MEETING OF DIRECTORS
OF
THE SHERWIN-WILLIAMS COMPANY.

On motion made by Mr. C. P. Jarden, seconded by Mr. L. W. Wolcott, and carried, the following three members of the Board were appointed as the Finance Committee for the coming year:

Geo. A. Martin
Geo. T. Bishop
Harris Creech.

The President next referred to the agreement with the Burgess Titanium Company, approved by the Board of Directors at their meeting of July 26th, 1937, which granted to The Sherwin-Williams Company an option to purchase substantially all the assets of the Burgess Titanium Company as set forth in the agreement, for a consideration of 5,500 shares of common stock of The Sherwin-Williams Company. He stated that the expiration date for exercising the option was January 15, 1938, and that he now was ready to recommend to the Board of Directors that in his judgment it was to the best interests of the Company to exercise its option and complete the purchase according to the terms of the agreement.

He briefly reviewed the history of the investigation which was conducted under the supervision of Professor E. E. Ware, Technical Adviser to the President; Mr. Harold Saunders, Company's Technical Expert on Pigments, and Mr. R. M. Roosevelt, who was especially engaged by the Company to assist in this investigation. As both Professor Ware and Mr. Roosevelt were in the office at the time of the directors' meeting Mr. Martin invited Professor Ware to address the directors and state his views as to the advisability of acquiring the patent rights and other assets of the Burgess Titanium Company.

Professor Ware, after telling about the process of manufacturing titanium and his experience during the investigation, stated his conclusion that the process was chemically sound and capable of operating at a competitive cost. He also referred to the written report filed by Mr. Saunders, which was to the effect that the titanium produced by the Burgess process was a satisfactory pigment for use in the Company's products. He also reported that he had employed Mr. Clair W. Fairbank, of the firm of Dean, Fairbank & Hirsch of New York, as patent counsel, and read the conclusion of Mr. Fairbank's written opinion to the effect that the Burgess Titanium Company process was a protectable one free from infringement.

After Professor Ware had concluded his remarks, Mr. Roosevelt was called into the meeting. Mr. Roosevelt, who had been associated several years ago with the National Lead Co. in the manufacture of titanium pigment, went over the history of the development of titanium and explained its uses in various industries. He compared the Burgess process with the sulphuric acid process, which he said had been in operation about seventeen years and was covered by more than 192 patents, not more than 20% of which had expired. He said that he believed that eventually it would be possible to make titanium pigment at a lower cost under the Burgess process than by the sulphuric acid method.

RECORD BOOK PAGE ______ ATTEST [signature] SECRETARY

After answering various questions, Professor Ware and Mr. Roosevelt then retired, and following a general discussion of the Burgess process and its value to the Company, Mr. L. W. Wolcott moved the adoption of the following resolution and that the President be empowered to proceed in this matter as he sees fit. The motion was seconded by Mr. H. D. Whittlesey, and carried.

WHEREAS, under the agreement between Burgess Titanium Company and this Company, dated July 26, 1937, this Company has the right at its election to acquire all or substantially all the properties and assets of Burgess Titanium Company, including all its property and assets referred to in paragraph 1 of said agreement, in consideration of the issuance and delivery to Burgess Titanium Company of 5,500 shares of full-paid and non-assessable common stock of this Company; and

WHEREAS the officers of this Company and its engineers, after investigation during the period since the execution of said contract, have concluded and recommended that it will be advisable for this Company to make such acquisition; and

WHEREAS this Company has received a satisfactory opinion from patent counsel as to the validity of the patents embraced in the properties and assets which this Company so has the right to acquire, and also from corporate counsel as to the legality of the issuance of such stock for the acquisition of such properties and assets; and

WHEREAS this Board has determined, and hereby determines, that such properties and assets of Burgess Titanium Company which this Company so has the right to acquire, have a fair value to this Company in excess not only of the par value but also of the actual value of 5,500 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 is advisable;

NOW, THEREFORE, RESOLVED, that this Company shall, and it hereby does, exercise its right under said agreement between Burgess Titanium Company and this Company, dated July 26, 1937, to purchase all or substantially all the properties and assets of Burgess Titanium Company, including all its property and assets referred to in paragraph 1 of said agreement; and

FURTHER RESOLVED that the President or a Vice President and the Secretary or Assistant Secretary of this Company be, and they hereby are, authorized and directed to give notice in writing to the Burgess Titanium Company of the election by this Company to exercise such right to acquire such properties and assets of Burgess Titanium Company; and

MEETING OF DIRECTORS
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FURTHER RESOLVED that the President or a Vice President and the Secretary or Assistant Secretary of this Company be, and they hereby are, authorized and directed to issue and deliver or cause to be issued and delivered 5,500 shares of common stock of this Company, of the par value of $25 each, to Burgess Titanium Company against the concurrent conveyance and transfer to this Company by Burgess Titanium Company, by appropriate instruments of conveyance and transfer, of all or substantially all of its property and assets (including the property and assets referred to in paragraph 1 of said agreement with Burgess Titanium Company dated July 26, 1937), free and clear of all liens and liabilities, and the concurrent performance by Burgess Titanium Company of all the acts by said agreement required to be performed on its part prior to, or concurrently with, such issuance and delivery of common stock of this Company; and

RESOLVED FURTHER that the President or a Vice President and the Secretary or Assistant Secretary and the other proper officers of this Company be and they are, authorized to execute all such instruments, and to take all such steps and proceedings, as they may deem necessary or advisable to carry out on the part of this Company said agreement of July 26, 1937, with Burgess Titanium Company.

On motion made by Mr. H. D. Whittlesey, seconded by Mr. D. A. Kohr, the following resolution was unanimously adopted:

WHEREAS, Estelle B. Hagerty of Washington C. H., Ohio, has made affidavit that she is the owner of Certificate of Deposit No. 2182, issued in the name of Estelle B. Hagerty, representing an aggregate of two shares of Series "AA" 6% Cumulative Preferred Stock of this corporation, and that said certificate of deposit has been lost; and

WHEREAS, said owner has made application for the issuance of a certificate of stock for two shares of Series "AAA" 5% Cumulative Preferred Stock and has tendered to this corporation a bond of indemnity executed by such owner as principal and the Fidelity & Deposit Company of Maryland as surety, for any and all loss, to indemnify and save harmless this corporation, its transfer agent and its registrar, their successors and assigns, from and against any and all costs, actions, suits, damages, charges, and expenses either of them may incur and to induce this corporation, its transfer agent and its registrar to issue, countersign and register a new certificate of stock in lieu of such lost certificate of deposit;

NOW, THEREFORE, BE IT RESOLVED, that said bond of indemnity is now approved and accepted and the officers of this Company are authorized and instructed to execute and deliver a new certificate, The Cleveland Trust Company, as Transfer Agent, is authorized and