COPY OF THE MINUTES OF THE MEETING
OF
THE BOARD OF DIRECTORS
OF
THE SHERWIN-WILLIAMS COMPANY.

Held January 26, 1938.

The President reported that the option for the acquisition of the properties and assets of the Burgess Titanium Company had been exercised and the agreement consummated. Thereupon, on motion by Mr. A. W. Steudel, seconded by Mr. D. A. Kohr, and carried, the following resolution was adopted:

> WHEREAS this Board of Directors at its last meeting determined that the properties and assets of Burgess Titanium Company, which this Company had a right to acquire under its agreement with the Titanium Company dated July 26, 1937, had a fair value to this Company in excess not only of the par value but also the actual value of 5500 shares of this Company's Common Stock, to wit, in excess of $500,000, and that the acquisition of such properties and assets by this Company for such consideration, which was the consideration specified in said agreement, was advisable, and this Board then authorised such acquisition for such consideration; and
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> WHEREAS, pursuant to such authority conferred by this Board, such properties and assets of Burgess Titanium Company have been acquired by this Company, in consideration, as a result of further negotiation by the President, of the issuance and delivery to Burgess Titanium Company of five thousand (5,000) shares of full-paid and non-assessable common stock of this Company; and
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> WHEREAS it has for many years been the policy of this Company to carry intangible assets on its books at a nominal value of $1.00;
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> NOW, THEREFORE, BE IT RESOLVED that the Treasurer and other proper officers of this Company be, and they hereby are, authorised and directed to enter upon the books of the Company, at their fair value to it, only the tangible properties and assets included in the properties and assets of Burgess Titanium Company so acquired, and to enter no value upon the books of the Company for the intangible properties and assets of said Company so acquired, and to charge off the difference between the par value of 5,000 shares of this Company's common stock issued in consideration of all the properties and assets of Burgess Titanium Company acquired by this Company and the fair value of the tangible properties and assets so acquired against the earnings of the Company for the current fiscal year.

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