

A REGULAR MEETING OF THE BOARD OF DIRECTORS OF JOHNS-MANVILLE CORPORATION was held in the offices of the Corporation on the 11th floor at No. 22 East 40th Street, New York City, on Wednesday, the 15th day of August, 1951, at 9:30 in the forenoon.

The following Directors were present, constituting a quorum:

Walter H. Aldridge
Alvin Brown
L. M. Cassidy
A. R. Fisher
John W. Hanes
H. E. Manville, Jr.
C. F. Rassweiler

L. M. Cassidy, Chairman of the Board, acted as Chairman of the meeting and presided thereat and Vandiver Brown, Secretary of the Corporation, acted as Secretary of the meeting and kept the minutes thereof.

A notice of the meeting and affidavit of mailing the same to all the Directors of the Corporation were presented to the meeting and, on motion, duly made, seconded and unanimously carried, were ordered filed with the minutes of the meeting.

In his Monthly Report, the Chairman advised that he had, in accordance with the Board's earlier request, reviewed the Corporation's policy with respect to payments to widows and dependents of deceased employees. This policy had been compared with the practice of several hundred other companies and had been found to be in line with -- or perhaps a little better than -- the average practice. Accordingly, it was his opinion that no change should be made at the present time.

The Chairman's Report also dealt with the recent proposal of the British Chancellor of the Exchequer to control dividends and fix a limit for new companies of 7% of capital invested. If such a proposal were adopted, it would reduce substantially the estimated return to the Corporation on its proposed investment in a new company to be formed, in cooperation with Cape Asbestos Company, to manufacture Marinite in Great Britain. Until the British government had clarified its position on the matter of dividend limitation, it was the intention of the officers to postpone taking any final action and, if such a limitation eventually became effective, to reconsider the entire proposition and present it once more to the Board for approval.

The Chairman in his Report also informed the meeting that a preliminary agreement had been negotiated and signed with respect to the Southern Rhodesia asbestos deposits. A detailed outline of the terms of the agreement was included in his report and the Chairman pointed out that the commitments by the Corporation were well within the authorization of the Executive Committee as reported to the Board at the June 20th meeting.

The meeting was also informed by the Chairman that the officers of Canadian Johns-Manville Ontario, Limited proposed to expend \$279,500 for the purchase of a 2-1/2 cu. yd. face shovel, four 15-ton haulage trucks, and one Tournadozer for use in the open pit at the Munro Mine. The additional equipment was needed in order to expand the open-pit operation and to supply the additional ore required for capacity production of fibre which, after provision had been made for dry rock storage, was estimated at 36,000 tons per year. Substantial additional profits would be realized from the additional fibre, especially during the period until October 31, 1953 when profits from the new mine would be exempt from income taxes.

It was the consensus that the proposed expenditure was justified under the circumstances and it was recommended that the officers of Canadian Johns-Manville Ontario, Limited proceed in accordance with their plans.

The Chairman briefly summarized a report on the status of the Capital Expenditure Programs as of August, 1951, which formed a part of the agenda. He likewise called attention to the data on Division operations and to some additional appraisals of investment return on completed projects under the Capital Expenditure Programs which were included in the agenda booklets.

At the request of the Chairman, the President then read his Monthly Report which presented latest operating results and a review of current developments. The Report also covered the terms upon which the strike at the Marrero, Louisiana, plant had been settled. The new contract would contain no concession whatever to those Union demands which the officers believed represented an attempted invasion of the field of Management. The meeting was also informed by the President that the Company had been the successful bidder for the insulation sub-contract in connection with the erection of the H Bomb project in South Carolina.

The matter of the declaration of a dividend on the Common Stock of the Corporation was next presented for consideration. In this connection the Chairman called attention to the earned surplus of the Corporation and to that portion of the agenda which contained a forecast of earnings for the entire

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