

***Chemours is a Bankruptcy Waiting to Happen!
Chemours was **Purposely Designed** for Bankruptcy!
This Stock is a Zero***

After 15 years of publishing, Citron can confidently state that Chemours (NYSE:CC) is the most morally and financially bankrupt company that we have ever witnessed.

Last week [5.2 million Americans learned](#) that their drinking water is contaminated with man-made chemicals linked to cancer.

Today, a jury trial started in Columbus, Ohio which adjudicates **the first of the 260 cancer related lawsuits** against DuPont in just the Mid-Ohio Valley.
<http://www.reuters.com/article/us-du-pont-cancer-idUSKCN0V6312>

At this very moment, as you read this story, the National Guard is in Vienna West Virginia facilitating distribution of drinking water to the public, [following the "Do Not Drink" advisory](#) issued in the wake of the recent revision of EPA contamination guidelines for C8 -- also known as PFOA.



While this might be a new story to some, it is has been daily life for the people of the Mid-Ohio Valley for 30 years. Most recently, the same problems have been witnessed throughout the United States, and reaching as far as DuPont-implicated facilities in [The Netherlands and Japan](#).

Chemours, a spin-off from DuPont, is the latest chapter in a well documented 60+ year pattern of wanton and deliberate abuse of humanity, the environment, and now the capital markets.

 The Outrageous Story of Chemours Creation

While chemical giant DuPont has spent 60 years dumping waste around its facilities, they have spent the past 11 months dumping this “toxic spinoff” on Wall Street.

It isn't Citron's purpose to detail the "moral outrage", serve as a community activist, or deliver another piece of journalism profiling the victims of this 60 years contamination and cover up that has become the shining example of corporate greed.

That job has been done by award-worthy pieces from : [New York Times Magazine](#), [Huffington Post](#), a [3-Part piece by The Intercept](#), [Bloomberg](#) and [Salon](#).

Reading the above stories tells readers all they need to know about the role of DuPont/Chemours in damaging their own workers and surrounding communities, while diabolically using the legal system to avoid liability. If not obvious, none of these stories were written by “market participants” or “short-sellers”.

Spinning off environmental liabilities is nothing new to Wall Street. DuPont has merely taken a play out of the Monsanto and Kerr-McGee playbooks with their Solutia and Tronox spinoffs. The gambit: create a bad entity that is designed to fail, so the good entity can be spared the reputational and liability damage.

We are witnessing the same game with Chemours. And for those of you who have read the first page and said “Wait! There are some real businesses in Chemours ...” – that is correct. And just like Solutia and Tronox, the businesses will get bought out of bankruptcy once the parent company goes bankrupt.

The Dirty Financials

In July of 2015, DuPont spun off its “performance chemical” division and all of the associated liabilities to its shareholders as Chemours stock, which then indemnified DuPont for the majority of its environmental liabilities. In order to guarantee its failure, DuPont threw it into deep water, the weight of \$4 billion debt on its legs.

Chemours’ debt is only 20% less than that of DuPont, a company with **35x** the market cap, and **6x** more favorable debt to EBITDA ratio.

| Comparative Net Debt / EBITDA at Current | | | |
|--|----------|--------|-------------------|
| | Net Debt | EBITDA | Net Debt / EBITDA |
| Dupont | \$5.0 | \$4.5 | 1.1x |
| Chemour | \$3.5 | \$0.6 | 6.3x |

To put this in perspective, compare this to the two above-referenced environmental liability spinoffs that went bankrupt:

| Comparative Net Debt / EBITDA (at time of Spin-Off/IPO) | | | |
|---|----------|--------|-------------------|
| | Net Debt | EBITDA | Net Debt / EBITDA |
| | \$bn | \$bn | x |
| Solutia (Jun-1997) | \$1.0 | \$0.3 | 3.7x |
| Tronox (Sep-2005) | \$0.5 | \$0.2 | 2.2x |
| Chemours (Mar-2015) | \$3.7 | \$0.7 | 5.5x |

Clearly, Chemours is a company that could NEVER have completed an IPO. Imagine this income statement in a prospectus with the tacked-on warning of potential billions of dollars in contingent liabilities and legal fees ... and yes, on top of **\$4 billion** in debt:

| Chemours Historical Financials | | | | | | |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| YE Dec 31, | 2010* | 2011* | 2012* | 2013* | 2014* | 2015 |
| Titanium dioxide | | | 3,291 | 3,019 | 2,937 | 2,392 |
| | | | | (8%) | (3%) | (19%) |
| Fluoroproducts | | | 2,559 | 2,379 | 2,327 | 2,230 |
| | | | | (7%) | (2%) | (4%) |
| Performance chemicals | | | 1,515 | 1,461 | 1,168 | 1,095 |
| % change | | | | (4%) | (20%) | (6%) |
| Sales | 6,489 | 7,972 | 7,365 | 6,859 | 6,432 | 5,717 |
| % change | | 23% | (8%) | (7%) | (6%) | (11%) |
| CFO | | | 1,390 | 798 | 505 | 182 |
| Profit margin | | | 19% | 12% | 8% | 3% |
| Capex | | | (432) | (438) | (604) | (519) |
| Profit margin | | | (6%) | (6%) | (9%) | (9%) |
| Net income | 720 | 1,431 | 1,057 | 423 | 400 | (90) |
| Profit margin | 11% | 18% | 14% | 6% | 6% | (2%) |
| % change | | 99% | (26%) | (60%) | (5%) | (123%) |

*known information at time of spin-off

With net income swinging **red**, EBITDA has gone in the tank.

| Chemours EBITDA Freefall (per Company) | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--|
| | Q2-14 | Q3-14 | Q4-14 | Q1-15 | Q2-15 | Q3-15 | Q4-15 | Q1-16 | |
| Titanium Tech | 786 | 754 | 688 | 545 | 642 | 616 | 589 | 521 | |
| % growth | | | | | (18%) | (18%) | (14%) | (4%) | |
| Fluoroproducts | 601 | 572 | 575 | 552 | 588 | 575 | 515 | 531 | |
| % growth | | | | | (2%) | 1% | (10%) | (4%) | |
| Chemical Solutions | 295 | 306 | 286 | 266 | 278 | 295 | 256 | 245 | |
| % growth | | | | | (6%) | (4%) | (10%) | (8%) | |
| Total Net Sales | 1,682 | 1,632 | 1,549 | 1,363 | 1,508 | 1,486 | 1,360 | 1,297 | |
| % growth | | | | | (10%) | (9%) | (12%) | (5%) | |
| Titanium Tech | 210 | 189 | 160 | 93 | 91 | 78 | 62 | 54 | |
| EBITDA Margin % | 27% | 25% | 23% | 17% | 14% | 13% | 11% | 10% | |
| Fluoroproducts | 77 | 70 | 73 | 75 | 54 | 89 | 80 | 85 | |
| EBITDA Margin % | 13% | 12% | 13% | 14% | 9% | 15% | 16% | 16% | |
| Chemical Solutions | 8 | 9 | 1 | 1 | 4 | 7 | 16 | 10 | |
| EBITDA Margin % | 3% | 3% | 0% | 0% | 1% | 2% | 6% | 4% | |
| Corporate | (60) | (33) | (29) | (24) | (22) | (5) | (26) | (21) | |
| Total Adj. EBITDA | 235 | 235 | 205 | 145 | 127 | 169 | 132 | 128 | |
| EBITDA Margin % | 14% | 14% | 13% | 11% | 8% | 11% | 10% | 10% | |
| % growth | | | | | (46%) | (28%) | (36%) | (12%) | |

DuPont's Game Plan Backfires

In order to engage yield chasers for the spinoff stock (more accurately, a dump-off), Chemours declared an unsustainable dividend. But like Teflon,

the dividend could not stick in the face of the two disastrous quarters that yielded massive losses for Chemours.

Within months, having paid the dividend only once, it was slashed 95% from 55c to 3c. The stock price soon plunged 85% from its opening levels.

Within 3 months of going public, Chemours also had to “rewrite the terms” of their adjusted EBITDA, to avoid violating their creditors’ debt covenants.

On [September 25, 2015](#), Chemours filed this:

“The definition of Consolidated EBITDA, which is used solely for the purposes of calculating financial maintenance covenants in the Credit Agreement, has been modified to include cost savings benefits from restructuring and other initiatives announced prior to July 1, 2016 on a pro forma basis”.

NOTE: Given the SEC's increasing focus on made-up non-GAAP financial measures used by companies to hide or distort results of operations, (<http://www.marketwatch.com/story/sec-stepping-up-its-tackling-of-misleading-disclosure-2016-05-31>) we wonder whether Chemours will eventually have to answer to the SEC.

Finally, in what is nothing short of giving “corporate CPR”, daddy DuPont made a \$190 million prepayment for goods while “step daddy “ Dow Chemical, bought their aniline business for \$140 million.

<https://www.zacks.com/stock/news/198868/dow-chemical-to-buy-chemours-beaumont-aniline-facility>

While Chemours was set up for bankruptcy, DuPont just could not let it happen in its first year, and just prior to its merger with Dow Chemical. If that were to happen, a court might have too easy a time transferring the environmental liabilities right back to DuPont before the spinoff.

Yet, even after all of this financial maneuvering to keep the company afloat ... we have not even discussed the herd of elephants in the room:

The Environmental Liability



It is obvious to Citron, and many other journalistic outlets, that the whole purpose of Chemours existence was so DuPont could rid itself of the black hole of environmental liabilities that will drag down the company for years if not decades to come.

No one has an exact dollar figure yet on the extent of the liabilities of this debacle. While Chemours only accounts for \$20 million of overhang on its balance sheet, most Wall Street analysts estimate the liability to fall more inline with the \$500 million figure.

But we always hear the value **\$5 billion** being thrown around by social activists like the "[Keep Your Promises DuPont](#)" campaign, which has pegged environmental costs just for Parkersburg WV at \$1 billion. After speaking in depth with community activists, Citron believes that even \$5 billion may be a low number for

- Medical Monitoring
- Cleanup
- Compensatory damages to victims
- Punitive damages to victims
- Legal Fees

These damages will be not limited to West Virginia but rather they will span across 171 sites in the U.S, plus worldwide locations. What we are witnessing in the Mid-Ohio Valley is just the [tip of the iceberg](#).

"Cleanup of the 171 sites, DuPont says, will cost from \$295 million to \$945 million. "In general, the experience is cleanups cost more than anyone ever thinks," says Ronald Gilson, a professor of law and business at Stanford and Columbia law schools. One site alone, in Pompton Lakes, N.J., where for 97 years DuPont made explosives that polluted the soil with mercury and lead, could cost \$116 million, Chemours says.
 -- Bloomberg News July 2, 2015

<http://www.bloomberg.com/news/articles/2015-07-02/dupont-spins-off-chemicals-and-cleanup-liabilities->

Nobody wants to discuss this because it is so alarmingly UGLY. It is even uglier than Solutia's and Tronox's losses.

| Environmental Liability Initial Accrual vs Eventual Loss | | | |
|--|--------------------|-------------------------|----------------|
| Company (Spin-Date) | Accrual at IPO (A) | Amt Eventually Paid (B) | Multiple (B/A) |
| | \$m | \$m | |
| Solutia (Jun-1997) | \$10 | \$700 | 70x |
| Tronox (Dec-2011) | \$1 | \$5,150 | 8583x |
| Chemours (Jun-2015) | \$14 | ??? | ??? |

Prior to spinoff, DuPont said in regulatory filings that it has already spent \$295 million on legal and remediation costs at some of the plants transferred to Chemours -- and this is prior to any lawsuits or legal fees.

"It [DuPont] has also estimated in regulatory documents the liability could exceed \$1 billion."
 -- Delaware Online May 13, 2016

<http://www.delawareonline.com/story/news/2016/05/13/c8-victims-dupont-fight-over-merger-documents/84286264/>

Shareholder Fraud Regarding Liabilities

DuPont appears to have intentionally remained silent for years regarding the environmental and health dangers associated with PFOA:

"Internally, the company discussed the potential liability and reputational impact associated [with PFOA] at least as early as 1984," states the report, entitled The Shareholder's Right to Know More. "However, it did not commence SEC disclosure until it was actually sued over alleged public exposures to PFOA."

For example, this report reprints a [1981 DuPont document](#) revealing that two of seven women who were pregnant while working in areas exposed to C8, had babies with facial birth defects resembling those found in animal studies of C8, or C8 was detected in the baby's or umbilical cord blood.

Chemours is the direct consequence of a November 2000 email from John Bowman to Thomas Sager and Martha Rees, all DuPont attorneys.

"We are going to spend millions to defend these lawsuits and have the additional threat of punitive damages hanging over our head"...

"Our story is not a good one. We continued to increase our emissions into the river in spite of our internal commitments to the community and the environment because of our concern about the biopersistence" [of this chemical].

-- email from DuPont corporate attorney John R. Bowman to his son, 2000

This one, penned by another DuPont in-house attorney in 2000, about the farmer (now deceased) whose land DuPont bought, turning into its private toxic dumpsite, is about as cold as it gets:

"The shit is about to hit the fan in W.V. The lawyer for the farmer finally realizes the surfactant issue. He is threatening to go to the press to embarrass us to pressure us to settle for big bucks. Fuck him."

-- email from DuPont corporate attorney Bernard Reilly, August 2000

How any analyst can tell this story, ignoring the largest environmental abuse and corporate cover – one that makes the Erin Brockovich story look like a fairy tale, not to mention the blatant incriminating document trail of the company's own attorneys, estimate the contingent liabilities at only \$500 million? BTW, Erin Brockovich is currently campaigning against these same toxins that Chemours is responsible for.

<http://www.unionleader.com/With-new-EPA-guideline-Brockovich-says-PFOA-is-widespread>

Creation of the Death Star

DuPont has agreed to merge with Dow Chemical. Anticipated completion is this summer. The subsequent plan is for the new entity to be spun off into **three separate companies** within 18 months.

This merger plan threatens to create a Death Star -- the ultimate super-weapon that cannot be penetrated. This means unlike its predecessor bankruptcies in which the attorneys could go after a sole surviving party, Chemours inevitable bankruptcy won't have a single responsible party to sue for fraudulent conveyance of Chemours.



Plaintiffs already realize that Chemours could not possibly pay the potential claims. They are demanding documents to answer the question of which surviving entity will pay the C8 claims once Chemours files bankruptcy.

Unfortunately for Chemours victims, “Death Star” is not a term Citron penned in this matter, but rather it was the judge’s own words:

“... this is going to be a continuing problem because on the plaintiff’s side, **they think this could be a death star**, and it may turn out to be nothing, but – and you can respond to that, couldn’t you? With some corporate representative saying what you just said, that it can’t be determined? “

</wp-content/uploads/2016/06/Pre-trial-order-MDL-DocNo4381-Death-Star.pdf>

“Plaintiffs lawyers filed another motion seeking information about who would pay the more than \$1 billion in potential damages after DuPont merges with The Dow Chemical Co. and splits into three companies.”

<http://www.delawareonline.com/story/news/2016/05/13/c8-victims-dupont-fight-over-merger-documents/84286264/>

“DuPont’s shameful attempt to walk away from their responsibilities started with the failing Chemours spinoff, and now, adding insult to injury, they are trying to do it again with the Dow-DuPont merger...”

The people of the Mid-Ohio Valley have suffered long enough, and we deserve clean water, we deserve compensation for those who are ill, and we deserve accountability, not Wall Street shenanigans.”



<http://www.newsandsentinel.com/page/content.detail/id/624876/DuPont-must-list-finances--liabilities.html?nav=5061>

As recently as last month, DuPont still will not identify a responsible party post Chemours’ bankruptcy.

"Currently, there has been no determination as to how the obligations of DuPont to the other parties under the Leach settlement agreement [referring to Leach vs DuPont, from 2001] would be allocated as part of any post-merger separations ... “

-- Julie Mazza, acting associate general counsel for DuPont, April 18, 2016

Plaintiff’s attorneys obviously find this troubling, noting:

"It failed to supply any meaningful information regarding where the liabilities relating to the C8 litigation will end up after the proposed DuPont/Dow merger. Most importantly, the declaration failed to provide any information regarding whether DuPont will even exist after the merger transaction. There is great concern that there might be no defendant after both the merger and split and that companies the size of DuPont and Dow certainly must have discussed by now where these liabilities will go..."

-- Michael London, attorney of Douglas & London, April 18, 2016

<http://www.delawareonline.com/story/news/2016/04/28/c8-plaintiffs-demand-dupont-merger-documents/83658150/>

U.S. District Judge Edmund A. Sargus has ordered DuPont to provide the information concerning the spinoff of Chemours; which entity will retain the obligations and liabilities under the 2005 class action lawsuit; and the financial information including documents “reflecting the entity’s estimated net worth, assets, liabilities, revenue, etc.”

<http://www.newsandsentinel.com/page/content.detail/id/624876/DuPont-must-list-finances--liabilities.html?nav=5061>

<http://keepyourpromisedupont.com/news-and-sentinel-dupont-must-list-finances-liabilities/>

So the court knows Chemours is insolvent, the media knows Chemours is insolvent ... When is Wall Street going to figure it out?

Some are halfway there:

"Chemours's business lines are the real dirty part of DuPont ... **and just happens** to be where a lot of the liabilities are."

-- Jim Sheehan, SunTrust Robinson Humphreys analyst

<http://www.bloomberg.com/news/articles/2015-07-02/dupont-spins-off-chemicals-and-cleanup-liabilities->

This is just REMARKABLE -- We will go as far as to say complete SECURITIES FRAUD.

Chemours **does not mention** any of these liabilities in any of their investor presentations, even as the as the purpose of the creation and spin-off of the Company from DuPont was to absorb these liabilities. Below are their two investor presentations that never mention once the word "environmental liability".

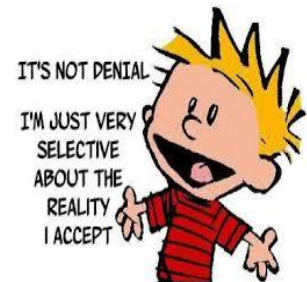
<http://www.slideshare.net/ChemoursLLC/chemours-investor-presentation-june-2015>

https://s2.q4cdn.com/107142371/files/doc_presentations/2016/May-2016-Chemours-Investor-Presentation-5-17-16.pdf

That's OK, there's no mention of Chemours' \$4 Billion debt either.

Failing to disclose liabilities is nothing new to DuPont. Here is a 2005 demand for the same disclosure to shareholders:

<http://www.socialfunds.com/news/save.cgi?sfArticleId=1702>



Citron Debunks Any Shred of a Bull Case

We have spent exhaustive time trying to find a bull case on Chemours ... and we come up empty handed. The best the other side on this stock can say is:

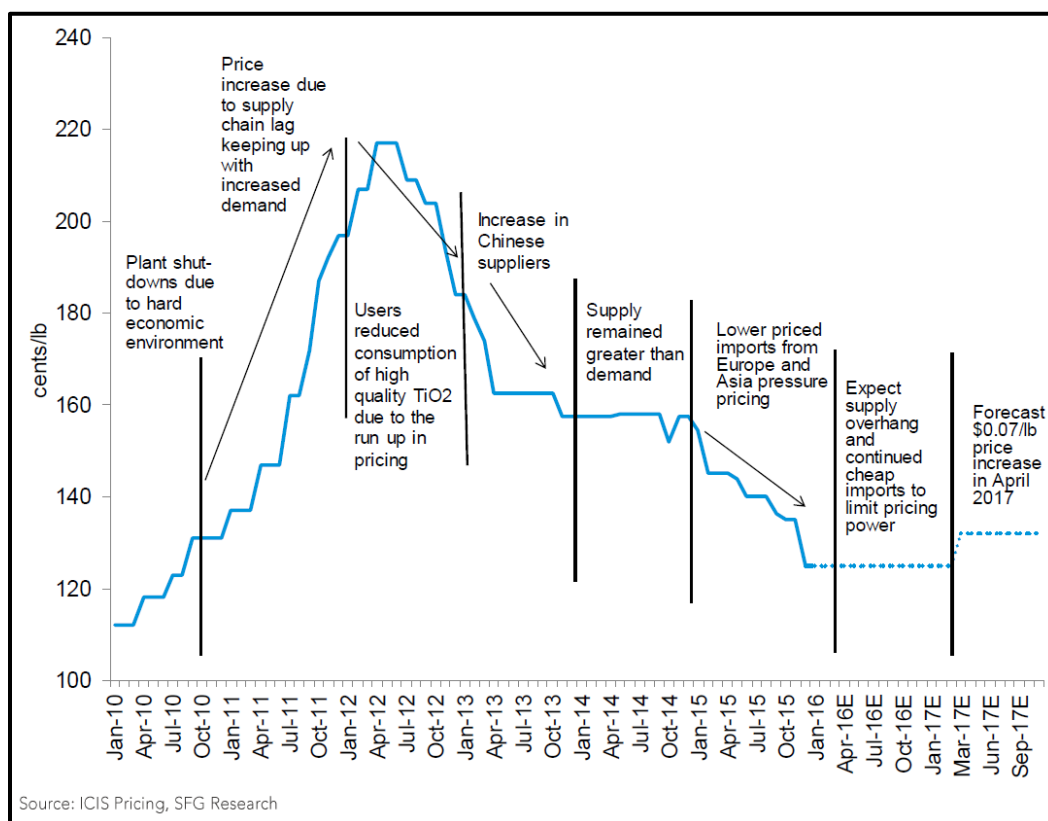
"Chemours is not going to go Bankrupt so fast..."

It should be noted that NONE of the arguments presented address any realistic way Chemours can overcome the existing debt plus potential

liabilities that face the company. The ONLY way Chemours can absolve themselves of these liabilities is through bankruptcy.

1. Bull Case #1 -The Recovery in Pricing in Titanium Dioxide.

Titanium Dioxide is the most commonly used pigment in the world and is pretty much the ubiquitous color white used from everything from cars to food. This timeline/chart tells you pretty much all you need to know about the prospects for Titanium dioxide:



Titanium is the 9th most abundant element on earth and TiO₂ is created in a factory. Since the 2012 commodities price spike, capacity in China has dramatically increased. China now produces 30% of the world's supply which currently exceeds global demand by 20%. Much of China's TiO₂ was once considered low grade. But the large exporters like Lomon, Pangang and Billions, having invested in product development, now produce widely respected general-purpose grades of TiO₂.

<http://www.pcim.com/articles/100036-a-review-of-global-supply-and-demand-for-titanium-dioxide>

Fears of stagnating TiO2 pricing could never have been more starkly expressed than the 2013 settlement in which DuPont paid \$72 million for its attempt to fix pricing for the next 10 years with other TiO2 suppliers.

<http://www.paintsquare.com/news/?fuseaction=view&id=10078>

Excellent industry data and commodity pricing analysis is assembled here:

<http://www.tizecloud.com/coatings/563/>

Summary of TiO2 Business Prospects

Hoping for 2012 industrial commodity pricing is like starting an internet company hoping for 1999 valuations. At best TiO2 achieves price stabilization and though cost cutting measures and the transfer of manufacturing from the US to Mexico. Chemours' TiO2 business, just like Tronox, can be bought out of an eventual bankruptcy and return to typical industrial materials ROI.

By no means can the existing business ever bear the weight of the massive debt and environmental liabilities that burden Chemours.

2. Bull Case #2 -- Restructuring

Below is the Chemours' 5 step "transformation" plan. While these steps look like progress, they are merely corporate reshuffling.

Transformation Plan Priorities

| | |
|---------------------------------|---|
| Reduce Costs | <ul style="list-style-type: none">• Target cost reductions of ~\$100M in second half of 2015• Target additional cost reduction of \$350M through 2017 over 2015 |
| Optimize The Portfolio | <ul style="list-style-type: none">• Retaining and investing in Cyanides business• Signed definitive agreement to sell Aniline facility• Retaining and strengthening Methylamines business• Evaluating strategic alternatives for all other assets in the Chemical Solutions portfolio |
| Grow Market Positions | <ul style="list-style-type: none">• Support customer growth in TiO₂ through successful Altamira start-up• Continue ramp up of Opteon™ product line in Fluoroproducts• Grow Cyanides business within Chemical Solutions• Target \$150M Adjusted EBITDA growth from Altamira, Opteon™ and Cyanides through 2017 |
| Refocus Investments | <ul style="list-style-type: none">• Concentrate capital spending on investable business portfolio• Invest in the next increment of Opteon™ and Cyanides capacity• Rationalize annual capital spending to ~\$350M in 2017 |
| Enhance Our Organization | <ul style="list-style-type: none">• Foster an entrepreneurial organization• Operate with a simpler structure• Maintain a commitment to a safe and sustainable future |

Enhance Adjusted EBITDA by \$500M and Improve Leverage Position to ~3x in 2017

<http://fortune.com/2016/05/18/how-dupont-spinoff-chemours-came-back-from-the-brink/>

So this isn't some brilliant strategic stroke of "transformation". Careful observers of Chemours have noted, "Cost reductions are normal for companies, even successful ones. It's just the playbook for industrial suppliers."

"The negative trend is really the important thing here, and it is a very bad trend they are on. ... a last-ditch effort to save something.

If you are trying to put your thumb in the dike before it breaks, the dike usually breaks.

If there was more value here, why would DuPont spin it off?"

-- James Butkiewicz, chair of the University of Delaware's Department of Economics

<http://www.delawareonline.com/story/news/2016/02/23/chemours-lost-86m-fourth-quarter/80819278/>

Citron's conclusion is that these 5 initiatives are simply grooming Chemours for bankruptcy, and pre-package it up for resale. This is exactly what Solutia and Tronox did.

3. Bull Case #3 -- Fluoroproducts

Another potential "not so bearish" case on Chemours is that acceptance of their new Opteon technology which offers an environmentally more benign form of refrigeration material.

Opteon sounds great, until you realize that it's simply a replacement for R-134a which is also Chemours product, so it's simply a cannibalization of existing business lines, and existing EBITDA. You can see it for yourself in this Honeywell guide document:

| Guide to Alternative Refrigerants | | | | | | | | Honeywell |
|-----------------------------------|--|-----------------------|----------|--|----------------------------------|--|--------------------------|-----------|
| Air Conditioning and Heat Pumps | | | | | | | | |
| ASHRAE # | Trade Name | Manufacturer | Replaces | Type ^(a) (4) | Typical Lubricant ⁽⁵⁾ | Applications | Comments | GWP* |
| R-1234yf | Solstice [®] yf Opteon [®] yf | Honeywell Chemours | R-134a | Hydrofluoro-olefin (HFO) Single Component Fluid | Synthetic (POE, PAG) | Automotive New equipment (Small systems) | Near drop-in replacement | <1 |

<https://www.honeywell-refrigerants.com/americas/?document=guide-to-alternative-refrigerants-2&download=1>

Suva is Chemours R-134a brand name. This product line also simply replaces existing business lines.

https://www.chemours.com/Refrigerants/en_US/products/Suva/Suva134a.html

Do You Know DuPont and Chemours Better Than Nelson Peltz?

Nelson Peltz has spent the past 3 years fighting a proxy battle with DuPont. This legendary activist investor was unsuccessful in his attempt to gain board seats on the chemical giant, yet remains one of DuPont largest shareholders. Of all of the Chemours shares spun off to Peltz, how many does he currently own?? **0, Just Zero.**

Peltz's firm Trian has sold every share of Chemours that it received in the spinoff. And in the timeframe in which he sold, he was getting prices of at most \$8, and probably with an average far lower.

<http://blogs.wsj.com/moneybeat/2016/02/16/nelson-peltz-trian-sells-stake-in-chemours/>

It must be noted that Peltz was critical of the burdensome equity /debt ratio imposed on Chemours. His opinion was that it should have been just half of its current levels.

www.stockspinoffs.com/2015/06/11/dupont-stops-sticking-to-teflon-sets-july-1-for-debt-laden-litigation-challenged-chemours-spin/

Conclusion

Before the company even went public a social activist network, with no positions in the stock market, **knew** Chemours was doomed at spinoff. The presentation linked below was created a month before trading of Chemours began.

<http://keepyourpromisedupont.com/duponts-performance-chemicals-spinoff-a-bad-deal-for-stakeholders-victims-employees-and-the-environment/>

The situation has only gotten worse as here is a Glassdoor review from just a few weeks ago:

"May 11, 2016 – “Stagnant Spin-Off” : Doesn't Recommend, Negative Outlook.

Current employee (Sales Rep) in Wilmington DE:

"Still struggling after the spin off...Frequent cuts (bonus, raises, 401k contributions) and layoffs have had a significant negative impact on employees. Many quality people have resigned due to uncertainty of the company's direction and low morale. Executives only seem to focus on key product lines (TiO2, Opteon, cyanides, etc.), even when those products are performing poorly. All other business units are being considered or already in the process of being sold to bolster positive quarterly results in spite of the massive debt load."

Citron thinks the most likely scenario is that Chemours goes bankrupt within 18 months ... just long enough for the new Dow/DuPont to split into three companies, and create separate entities that will all fight for indemnification from this financial toxic dumpsite of liabilities.

If there is any justice in this world, Chemours will go bankrupt before the eventual liabilities they have created fall into the Death Star.

You don't have to be financially sophisticated to see that Chemours, with \$4 billion in debt, and a mere \$20 million reserved for C8 liabilities is hanging on by a thread.

Cautious Investing To All.

Appendix | C8 Claims are Heating Up

- [May 22, 2016](#): Chemours to pay for carbon filter installation in Vienna
- [May 20, 2016](#): A DuPont C8 Lawsuit Has Been Filed Against DuPont On Behalf Of An Ohio Woman Who Developed Kidney Cancer Due To C8 Exposure.
- [May 20, 2016](#): Mid- Ohio Valley Health Department say the DO NOT DRINK water could be in place for 4 weeks; [Schools also shutdown](#)
- [May 20, 2016](#): EPA sets new level for chemical PFOA in drinking water
- [May 20, 2016](#): DuPont: Masters of Deception
- [May 19, 2016](#): New York State PFOA blood results pending
- -state Department health is expected next week to begin releasing blood test results for hundreds of Rensselaer County residents who were exposed to a dangerous chemical that polluted drinking-water supplies in Hoosick Falls and Petersburg.
- [May 18, 2016](#): Trial Selection Process In C8 Litigation 'Inherently Unfair' (In re E.I. du Pont de Nemours and Co. C-8 Personal Injury Litigation, MDL No. 2433, No. 13-2433, S.D. Ohio).
- [May 13, 2016](#): PFOA Teflon chemical has poisoned nearly the entire world
- [May 11, 2016](#): C8 Injury Plaintiff: DuPont Not Permitted To Apply Ohio Tort Reform Act
- [April 28, 2016](#): C8 Plaintiffs demand DuPont merger documents
- [Apr 15, 2016](#): DuPont Argues Damages Phases Of C8 Injury Trial Should Be Bifurcated
- [April 10, 2016](#): First blood tests from Netherlands DuPont factory town residents come in much higher than the government expected.
- [April 4, 2016](#): C8 Found in Tap Water, in Several States
- [May 31, 2016](#): DuPont must list finances, liabilities
- [March 25, 2016](#): Judge: Post-Judgment Interest On \$1.6M Award For C8 Exposure Permitted
- [March 9, 2015](#): DuPont C8 Injury Plaintiff: Experts 'Well-Credentialed;' Dismissal Is Improper
- [Feb. 24, 2016](#): DuPont: Plaintiff Cannot Show Cancer Was Caused By C8 Exposure
- [Sept. 28, 2015](#): DuPont: C8 Injury Case Should Be Dismissed; Burden Of Proof Not Met