MINUTES OF REGULAR MONTHLY MEETING OF THE BOARD OF DIRECT
of NATIONAL LEAD COMPANY held at 111 Broadway, New York C
Tuesday, June 23, 1959, at 11:15 o'clock A.M.

PRESENT:	G. B. Coale	D. A. Merson
	G. W. Corddry	J. H. Reid
	A. H. Drewes	Winthrop Sargent, Jr.
	J. P. Kirk	J. A. Taylor
	F. J. Koegler	W. J. Welch
	J. A. Martino	H. C. Wildner

The President, J. A. Martino, acted as Chai of the meeting, and J. B. Henrich acted as Secretary.

A summary of the minutes of the last preced meeting held May 26, 1959 was presented and upon motion, th reading of the minutes of the previous meeting was waived a the minutes were unanimously approved.

Upon motion duly made and seconded, the foll ing resolution was unanimously adopted:

> RESOLVED, That the actions of the Executive Committee as set forth in the minutes of its meetings held June 2, June 10, and June 16, 1959 submitted at this meeting and involving expenditures and appropriations of $1,775,381.00, be and they hereby are approved, ratified and confirmed.

Upon motions duly made and seconded, the following resolutions were each unanimously adopted:

RESOLVED, that the acquisition by the Company of the assets, property and business of Goldsmith Bros. Smelting & Refining Co., and the assumption of certain liabilities in connection therewith, upon the terms and conditions set forth in the proposed Exchange Agreement dated as of June 23, 1959, a copy of which is attached and made a part of this resolution be, and the same hereby is, approved; further

RESOLVED, that the President or any Vice President and the Secretary or Assistant Secretary of the Company be, and they hereby are, authorized, in the name of and for and on behalf of the Company, to execute and deliver said Exchange Agreement; further

RESOLVED, that application be made to the New York Stock Exchange and to the Toronto Stock Exchange for the listing thereon of such shares of the Common Stock, $5 par value, of the Company which are subject to issuance pursuant to the provisions of said Exchange Agreement; that the proper officers are, and each of them is, hereby authorized and directed, to execute in the name and on behalf of the Company, and to deliver and file with such Exchanges all such applications, statements, certificates, agreements and other papers in such form as shall be determined by the officers of the Company executing the same with the advice of counsel, which shall be necessary or proper to accomplish such listing on such Exchanges; and that Messrs. Joseph A. Martino, President, Alfred H. Drewes, Vice President, George A. Dewey, Comptroller, and John B. Henrich, Secretary, be, and each of them is, hereby authorized to appear on behalf of the Company before the appropriate committee or committees or body or bodies of such Exchanges as such appearance may be required, with authority to make such changes in any listing application or other papers or documents that may be presented thereto, and any agreements that may be made in connection therewith as, in their or his discretion, may be necessary to conform to the requirements of such listings on such Exchanges; further

RESOLVED, that, upon the closing of said Exchange Agreement and pursuant to the terms thereof, there be issued and delivered to Goldsmith Bros. Smelting & Refining Co. from the authorized and unissued Common Stock, par value $5 per share, of the Company, not to exceed 30,000 shares of such Common Stock, as the consideration to be exchanged for the assets, property and business of Goldsmith Bros. Smelting & Refining Co., pursuant to the provisions of said Exchange Agreement; further

RESOLVED, that The Chase Manhattan Bank, as Transfer Agent of the Company, be, and it hereby is authorized and directed upon written instructions signed on behalf of the Company by the President, any Vice President or the Secretary of the Company, to issue from the authorized unissued Common Stock of the Company and to record on its transfer books a certificate for not more than 30,000 shares of such Common Stock, and Bankers Trust Company, as Registrar for the Company, be and it is hereby authorized to register such stock certificate; further

RESOLVED, that the proper officers of the Company be, and each of them hereby is, authorized and directed to take all necessary or appropriate steps to consummate the intention of the next preceding resolution, including without limitation the giving of written instructions in connection therewith to the Company's Transfer Agent and Registrar; further

RESOLVED, that on or prior to June 30, 1959 the proper officers of the Company be, and they hereby are, authorized and directed to perform such acts and to take such steps as may be necessary or proper or appropriate to the due registration under the Securities Act of 1933 of such shares of Common Stock of the Company to be issued pursuant to the terms of said Exchange Agreement and upon the closing thereof and thereafter distributed to such stockholders of Goldsmith Bros. Smelting & Refining Co. as may be deemed by the Securities and Exchange Commission to be, or in the opinion of General Counsel of the Company may be deemed to be, in a control relationship to Goldsmith Bros. Smelting & Refining Co.; further

RESOLVED, that the Continental Illinois Bank and Trust Company of Chicago is hereby appointed Co-Transfer Agent of the Company with authority limited to make transfer of not in excess of 30,000 shares of Common Stock, par value $5 per share, of the Company, into one or more certificates to be issued in the names of

> "Various Persons for the number of shares set opposite their respective names as shown in the written list attached hereto",

attaching thereto such list, upon the surrender to said Co-Transfer Agent for such purpose of the certificate or certificates standing in the name of Goldsmith Bros. Smelting & Refining Co., representing in the aggregate not in excess of 30,000 shares of such stock duly endorsed or accompanied by instruments of assignment duly executed and having attached the list referred to above, duly stamped as may be required by law and accompanied by such supporting papers as said Co-Transfer Agent shall deem proper; to cancel the said certificate or certificates standing in the name of Goldsmith Bros. Smelting & Refining Co. which shall have been surrendered to said

Co-Transfer Agent for transfer into said new certific or certificates as aforesaid; to issue and countersign said new certificate or certificates and to deliver them to Bankers Trust Company, New York, New York, as Registrar for the Common Stock of the Company for registration and its countersignature, with instruction that said new certificate or certificates when so registered and countersigned be returned to said Co-Transfer Agent, and upon such return to deliver said new certificate or certificates to Continental Illinois Bank and Trust Company of Chicago as Depositary, pursuant to said Exchange Agreement dated as of June 23, 1959; further

RESOLVED, that Bankers Trust Company, New York, New York, as Registrar for the Common Stock of the Company be, and it hereby is, authorized and directed when directed by said Co-Transfer Agent and furnished with appropriate certificates for the purpose, to register in its register and to countersign as said Registrar the aforesaid certificate or certificates issued in the name of "Various persons for the number of shares set opposite their respective names as shown in the written list attached hereto", as aforesaid, representing in the aggregate not in excess of 30,000 shares of the Common Stock of the Company when said certificate or certificates shall have been issued and countersigned by the Continental Illinois Bank and Trust Company of Chicago as Co-Transfer Agent, and thereupon to deliver said new certificate or certificates to said Co-Transfer Agent; further

RESOLVED, that the proper officers of the Company be, and each of them hereby is, authorized and directed to take all action necessary or appropriate to consummate the intent of the foregoing resolutions, including, without limitation, the giving of written instructions in connection therewith to the Company's New York Transfer Agent, the Co-Transfer Agent in Illinois, and the Registrar of the Common Stock of the Company; further

RESOLVED, that the Continental Illinois Bank and Trust Company of Chicago be, and it hereby is, appointed Scrip Agent of the Company, and is authorized and directed:

(1) To issue such scrip certificates as may be required in connection with the distribution among the stockholders of Goldsmith Bros. Smelting & Refining Co. of the Common Stock of the Company received by Goldsmith Bros. Smelting & Refining Co. pursuant to said Exchange Agreement dated as of June 23, 1959 and to issue thereafter from time to time in exchange for the scrip certificates surrendered prior to 3:30 o'clock P.M., Central Daylight Saving Time, on a date two years from the date of closing, as provided in said Exchange Agreement, certificates for Common Stock of the Company and scrip certificates, all as provided in such scrip certificates;

(2) To receive and hold for the benefit of holders of scrip certificates all dividends paid in respect of Common Stock of the Company represented by scrip certificates unexchanged and to dispose of the same in accordance with paragraph (4) below;

(3) To sell or cause to be sold as soon as practicable after 3:30 o'clock P.M., Central Daylight Saving Time, on a date two years from the date of closing, as provided in said Exchange Agreement, in such manner and upon such terms as the Board of Directors of the Company may determine all shares of Common Stock of the Company represented by scrip certificates then outstanding and unexchanged;

(4) After such sale and until 3:30 o'clock P.M., Central Daylight Saving Time, on a date six years from such date of closing, to hold the net proceeds of such sale and such accumulated dividends and to pay therefrom to the holders of such scrip certificates who shall surrender their scrip certificates

prior to 3:30 o'clock P.M., Central Daylight Saving Time, on such date six years from such date of closing their pro rata portion of the net proceeds of such sale and such accumulated dividends without interest; and

(5) As soon as practicable after 3:30 o'clock P.M., Central Daylight Saving Time, on a date six years from such date of closing, to pay over to the Company the balance of the net proceeds of sale of such shares and of such accumulated dividends then remaining in the hands of the Scrip Agent not required for payment to the holders of scrip certificates who shall have surrendered their scrip certificates prior to 3:30 o'clock P.M., Central Daylight Saving Time on a date six years from such date of closing;

further

RESOLVED, that the proper officers of the Company be, and they hereby are, authorized and directed to make appropriate arrangements with the Continental Illinois Bank and Trust Company of Chicago for the purchase and sale of scrip certificates for the account of and convenience of the holders thereof; further

RESOLVED, that the Continental Illinois Bank and Trust Company of Chicago, as Co-Transfer Agent and Scrip Agent, The Chase Manhattan Bank, as Transfer Agent, and Bankers Trust Company, as Registrar, of the Company, be, and they hereby are, authorized in connection with any matters arising out of the foregoing resolutions to act upon and pursuant to written instructions signed on behalf of the Company by the President, any Vice President, or the Secretary of the Company; further

RESOLVED, that the proper officers of the Company be, and they are, and each of them is hereby authorized,

EXCHANGE AGREEMENT

THIS AGREEMENT, made and entered into as of the 23rd day of June, 1959 by and between National Lead Company, a corporation organized and existing under the laws of the State of New Jersey, with an office at 111 Broadway, New York, New York (hereinafter called "National"), party of the first part, and Goldsmith Bros. Smelting & Refining Co., a corporation organized and existing under the laws of the State of Illinois, with an office at 111 North Wabash Avenue, Chicago, Illinois (hereinafter called "Goldsmith"), Marc S. Goldsmith, President of Goldsmith (hereinafter called "Goldsmith President"), and Lambert N. Goldsmith, Vice President of Goldsmith (hereinafter called "Goldsmith Vice President"), parties of the second part,

WITNESSETH:

WHEREAS, Goldsmith has heretofore furnished National with certain financial statements relating to Goldsmith as of December 31, 1958, prepared by Arthur Young & Company, certified public accountants; and

WHEREAS, the parties hereto desire that National shall, subject to the approval of the stockholders of Goldsmith as required by the Illinois Business Corporation Act, acquire all of the assets, property and business of Goldsmith in exchange for 30,000 shares of common stock, par value $5 a share, of National out of a total authorized amount of common stock of 20,000,000 shares, of which 11,663,962 shares (including 4,960 shares held in the treasury of National) were issued and outstanding on June 18, 1959, and the assumption by National of all such liabilities of Goldsmith as are described in said financial statements prepared by Arthur Young & Company, and such other liabilities of Goldsmith as are hereinafter described to be assumed by National, including such changes in said liabilities as shall have occurred in the ordinary and usual course of business since December 31, 1958, and such liabilities as may have been incurred to Messrs. Brown, Fox & Blumberg, counsel for Goldsmith, for legal services rendered or to be rendered by them in connection with the transactions contemplated hereunder up to and including the time of the closing referred to in Section 7 of this Agreement, and such other costs, fees and expenses as may be incurred in consummating said transactions up to and including the time of said closing, and the distribution of said 30,000 shares of National's common stock to the stockholders of Goldsmith upon Goldsmith's dissolution, but excluding liabilities, if any, under profit-sharing and pension plans of Goldsmith now in effect,

Now, Therefore, in consideration of the premises and the representations, covenants, warranties and agreements hereinafter set forth, the parties hereto agree as follows:

Section 1. *Representations, covenants and warranties by Goldsmith, Goldsmith President and Goldsmith Vice President.*

Goldsmith, Goldsmith President and Goldsmith Vice President jointly and severally represent, covenant and warrant that:

(a) Goldsmith is a corporation duly organized, existing and in good standing under the laws of the State of Illinois and Goldsmith has the corporate power to carry on its business as now being conducted;

(b) The execution of this Agreement has been duly authorized by the Board of Directors of Goldsmith;

(c) The Board of Directors of Goldsmith has duly adopted resolutions recommending the exchange of all of the assets, property and business of Goldsmith for said shares of the common stock of National as set forth above and will take appropriate steps directing the submission of said resolutions to vote at a special meeting of the stockholders of Goldsmith, all as required by the Illinois Business Corporation Act;

(d) The net worth of Goldsmith as of June 30, 1959 will not be less than that shown on said financial statements relating to Goldsmith as of December 31, 1958 prepared by Arthur Young & Company;

(e) There are no actions, suits or proceedings pending (or to their knowledge threatened) against or affecting Goldsmith, at law, in equity or admiralty, or before or by any Federal, state, municipal or other governmental department, commission, board, agency or instrumentality, except claims under the Illinois Workmen's Compensation Act, and other Acts, for injuries or diseases suffered in the course of employment, a list of which setting forth the names of the claimants, the nature of the claims, and the estimated maximum possible liability of Goldsmith to such claimants, and the insurance covering said claims which insurance is now in full force and effect, is attached hereto as Exhibit A, and except complaints filed with the Department of Air Pollution Control of the City of Chicago described in the letter dated May 22, 1959, from the Department to Goldsmith, a copy of which is attached hereto as Exhibit B;

(f) Since December 31, 1958 no dividends have been declared or paid on the stock of Goldsmith, except that on June 1, 1959, dividends totalling $26,201.40 were paid on such stock;

(g) Goldsmith has good and marketable title in fee simple to all the real property and owns outright all machinery, equipment and other tangible personal property set forth in the records and books of account of Goldsmith, subject only to the lien of current state and local property (real or personal) taxes and assessments, payment of which is not at this time delinquent, and there is no pending or threatened action, suit or proceeding which materially impairs the use of any such real or tangible personal property;

(h) There has been no material adverse change since December 31, 1958 in the financial condition of Goldsmith as shown in said financial statements prepared by Arthur Young & Company;

(i) Since December 31, 1958 Goldsmith has not (i) issued any shares of stock, bonds or other corporate securities, (ii) incurred any obligation or liability (absolute or contingent), or discharged or satisfied any lien or encumbrance or paid any obligation or liability (absolute or contingent), except taxes and liabilities including liabilities for compensation for injuries to employees or for occupational diseases suffered by employees incurred in the ordinary course of business since December 31, 1958 and such liabilities as may have been incurred to Messrs. Brown, Fox & Blumberg, counsel for Goldsmith, for legal services rendered or to be rendered by them in connection with the transactions contemplated hereunder, and such other costs, fees and expenses as have been or may be incurred in consummating said transactions, (iii) purchased, redeemed or retired any of its stock, (iv) mortgaged, pledged or subjected to any lien, charge or other encumbrance, any of its assets, tangible or intangible, (v) sold or transferred any of its tangible assets or cancelled any debts or claims, except in the ordinary course of business, (vi) sold, assigned or transferred any patents, trade marks, trade names or copyrights, (vii) to their knowledge waived any rights of substantial value, or (viii) entered into any transaction except as provided in this Agreement other than in the ordinary course of business.

SECTION 2. *Additional representation, covenant and warranty by Goldsmith President and Goldsmith Vice President.*

Goldsmith President and Goldsmith Vice President jointly and severally represent, covenant and warrant that as of the time of closing referred to in Section 7 of this Agreement there shall be no liabilities or obligations of Goldsmith, whether or not then known by Goldsmith President or Goldsmith Vice President, that shall be assumed by National as of said time of closing pursuant to this Agreement that shall not have been disclosed in writing to National by Goldsmith or Arthur Young & Company prior to said time of closing and said representation, covenant and warranty shall survive said time of closing and shall continue thereafter for a period of three (3) years after said time of closing, it being understood and agreed by the parties hereto that said representation, covenant and warranty and all liability of Goldsmith President and Goldsmith Vice President with respect thereto shall terminate and be released and discharged as of a date three (3) years after said time of closing, *provided*, however, that any liability of Goldsmith President and Goldsmith Vice President under this Section 2 for such undisclosed liabilities or obligations of Goldsmith shall be the amount of such undisclosed liabilities or obligations of Goldsmith reduced by (i) the amount of the net income of Goldsmith realized in the ordinary course of business, after Federal and State income taxes, from January 1, 1959 to and including said time of closing, and (ii) the amount of any reduction in or collectible refund of Federal or State income taxes applicable to such undisclosed liabilities or obligations of Goldsmith, the benefit of which may be received by National; and increased by the amount of the dividend paid on the stock of Goldsmith on June 1, 1959 referred to in Section 1(f) of this Agreement. It is understood and agreed by the parties hereto that any such undisclosed liability or obligation of Goldsmith referred to in this Section 2 may, in National's sole discretion, be contested by National at its own expense in the name of Goldsmith or otherwise.

SECTION 3. *Representations, covenants and warranties by National.*

National represents, covenants and warrants that:

(a) It is a corporation duly organized, existing and in good standing under the laws of the State of New Jersey and it has the corporate power to carry on its business as now being conducted;

(b) It is duly authorized to issue 20,000,000 shares of common stock, par value $5.00 a share, of which 11,663,962 shares (including 4,960 shares held in the treasury of National) were issued and outstanding on June 18, 1959, and the 30,000 shares of such stock to be issued pursuant to the terms of this Agreement, when issued, will be fully paid and non-assessable;

(c) The execution of this Agreement has been duly authorized by its Board of Directors or Executive Committee.

SECTION 4. *Agreements by Goldsmith.*

Goldsmith hereby agrees that prior to the time of the closing referred to in Section 7 of this Agreement, or as may subsequently be required, it will:

(a) At all times from the date of this Agreement open its plants, books, accounts and records for full and unrestricted examination and inspection by National, its officers, employees, engineers, accountants and agents, including its books and records showing all of its real property, machinery, equipment, and all other tangible personal property, and will cooperate with any and all such representatives of National and furnish them with all information concerning the individual transactions of Goldsmith;

(b) Supply National with whatever information is necessary to comply with the rules and regulations of the New York Stock Exchange and the Toronto Stock Exchange for the listing on such Exchanges of the additional shares of National's common stock to be issued pursuant to this Agreement;

(c) Supply National with whatever information is necessary to enable National to file an appropriate registration statement pursuant to the Securities Act of 1933 with the Securities and Exchange Commission relating to certain of the additional shares of National's common stock to be issued hereunder required to be registered and to enable National otherwise to comply with statutory requirements and the rules and regulations of the Securities and Exchange Commission, and furnish National with such letter agreements executed by those stockholders of Goldsmith who may be deemed by the Securities and Exchange Commission to be in a control relationship to Goldsmith in such form as may be required by said Commission;

(d) Jointly with National and its representatives, check the inventory of materials at each plant, office, warehouse or other location of Goldsmith and permit samples of such inventories to be taken subject to assay and in the event there shall be any dispute as to such assays the samples in dispute shall be submitted to an independent testing laboratory selected by Goldsmith and National as umpire and the findings of such independent testing laboratory shall be final, *provided,* however, that such umpire's findings shall be within the range of the high and low of the assays of both National and Goldsmith, and *provided further,* that if such umpire's findings are higher or lower than the high or the low, as the case may be, of the assays of Goldsmith and National, that assay of National or Goldsmith which is closer to the umpire's findings shall be final;

(e) Call a special meeting of its stockholders to be held on or before July 10, 1959 and duly submit to its stockholders at such meeting the resolutions of its Board of Directors referred to in Section 1 (c) of this Agreement, and recommend that its stockholders approve and authorize the transactions contemplated hereby and authorize the dissolution of Goldsmith and the distribution of the common stock of National received hereunder to the stockholders of Goldsmith pro rata in accordance with their respective stock interests in Goldsmith;

(f) Notify National promptly as to the result of the action taken at such meeting of its stockholders;

(g) Take all actions necessary for compliance with any applicable Bulk Sales Laws if requested in writing to do so by National;

(h) Not declare or pay any dividends on its stock or make any other distributions to its stockholders, it being understood and agreed, however, that if the common stock of National to be issued and delivered hereunder is not delivered to Goldsmith prior to the record date that may be hereafter established by National for the payment of any dividend on National's common stock, Goldsmith may, prior to the closing date, declare and pay a cash dividend or dividends on the stock of Goldsmith in an amount equal in the aggregate to the amount of such cash dividend or dividends on 30,000 shares of National's presently issued common stock and on any shares issued as a stock dividend thereon, or such additional number of shares or other securities into which National's common stock shall have been changed, or for which National's common stock shall have been exchanged, that may be declared by National between the date hereof and the closing date, *provided,* however, that the declaration or payment of any such cash dividend or dividends by Goldsmith shall not reduce the net worth of Goldsmith below that shown on said financial statements prepared by Arthur Young & Company relating to Goldsmith as of December 31, 1958;

(i) For the purpose of effecting distribution of the common stock of National to which Goldsmith shall become entitled on the carrying out of this Agreement, Goldsmith shall appoint Continental Illinois National Bank and Trust Company of Chicago, or another bank or trust company satisfactory to National, to act as depositary, distributing agent and scrip agent (hereinafter referred to as the "Depositary");

(j) Take any other action necessary to enable it to carry out this Agreement.

SECTION 5. *Agreements by National.*

National agrees that prior to the time of the closing referred to in Section 7 of this Agreement it will:

(a) Make due and timely application for the listing of its common stock to be issued hereunder on the New York Stock Exchange and the Toronto Stock Exchange;

(b) On or before June 30, 1959 file with the Securities and Exchange Commission a registration statement pursuant to the Securities Act of 1933 relating to certain shares of National's common stock to be issued hereunder required to be registered under said Act;

(c) In the event that between the date hereof and the closing date there shall be any change in the number or kind of the outstanding shares of National's common stock, or any stock or other securities into which National's common stock shall have been changed, or for which National's common stock shall have been exchanged, or in the event of the payment by National of any common stock dividend or the issuance of any rights to subscribe to its common stock, make an appropriate adjustment in the number of shares to be delivered by National to Goldsmith on the closing date as set forth in Section 7 (c) of this Agreement and references to the "common stock" of National herein shall for all purposes be deemed to mean shares of the presently authorized common stock, par value $5 a share, of National as reconstituted, exchanged or converted as of the time of the closing referred to in Section 7 of this Agreement, with all stock dividends and rights to subscribe thereon up to the time of such closing;

(d) Take any other action necessary to enable it to carry out this Agreement.

Section 6. *Conditions precedent to closing.*

The closing of this Agreement shall be subject to the following conditions precedent:

(a) The transactions contemplated hereby shall have been approved by such vote of the stockholders of Goldsmith as is required by the Illinois Business Corporation Act;

(b) The number of shares of Goldsmith stock, the holders of which shall not have voted in favor of the transactions contemplated hereunder and shall have demanded payment of the fair value of their shares within the time and in the manner provided for by the

Illinois Business Corporation Act, shall not be greater than 3% of the total number of outstanding shares of Goldsmith stock and if greater than 3% of such number of shares a sufficient number of holders of such shares shall not have validly withdrawn their demands within twenty (20) days after making the same so as to bring the total number of such shares to 3% or less of such total number of outstanding shares of Goldsmith stock, and the number of holders of such shares of Goldsmith stock shall not be greater than 15 and if greater than 15 a sufficient number of such holders shall not have validly withdrawn their demands within twenty (20) days after making the same so as to bring the total number of such holders to 15 or less, and National shall not within twenty (20) days thereafter notify Goldsmith in writing of its election to terminate this Agreement on that account;

(c) The shares of common stock of National deliverable hereunder shall have been authorized by the New York Stock Exchange for admission to the List on notice of issuance;

(d) National shall have received the letter agreements executed by the stockholders of Goldsmith deemed by the Securities and Exchange Commission to be in a control relationship to Goldsmith as referred to in Section 4(c) of this Agreement and the registration statement under the Securities Act of 1933 relating to certain shares of National's common stock to be issued hereunder shall have become effective;

(e) National shall have received financial statements relating to Goldsmith as of May 31, 1959, prepared by Arthur Young & Company, certified public accountants;

(f) National shall have received on the closing date the written opinion of Messrs. Brown, Fox & Blumberg, counsel for Goldsmith, in form and substance satisfactory to counsel for National, that Goldsmith has been duly incorporated and is then validly existing as a corporation under the laws of the State of Illinois; that all action has been taken necessary to the due authorization of the execution and performance by Goldsmith of this Agreement, including the due authorization of the transfer and conveyance of all of the assets, property and business of Goldsmith to National and the due authorization of the dissolution of Goldsmith and the distribution of the common stock of National to be received hereunder to the stockholders of Goldsmith entitled thereto; and that the deeds, conveyances, assignments, bills of sale, drafts, checks and other instruments of assignment and endorsement tendered to National are in all respects in compliance with this Agreement and are sufficient to vest in National good and marketable title to the assets, property and business of Goldsmith as a going concern;

(g) On the closing date, National shall have received a certificate of an officer of Goldsmith that the representations, covenants and warranties contained in Section 1 of this Agreement shall be true and correct on and as of such closing date, with the same effect as though such representations, covenants and warranties had been made on and as of such closing date, it being understood and agreed by the parties hereto that all of such representations, covenants and warranties and all liability of Goldsmith, Goldsmith President, and Goldsmith Vice President with respect thereto shall terminate and be released and discharged as of such closing date;

(h) Goldsmith shall have received on the closing date the written opinion of Messrs. Alexander & Green, counsel for National, in form and substance satisfactory to counsel for Goldsmith, stating that National has been duly incorporated and is then validly existing as a corporation under the laws of the State of New Jersey; that all action has been taken necessary to the due authorization of the execution and performance by National of this Agreement, including the due authorization and issue of the common stock of National to be delivered hereunder and that the same will be fully paid and non-assessable, and that certain of such shares to be registered under the Securities Act of 1933 have been duly registered and have been admitted to list on notice of issuance on the New York Stock Exchange; and that the instrument or instruments of assumption by National of the liabilities of Goldsmith are in all respects in compliance with this Agreement;

(i) The validity and legality of the incorporation and existence of National and Goldsmith and of the authorization and execution of this Agreement and of all other transactions herein referred to, as well as the form and substance of all legal proceedings and of all papers and documents used hereunder, shall be subject to the approval of Messrs. Alexander & Green, counsel for National, and Messrs. Brown, Fox & Blumberg, counsel for Goldsmith.

SECTION 7. *Closing.*

(a) This Agreement shall be consummated at a closing to be held at the office of the Depositary, 231 South LaSalle Street, Chicago, Illinois, on the fifth full business day following the satisfaction of the conditions precedent set forth in paragraphs (a), (b), (c), (d) and (e) of Section 6 of this Agreement, or at such other time and place as National and Goldsmith shall mutually agree;

(b) At such closing Goldsmith shall transfer to National all of Goldsmith's business, good will, property and assets, real, personal or mixed, of every kind and description, wheresoever situated, and shall cause to be executed and delivered to National all conveyances, deeds, assignments, bills of sale, drafts, checks and other instruments or documents of assignments or transfer, and all other papers necessary to vest in National good and marketable title to such property and assets of Goldsmith;

(c) On the closing date National shall deliver to Goldsmith a certificate for 30,000 shares of National's common stock, par value $5 a share, and such number of shares or other securities into which the same at the date of closing may have been reconstituted, exchanged or converted, with all stock dividends and rights to subscribe thereon as provided in paragraph (c) of Section 5 of this Agreement with all original issue documentary stamp taxes paid, *provided,* that in the event that any stockholder or stockholders of Goldsmith who shall not have voted in favor of the transactions contemplated hereunder at the special meeting of the stockholders of Goldsmith referred to in Section 4(e) of this Agreement shall demand the fair value of his or their shares within the time and in the manner provided for by the Illinois Business Corporation Act, and shall not have validly withdrawn such demand or demands prior to the closing date, the number of shares of National's common stock to be delivered hereunder on the closing date shall be reduced by the total number of such shares to which such stockholder or stockholders of Goldsmith would otherwise have been entitled upon the dissolution of Goldsmith and thereupon a certificate for such lesser number of shares of National's common stock shall be delivered to Goldsmith on the closing date;

(d) National shall make irrevocable arrangements with its Transfer Agent and Registrar, and with the Depositary, so that shares of National's common stock may be upon the request of Goldsmith issued in names and amounts as certified by Goldsmith and in proper form for delivery, with all necessary documentary transfer stamp taxes paid, to each stockholder of Goldsmith entitled thereto who shall be such stockholder on a date to be selected by Goldsmith on or prior to the date of closing pro rata in accordance with his respective stock interest in Goldsmith; no fractional shares of National's common stock shall be issued to stockholders of Goldsmith who would otherwise be entitled to fractional shares and such stockholders of Goldsmith will receive in lieu thereof scrip certificates in appropriate form; the certificates for such common stock of National and scrip in lieu of fractional shares of such stock shall be delivered by National promptly after the closing date to the Depositary, which shall act as agent of Goldsmith in receiving such stock certificates and scrip from National in completion of the exchange of assets of Goldsmith for common stock of National, and simultaneously National shall deliver to the Depositary certificates for National's common stock deliverable upon the surrender of scrip certificates with all necessary documentary transfer stamp taxes paid; the shares of National's common stock to be issued to the stockholders of Goldsmith when issued shall be in complete liquidation, in exchange for and in complete cancellation and redemption of all of the shares of Goldsmith stock held by each of them respectively;

(e) On the closing date National shall assume all of such liabilities of Goldsmith as are described in said financial statements prepared by Arthur Young & Company, and such other liabilities of Goldsmith as are described in paragraph (e) of Section 1 of this Agreement, which liabilities shall be assumed by National as part of the consideration for this Agreement, including such changes in said liabilites as shall have occurred in the ordinary and usual course of business since December 31, 1958, and such liabilities as may have been incurred to Messrs. Brown, Fox & Blumberg, counsel for Goldsmith, for legal services rendered by them in connection with the transactions contemplated hereunder up to and including the time of such closing, and such other costs, fees, and expenses as may have been incurred in consummating said transactions up to and including the time of said closing, as well as all obligations of Goldsmith to such of its stockholders as shall not have voted in favor of the transactions contemplated hereunder and shall have demanded payment of the fair value of their shares within the time and in the manner provided for by the Illinois Business Corporation Act, but excluding liabilities, if any, under profit-sharing and pension plans of Goldsmith now in effect, and shall deliver to Goldsmith an instrument or instruments evidencing such assumption. It is expressly agreed by the parties hereto that, notwithstanding the foregoing, National shall not assume any liability that may be incurred by Goldsmith or its stockholders for Federal income taxes in respect of any gain or gains realized by Goldsmith or its stockholders arising out of the transactions contemplated hereunder or otherwise.

SECTION 8. *After the closing.*

(a) Goldsmith shall promptly effect its liquidation and dissolution as an Illinois corporation and shall promptly cause to be distributed among its stockholders the common stock of National received hereunder, and shall take all steps necessary to terminate its qualification to do business in all states where it is now so qualified;

(b) Goldsmith shall keep National fully advised as to stockholders of Goldsmith who shall have duly demanded payment of the fair value of their shares or who shall have validly withdrawn such demands;

(c) Goldsmith hereby authorizes National, in the name of and on behalf of Goldsmith, to enter into such agreements with stockholders of Goldsmith who have demanded payment of the fair value of their shares and to institute, defend and participate in any proceedings pursuant to the provisions of the Illinois Business Corporation Act so that National may, in the name of Goldsmith or otherwise, take all action with respect to such dissenting stockholders as Goldsmith itself

EXHIBIT A

Claims Pending or Threatened for Injuries or Diseases Suffered in the Course of Employment

Name of Claimant	*Nature of Claim*	*Estimated Maximum Possible Liability*
Robert Walker	Broken Ankle (Dec. 15, 1958)	$1,950.00
Jesse Dillard	Alleged Lead Poisoning (Jan. 2, 1959)	5,000.00
Cicero Lacey	Leg injury (Nov. 19, 1958)	500.00
William Brundage	Hand injury (Mar. 19, 1959) (No claim filed)	700.00
Frank Hughes	Hand caught in rolling mill (No claim filed) (April, 1959)	9,000.00
Willie Glover	Retired Oct. 17, 1957 (Claim filed April 23, 1959—Alleged Lead Poisoning)	5,000.00

Goldsmith is covered by the following policy of insurance against liability in excess of $10,000.00 in any one occurrence and up to the limit of $240,000.00 in a common disaster or claims for personal injuries or occupational diseases under the Workmen's Compensation Act: Policy No. RD9974291, issued by the Continental Casualty Company, dated January 1, 1959 and expiring December 31, 1959.

Goldsmith is also covered by a policy of insurance issued by Lloyds of London—No. 614-68399, for the period commencing December 31, 1957 and ending on December 31, 1958, for all liability in excess of $10,000.00 in any one occurrence, for personal injuries or occupational diseases suffered by its employees, and up to a limit of $300,000.00 in any common disaster. Goldsmith is also covered for the years prior to the year 1958 by Lloyds of London in the same amount. The policy in force for the period from December 31, 1956 to December 31, 1957 is No. 614-64990.

EXHIBIT B

COPY

May 22, 1959

Goldsmith Bros.,
1300 West 59th Street
Chicago, Illinois

Gentlemen:

On May 18th, 1959, a complaint was filed with this department concerning emission of smoke, fumes and odors emanating from various operations carried on in your Plant located at 1300 W. 59th Street.

In Order that immediate results may be obtained with respect to abatement you are requested to have a representative of your Firm, vested with authority, to present a program of specific commitments for abatement of the nuisances, on Tuesday, June 2, 1959, at 2:00 P.M.

Failure to abate the nuisance will result in action being taken at once to enforce Chapters 17-23 and 1727 of the Ordinance governing the abatement of such nuisances.

Yours truly,

(Signed) THOMAS H. CAREY
DIRECTOR

Present this letter at hearing