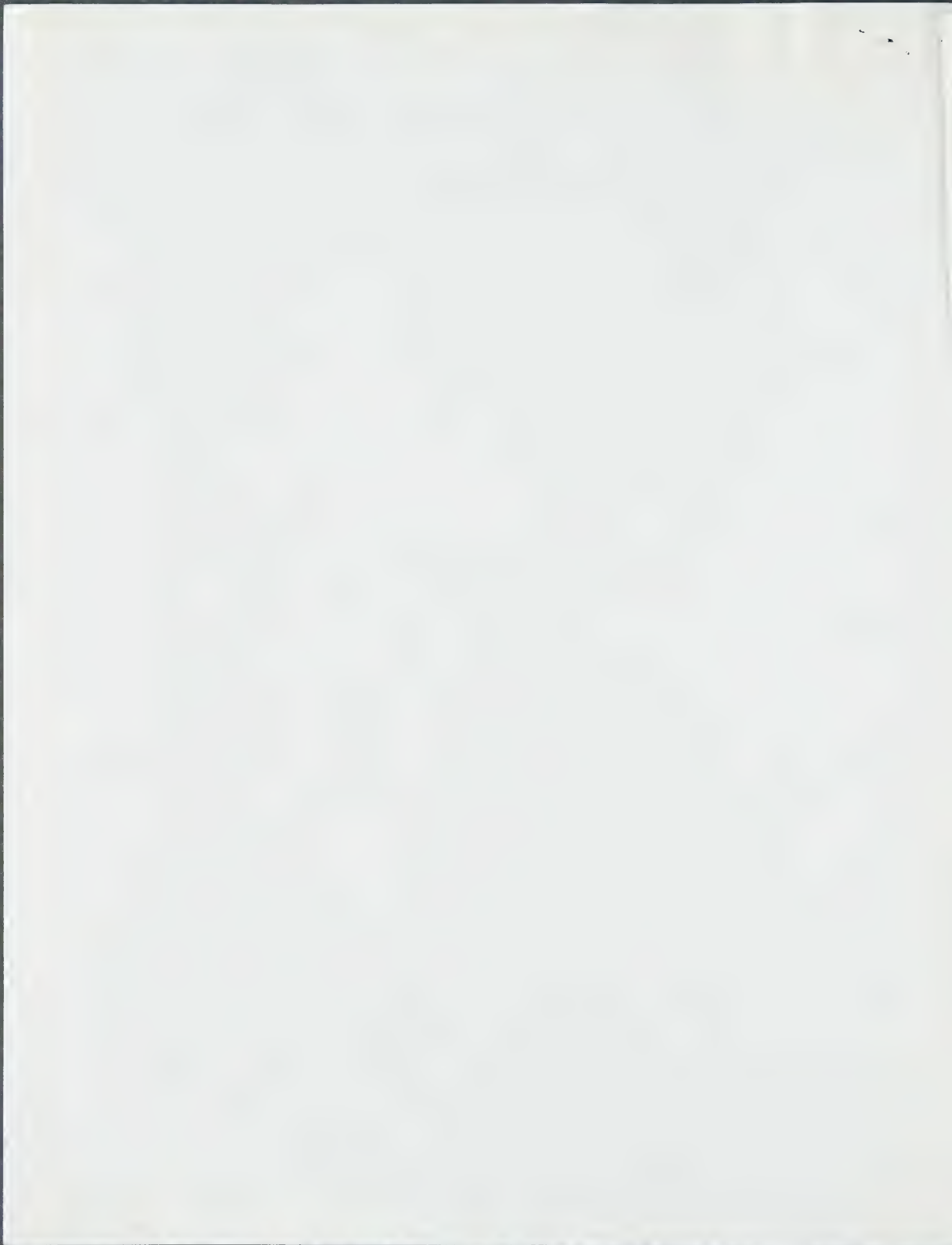
Tom Cori and David Harvey flew to England and met me on November 20 to request my resignation from the Board of Directors. Tom Cori said that all the directors (other than Marvin) believed that I should resign because I had "bet against the Company." I refused to resign.

I wanted to consider carefully, this matter before I contacted you. Since that time, I have been lecturing and doing my normal work for the Company on the Continent and in England and only now am in a position to give a considered communication to you.

I do not believe you would have taken such a position, if you had known the facts. On August 15, 1991, I wrote a call option for 10,000 shares at an exercise price of \$45 expiring on January 31, 1992 and received \$2 5/8 per share. This is a covered call as I had the shares to deliver, if the call were exercised. The only shares I have ever parted with, since the merger, have been for charitable gifts. Having learned of the attractiveness of options in connection with sales of stock, I believed it would be an advantageous technique in connection with a gift to my college. Had I directly made a gift at the time, their policy would be to sell the stock, yielding 42 or 43. By selling a call and then by giving them in January, the shares, subject to the call, and the proceeds of the call they would either realize \$47 5/8 or, if the stock did not rise to \$45 by January, \$2 5/8 per share above the then market. Even if the market were to remain in the low \$40s that meant they could look forward to realizing \$45. Rather than "betting against the Company" I was hoping for an increase to at least \$45 so that my college would realize \$47 5/8.

Although every gift or sale reduces ones holdings, it is not appropriate to say they are a "bet against the Company." I hold over 3.5 million shares in which I am "betting with the Company." I did not personally participate in the last two secondary offerings and obviously, my assets are heavily concentrated in Sigma Aldrich stock. Giving some of that stock away or for that matter making some sales, hardly demonstrates a lack of confidence in the company.

Wholly aside from my personal charitable objectives in selling a 10,000 share call option and aside from the fact that this represented less than 1/3 of 1% of my holdings in the Company, it is difficult for me to fathom how the sale of that call option by me can be a bet against the Company compared with a sale of a similar number of shares. I simply signed a contract agreeing to sell the shares at 45, which was above the market. I was at risk for any decline in the market and only compensated for that by receiving \$2 5/8 per share. A seller of shares looks for no increase in price and is protected against a decline in market. My

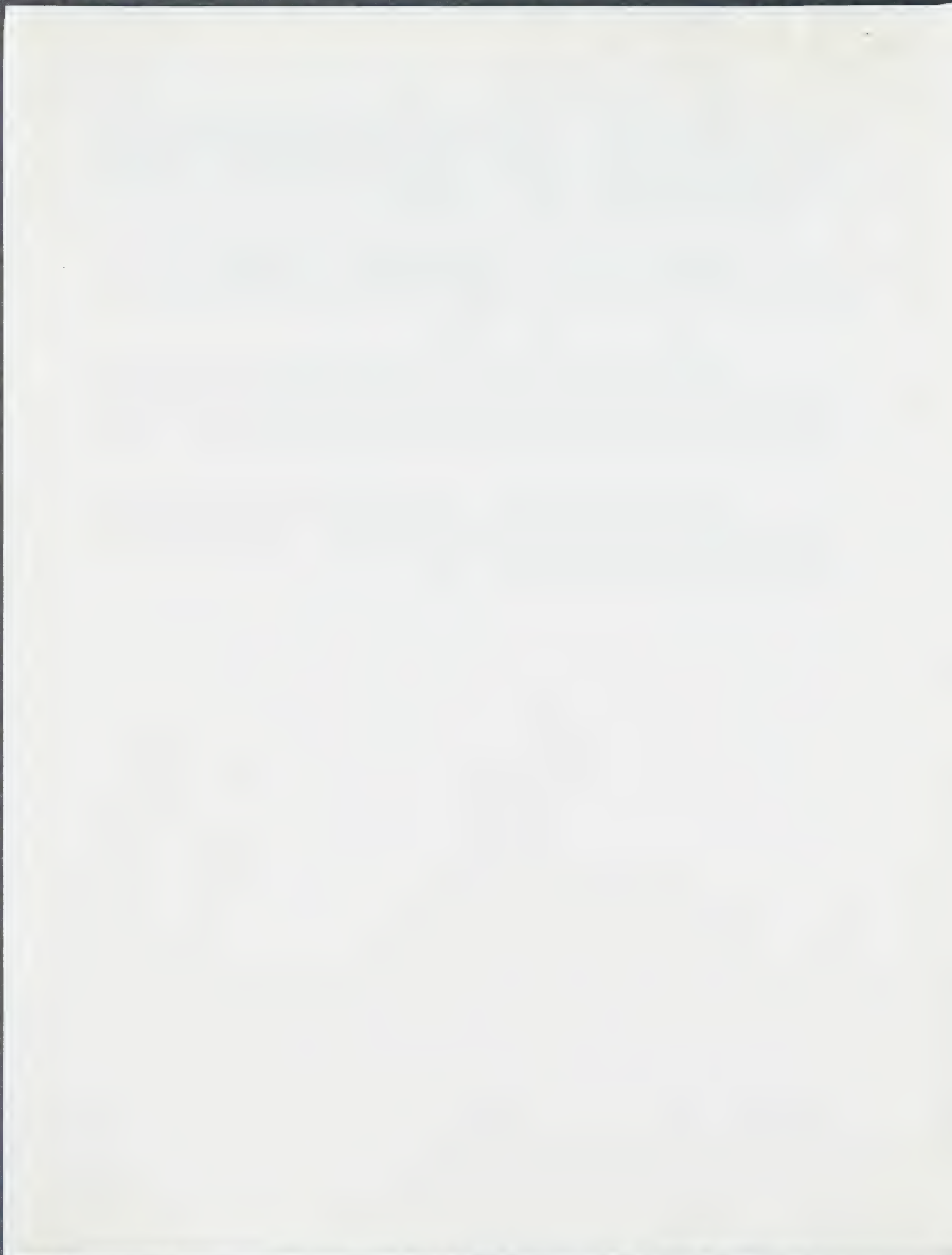


transaction looked for an increase in value and committed me to holding the shares until January even if the market were to drop. I was not protected against any significant decline in the market. The purchase of a put, not the sale of a call option might be construed as a "bet against the Company." The sale of a call option certainly indicates no more negative position vis a vis the Company than a direct sale of shares. If anything, it is less so.

At this same meeting, Tom Cori told me that my consulting arrangement was not to be continued after December 31, 1991, and I was to vacate my office at that time. I had previously agreed to continue with no compensation other than provision of office, secretary and expenses.

I believe that there still are many valuable services I can continue to perform for the Company. Because of my large stockholdings and because I was one of the original founders, I have a strong interest in wanting the Company to succeed and believe that I can continue to contribute to its success, as a consultant, as Chairman Emeritus and as a board member.

Accordingly I am not willing to bow out and see no reason to do so. I would like to discuss this matter with each of the outside directors individually at greater length, since I believe that each of you, also, want what is best for the Company. I will be contacting you after my return to the United States on December 23, 1991.





# FOLEY & LARDNER

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777 EAST WISCONSIN AVENUE  
MILWAUKEE, WISCONSIN 53202-5367

TELEPHONE (414) 271-2400

TELEX 26-819

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FACSIMILE (414) 289-3791

WRITER'S DIRECT LINE

414-289-3604

MADISON, WISCONSIN  
CHICAGO, ILLINOIS  
WASHINGTON, D.C.  
ALEXANDRIA, VIRGINIA  
ANNAPOLIS, MARYLAND  
JACKSONVILLE, FLORIDA  
ORLANDO, FLORIDA  
TALLAHASSEE, FLORIDA  
TAMPA, FLORIDA  
WEST PALM BEACH, FLORIDA

December 4, 1991

*Handwritten:*  
C. DH. 12-6-91

Walter L. Metcalfe, Jr., Esq.  
Bryan, Cave, McPheeters & McRoberts  
500 North Broadway  
St. Louis, MO 63102

Re: Sigma-Aldrich Corporation - Alfred R. Bader

Dear Walter:

Your November 15 letter correctly described the call options which were written by Dr. Bader on August 15.

As you know, Dr. Bader's transaction in short-term covered call options resulted in a purely unintentional violation of his reporting obligation under Section 16(a). The new Section 16 rules, which are very complex and confusing, made transactions in exchange-traded options subject to Section 16 for the first time starting on May 1, 1991, and Dr. Bader never realized the new rules covered such types of securities or transactions. Dr. Bader did not become aware that such transaction even required Form 4 reporting until shortly after we advised Marv Klitsner of the same fact after Marv's October 40s were exercised. Once Dr. Bader was advised about the Section 16 implications of such transactions, he immediately authorized us to take all necessary actions to comply full with Section 16.

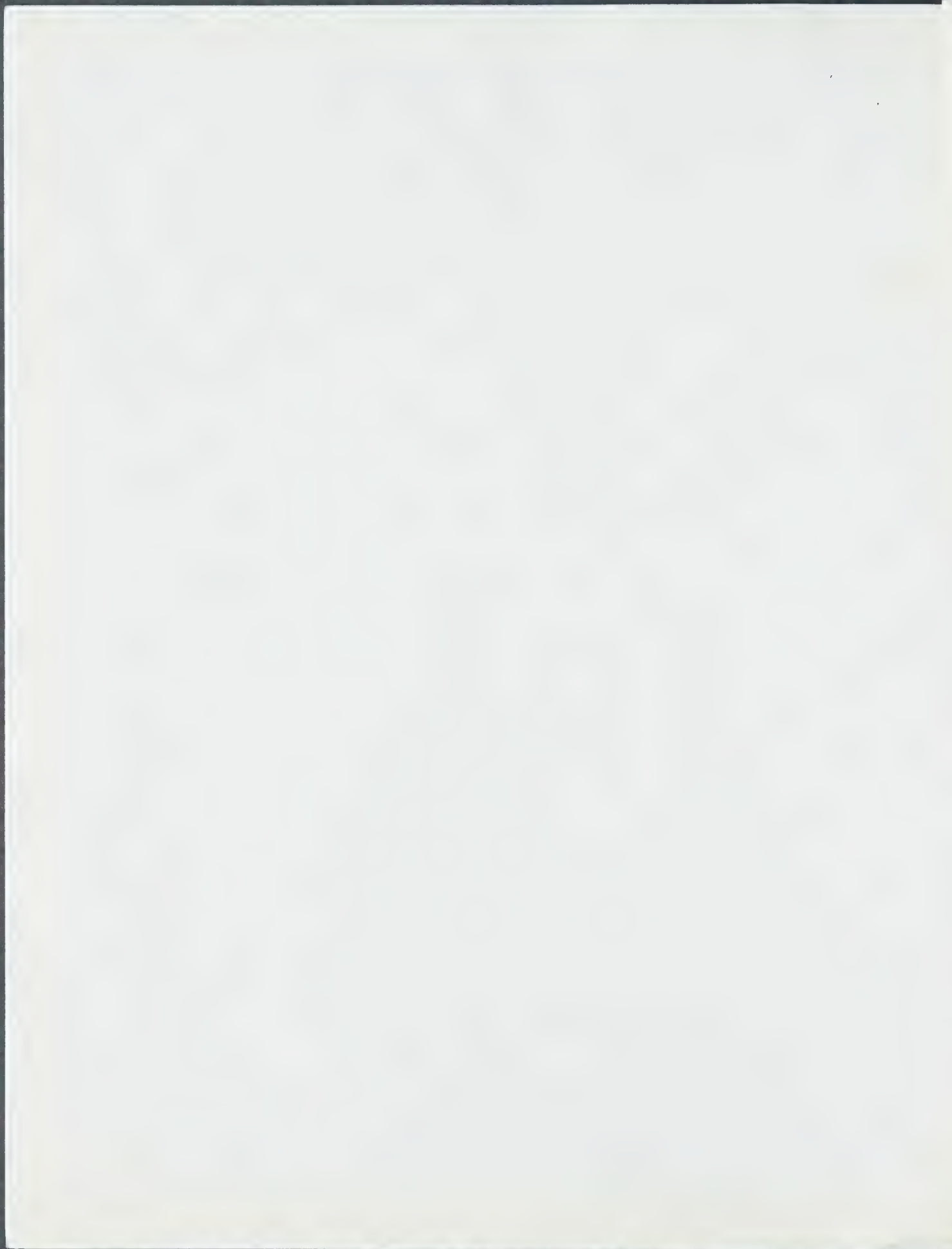
Please call with any questions.

Very truly yours,

*Handwritten signature:* St

Steven R. Barth

cc: Alfred R. Bader



Dr. Alfred R. Bader  
2961 North Shepard Avenue  
Milwaukee, Wisconsin 53211

February 12, 1992

BY FEDERAL EXPRESS

Dr. David M. Kipnis  
7200 Wydown Blvd.  
Clayton, MO 63106

Dear David:

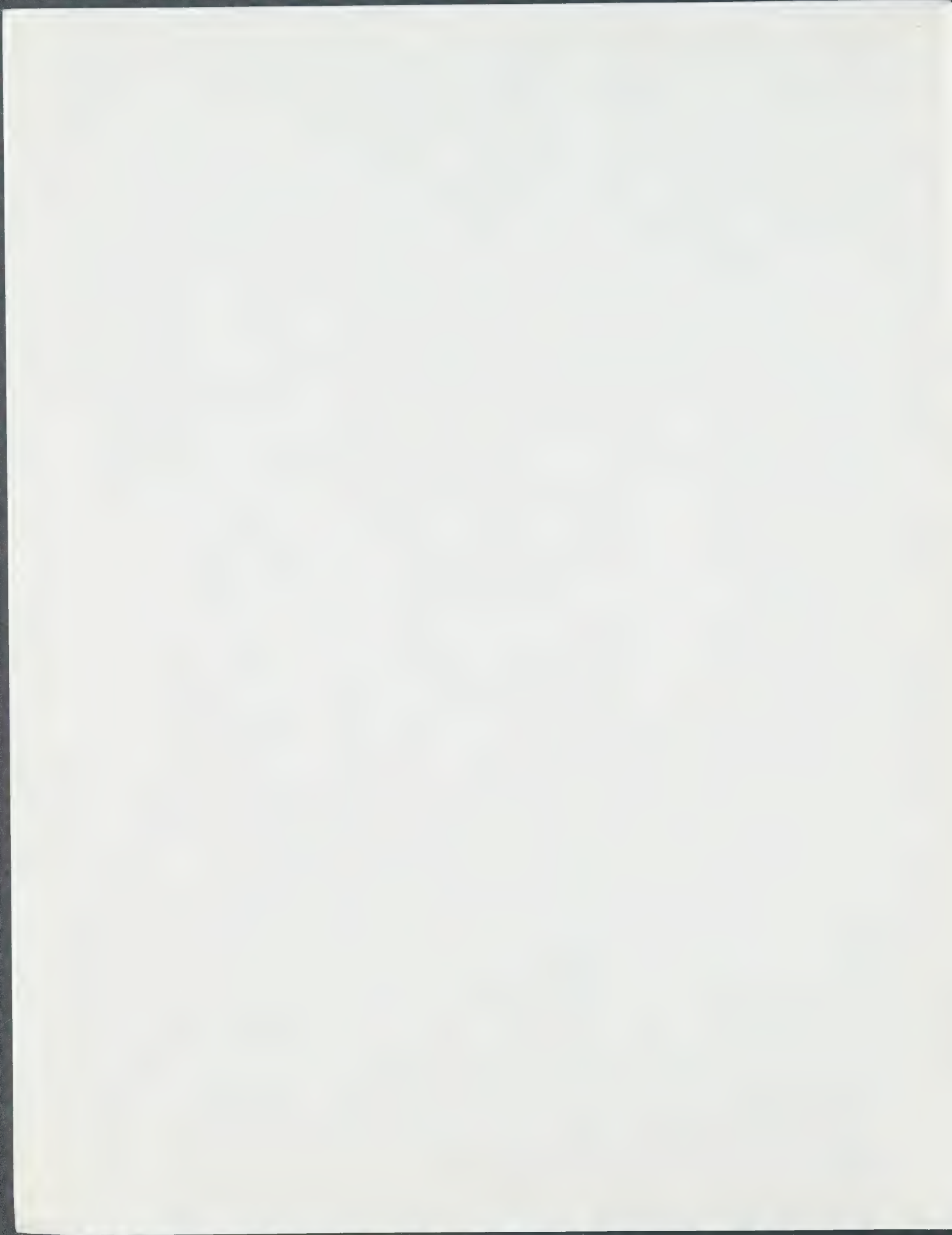
When you consider my continuing working for the Company at our board meeting next Tuesday, you should know that many scientists around the world have contacted me to query my dismissal as the Company's link to academia.

Copies of letters, one from one of Britain's ablest organic chemists, the other from America's most distinguished physical organic chemist, are enclosed.

Sincerely yours,



Enclosures



1/21/91

MEMORANDUM

TO: Members of the Board of Directors of Sigma Aldrich

FROM: Alfred Bader

DATE: December , 1991

Tom Cori and David Harvey flew to England and met me on November 20 to request my resignation from the Board of Directors. Tom Cori said that all the directors (other than Marvin) believed that I should resign because I had "bet against the Company." I refused to resign.

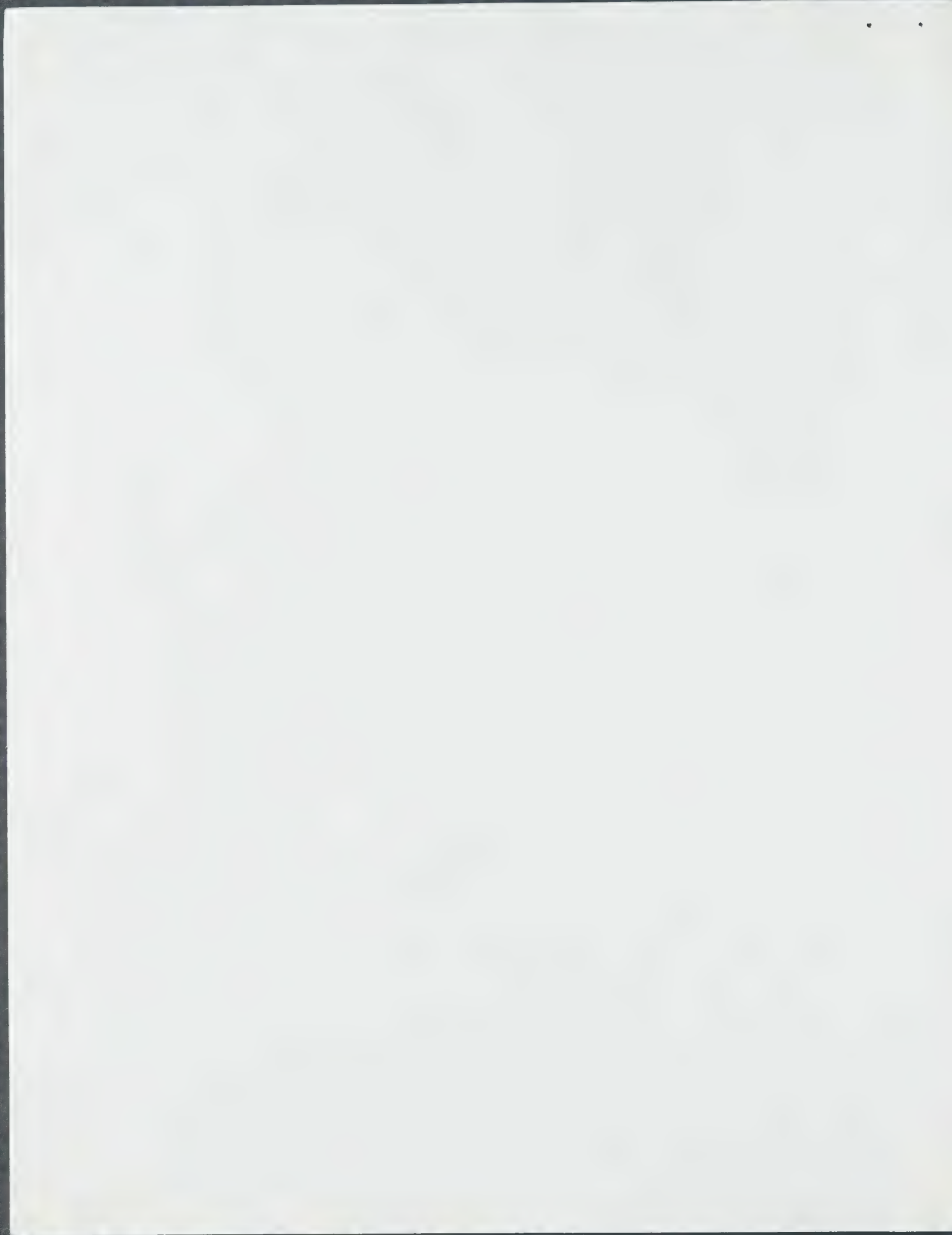
I wanted to <sup>v</sup>carefully consider this matter before I contacted you. Since that time, I have been lecturing and doing my normal work for the Company ~~on the~~ Continent and only now am in a position to give a considered communication to you. *in Europe*

I do not believe you would have taken such a position, if you had known the facts. On August 15, 1991, I wrote a call option for 10,000 shares at an exercise price of \$45 expiring on January 31, 1992 and received \$2 5/8 per share. This is a covered call as I had the shares to deliver, if the call were exercised. The only shares I have ever parted with, since the merger, have been for charitable gifts. Having learned of the attractiveness of options in connection with sales of stock, I believed it would be an advantageous technique in connection with a gift to my college. By selling a call and then by giving them in January the shares and the proceeds of the call they would either realize \$47 5/8 or, if the stock did not rise to \$45 by January, \$2 5/8 per share above the then market. Even if the market were to remain in the low \$40s that meant they could look forward to realizing \$45. Rather than "betting against the Company" I was hoping for an increase to at least \$45 so that my college would realize \$47 5/8.

Although every gift or sale reduces ones holdings, it is not appropriate to say they are a "bet against the Company." I hold over 3.5 million shares in which I am "betting with the Company." I did not personally participate in the last two secondary offerings and obviously, my assets are heavily concentrated in Sigma Aldrich stock. Giving some of that stock away or for that matter making some sales, hardly demonstrates a lack of confidence in the company.

Wholly aside from my personal charitable objectives in selling a 10,000 share call option and aside from the fact that this represented less than 1/3 of 1% of my holdings in the Company, it is difficult for me to fathom how the sale of that call option by me can be a bet against the Company compared with a sale of a similar number of shares. I simply signed a contract agreeing to sell the shares at 45, which was above the market. I was at risk for any decline in the market and only compensated for that by received \$2 5/8 per share. A seller of shares looks for no increase in price and is protected against a decline in market. My transaction looked for an increase in value and committed me to holding the shares until January even if the market were to drop. I was not protected against any significant decline in the

1/21/91



market. The purchase of a put, not the sale of a call option might be construed as a "bet against the Company." The sale of a call option certainly indicates no more negative position vis a vis the Company than a direct sale of shares. If anything, it is less so.

At this same meeting, Tom Cori told me that my consulting arrangement was not to be continued after December 31, 1991, and I was to vacate my office at that time. I had previously ~~offered~~ to continue ~~for~~ no compensation other than provision of office, secretary and expenses. *agreed* *with*

I believe that there still are many valuable services I can continue to perform for the Company. Because of my large stockholdings and because I was one of the original founders, I have a strong interest in wanting the Company to succeed and believe that I can continue to contribute to its success, as a consultant, as Chairman Emeritus and as a board member.

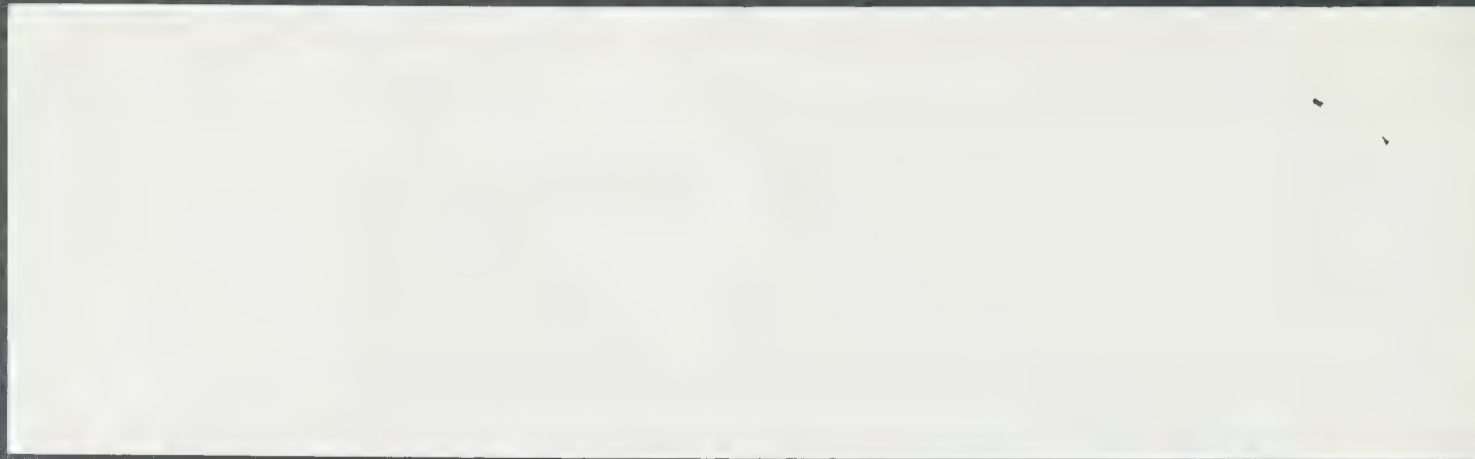
Accordingly I am not willing to bow out and see no reason to do so. I would like to discuss this matter with each of the outside directors individually at greater length, since I believe that each of you, also, want what is best for the Company. I will be contacting you after my return to the United States on December 23, 1991.





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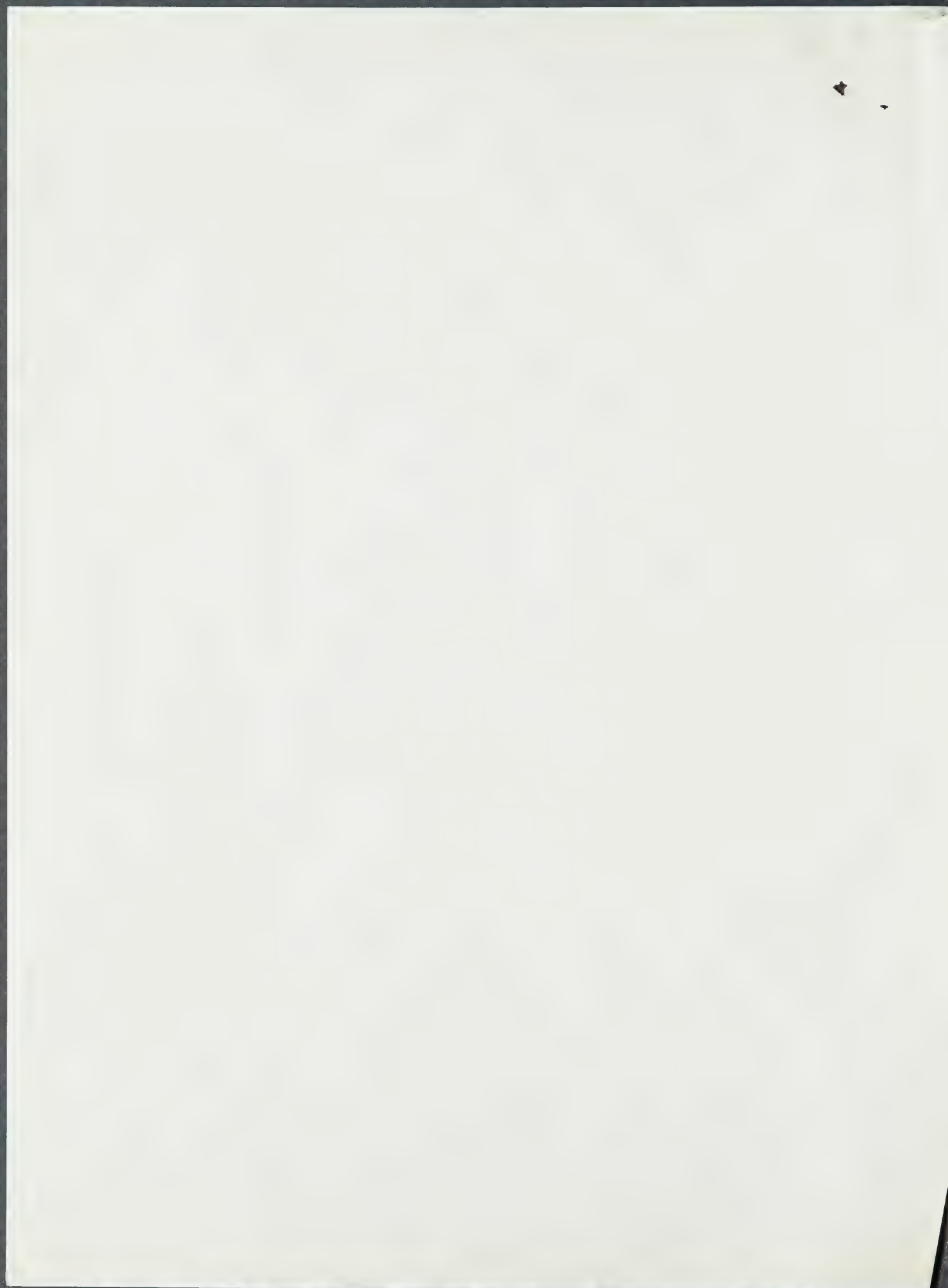
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FEB-21-1992 FRI 14:48 11:40 DELIVERED

TEL #1114 200-7890

SEE PAGE TWO



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

IN REPLYING PLEASE QUOTE

REGIONAL OFFICE  
ROOM 1204  
EVERETT MCKINLEY DIRKSEN BUILDING  
219 SOUTH DEARBORN STREET  
CHICAGO, ILLINOIS 60604

October 22, 1991

Mr. Kirk Richter  
Comptroller  
Sigma-Aldrich Corporation  
3050 Spruce St.  
St. Louis, MO 63103

Re: In the Matter of Sigma-Aldrich Corporation (MC-1439)

Dear Mr. Richter:

The Chicago Regional Office is conducting an inquiry into trading in the shares and options of Sigma-Aldrich Corporation (Sigma) during the period July 26, 1991 to August 30, 1991. At this time, we would like to obtain the following information and documents from you on a voluntary basis:

A chronology of events leading up to Sigma's announcement that second quarter earnings were forty cents a share. The chronology should begin with the date on which the company learned that earnings were forty cents a share, including all initial discussions and meetings between, and among, Sigma personnel. The chronology should list any and all meetings, discussions and telephone conversations involving Sigma officers, directors, representatives, employees, in-house and outside counsel, outside accountants, broker-dealers, outside consultants of any kind, investment bankers, and investment advisers, and any and all memoranda or documents of any kind circulated with respect to the announcement. Please include with your chronology the names, addresses, and telephone numbers of all individuals present during the meetings, discussions or conversations. In addition, please include this same information for all individuals who received the memoranda or other documents and anyone else who had knowledge of the memoranda or other documents or of the fact that such an announcement would be made or necessitated by the company's earnings.

The fact that this inquiry is being made should not reflect on the character or reputation of Sigma or any of its officers, directors, employees or agents and should not be construed as an expression of opinion on the part of the Commission's staff that any violation of law has occurred. Please treat this communication as confidential.



Also enclosed is a Form 1662 containing important supplemental information for all persons requested to supply information voluntarily.

Should you have any questions concerning this request, please contact the undersigned at 312/353-7788.

Very truly yours,

David S. Kempers  
Attorney, Branch of Enforcement

Enclosure

December 24, 1991

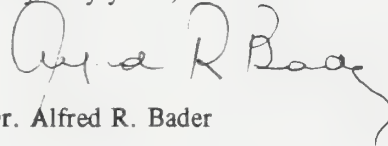
Mr. William H. Schield  
First Vice President - Sales  
Robert W. Baird & Co. Incorporated  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Dear Bill:

Pursuant to our telephone conversation, please effect today my gift to Queen's University of 10000 shares of Sigma-Aldrich Corporation Common Stock, together with and subject to my 100 Sigma-Aldrich Corporation call option obligations having an expiration date of January 17, 1992 and an exercise price of \$45.00 per share.

Queen's University has agreed to execute and deliver a letter in the form attached evidencing its agreement to satisfy the call option obligations if such call options are exercised. Based on such letter, which will be forwarded to you, it would be appreciated if you, or another authorized officer of Baird, could sign and return to me the enclosed letter indicating that Baird will look exclusively to Queen's University to satisfy any stock delivery obligation resulting from the exercise of the above-described call options.

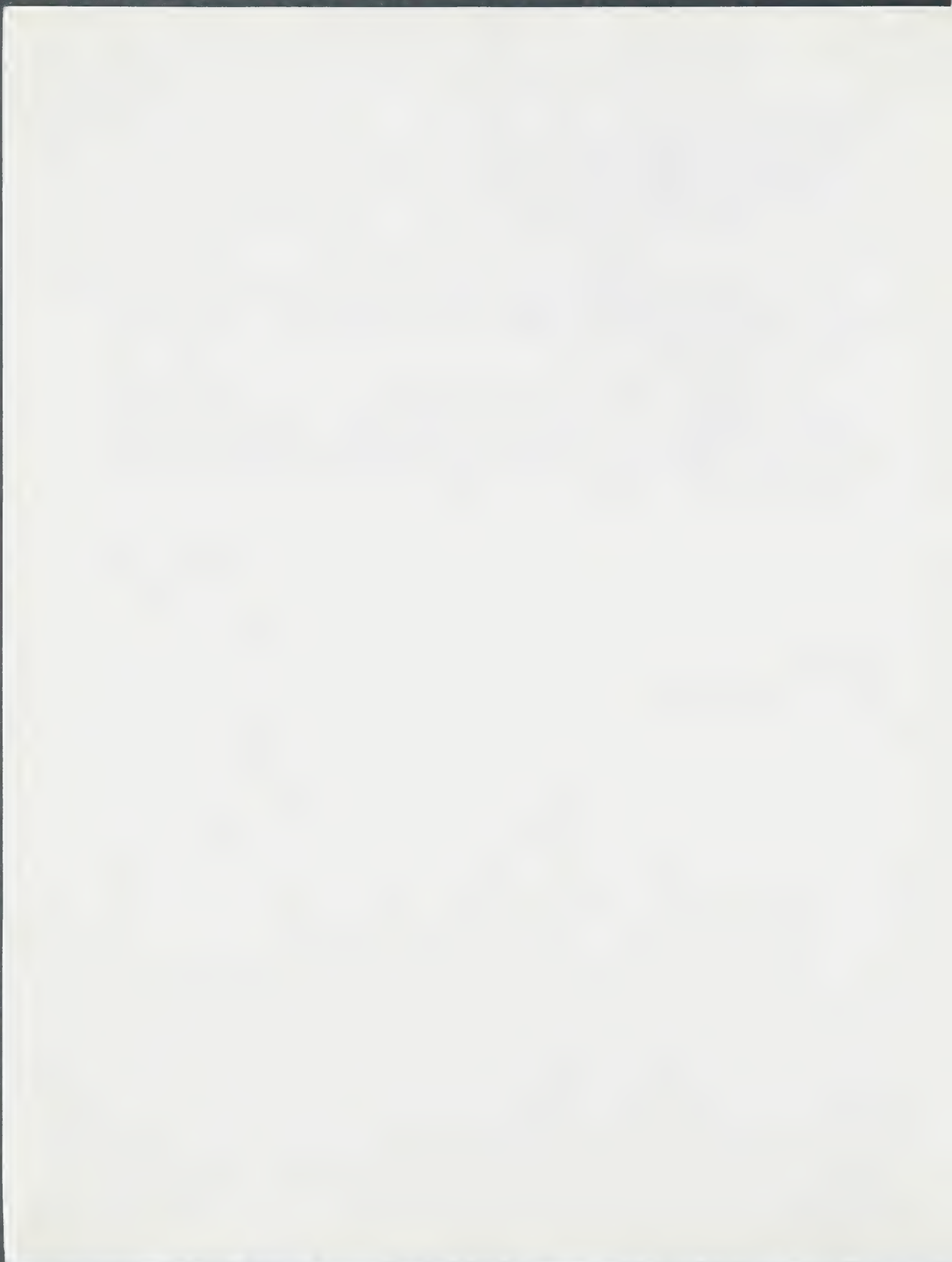
Very truly yours,

A handwritten signature in cursive script, appearing to read "Alfred R. Bader". The signature is written in dark ink and is positioned above the typed name.

Dr. Alfred R. Bader

Enclosure

cc: Jere D. McGaffey





# FOLEY & LARDNER

FIRST WISCONSIN CENTER  
777 EAST WISCONSIN AVENUE  
MILWAUKEE, WISCONSIN 53202-5367

TELEPHONE (414) 271-2400

TELEX 26-819

(FOLEY LARD MIL)

FACSIMILE (414) 289-3791

WRITER'S DIRECT LINE

(414) 289-3604

MADISON, WISCONSIN  
CHICAGO, ILLINOIS  
WASHINGTON, D.C.  
ALEXANDRIA, VIRGINIA  
ANNAPOLIS, MARYLAND  
JACKSONVILLE, FLORIDA  
ORLANDO, FLORIDA  
TALLAHASSEE, FLORIDA  
TAMPA, FLORIDA  
WEST PALM BEACH, FLORIDA

November 14, 1991

## VIA FEDERAL EXPRESS

Securities and Exchange Commission  
450 Fifth Street, N.W.  
Judiciary Plaza  
Washington, D.C. 20549

Re: Sigma-Aldrich Corporation (SEC File No. 0-8135);  
Statements of Changes in Beneficial Ownership  
on Form 4

Gentlemen:

On behalf of Dr. Alfred R. Bader, a director of the above-referenced corporation, enclosed herewith for filing are three (3) copies, one of which is manually signed, of a Statement in Changes of Beneficial Ownership of Securities on Form 4 for the month of August 1991.

Please indicate receipt and filing of these forms by file stamping the enclosed copy of this letter and returning it in the self-addressed, stamped envelope provided for that purpose.

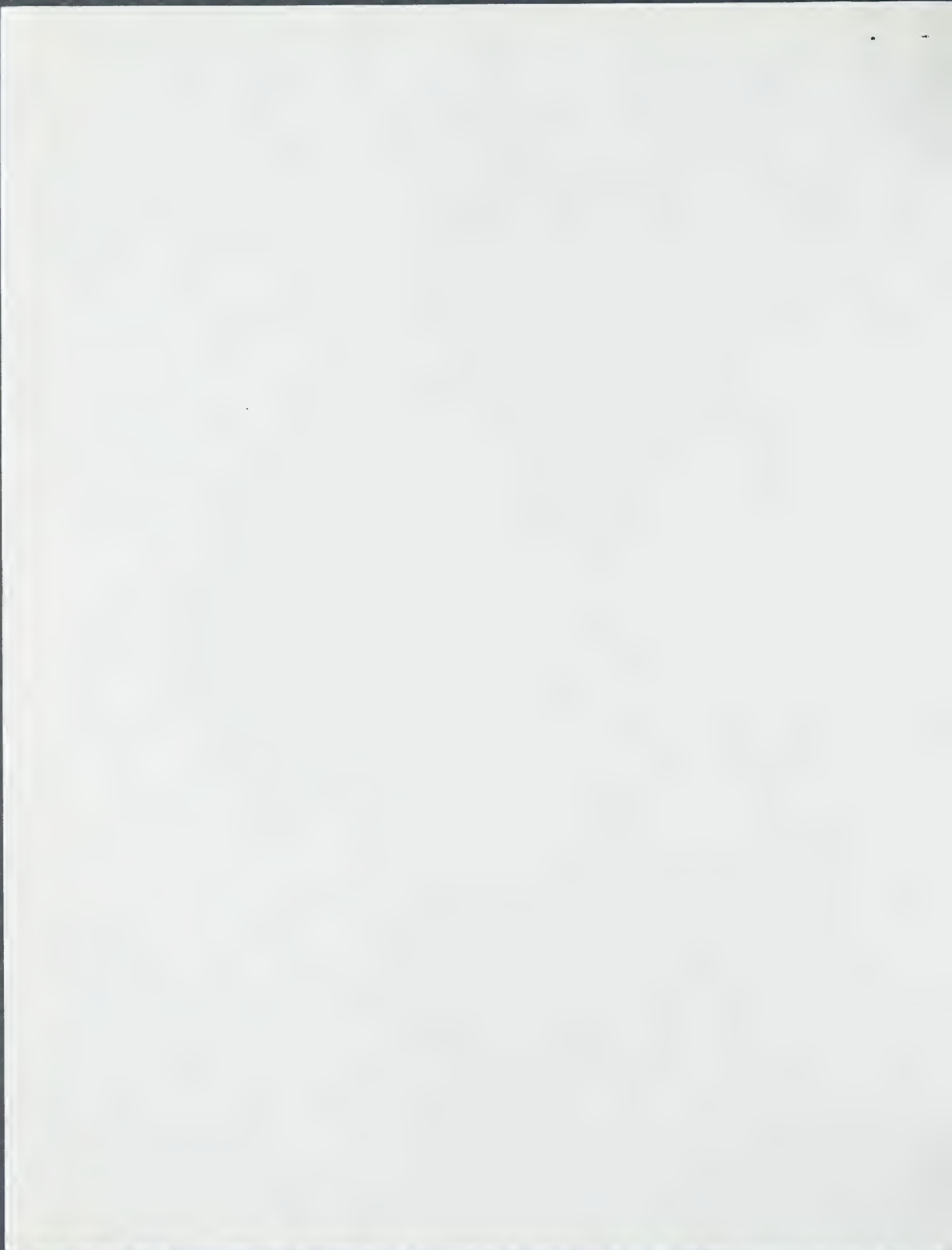
Very truly yours,



Steven R. Barth

Enclosures

cc: Kirk A. Richter, Sigma-Aldrich Corporation (w/encl.)  
Dr. Alfred R. Bader (w/encl.)



# FORM 4

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

### OMB APPROVAL

OMB Number 3235-0287  
Expires: February 1, 1994  
Estimated average burden  
hours per response . . . . 0.5

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person			2. Issuer Name and Ticker or Trading Symbol		6. Relationship of Reporting Person to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below)
Bader	Alfred	R.	Sigma-Aldrich Corporation (SIAL)		
(Last)	(First)	(Middle)			
c/o Aldrich Chemical Co., Inc. P.O. Box 355			3. IRS or Social Security Number of Reporting Person (Voluntary)	4. Statement for Month/Year August 1991	
(Street)					

FORM 4 (continued)

Table II — Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Call option (obligation to sell)	\$45.00	8/15/1991	S			100	8/15/1991	1/31/1992	Common Stock	10,000	268.75		D	

Explanation of Responses:

- (1) 10,000 of the listed shares are subject to disposition upon the exercise of 100 call options written by the undersigned at an exercise price of \$45.00 per share and which expire on January 31, 1992.

\*\*Intentional misstatements or omissions of facts constitute Federal Criminal Violations.  
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

*Alfred R. Bader*

\*\*Signature of Reporting Person  
ALFRED R. BADER

11/13/91  
Date

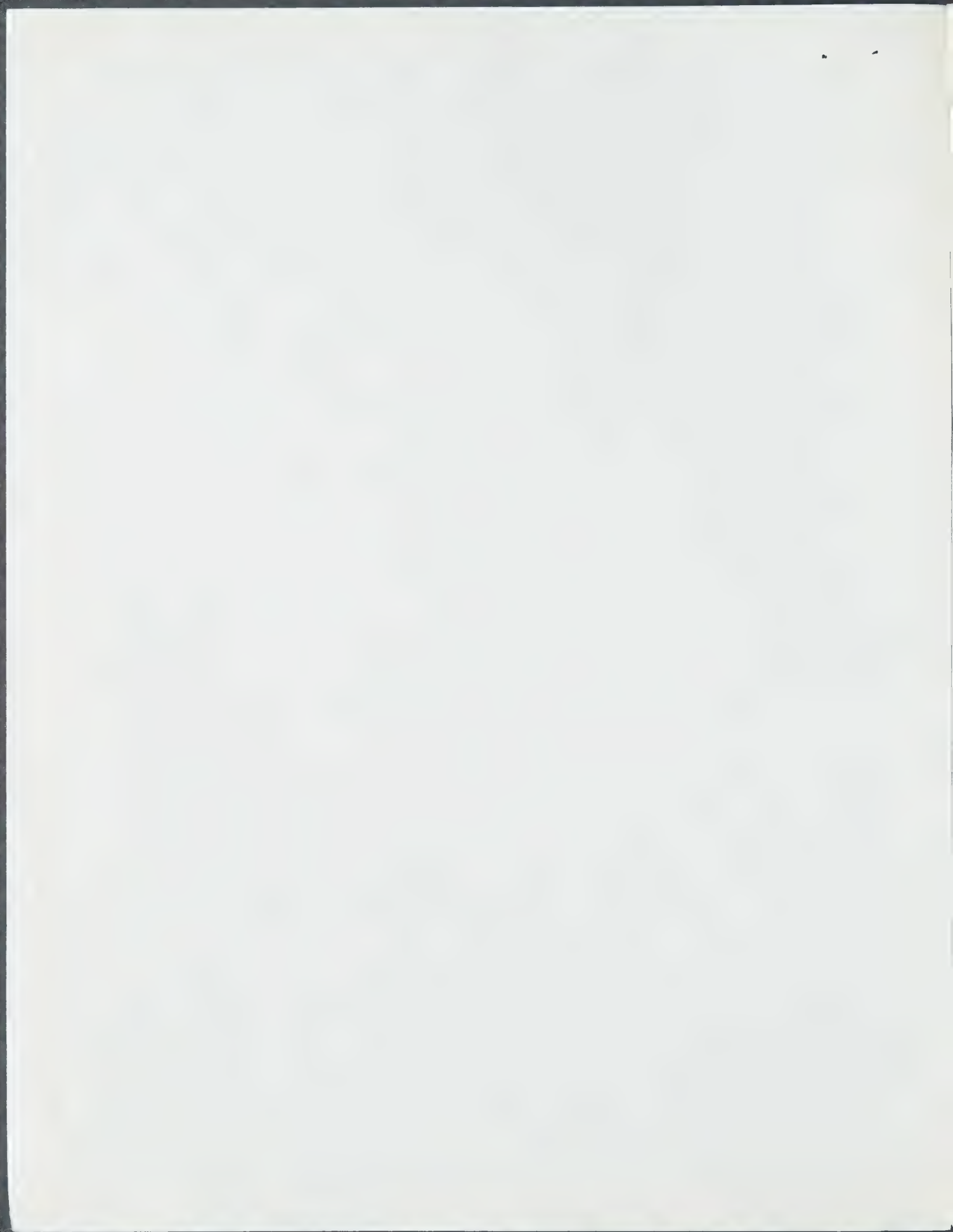
Note: File three copies of this Form, one of which must be manually signed.  
If space provided is insufficient, see Instruction 6 for procedure.

MEMORANDUM

TO: Steven R. Barth  
FROM: Michael B. Weiss  
DATE: December 23, 1991  
RE: Sigma-Aldrich Corporation Call Options

You asked me to prepare a memorandum outlining the rationale for our conclusion that any short-swing liability that may arise as a result of the expiration of the January Sigma-Aldrich call options sold by Mrs. Klitsner and Dr. Bader may be avoided to the extent that such option obligations and the underlying shares are bona-fide gifted in such a way that Mrs. Klitsner and Dr. Bader do not beneficially own such underlying shares and are not subject to the option obligations (and do not have any rights under the options) at the time of the options' expiration. As an initial matter, it is clear that Mrs. Klitsner (assuming, for purposes of this memorandum, that her transactions in Sigma-Aldrich securities are attributable to Mr. Klitsner) and Dr. Bader will incur short-swing liability if the call options expire in their possession. If the options are exercised, there will be no Section 16(b) liability. Furthermore, this memorandum assumes that the transfer of the option obligation in connection with the gift of the underlying shares will be a legally effective transfer of the option obligation without recourse to Mrs. Klitsner and Dr. Bader.

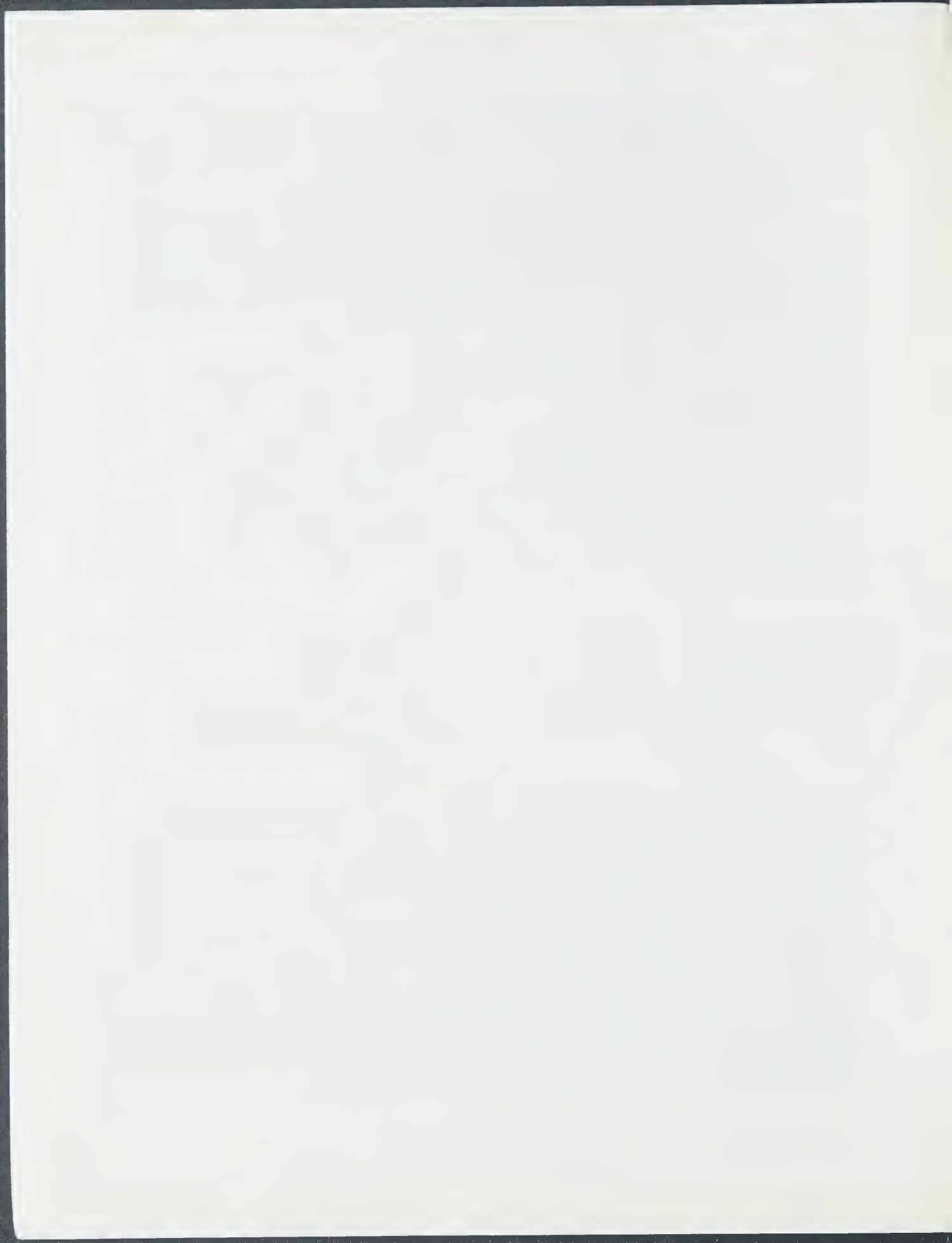
Rule 16b-6 sets forth the framework for the treatment of derivative securities under Section 16(b). For purposes of Rule 16b-6, writing a call option is the same as establishing "put equivalent position." Pursuant to Rule 16b-6(a), the establishment of a "put equivalent position" is deemed to be a sale of the underlying securities. Consequently, Mrs. Klitsner and Dr. Bader were deemed to have sold the Sigma-Aldrich common stock ("Stock") underlying each call option on the date that such call option was written (presumably at a price equal to the exercise price plus the per share premium for writing the option). Also pursuant to Rule 16b-6(a), the liquidation of a put equivalent position is deemed to be a repurchase of the underlying securities. Consequently, Mrs. Klitsner and Dr. Bader will be deemed to have repurchased the Stock underlying each call option on the date that such call option expires unexercised (presumably at a price equal to either the exercise price or the market price on the date of expiration). Rule 16b-6(b) provides that the closing of a derivative security position and the disposition of the underlying securities as a result of the option's exercise is exempt from Section 16(b).



Rule 16b-6(d) expressly provides that any profit derived from writing an option shall be recoverable under Section 16(b) if the option expires within six months thereafter and that such recovery shall be limited to the amount of the premium received for writing the option. Read literally, the first sentence of Rule 16b-6(d) could be strictly interpreted to mean that the writer of a call option will have short-swing liability even if the writer no longer holds the option obligation and the underlying securities at the time of the call option's expiration (i.e. the gift of the underlying shares subject to option obligations would not avoid the Section 16 liability). If that is the case, the second sentence of Rule 16b-6(d) should provide that the amount received (i.e. the premium) for writing a call option is equal to (i.e. is determinative of) the profit received. Because it does not so provide, it is logical to conclude that there are circumstances where the expiration of a call option within six months of its writing does not result in short-swing profit.<sup>1</sup> The second sentence of Rule 16b-6(d) limits the amount of profit recoverable upon expiration to the amount of the premium received. This is an important limitation because the deemed sale and purchase of the underlying securities under Rule 16b-6(a) could arguably result in a much larger recovery calculated as follows: (1) the market price of the underlying securities declines after writing the call option; (2) the deemed sale price is the exercise price plus the premium received; and (3) the deemed purchase price is the market price on the date of expiration.

Furthermore, interpreting Rule 16b-6(d) to impose short swing liability on Mrs. Klitsner and Dr. Bader when the call options expire after they have gifted the option obligations and the underlying shares does violence to the intent and literal language of Section 16(b). Section 16(b) provides that the profit realized "from any purchase and sale, or any sale and purchase, of any equity security" shall be recoverable. After the underlying

<sup>1</sup>The proposing releases indicate that there is only a potential or opportunity for short-swing profit upon the expiration of a call option which was written less than six months earlier. In Exchange Act Release No. 34-26333 (proposing amendments to the Section 16 rules), the staff stated that "in the case of an expiration of a short option position, the expiration would be treated as the purchase of the option because there is short-swing profit potential in such a case" (emphasis added). In Exchange Act Release No. 34-27148 (reproposing amendments to the Section 16 rules) (the "Reproposing Release"), the staff stated that "[e]xpirations of short derivative security positions would not be exempted, since there is an opportunity for short-swing profit" (emphasis added). Following both of the above quotes are examples of this potential or opportunity for profit which involve the writer of a call option who still holds the underlying stock at the time of expiration less than six months later.

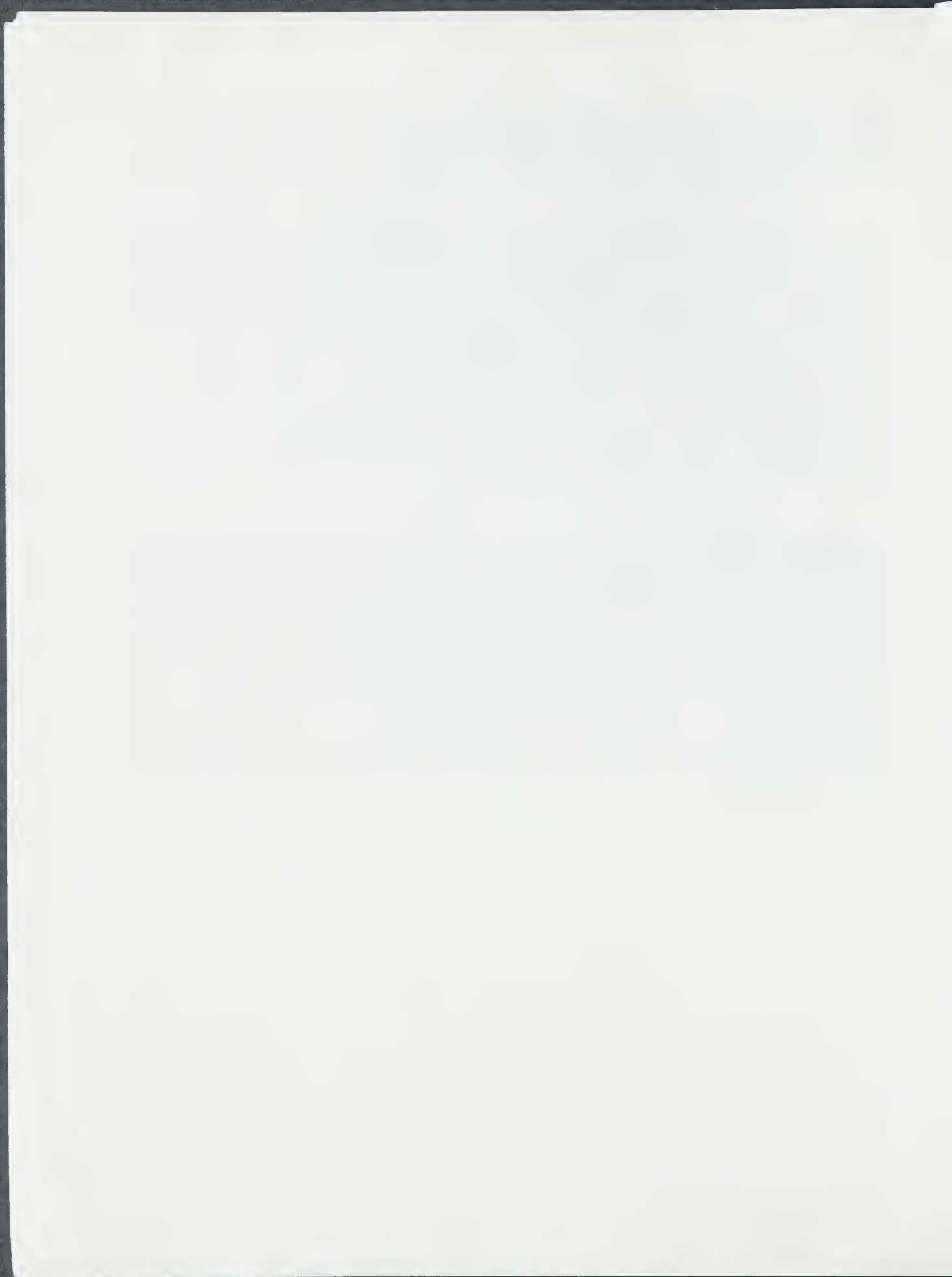




shares have been gifted with the accompanying obligations under the call options, neither Mrs. Klitsner nor Dr. Bader will have a purchase when the options expire to match with their prior sale (which was deemed to occur upon the writing of the call options).

One final potential argument against the proposed gift transactions is that they may not be considered "bona fide gifts" within the meaning of Rule 16b-5. In the Reproposing Release, the staff noted that one commentator was concerned that the Section 16(b) exemption for gifts applied to gifts to immediate family members. The staff solicited comment on whether the exemption should be narrowed to exclude immediate family members. The final rules do not contain such an exception, and therefore there is no reason to believe that gifts to family members are any less "bona fide" than gifts to third parties. Furthermore, even if the bona fide gift exemption were found not to be available, the gift involves the transfer of the option obligations and the underlying securities to the donee and thus should constitute a sale for Section 16(b) purposes. There would be no Section 16(b) liability for two sales of the same securities.

Because the issue of including a call option obligation as part of a gift of the underlying shares does not appear to have been addressed by the staff either in a release or an interpretive letter, it is not certain that the proposed gifts by Mrs. Klitsner and Dr. Bader will avoid potential Section 16 liability. However, the intent and literal language of Section 16 and the new approach to derivative securities included in the recently adopted Section 16 rules strongly suggest that the proposed gift transactions would eliminate the deemed "purchase" (upon expiration of the call options) for purposes of Section 16 and, therefore, would also eliminate the matching transaction necessary for imposing short-swing liability. Note, however, that any unrelated purchases or deemed purchases of Sigma-Aldrich stock will be matchable with the sales which were deemed to have occurred upon the writing of the call options.



December 24, 1991

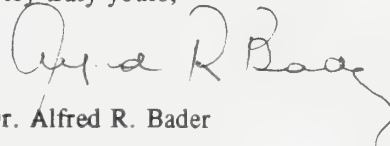
Mr. William H. Schield  
First Vice President - Sales  
Robert W. Baird & Co. Incorporated  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Dear Bill:

Pursuant to our telephone conversation, please effect today my gift to Queen's University of 10000 shares of Sigma-Aldrich Corporation Common Stock, together with and subject to my 100 Sigma-Aldrich Corporation call option obligations having an expiration date of January 17, 1992 and an exercise price of \$45.00 per share.

Queen's University has agreed to execute and deliver a letter in the form attached evidencing its agreement to satisfy the call option obligations if such call options are exercised. Based on such letter, which will be forwarded to you, it would be appreciated if you, or another authorized officer of Baird, could sign and return to me the enclosed letter indicating that Baird will look exclusively to Queen's University to satisfy any stock delivery obligation resulting from the exercise of the above-described call options.

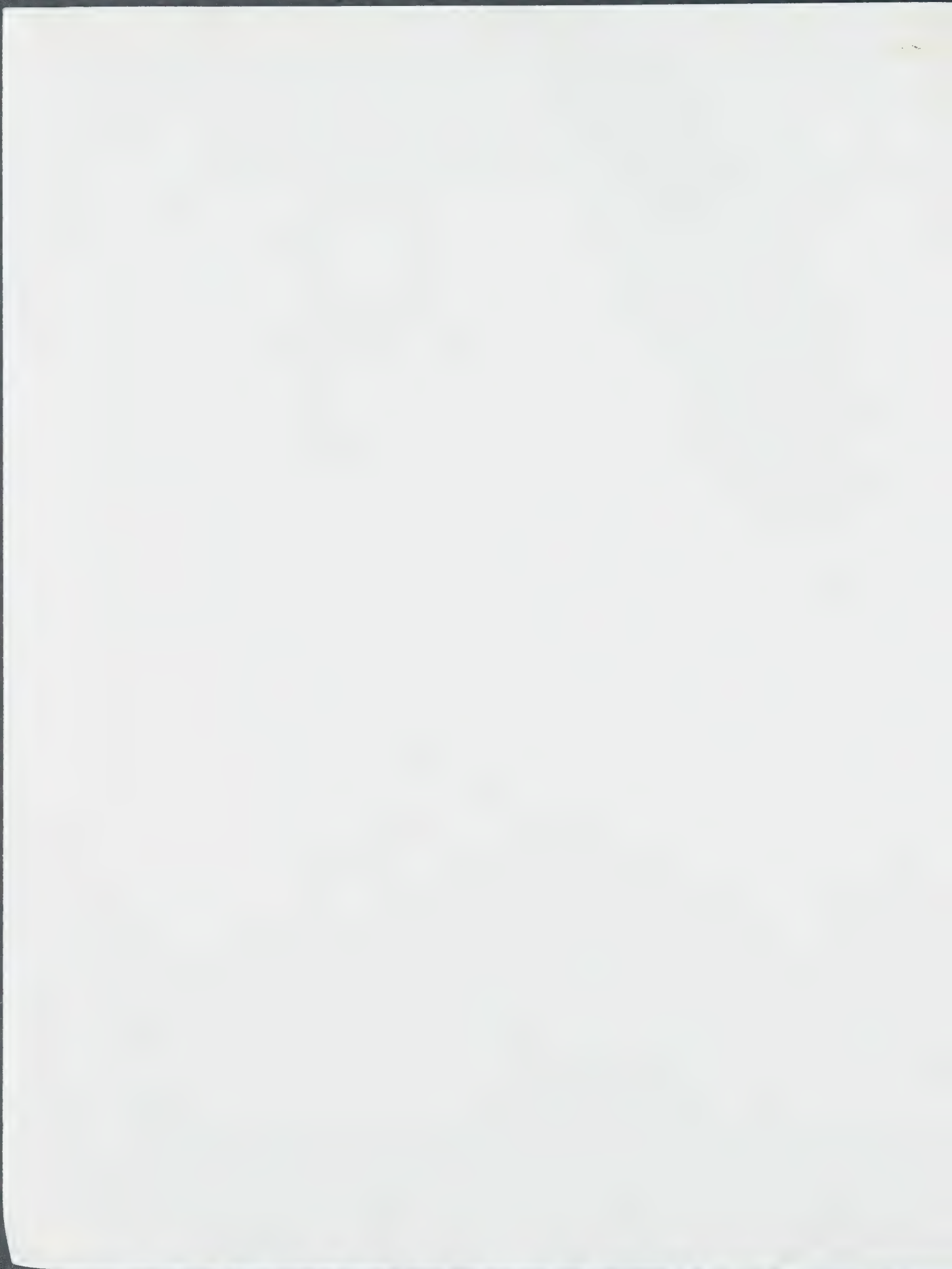
Very truly yours,

A handwritten signature in cursive script, appearing to read "Alfred R. Bader". The signature is written in dark ink and is positioned above the printed name.

Dr. Alfred R. Bader

Enclosure

cc: Jere D. McGaffey



December 24, 1991

Supplemental Certificate

Foley & Lardner  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Gentlemen:

The undersigned proposes to gift 10,000 shares (the "Shares"), of Common Stock (the "Stock") of Sigma-Aldrich Corporation, a Delaware corporation (the "Company"), to Queen's University. It is possible that, upon receipt of the Shares, Queen's University may desire to sell the Shares without registration under the Securities Act of 1933, as amended (the "Act"). For the purpose of confirming facts to Foley & Lardner as the basis for such firm rendering an opinion to the Company to facilitate the above-described gift transfer of the Shares to Queen's University without restrictive transfer legends on any certificate representing the Shares, the undersigned represents to Foley & Lardner as follows:

(1) The undersigned has been the beneficial owner of the Shares in excess of three years.

(2) Neither the undersigned nor any Related Person has had a short position in, or any put or other option to dispose of, any Stock within the preceding two years which would limit or restrict the sale of the Shares by Queen's University under Rule 144.

(3) At the time of the sale of any of the Shares by Queen's University, the amount of the Shares sold, together with all sales during the preceding three months for the account of the undersigned of other Stock (whether or not "restricted securities" as defined in Rule 144(a)(3), but excluding Stock sold pursuant to an effective registration statement under the Act or sold in private placement or Regulation A transactions), when aggregated with all such sales during such period for the account of any Related Persons or any other person whose sales are required to be aggregated by Rule 144(e)(3) (including persons agreeing to act in concert, pledgor-pledgees, donor-donees, settlor-trusts and decedents-estates-beneficiaries), during the preceding three months will not exceed the greater of (a) one percent of the outstanding Stock as shown by the most recent report or statement published by the Company or (b) the average weekly volume of trading in the Stock reported through the NASDAQ system during the four calendar weeks preceding the proposed sale of the Shares.



(4) During the three months prior to the date of this Certificate, no shares of Stock have been sold by the undersigned or, to the undersigned's knowledge, any Related Person (or any other person whose sales are required to be aggregated by Rule 144(e)(3)), except as set forth on Exhibit A. The undersigned does not intend, and has no knowledge that any Related Person (or any other person whose sales are required to be aggregated by Rule 144(e)(3)) intends, to sell additional shares of Stock through any means, within the three months after the date hereof.

(5) To the undersigned's knowledge, Queen's University is not, and has not been within the preceding three months, an "affiliate" of the Company.

The undersigned will promptly notify Foley & Lardner, the Company, the Company's counsel and the Company's transfer agent if the foregoing information is no longer accurate or complete prior to completion of the sale of the Shares.

Very truly yours,

Dated: December 24, 1991

  
\_\_\_\_\_  
Dr. Alfred R. Bader  
(please complete Exhibit A)





Exhibit A

Sales or gifts of Sigma-Aldrich Corporation Common Stock since September 20, 1991 by Dr. Bader or any Related Person:



December 24, 1991

Mr. William H. Schield, Jr.  
First Vice President-Sales  
Robert W. Baird & Co., Incorporated  
777 E. Wisconsin Avenue  
Milwaukee, WI 53202

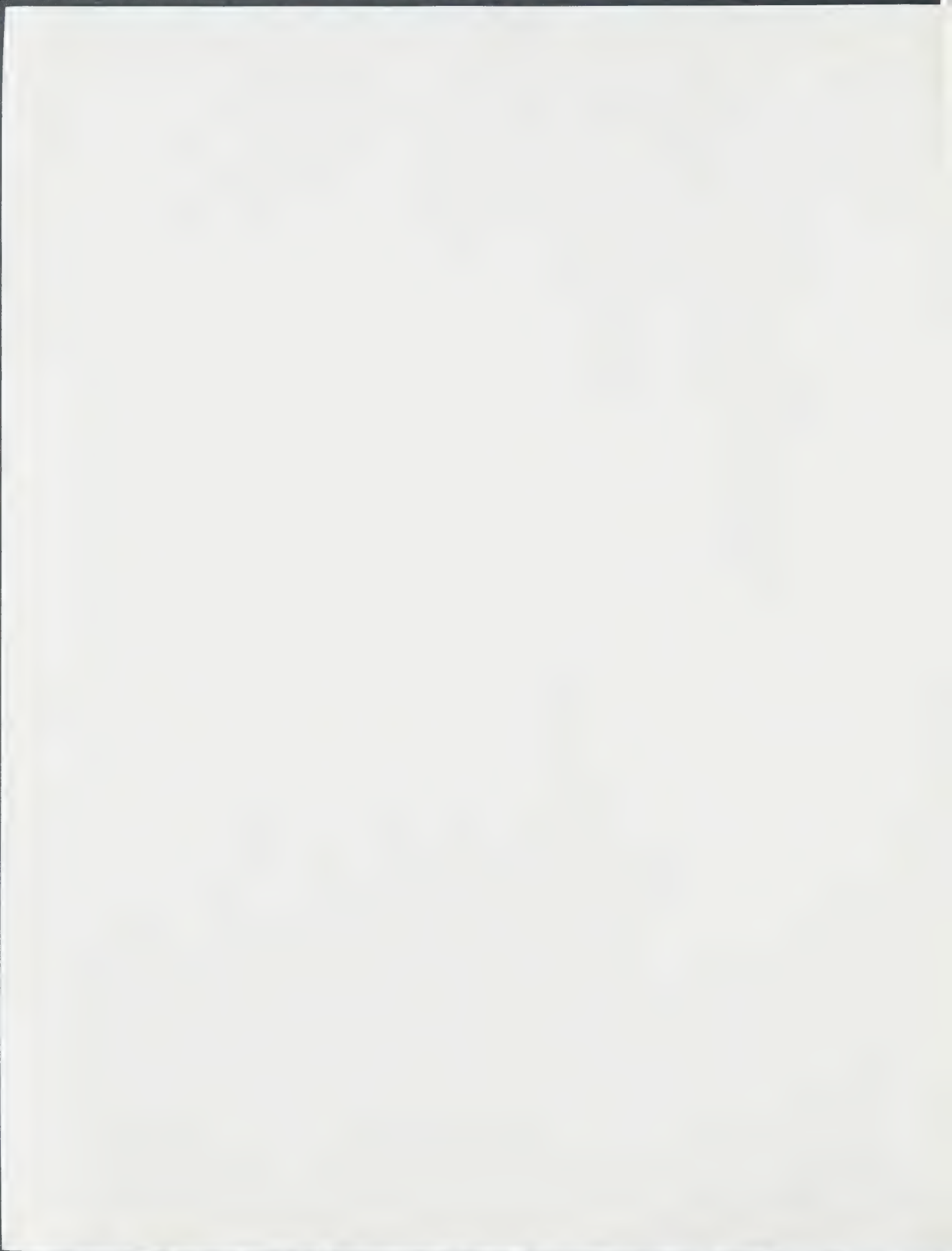
Dear Bill:

At the same time as you exercise the transfer of 10,000 shares of Sigma-Aldrich Common stock from my account to the account of Queens University, please transfer \$26,250 to the same account.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Alfred R. Bader".

Dr. Alfred R. Bader



Thursday January 9 1992 8 pm.

My dear Marvin

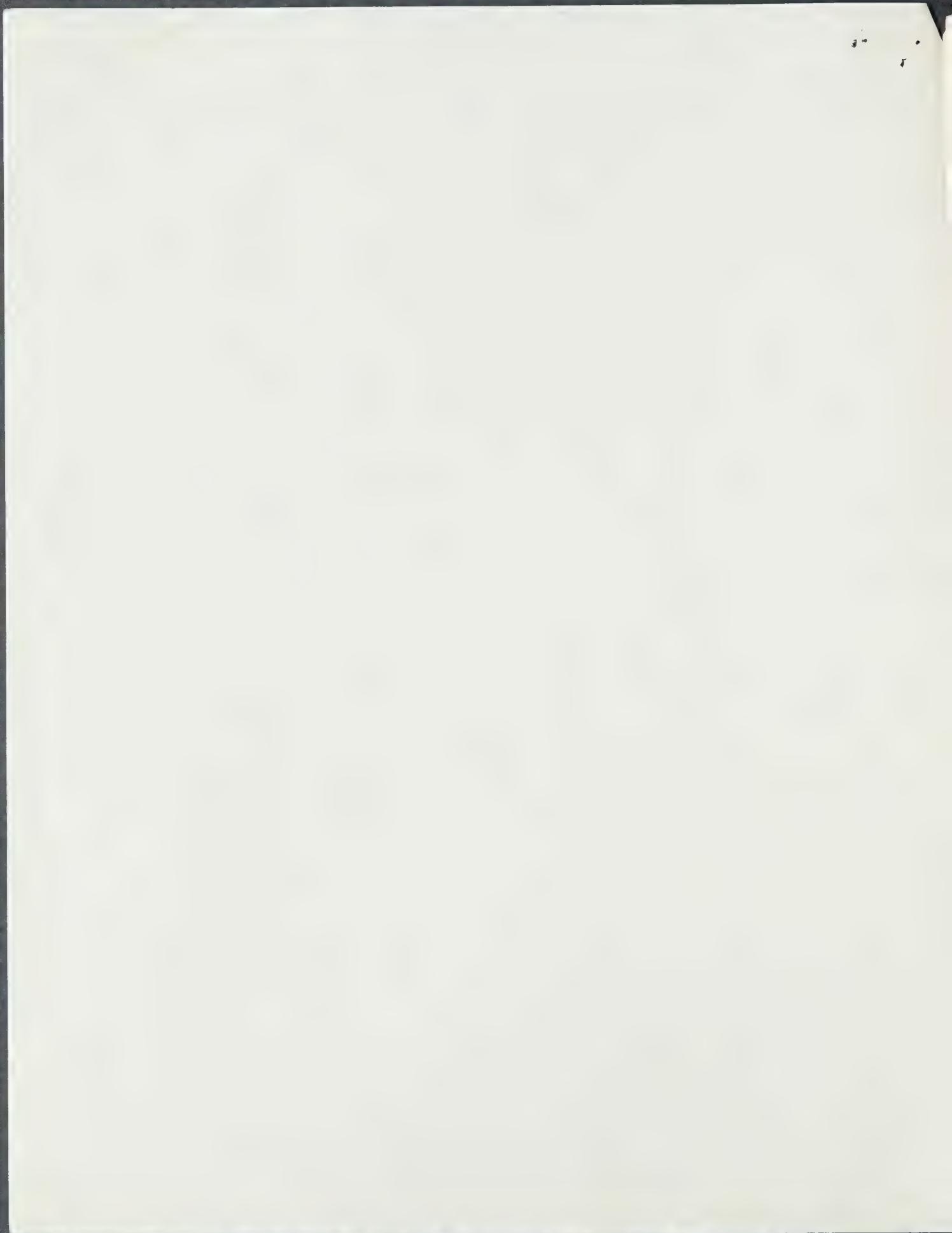
The fax machine is a great invention:  
your 4 page fax arrived and is far more readable  
than many a hand wr. Here note you have sent me

Please don't mind if I spend the next couple  
of hours writing to you very ramblingly - disjointedly -  
but I want to get this on paper, to fax to  
you early to-morrow morning, before Pabbaith in  
Jerusalem. Then we can talk on Sunday - my next  
meeting at Foley and Lardner is at 3 pm. on Monday.

I was very unhappy with our 4 hour meeting  
at F&L yesterday. Ben G is purely evil,  
but very arrogant - not you and my style at all.  
Upsetting Tom is impossible - no matter what  
yes, I could win a proxy fight - it might cost \$  
4 million, to get on the board - we would have to  
include a major investment house, a NY law firm,  
a NY public relations firm, a proxy getting firm.  
If Tom thought we are serious about a proxy fight,  
he would move the February board meeting and  
the annual meeting forward

What do I really want - besides Tom  
out, which appears impossible

identically  
was  
F  
C  
D  
F

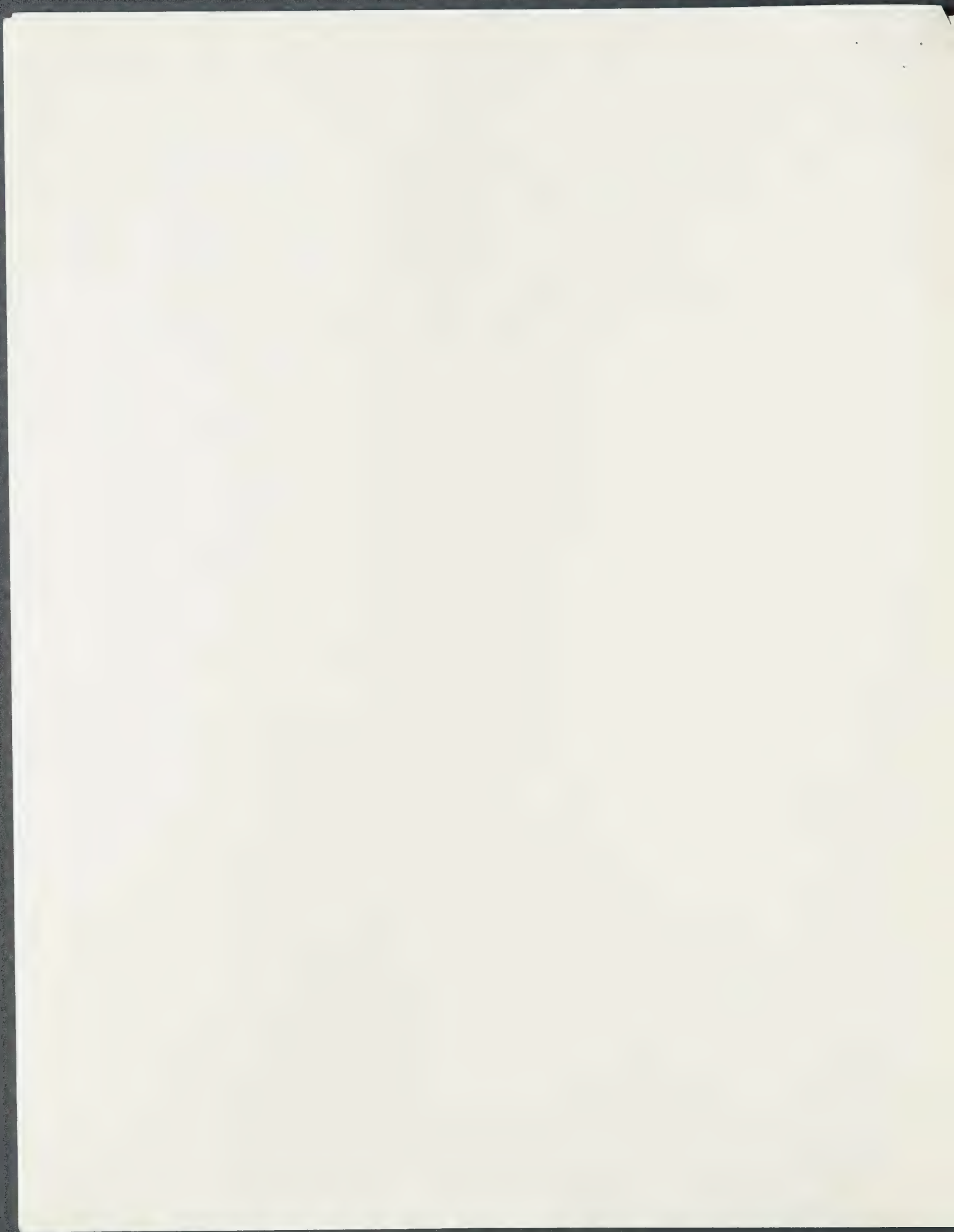


## Two things

(1) My job back. Masvin, I really believe that I have done a better job here last few years than ever before - as ambassador for the company, with many new products, the link with academia - the one person that our people can talk with without fear. I wish you could have been with me at Aldrich on the last day of the year when even so many stopped by with tears in their eyes - men whose names I don't even know, to show me photos of their families, to thank me for years of stable employment. 'If they can fire you, whose job is safe, who will be next?' - I heard time and again.

We have a great company, over 4000 people - and we have changed how research is done in the world. Tax is unbalanced and of course he will stumble sooner or later - but the fall will be so much easier if we are still on the board, and I working as the antenna and the bridge.

How can I explain to you how difficult it would be just to walk away? For some 60 years I have regularly recited the Keryphia pretty much by rote - and suddenly the dialogue between 5)





and I speak has a different meaning - 'where's the  
I paid? Spend me

Am I going mad? I hope not - and physically,  
I'm in fine shape, after losing a few pounds. And  
David and I speak are probably closer to me than Ray,  
hasn't ever been before - truly good men - and I don't  
have to tell you what I speak is to me

And I miss you terribly - I have few friends,  
real friends, and none like you.

(2) The details of his bizarre story - his betting  
against the company's assets - Tom's action  
is no pickering, and no is the response of the  
other directors. I talked to each of them.

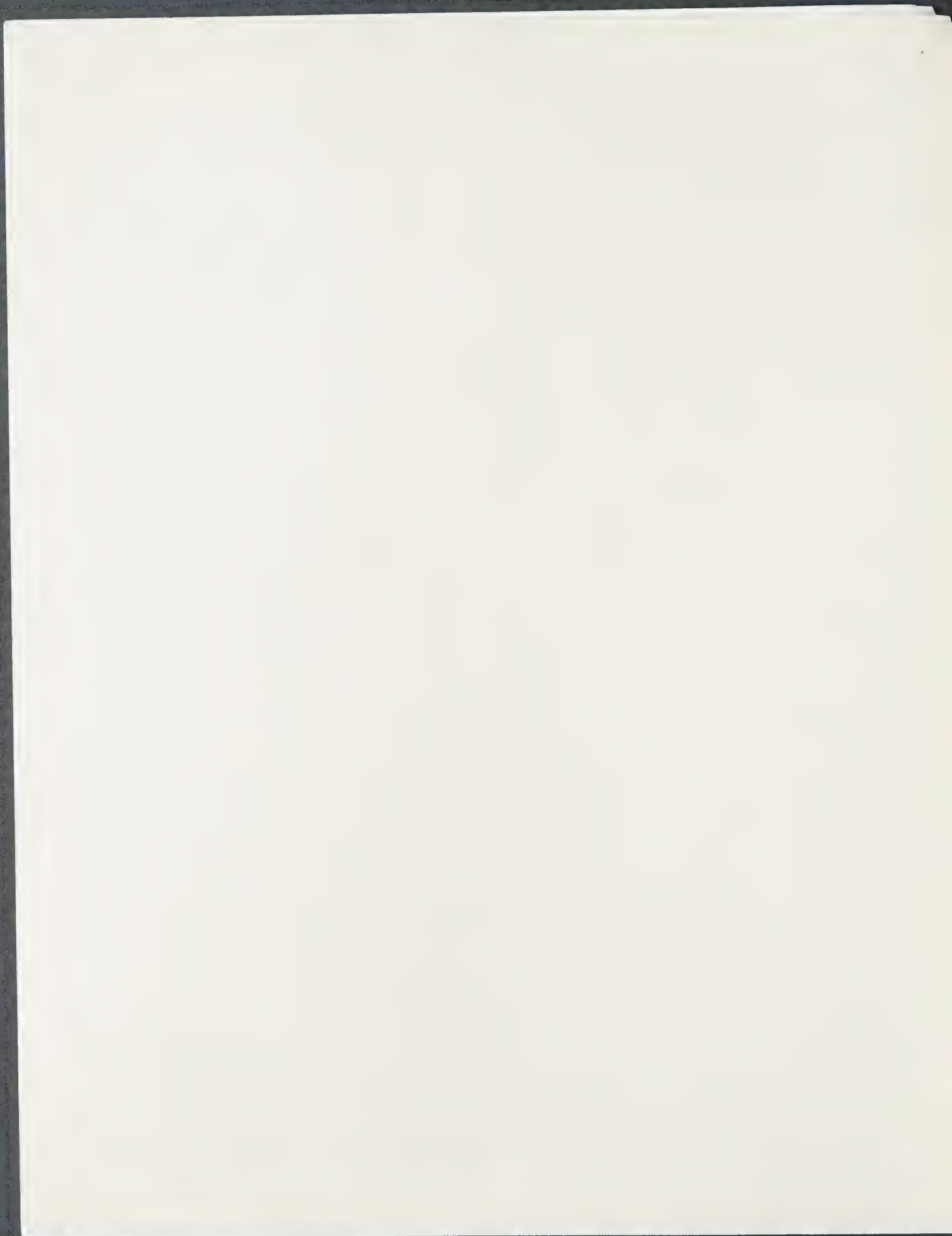
Andy Newman (who I thought was quite a good  
guy) 'all his crap you are giving us is just  
facts reasoning. You were betting against the company  
you should be out, and what you do is your call'.

In a way the friendliest was Jon Blandin (!)

Ray, am I glad I won't be at the February meeting.

I made plans long ago to go to Africa.

Jerry Blandin was as apologetic as he was after  
voting against Ralph, etc. David Kipnis very  
sharp 'everybody knows that dealing in options

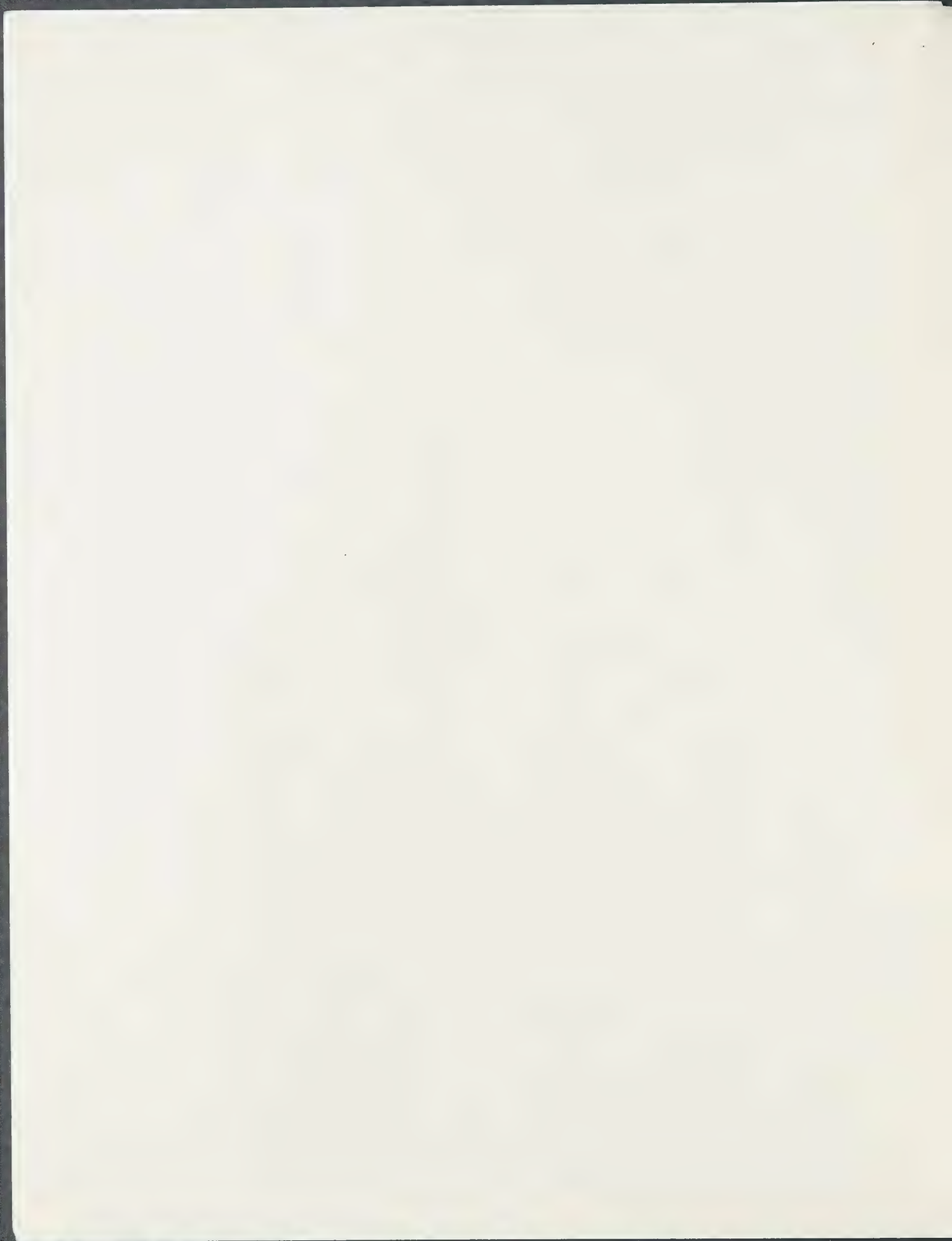


is a no, no

If the story doesn't come out, many people inside and out of Pigma-Aldrich will say 'Bader must have done something pretty horrible - you wouldn't dismiss the founder of the company without really good cause'. Martin: I just cannot live with that.

Why do I want to initiate a proxy fight? Not so much to win, as to tell the world what really happened. And unless we have the mechanics of the fight in place by the time of the board meeting, Tom will not be moved. If it is clear that Tuesday that we will fight, some directors - probably led by Joe Weinberg, will ask Tom 'what do they really want?' So, give him his job back. Keep them on the board, they were never any threat to you anyway. And do we really want this story about betting against the company to come out? And can we as directors justify spending a fortune of the company's money fighting Keitsner and Bader?'

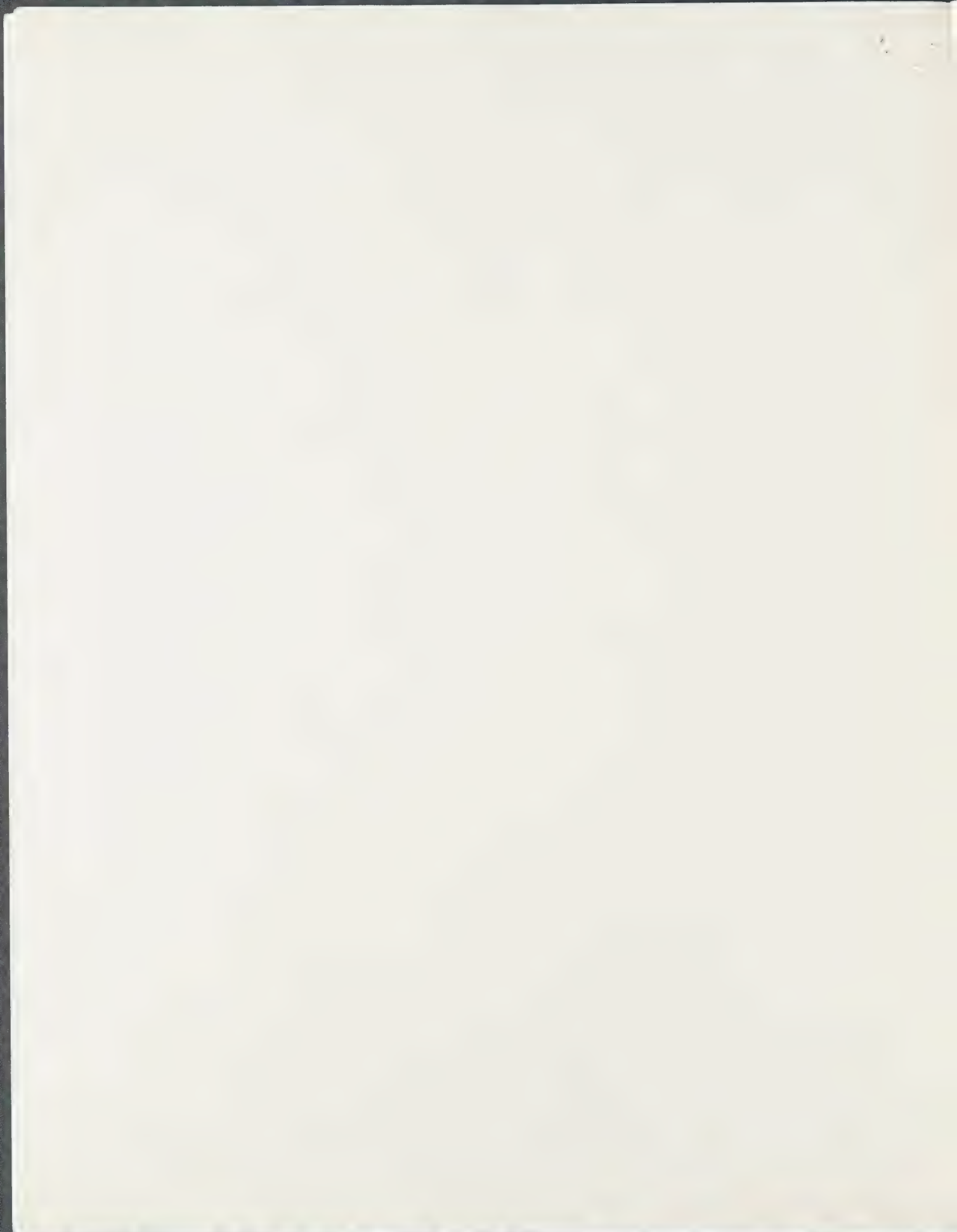
Remember that Tom was waffling the last weekend of the year. He called me at the office on Friday morning to ask me - sweet as pie - what I thought of all this, gave me his two



home phone numbers, prepared to pull all this over.  
 Perhaps we weren't strong enough. On Sunday morning  
 he called to say that the company would be better  
 without me. If he did this just to bother me?  
 I don't really think so. I'd hardly undoubtedly  
 compelled against Tom's decision, and Tom was  
 undeterred. He understands only force.

It became clear to me yesterday afternoon  
 at F&L that it takes time to initiate a proxy  
 fight - we cannot start on February 18 and  
 get SEC clearance in time. The articles for the  
 Wall Street Journal and the NY Times must be  
 submitted to the SEC before. The proxy fight  
 will be to keep us on the board - both of us -  
 and a reputation for me to get my job back.  
 If the board relents on Feb. 18, we need not go  
 ahead - but they won't relent unless it is certain  
 that we will go ahead - that day.

If we lose the proxy fight, there is a  
 p.l.d.e. lining: Tom will have to be far more  
 careful whom he fires in the future, and the  
 board will insist on getting a successor into place.



What can Tom pay against me? That I am a fat, bald, ugly oldie who wants to hold on. So what. And what is that compared to the bizarre story of Weston and Eades testimony against the company, and Cori and Harvey flying to London to get me to sign a letter of resignation.

The stock will go down - and every objective observer will conclude that it was due to Tom Cori. And it will give a clear signal to other companies.

Right now, my inclination is to proceed with the mechanics of the fight in the most modest sense possible, and to make it clear to the board that we will fight. I am not as certain as you perhaps is J & L that we will lose - but even if we do lose, life will be easier for us and the people at Pigeon Beach.

I have gotten very weary. Good night, Martin. Love from all of us to all of you.

Greg





Dr. Alfred R. Bader  
52 Wickham Avenue  
Bexhill - on - Sea  
East Sussex. TN39 3ER

Mailed an express  
from the Hague Nov 23  
Rec. 11-27

Tel. 44-424 2222 23.

Bader Sunday, Nov. 24<sup>th</sup> 9.

Dear Jack.

You will be able to imagine where my thoughts have been these last few days.

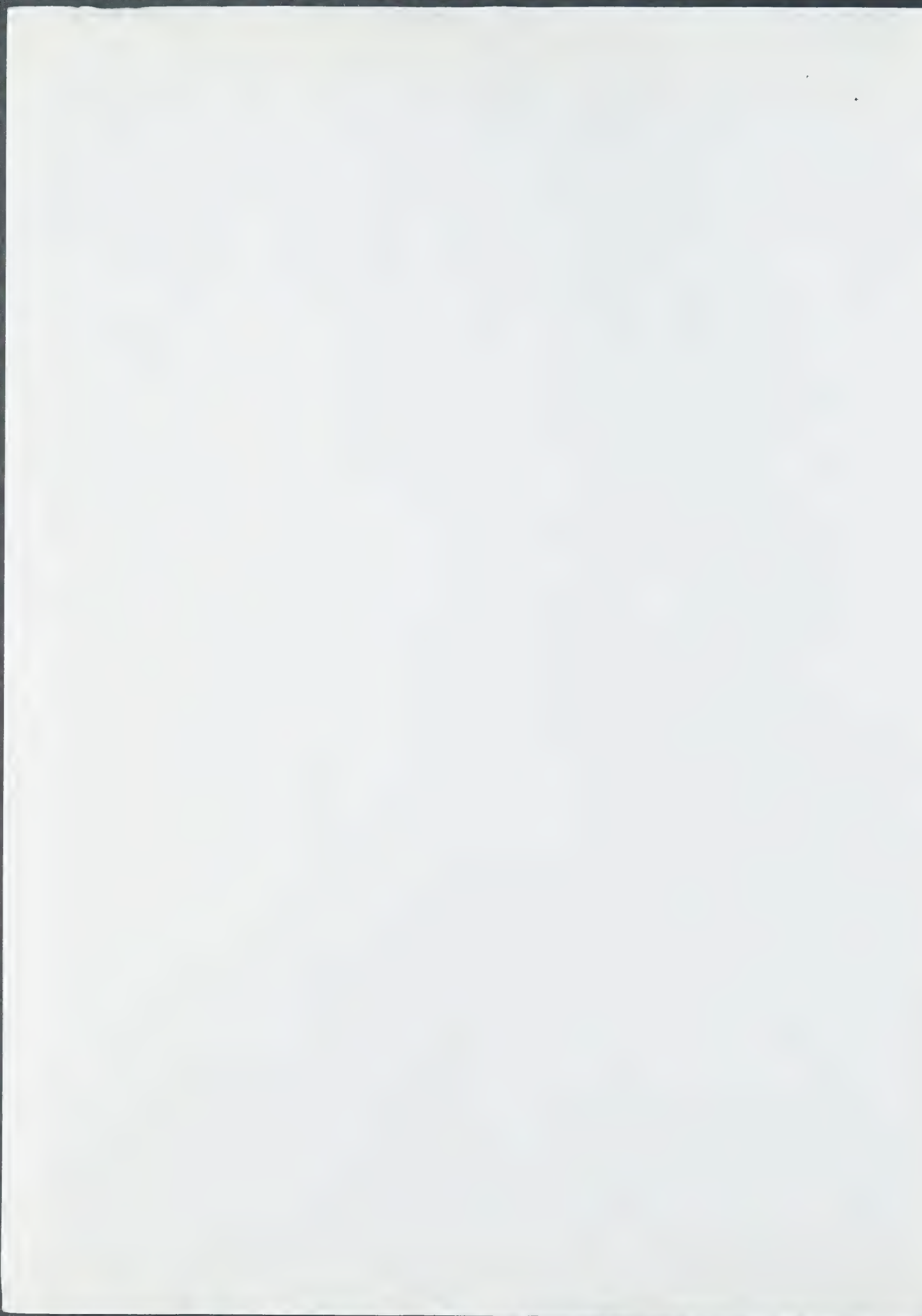
Most importantly: how is Martin?  
My last words when we parted at the Philadelphia airport were that I have never had a friend like him.

List some questions.

Have you had a chance to contact the directors of the outside directors, the only reasonable choice is Tom Brundin, the most sympathetic I should know, the most influential for Wankel (at Goldman Sachs)

Tom may want to lock me out physically on January 1 or earlier. But I am still a director and chairman emeritus. Please consider preparing legal papers for injunction against a lockout

Tom must have misled the directors - and I hope that is actionable - what do you



advise?

Can our director - I - call a board meeting  
under such circumstances, or must I wait until  
the February board meeting?

I realize that a proxy fight would be costly  
and energy draining, yet I believe I have the  
strength and a fighting chance.

Enclosed is draft of a letter I propose to send  
to our key people.

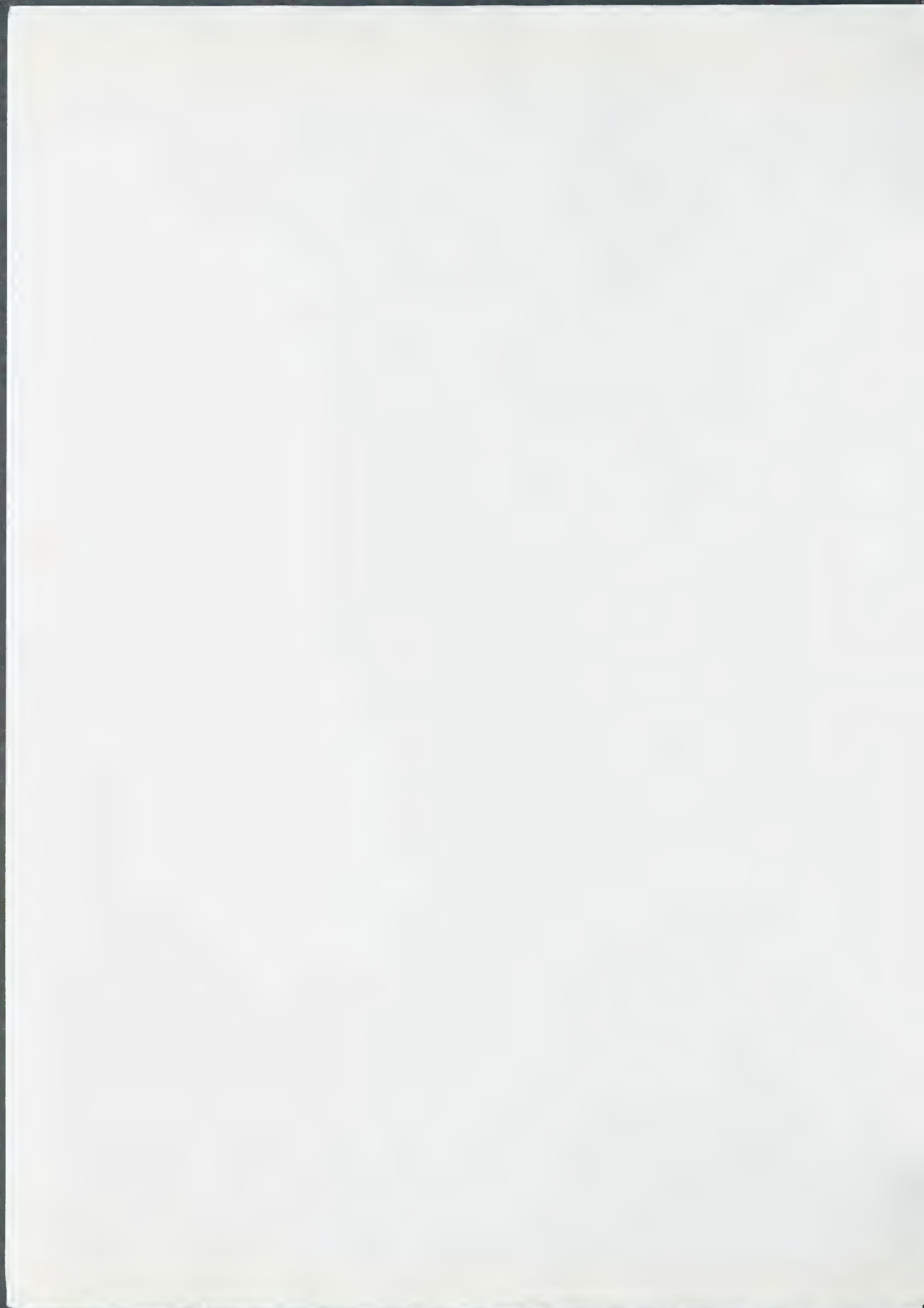
Please ask my secretary, Marilyn Sherman -  
who is loyal and reliable - to send you copy of  
my 1991 contract, and the 1992 contract which  
Tom proposed but was not signed and wishes  
to drop. In thinking about this since the Wednesday  
meeting, I want to fight hard to keep my  
office.

Tom must be mentally unbalanced, but he  
has always been afraid of lawsuits and  
publicity - hence my thinking of a well-publicized  
suit.

We'll be back in Berkeley this Saturday  
afternoon, November 30, and I'll call you to discuss.

Give my love to Marvin and Jane - don't  
let the bastards get us down.

Richard



**FORM 4**

Check box if no longer subject to Section 16.  
Form 4 or Form 5 obligations may continue.  
See Instruction 1(b).

U.S. Securities and Exchange Commission  
Washington D.C. 20549

**STATEMENT OF CHANGES IN BENEFICIAL  
OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a)  
of the Public Utility Holding Company Act of 1935 or Section 30(f) of the  
Investment Company Act of 1940

**OMB APPROVAL**

OMB Number: 3235-0287  
Expires: February 1, 1994  
Estimated average burden  
hours per response . . . 0.5

1. Name and Address of Reporting Person Bader                  Alfred                  R.	2. Issuer Name and Ticker or Trading Symbol Sigma-Aldrich Corporation (SIAL)	6. Relationship of Reporting Person to Issuer (Check all applicable)
--	---	---

Form 4 (Continued)

Table II — Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instruction 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instruction 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instructions 3 and 4)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instructions 3 and 4)		8. Price of Derivative Security (Instruction 5)	9. Number of Derivative Securities Beneficially Owned at End of Month (Instruction 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instruction 4)	11. Nature of Indirect Beneficial Ownership (Instruction 4)
			T	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

Explanation of Responses:

\_\_\_\_\_  
 \*\*Signature of Reporting Person  
 ALFRED R. BADER

12/ /91  
 Date

Note: File three copies of this Form, one of which must be manually signed.  
 If space provided is insufficient, see Instruction 6 for procedure.

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

## Tip for Insiders: A Deadline Missed Puts You in Print

### INSIDE TRACK

By ALEXANDRA PEERS

Staff Reporter of THE WALL STREET JOURNAL  
NEW YORK—Look for some red faces  
in corporate boardrooms.

Corporate executives, directors and other insiders have until Feb. 14 to comply with revamped Securities and Exchange Commission regulations governing public disclosure of the stock options they have been given by their companies.

To put teeth in the rules, the SEC has ordered that if executives miss the approaching deadline, their companies must list the names of all tardy executives in the company's proxy, or face a hefty fine. And some insider-trading experts say that, at the slow pace corporate insiders are complying with the little-known new rules, it looks like there will be a lot of these embarrassing disclosures.

Stock option grants to executives often allow them to buy stock at below-market prices and sell it soon after at a big profit. SEC filings disclosing these grants—or an executive's failure to make those filings—will be particularly scrutinized this year because of the growing controversy over lavish executive pay at some companies.

"Corporate gadflies are going to have a field day with this," predicts Jesse M. Brill, a securities lawyer and editor of the Corporate Executive newsletter. Stockholders "upset about executive compensation may try to read something into these failures to file."

Mr. Brill says the Feb. 14 deadline is

Please Turn to Page C15, Column 5

THE WALL STREET JOURNAL THURSDAY, FEBRUARY 6, 1992 C15

## SEC Will Scrutinize Disclosures Of Options Grants to Executives

### INSIDE TRACK

Continued From Page C1

likely to be ignored by some of the estimated 10,000 companies that are covered by the new filing rules. "It's the very first year, and a lot of companies don't have their acts together yet," Mr. Brill says. "Several hundred companies," he predicts, particularly smaller companies whose shares trade in the over-the-counter market, don't have the mechanisms set up to gather this data from their insiders.

Most companies and individuals seem to be waiting until the last minute to file information about stock options grants. "We're expecting to see a big explosion soon," said Robert Gabele, president of Invest/Net, a North Miami, Fla., company that compiles insider-trading data.

The filings are required because of new insider-trading regulations that went into effect in May. To cut paperwork, the SEC exempted many corporate insiders from

filing their trades in company stock every month, and reduced the filing requirements for thousands of other executives.

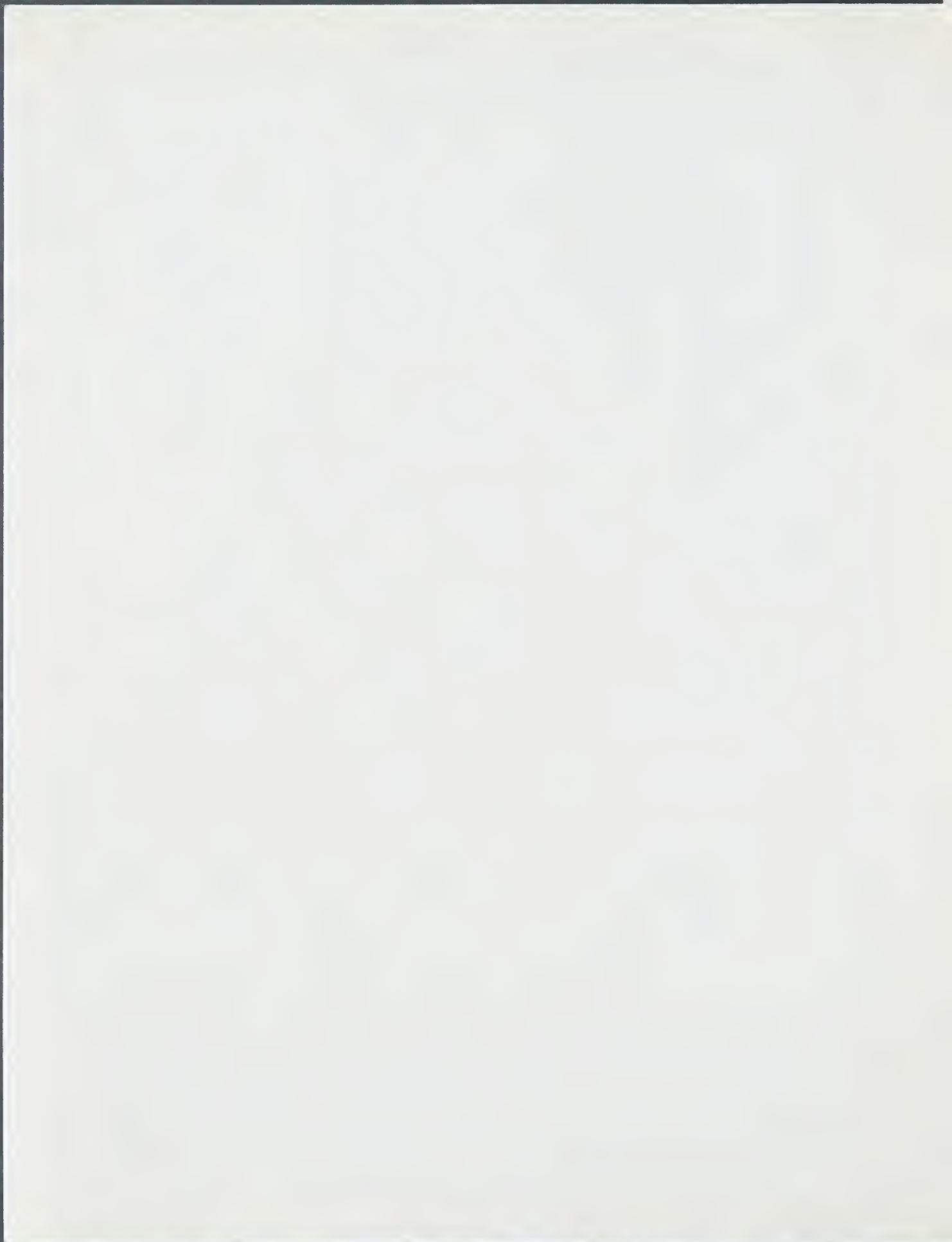
For executives who still must report trades to the SEC, sales and purchases of company stock must be filed by the 10th of the month following the trade.

But all stock option grants, gifts or inheritances of company stock, or trades in pension plans and 401(k) plans, can now be filed just once a year, either by the company or the insider on a "Form 5." It's these filings that now must be made by Feb. 14 for insiders at all public companies whose fiscal years end Dec. 31.

For years, corporate insiders have routinely flouted SEC filing deadlines—the delinquency rate in recent years has run at about 37%. So the agency added some bite to the new rules, says William McLucas, the SEC's director of enforcement. Companies are required to disclose in their proxy statement and their annual 10-K financial report the name of every officer, director and owner of more than 10% of the company's stock who didn't meet the Feb. 14 filing deadline. And hefty fines could be levied against companies which show a pattern of failure to file.

The SEC now has the power to go to federal court to request that insiders be fined a minimum of \$5,000 for each violation of the filing deadline, \$50,000 for "reckless disregard" of the law, and \$100,000 if there has been "actual harm to the investment public and to the markets," says Mr. McLucas. Timeliness of the filings is important because insider-trading data is "material" to investors when they decide "whether to buy or sell a stock," Mr. McLucas says.

Some of the Form 5 filings the SEC has already received are riddled with errors, says Invest/Net's Mr. Gabele. "Too many people are reporting transactions they already reported earlier in the year," he says. That means insider filings may appear to overstate insider buying and selling at companies.





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LOS ANGELES, CALIFORNIA 90071-3171

WALTER L. METCALFE, JR.

December 11, 1991

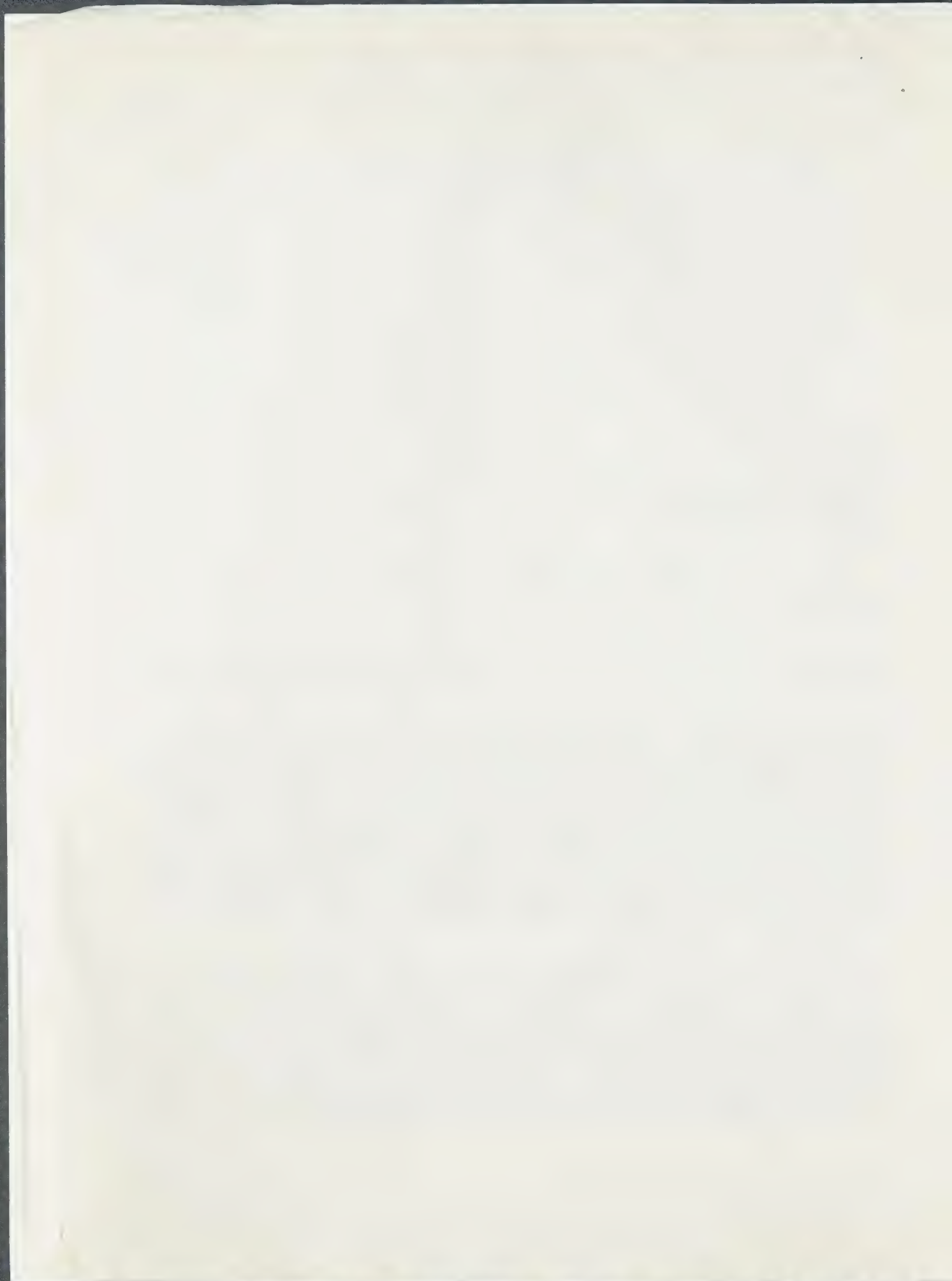
775 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

Re: Sigma-Aldrich Corporation

Reference is hereby made to your letters dated December 4, 1991 regarding Messrs. B. J. Klitsner

With regard to Mr. Klitsner, we continue to believe that his original Form 4 for October 1991 improperly reported the expiration of the options. The method of reporting the options we suggested (supported by Messrs. Romeo and Dye, as you observed, in Forms A-99 and A-101, however, rather than A-98) would not indicate the Mr. Klitsner is the beneficial owner, as you assert. Rather, this method would simply report the occurrence of an event (the expiration of an option), which is a reportable transaction giving rise to recoverable short-swing profits. We do not believe that the reporting method utilized by Mr. Klitsner would enable a third party to determine that a matchable purchase took place. If we are incorrect, please explain to us why. In view of the ongoing SEC inquiry, we recommend that Mr. Klitsner amend his Form 4 to report the options properly.

With regard to Mr. Klitsner's wife, we are unable to reach any conclusion based on the summary analysis contained in your letter. As you know, the existence of a rebuttable presumption means that Mr. Klitsner must affirmatively demonstrate that he does not derive benefits substantially equivalent to ownership. The SEC has stated that examples of this include "application of the income derived from such securities to maintain a common home, to meet expenses which such person otherwise would meet from other sources, or the ability to exercise a controlling influence over the purchase, sale, or voting of such securities." Release



Steven R. Barth, Esq.  
December 11, 1991  
Page 2

No. 34-7824 (February 14, 1966) (emphasis added). Your letter does not address whether Mr Klitsner communicates with his wife regarding the purchase, sale or voting of the Company's securities.

Further, while Mrs. Klitsner may have separate accounts, etc., the Second Circuit held in the leading case on this topic that such separation is not determinative where the couple perceives their resources as in support of "common prosperity" and "easily communicate concerning matters which relate to that prosperity." Whiting v. The Dow Chemical Company, 523 F.2d 680 (2d Cir. 1975). In addition, the court noted that the couple, while maintaining separate accounts, conferred with the same financial advisor; filed joint tax returns; and otherwise arranged their affairs jointly.

Similarly, in Altamil Corporation v. Pryor, 405 F. Supp. 1222 (S.D. Ind. 1975), the court ruled that an insider may indirectly benefit from his wife's transactions, even though she maintained a separate account and did not directly contribute to the support and maintenance of his household. There, the court noted that the insider may benefit from his wife's profitable stock transactions to the extent he is otherwise relieved of any need (or desire) to make taxable transfers to

As you know, the SEC views the potential for abuse of family holdings as being so great that it originally proposed to omit any presumption and make the insider liable in all circumstances for transactions by family members.

Accordingly, additional information is required in order to complete our analysis. One approach would be for you to prepare responses in reasonable detail to a series of questions which go to the issue. Mr. Klitsner's decision to contest the presumption under the federal securities laws imposes an obligation on the Company to determine if his position is justifiable.

The additional information is as follows:

1. Source of shares of Sigma-Aldrich owned or disposed of by Mrs Klitsner
2. Name of banking institution used by each of the Klitsners
  - (a) If the same, name of personal banking representative
  - (b) If the same, whether the Klitsners ever meet or talk jointly with same.



Steven R. Barth, Esq.  
December 11, 1991  
Page 3

3. Origin of Mrs. Klitsner's bank account (date established; reason for separate account); original source of funds for account; source of subsequent deposits to account.
  - (a) In particular, whether Mr. Klitsner has ever made any transfers to his wife or her account.
  - (b) If yes, state reason for and amounts and nature of transfers
4. Name of brokerage firm used by each of the Klitsners
  - (a) If the same, name of personal stock broker.
  - (b) If the same, whether the Klitsner ever meet or talk jointly with same
5. Origin, basis and rationale for Mr. Klitsner's decision to write call options, including date of first call option written by Mr. Klitsner in Sigma-Aldrich securities and date of first call option written by Mr. Klitsner in securities of other issuers.
6. Origin, basis and rationale for Mrs. Klitsner's decision to write call options, including date of first call option written by Mrs. Klitsner in Sigma-Aldrich securities and date for first call option written by Mrs. Klitsner in securities of other issuers
7. Whether the Klitsners file individual or joint tax returns
  - (a) If joint, nature of marital or similar deductions made
  - (b) Nature and amount of gifts, and gift tax exclusions
8. Whether the Klitsners ever discuss Sigma-Aldrich or its affairs or prospects
  - (a) If not, state basis for Mrs. Klitsner's transactions in its affairs





Steven R. Barth, Esq.  
December 11, 1991  
Page 4

- (b) State reason for writing of call options in the Company's shares by each of the Klitsners on May 10, 1991, June 17, 1991, and August 6, 1991.
  - (c) State whether the Klitsners ever discuss the voting of the Company's shares.
9. Whether the Klitsners ever discuss, or are aware of, each other's transactions in the stock of Sigma-Aldrich.
10. How Mrs. Klitsner intends to dispose or utilize the income or corpus of her personal account during her lifetime and upon her death.
11. Amount of funds required to support the Klitsners' household and summary itemization thereof.
12. Source of funds to support the Klitsners' household.
- (a) Whether application of funds exhausts income or assets of such source.
  - (b) Application of any excess assets or income of such source.

Finally, in respect of both Mr. Bader and Mr. Klitsner, we did not know they did not know of the securities law implications of engaging in transactions in securities based on the Company's common stock. Your firm, as their counsel, prepared a clear and very thorough Client Memorandum in February, 1991, and the Company sent a memorandum to its outside counsel on the subject in April, 1991.

Very truly yours,

  
Walter L. Metcalf, Jr.

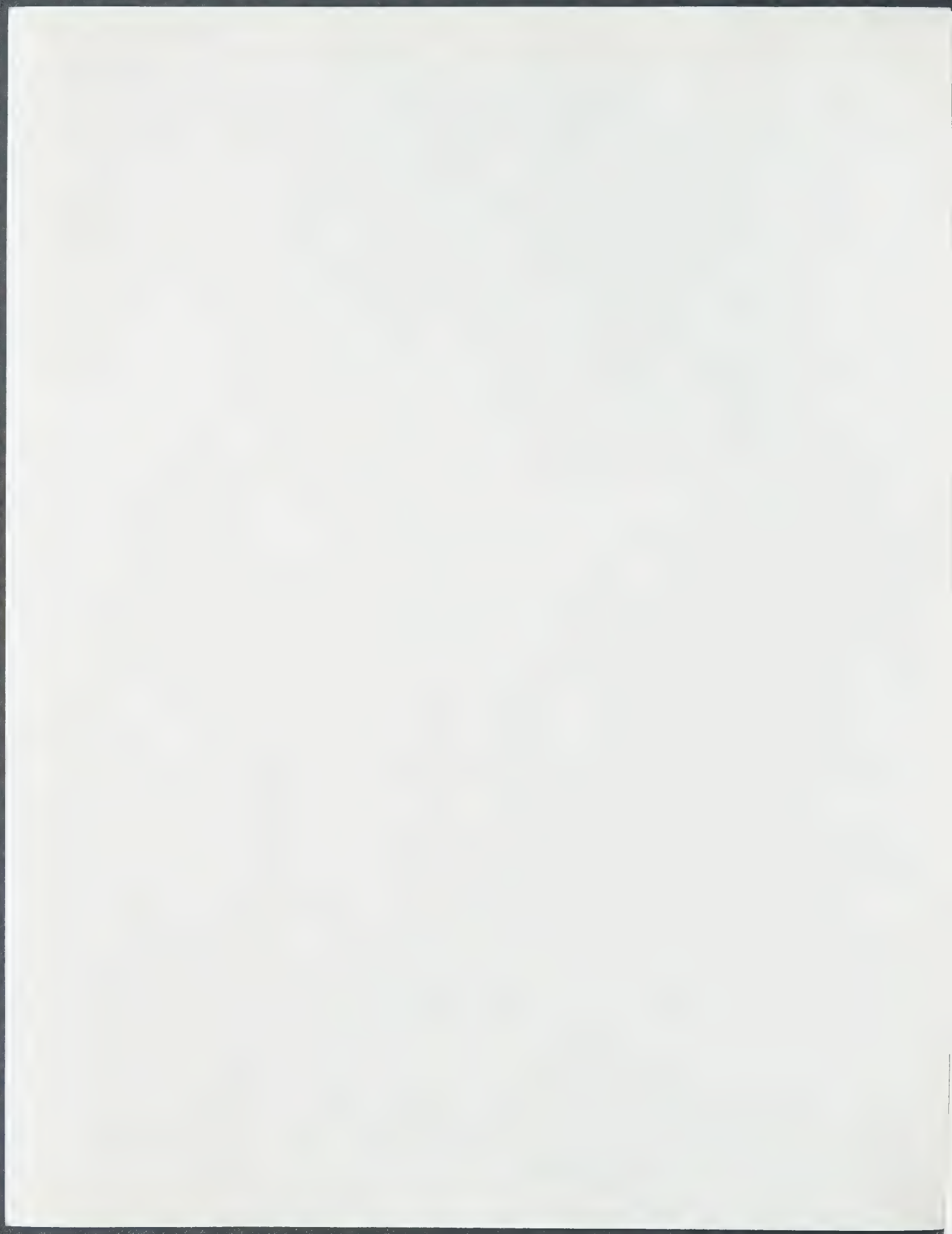
WLM/v



Dr. Alfred Bader, the founder of Aldrich Chemical Company, retired as Chairman of Sigma-Aldrich Corporation at the annual meeting of the stockholders in May of 1991. For the remainder of 1991, he has acted as a consultant to the corporation. Today marks the end of that consulting. I am sure you join the corporation in wishing Alfred Bader the best in his retirement.

Tom Cori

JH → AB 12/31/91



MEMORANDUM

TO: Jere D. McGaffey  
FROM: Steven R. Barth  
DATE: December 24, 1991  
RE: Alfred R. Bader - Solicitation of Proxies

Dr. Bader's proposed use of an "open letter" type advertisement placed in the New York Times to solicit shareholders of Sigma-Aldrich Corporation to write in his name as a director of the Company would be a solicitation of proxies subject to the SEC's proxy rules. Moreover, since such solicitation would be in opposition to the Company's solicitation of proxies, Dr. Bader would be subject to the special proxy rule applicable to election contests. This special rule would require Dr. Bader to file a Schedule 14B with the SEC at least five business days prior to his solicitation. Schedule 14B would require the disclosure of certain identification and background information of Dr. Bader and a description of his ownership interests and recent transactions in the Company's stock. Schedule 14B would also require a description of the extent of Dr. Bader's anticipated proxy solicitation activities and the amount expected to be contributed in furtherance of the solicitation (if such amount exceeds or will exceed \$500).

In addition, copies of any soliciting material proposed to be sent or given to Company shareholders (including the NYT newspaper ad) must first be filed with the SEC in preliminary form at least five business days prior to the date of use. (Such material must include certain background information on Dr. Bader, as well as the amount of stock he owns). Importantly, thereafter, Dr. Bader would be required to furnish to the Company's shareholders a written proxy statement fully-complying with the regular proxy statement requirements. (The theory is that no one should be allowed to broadly solicit proxies without providing all of the information required to be set forth in a full-blown proxy statement.)



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WEST PALM BEACH, FLORIDA

February 10, 1992

### VIA HAND DELIVERY

Dr. Alfred Bader  
2961 North Shepard Avenue  
Milwaukee, WI 53211

Dear Alfred:

Enclosed is a revision of the proposed letter to chemists. I sent a somewhat earlier version to Marv for comment. He suggested that the first paragraph be added and that the paragraph in [ ] be deleted. I have added the underlined items if the [ ] are deleted.

Marv strongly agreed with my suggestion that the attacks on Tom and the Board be eliminated. My concerns related to the effectiveness of your message in emphasizing what you can do for the Company and avoiding any possible exposure to suit. Marv believes that it diminishes your stature by making such attacks.

Similarly, Marv felt that the description of the Canadian University experience is an appeal for sympathy, which also reduces your stature. On the same grounds, he thought it undesirable to make a plea for your job back and requesting them to write or call.

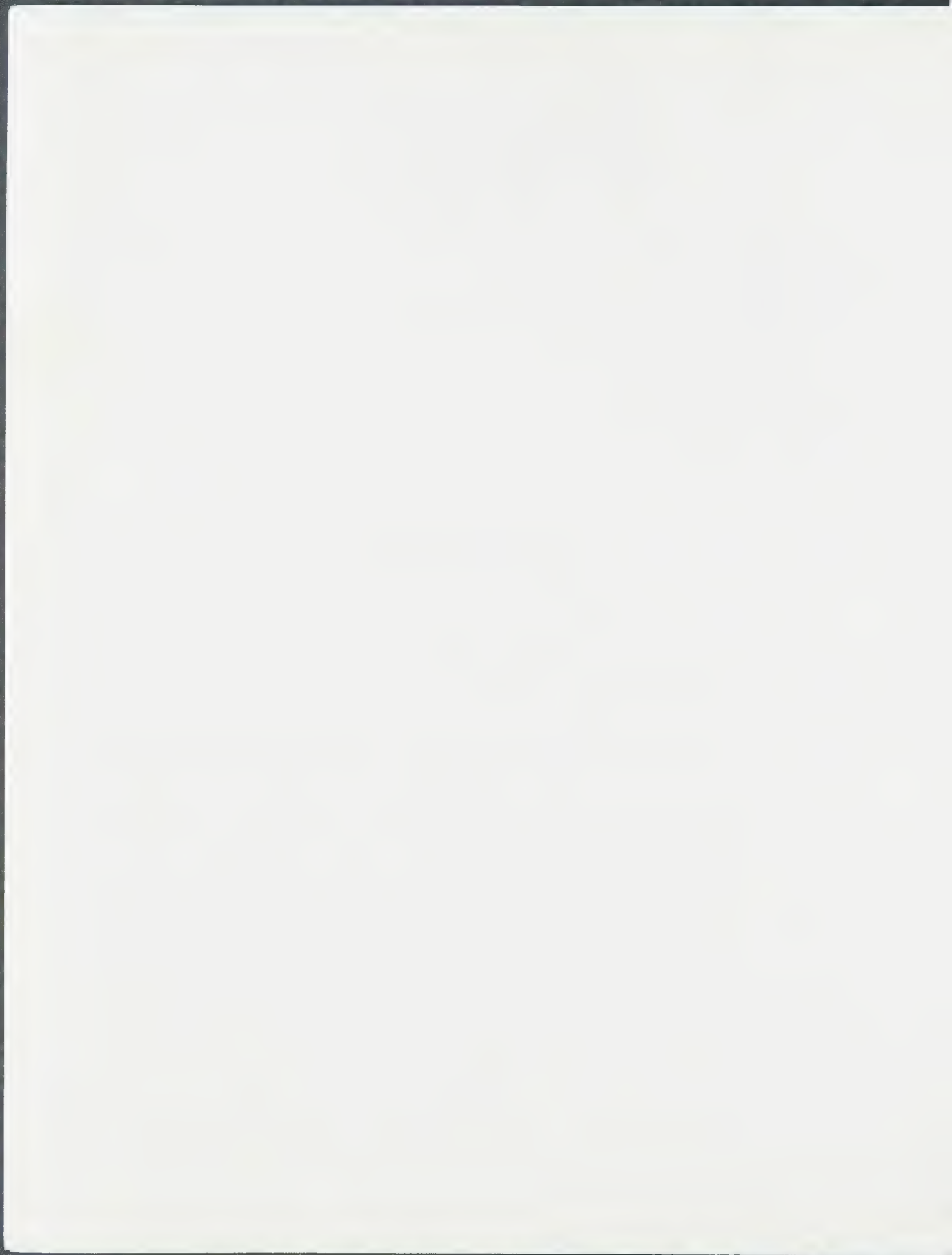
He thinks it is desirable to wait awhile after the Board meeting to allow time to justify the language in the first paragraph.

Marv thought the idea of running the ad only in a chemical journal was a good one. He thought the Wall Street Journal may then pick it up in a story.

We can discuss these points on Wednesday at 10:00 a.m. We can also meet again on Monday, February 17th with Marv. He is flying in Sunday night and could meet by mid-morning.

Sincerely,

  
Jere D. McGaffey





FAX to  
0101 414 289 3791

Dr. Alfred R. Bader  
52 Wickham Avenue  
Bexhill - on - Sea  
East Sussex. TN39 3ER

Phone 44 424 2222 23

Sunday, 1 December 1991.

Dear Pete

It was good being able to talk to  
you yesterday, and to Marvin - briefly -  
and Jane to-day. Martin sounded weak.

I doubt that even the most reasoned  
legal argument will change Tom's mind -  
or a majority of the directors'. Threat  
of publicity or a lawsuit - were that  
possible - might.

Please consider pending the directors  
the memo we discussed yesterday and the  
enclosed two page draft from biography.

Could Marvin and I call a directors  
meeting between Xmas and year end?

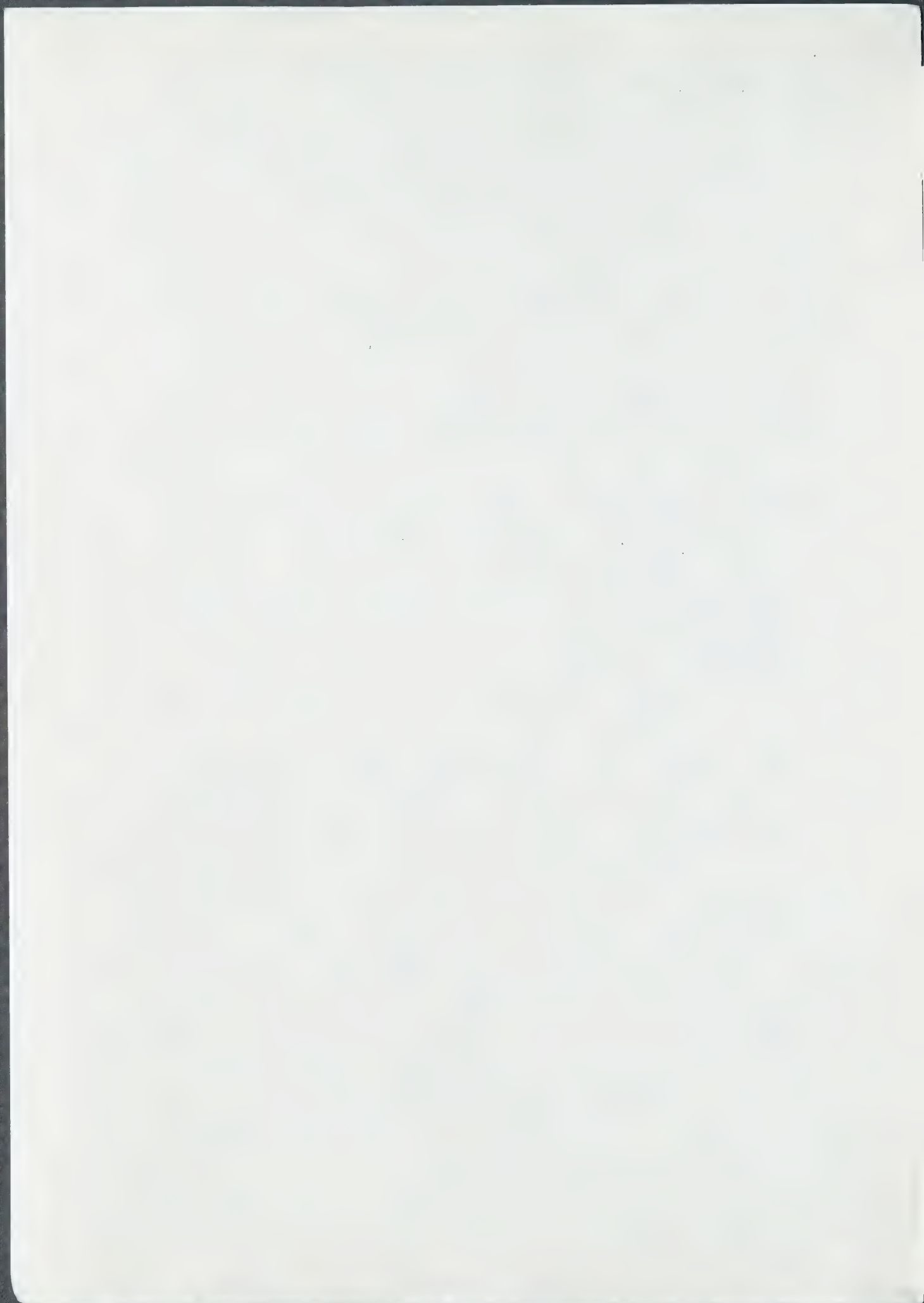
I'll call you around 10 am  
Milwaukee time this coming Friday.

Thanks for all your help.

You can fax to Exhill:  
To M. B. GLYNN FOR  
ALFRED R. BADER  
44 424 730 663. Well.  
be back Friday Dec 16

Best regards

Alfred



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(816) 842-7444

R RANDALL WANG

December 31, 1991

Ms. Lea Christy  
Boatmen's Trust Company  
510 Locust Street  
St. Louis, Missouri 63101

Re: Dr. Alfred R. Bader Gift of Shares/Queen's University


Dear Lea:

Enclosed is a letter from Foley & Lardner dated December 27, 1991, which was previously sent to you.

Based upon the facts and opinions set forth in that letter, you are authorized, on behalf of Sigma-Aldrich Corporation (the "Company"), to deliver to Robert W. Baird & Co. Incorporated ("Baird") a certificate (or certificates) representing the 50,000 Gifted Shares referred to in that letter, which certificate does not include a restrictive stock transfer legend or other stop transfer notation, with the understanding that such Gifted Shares will be held by Baird for the account of Queen's University.

Please call me if you have any questions.

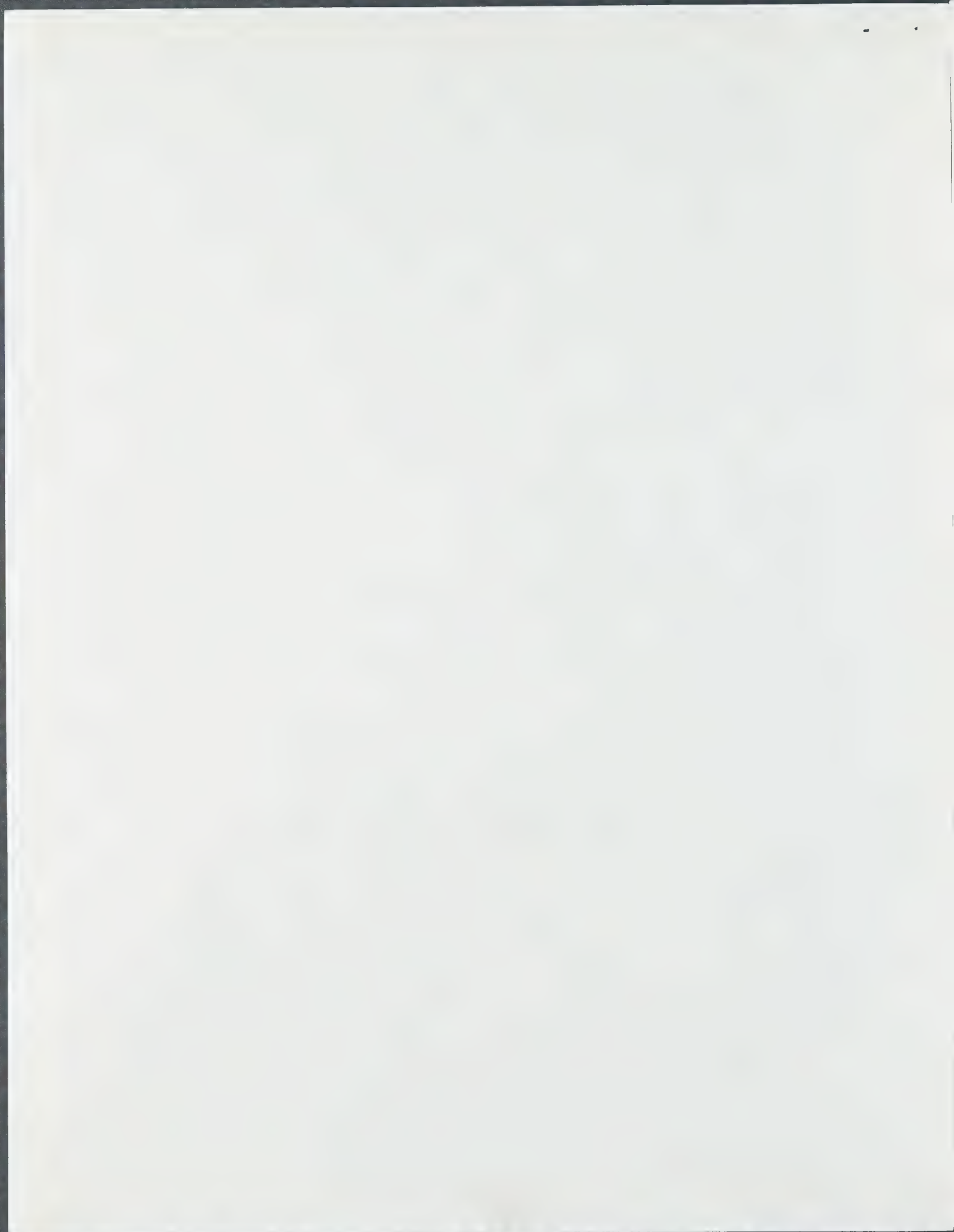
Very truly yours,



R. Randall Wang

Enclosure

cc: Mr. Kirk A. Richter  
Walter L. Metcalfe, Jr., Esq.  
Steven R. Barth, Esq.



**FOLEY & LARDNER**

FIRST WISCONSIN CENTER  
777 EAST WISCONSIN AVENUE  
MILWAUKEE, WISCONSIN 53202-5367  
TELEPHONE (414) 871-2400  
TELEX 88-818  
(FOLEY LARD MIL)

MADISON, WISCONSIN  
CHICAGO, ILLINOIS  
ITASCA, ILLINOIS  
WASHINGTON, D.C.  
ALEXANDRIA, VIRGINIA  
ANNAPOLIS, MARYLAND  
JACKSONVILLE, FLORIDA  
ORLANDO, FLORIDA  
TALLAHASSEE, FLORIDA  
TAMPA, FLORIDA  
WEST PALM BEACH, FLORIDA

December 27, 1991

**VIA TELEFAX**

Sigma-Aldrich Corporation  
3050 Spruce Street  
St. Louis, Missouri 63103  
Attention: Mr. Kirk A. Richter

Re: Dr. Alfred R. Bader Gift of Shares

Gentlemen:

We represent Dr. Alfred R. Bader who, as you know, is a director of Sigma-Aldrich Corporation ("Company") and the owner of a substantial number of shares of common stock ("Common Stock") of the Company. Dr. Bader has indicated to us that he has transferred by gift, in two separate transactions, a total of 50,000 shares ("Gifted Shares") of Common Stock to Queen's University. One gift was for 10,000 shares and the other was for 40,000 shares. The Company's transfer agent, Boston's Trust Company, should be receiving official notification of such gift transactions shortly from Robert W. Baird & Co. Incorporated, together with original stock certificates representing the Gifted Shares and stock powers duly executed by Dr. Bader. It is possible that Queen's University may desire to publicly sell the Gifted Shares immediately upon or shortly after receipt. To accommodate Queen's University's potential desire to sell the Gifted Shares, Dr. Bader desires that the stock certificates representing the Gifted Shares be transferred without a restrictive stock transfer legend or other stop transfer notation to Robert W. Baird & Co. Incorporated for the account of Queen's University.

To our knowledge, Queen's University (i) is not, and has not been within the last three months, an "affiliate" (as defined under Rule 144(a)(1) under the Securities Act of 1933, as amended) of the Company; (ii) will comply with the volume limitations of Rule 144(e)(3)(iii); and (iii) will sell the Gifted Shares in compliance with Rule 144(f). Dr. Bader has represented to us that (i) he has beneficially owned the Gifted Shares in excess of three years; (ii) during the preceding three months (a) he has personally



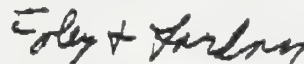
Sigma-Aldrich Corporation  
December 27, 1991  
Page 2

not sold any Common Stock and (b) the amount of Common Stock sold by any person whose sales are required to be aggregated with any sales by him under Rule 144, together with the potential sale of the Gifted Shares, do not exceed the volume limitations set forth in Rule 144(e)(1); and (c) he will otherwise comply with the volume limitations of Rule 144(e)(3)(iii). Finally, to our knowledge, the Company satisfies the current public reporting obligations of Rule 144(c)(1).

Based on and subject to the above, in our opinion, the sale of the Gifted Shares by Queen's University may be effected without violating the Securities Act of 1933, as amended, or any applicable rules or regulations thereunder. We, therefore, request that the Company instruct its transfer agent to deliver to Robert W. Baird & Co. Incorporated a certificate (or certificates) representing the Gifted Shares which does not include a restrictive stock transfer legend or other stop transfer notation.

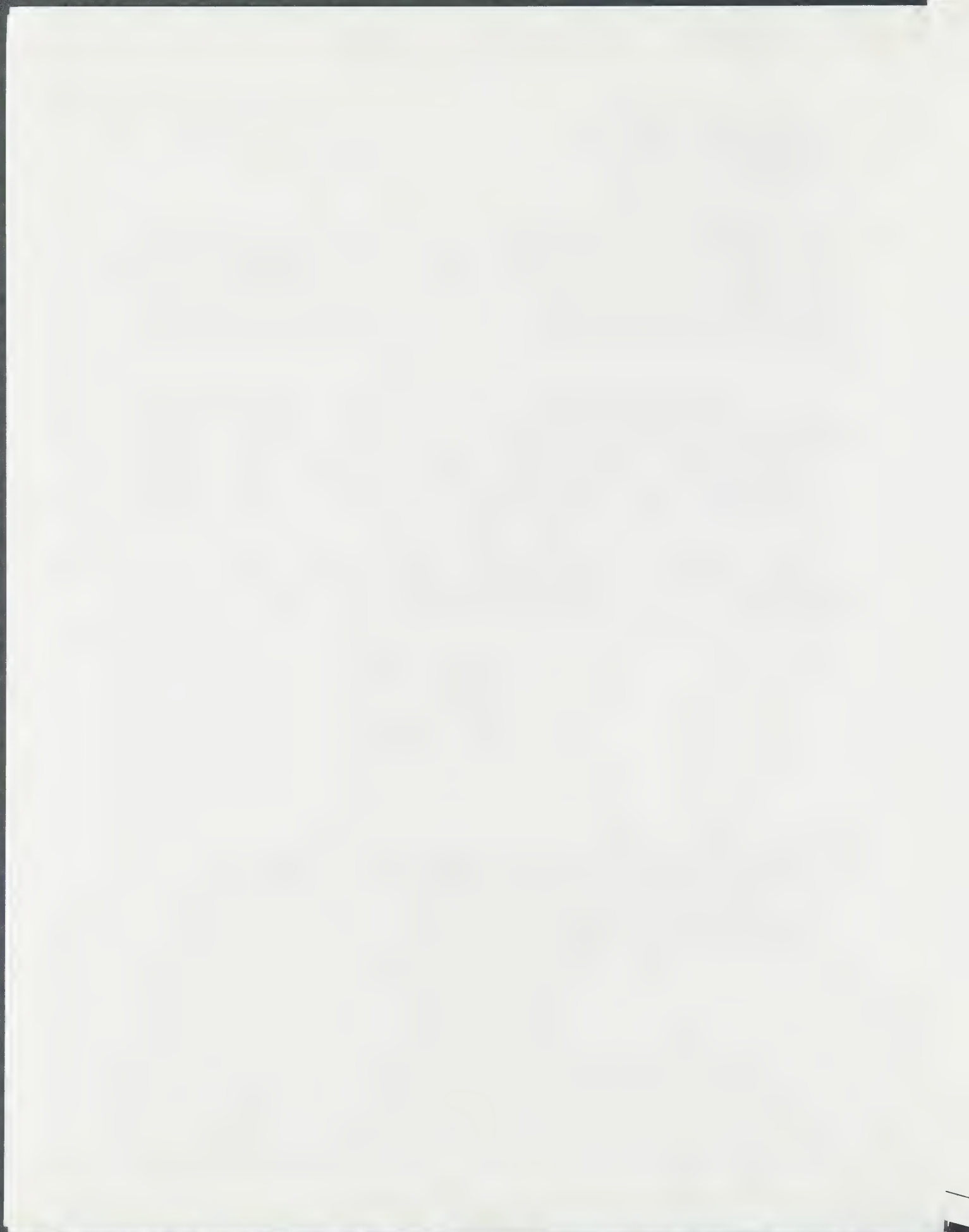
We would appreciate your sending us a copy of your written instructions to Boatman's Trust Company responding to this request. If you have any questions concerning this letter please call Steven R. Barth ((414) 289-3604) or Jere D. McGaffey ((414) 289-3642) of this firm.

Very truly yours,



POLEY & LARDNER

cc: Dr. Alfred R. Bader  
Lee Christy - Boatman's Trust Company (Via Telefax)  
Walter L. Matcalfe, Jr. - Bryan, Cave, McPheters &  
McRoberts (Via Telefax)  
Ronald O. Schowalter - Paper, Martin, Jensen, Maichal &  
Hatlage (Via Telefax)  
Robert S. Ficks - Robert W. Baird & Co. Incorporated





**BRYAN, CAVE, McPHEETERS & McROBERTS**

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

700 THIRTEENTH STREET, N.W.  
WASHINGTON, D.C. 20005-3860  
(202) 308-8000333 SOUTH GRAND AVENUE  
LOS ANGELES, CALIFORNIA 90071-8171  
(213) 628-8000245 PARK AVENUE  
NEW YORK, NEW YORK 10167-0094  
(212) 692-18002800 NORTH CENTRAL AVENUE  
PHOENIX, ARIZONA 85004-1019  
(602) 230-70001200 MAIN STREET  
KANSAS CITY, MISSOURI 64141-8614  
(816) 374-3200500 NORTH BROADWAY  
ST. LOUIS, MISSOURI 63102-2186

(314) 231-8600

FACSIMILE: (314) 231-5817

18881 VON KARMAN  
IRVINE, CALIFORNIA 92715-1600  
(714) 757-8100120 BROADWAY  
BANTA MONICA, CALIFORNIA 90401-2308  
(213) 878-210028 GREEN ANNE'S GATE  
LONDON SW1H 9BU  
(44) (71) 222-0811POST OFFICE BOX 20883  
RIYADH 11468 SAUDI ARABIA  
(966) (1) 483-1371STRESEMANNALLEE 33  
D-6000 FRANKFURT AM MAIN 70  
(49) (69) 6815024

WALTER L. METCALFE, JR.

November 15, 1991

VIA FAX

Steven R. Barth, Esq.  
Foley & Lardner  
First Wisconsin Center  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202-5367  
FAX No. 414-289-3791

Re: Sigma Aldrich Corporation --Changes in Beneficial  
Ownership

Dear Steve:

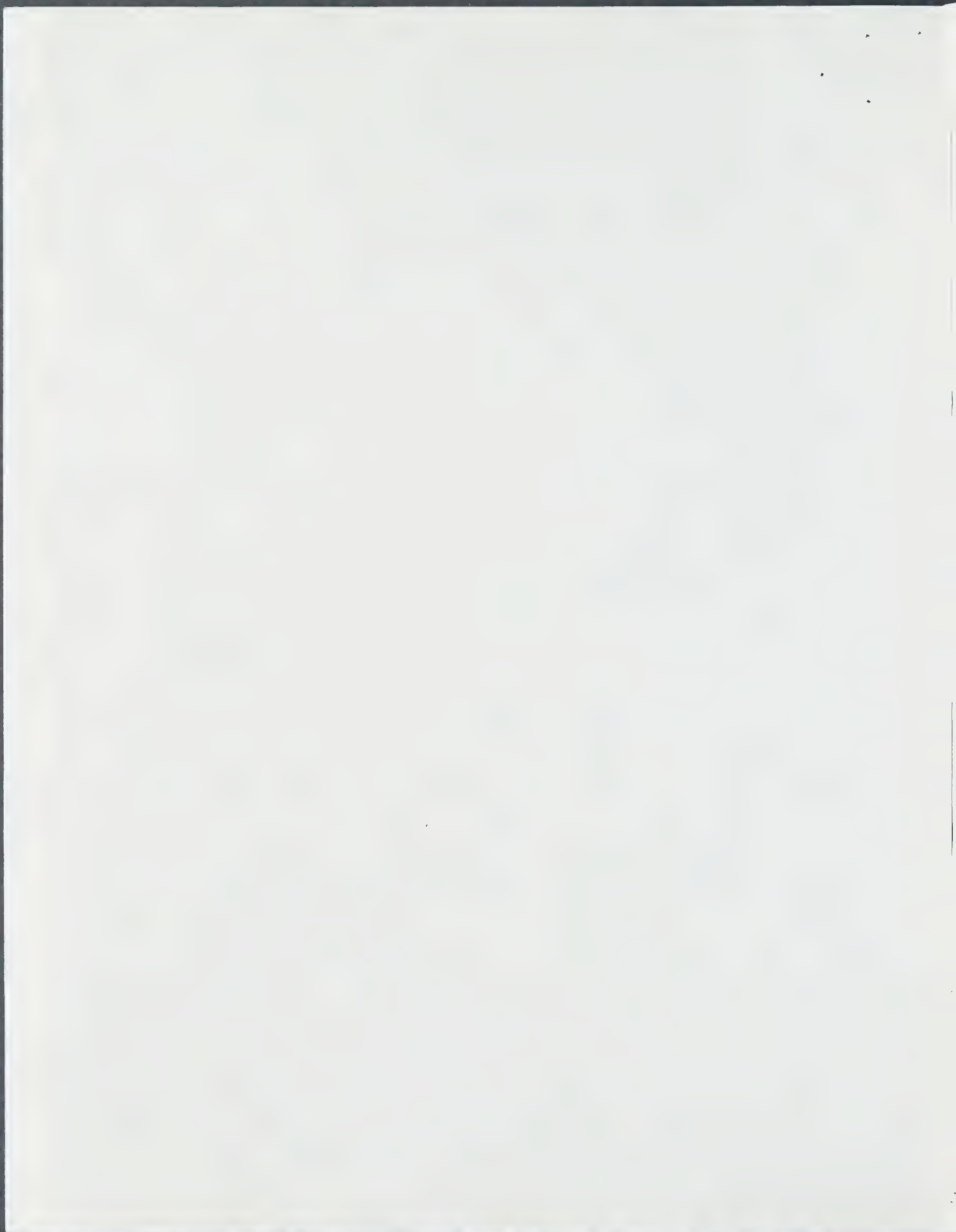
Here are my comments on the forms and profit  
calculations.

On November 8, 1991, Mr. Klitsner, a director of  
Sigma Aldrich, filed the Statement of Changes of Beneficial  
Ownership on Form 4 for each of the months of May, June, August  
and October, 1991. On November 13, 1991, Mr. Bader, another  
director, filed a Form 4 for August 1991. The following is a  
summary of the information contained on these Form 4 filings.

I. Marvin E. Klitsner

Klitsner wrote the following call options (obligations  
to sell a specified number of shares at a specified price):

<u>Date Written</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Price of Option</u>	<u>#Options</u>
5/10/91	10/25/91	\$40	\$5,125.00	20
5/23/91	10/25/91	40	1,125.00	5
6/11/91	10/25/91	45	7,812.50	50
8/06/91	10/25/91	45	2,975.00	17



## BRYAN, CAVE, MCPHEETERS &amp; McROBERTS

Steven R. Barth, Esq.  
November 15, 1991  
Page -2-

The following options expired without being exercised:

<u>Trans. Date</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Price of Options</u>
6/11/91	10/25/91	\$45	\$7,812.50
8/06/91	10/25/91	45	<u>2,975.00</u>
			<u>\$10,787.50</u> ✓

Because the options expired without being exercised, Klitsner received the \$10,787.50 sales price of the options and retained the underlying shares. Because the expiration date was within six months of the date the options were written, the profit from these options is recoverable under Section 16(b). In our view, the expiration of these options may not have been reported properly on the Form 4 filed by Klitsner for October 1991. Enclosed is an edited report. /ND

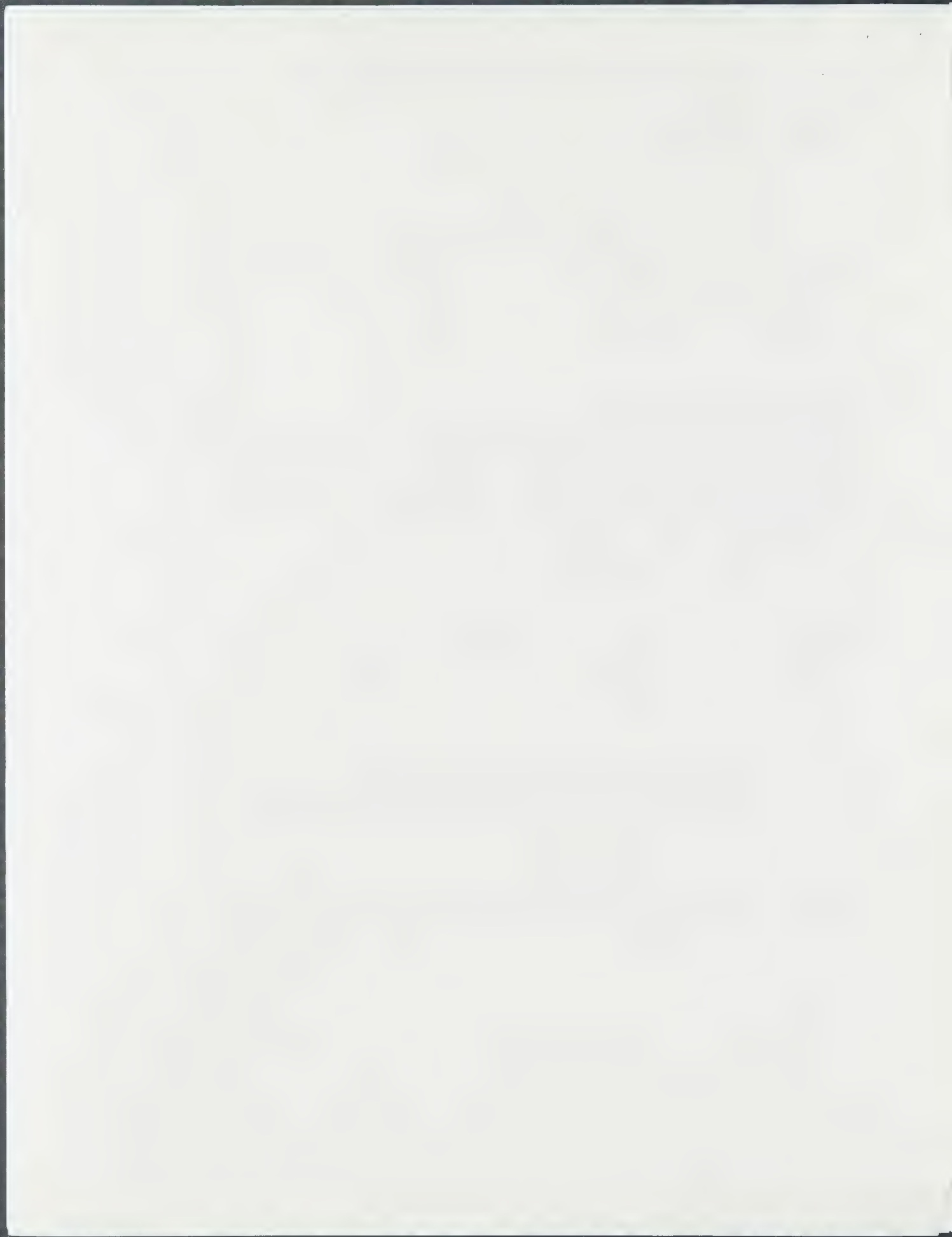
The following options written by Klitsner were exercised by the option holder:

<u>Date Written</u>	<u>Exercise Date</u>	<u>Exercise Price</u>	<u>Shares</u>	<u>Price of Option</u>
5/10/91	10/25/91	\$40	2,000	\$5,125
5/23/91	10/25/91	40	500	<u>1,125</u>
				<u>\$6,250</u>

The underlying shares were disposed of pursuant to the exercise of the call options. In my view, again, the exercise of these options was not properly reported in the Form 4 filed by Klitsner for October 1991. /ND

## II. Klitsner's Wife

The Form 4's filed by Klitsner contain information regarding transactions of Mrs. Klitsner. Mrs. Klitsner wrote the following call options:



BRYAN, CAVE, MSPHEETERS & MROBERTS

Steven R. Barth, Esq.  
 November 15, 1991  
 Page -3-

<u>Date Written</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Price of Options</u>	<u>#</u>
5/10/91	10/25/91	\$40	\$5,125.00	20
6/17/91	10/25/91	45	5,937.50	50
8/06/91	10/25/91	45	8,750.00	50
8/09/91	01/31/92	45	8,125.00	25
8/09/91	01/31/92	45	7,812.50	25
8/15/91	01/31/92	45	5,600.00	14
8/15/91	01/31/92	45	7,150.00	22
8/15/91	01/31/92	45	18,400.00	64

The following options expired without being exercised:

<u>Trans. Date</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Price of Option</u>
6/17/91	10/25/91	\$45	\$5,937.50
8/06/91	10/25/91	45	8,750.00
			<u>\$14,687.50</u>

Because the options expired without being exercised, Mrs. Klitsner received the \$14,687.50 sales price of the options and retained the underlying shares. Because the expiration date was within six months of the date the options were written, the profit from these options is recoverable under Section 16(b). Again, in my view, the expiration of these options was not reported properly on the Form 4 filed by Klitsner for October 1991.

The following options written by Mrs. Klitsner were exercised by the option holder:

<u>Date Written</u>	<u>Exercise Date</u>	<u>Exercise Price</u>	<u>Shares</u>	<u>Price of Option</u>
5/10/91	10/25/91	\$40	2,000	\$5,125

The underlying shares were disposed of pursuant to the exercise of the call options.

The following options written by Mrs. Klitsner remain outstanding:



## BRYAN, CAVE, MCFHEETERS &amp; MROBERTS

Steven R. Barth, Esq.  
November 15, 1991  
Page -4-

<u>Trans. Date</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Shares</u>	<u>Price of Option</u>
8/09/91	01/31/92	\$45	2,500	\$8,125.00
8/09/91	01/31/92	45	2,500	7,812.50
8/15/91	01/31/92	45	1,400	5,600.00
8/15/91	01/31/92	45	2,200	7,150.00
8/15/91	01/31/92	45	<u>6,400</u>	<u>18,400.00</u>
			<u>15,000</u>	<u>\$47,087.50</u>

Because the expiration date is within six months of the date the options were written, any profit from these options will be recoverable under Section 16(b).

Is there an error in Table I of Klitsner's October, 1991 Form 4 as it relates to the amount of securities held by Mrs. Klitsner? The Form 4 for August 1991 shows that Mrs. Klitsner owned 89,400 shares of common stock. The next Form 4 disclosed that Mrs. Klitsner disposed of 2,000 shares in October and that she owned 86,900 shares at the end of that month. Unless there was an undisclosed disposition of an additional 500 shares, Mrs. Klitsner should have owned 87,400 at the end of October.

### III. Alfred R. Bader

Bader wrote the following call options:

<u>Date Written</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Price of Option</u>
8/15/91	01/31/92	\$45	\$26,875.00

Each of these options was outstanding as of the end of October, 1991. Because the expiration date is within six months of the date the options were written, any profit from these options will be recoverable under Section 16(b).

Please let me know if you agree with these calculations and comments. Also, please provide me with your reasons that Mrs. Klitsner's profits are not recoverable by Sigma Aldrich





BRYAN, CAVE, MOPHEETERS & MROBERTS

Steven R. Barth, Esq.  
November 15, 1991  
Page -5-

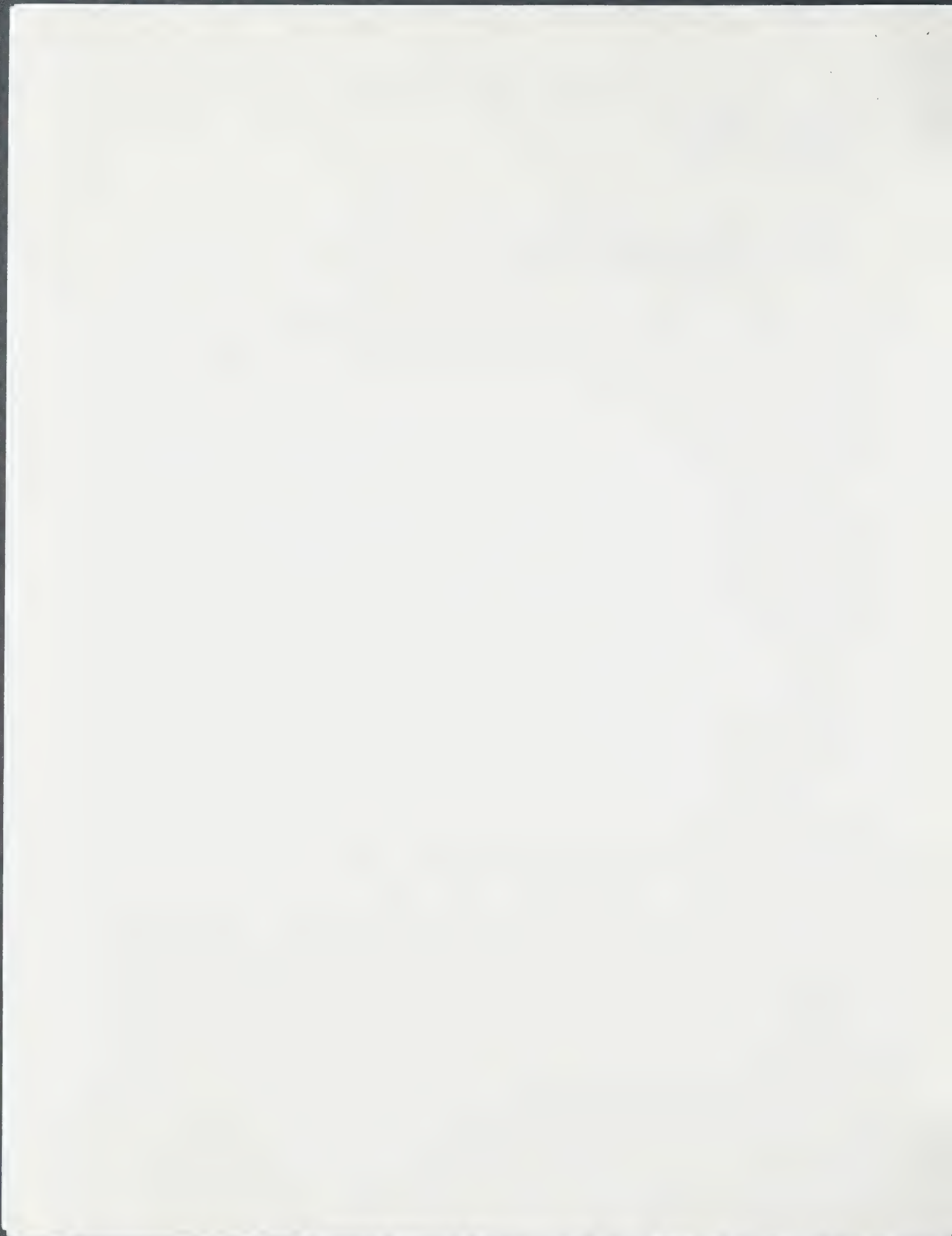
under the provisions of Section 16 and administrative and  
judicial interpretations thereof.

Very truly yours,

*Walter L. Metcalfe, Jr.*  
*by SW*

Walter L. Metcalfe, Jr.

WLM:sw  
Enc.



6689 P. 8

NOV 13, 1991 9:49AM

314 231 5817

TO:

FROM: SIGNACOR: CARR

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(a).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

OMB Number 3235-0287  
Expires: February 1, 1994  
Estimated average burden  
hours per response . . . . . 0.5

<b>1. Name and Address of Reporting Person</b> Klitsper Parvin E. (Last) (First) (Middle) 777 East Wisconsin Avenue (Street) Milwaukee MI 53202-5367 (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> Signa-Aldrich Corporation (SIAL)	<b>6. Relationship of Reporting Person to Issuer</b> (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)
	<b>3. IRS or Social Security Number of Reporting Person (Voluntary)</b> 393-09-7842	<b>4. Statement for Month/Year</b> October 1991
		<b>5. If Amendment, Date of Original (Month/Year)</b>

**Table I — Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

4. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
		Code	V	Amount	(A) or (D)	Price			
Common Stock	10/25/1991	X (1) (2)		2,500	D	(1) \$40	69,800 (2)	D	
Common Stock	10/25/1991	X (1) (3)		2,000	D	(1) \$40	<del>86,900 (3)</del>	I*	By Wife*
							87,400		

Reminders: Report on a separate line for each class of securities beneficially owned directly or indirectly.  
(Print or Type Responses)



CALLS, WARRANTS, OPTIONS, CONVERTIBLE SECURITIES)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 6)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	Y	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Call Option (obligation to sell)	\$ 45	10/25/91	E			50	6/11/91	10/25/91	Common Stock	5,000				
Call Option (obligation to sell)	\$ 45	10/25/91	E			17	8/6/91	10/25/91	Common Stock	1,700			D	
Call Option (obligation to sell)	\$ 45	10/25/91	E			50	6/17/91	10/25/91	Common Stock	5,000			D	
Call Option (obligation to sell)	\$ 45	10/25/91	E			50	8/6/91	10/25/91	Common Stock	5,000			I*	By Wife*
Call Option (obligation to sell)	\$ 40	10/25/91	X			20	5/10/91	10/25/91	Common Stock	2,000			I*	By Wife*
Call Option (obligation to sell)	\$ 40	10/25/91	X			20	5/10/91	10/25/91	Common Stock	2,000			D	
Call Option (obligation to sell)	\$ 40	10/25/91	X			5	5/23/91	10/25/91	Common Stock	500			I*	By Wife*
													D	

Explanation of Responses:

\*Mr. Klitsner disclaims any beneficial ownership thereof.

- (1) The indicated number of shares were disposed of pursuant to the exercise of call options (obligations to sell) with an exercise price of \$40.00 per share.
- (2) Call options (obligations to sell) covering 6,700 of the reported shares at an exercise price of \$45.00 per share expired on October 25, 1991.
- (3) Includes 15,000 shares subject to call options (obligations to sell) expiring on January 31, 1992 at an exercise price of \$45.00 per share. Call options (obligations to sell) covering 10,000 shares at an exercise price of \$45.00 per share expired on October 25, 1991.

\*\*Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

*Marvin E. Klitsner*  
\*\*Signature of Reporting Person

November 8, 1991  
Date

MARVIN E. KLITSNER

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.

FROM: S109C0R1 CARR TO: 314 231 5817 NOV 13 1991 9:58PM 8668 P.18

BRYAN CAVE 10/27/91 10:00 AM

STANDARDIZATION OF POTASSIUM PERMANGANATE

No.	Volume of Oxalic Acid Solution	Volume of Potassium Permanganate Solution	Normality of Potassium Permanganate Solution	Normality of Oxalic Acid Solution	Volume of Potassium Permanganate Solution	Volume of Oxalic Acid Solution	Normality of Potassium Permanganate Solution	Normality of Oxalic Acid Solution	Volume of Potassium Permanganate Solution	Volume of Oxalic Acid Solution	Normality of Potassium Permanganate Solution	Normality of Oxalic Acid Solution	Average	
													Normality of Potassium Permanganate Solution	Normality of Oxalic Acid Solution
1	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	0.0200	0.0200
2	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	0.0200	0.0200
3	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	0.0200	0.0200
4	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	0.0200	0.0200
5	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	10.00	10.00	0.0200	0.0200	0.0200	0.0200

Standardization of Potassium Permanganate Solution  
 Oxalic Acid Solution

Procedure: Weigh a precise amount of primary standard oxalic acid (0.1500 g) and dissolve it in a small amount of water in a 100 ml volumetric flask. Add a few drops of sulfuric acid to acidify the solution. Dilute to the mark with distilled water. This is the oxalic acid solution.

Titration: Pipette 10.00 ml of the oxalic acid solution into a conical flask. Add a few drops of sulfuric acid. Titrate with the potassium permanganate solution until a permanent pink color is observed. This is the endpoint of the titration.

Calculation: The normality of the potassium permanganate solution is calculated from the volume of oxalic acid solution and the volume of potassium permanganate solution used in the titration.

Result: The normality of the potassium permanganate solution is 0.0200 N.