

PITTSBURGH CORNING CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD AT 717 FIFTH AVENUE, NEW YORK, NEW YORK
THURSDAY, MARCH 27, 1962

PLAINTIFF'S
EXHIBIT

12018.05

THE REGULAR QUARTERLY MEETING OF THE BOARD OF DIRECTORS OF PITTSBURGH CORNING CORPORATION WAS HELD AT 717 FIFTH AVENUE, NEW YORK, NEW YORK, AT 12:00 NOON ON THURSDAY, MARCH 27, 1962. THIS MEETING WAS RE-SCHEDULED FROM MARCH 8, 1962.

THERE WERE PRESENT AND PARTICIPATING AT THE MEETING:

MESSRS. RUSSELL BRITTINGHAM
W. C. DECKER
D. G. HILL
AMORY HOUGHTON, SR.
F. T. HUGHES
GEORGE D. MACBETH

PLAINTIFF'S
EXHIBIT

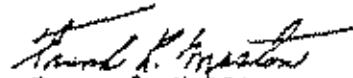
WV-11684

THE PRESIDENT RECALLED TO THE BOARD THAT IN JANUARY HE HAD REPORTED TO THE BOARD THAT HE HAD BEEN APPROACHED BY UNION ASBESTOS AND RUBBER COMPANY OF CHICAGO, ILLINOIS, WHICH COMPANY HAD EXPRESSED A DESIRE TO SELL ITS FACILITIES FOR THE PRODUCTION OF A HIGH TEMPERATURE INSULATION TO PITTSBURGH CORNING CORPORATION, AND THAT AFTER BOARD AUTHORIZATION THE PRESIDENT HAD ENTERED INTO NEGOTIATIONS WITH REPRESENTATIVES OF UNION ASBESTOS AND RUBBER COMPANY LOOKING TOWARD THE PURCHASE OF SAID FACILITIES BY PITTSBURGH CORNING CORPORATION. THE PRESIDENT REPORTED THAT HE HAD NOT BEEN ABLE TO COME TO AN AGREEMENT WITH THE REPRESENTATIVES OF UNION ASBESTOS AS TO THE PURCHASE PRICE OF THESE ASSETS, AND THAT NEGOTIATIONS HAD BROKEN DOWN AND HAD BEEN TERMINATED AS OF MARCH 14TH. THE PRESIDENT SAID THAT UNION ASBESTOS AND RUBBER COMPANY'S ASKING PRICE FOR SUCH FACILITIES WAS SO MUCH HIGHER THAN THE PRICE THAT HE WOULD HAVE RECOMMENDED THAT PITTSBURGH CORNING CORPORATION PAY AS THE FAIR VALUE OF SUCH ASSETS THAT HE HAD SEEN NO POSSIBILITY OF REACHING AN AGREEMENT.

THE PRESIDENT POINTED OUT THAT IT WOULD BE DESIRABLE FOR PITTSBURGH CORNING TO HAVE A HIGH TEMPERATURE INSULATION LINE SO THAT IT COULD COMPETE IN THE MARKET, AND HE SUBMITTED ESTIMATED SALES AND NET INCOME DATA TO THE BOARD FOR REVIEW, RECOMMENDING THAT PITTSBURGH CORNING CORPORATION ERECT A MANUFACTURING PLANT FOR THE PRODUCTION OF AN ASBESTOS-BASE HIGH TEMPERATURE INSULATION, PROVIDING PITTSBURGH CORNING COULD ASSURE ITSELF OF A REASONABLE LONG-TERM SUPPLY OF THE RAW MATERIALS FOR THE MANUFACTURE OF SUCH PRODUCT.

THE BOARD, AFTER DISCUSSION, AND A MOTION HAVING BEEN DULY MADE, SECONDED, AND CARRIED, IT WAS

RESOLVED, THAT THE COMPANY ERECT A MANUFACTURING PLANT FOR THE MANUFACTURE OF AN ASBESTOS-BASE HIGH TEMPERATURE INSULATION PRODUCT AND EXPEND A SUM NOT TO EXCEED THE AMOUNT \$650,000 FOR THE ERECTION OF SAID PLANT AND THE PURCHASE AND INSTALLATION OF THE NECESSARY EQUIPMENT. THE PROPER OFFICERS OF THE COMPANY WERE AUTHORIZED AND DIRECTED TO SO PROCEED.


FRANK R. MASTON
SECRETARY