FRICTION MATERIALS STANDARDS INSTITUTE, INC.
588 MONROE TURNPIKE, MONROE, CT 06468

PLAINTIFF'S EXHIBIT 25

MINUTES OF MEETING

OF THE

BOARD OF DIRECTORS

Saturday, June 8, 2002

Kiawah Island Resort

Kiawah Island, South Carolina

FMSI--0510

DIRECTORS PRESENT	
Walter Britland	Federal Mogul
Rob Burgess	Wheeling Brake Block Inc.
Martin Chevalier	Friction Division Products
Don Delvy	Dana Brake & Chassis
Michael Greenberg	Capital Tool & Design
Tom Moalli	TEK-MOTIVE, Inc.
Ralph Neil	ABS Friction, Inc.
OTHERS PRESENT	
Pat Healey, President	Superior Friction
Tim Duncan	Link Engineering
Gilbert N. Laycock	Friction Materials Standards Institute, Inc.
Thomas P. Weldy, Counsel	Morehouse Harlow & Weldy Attorneys at Law
DIRECTORS ABSENT	
Robert Bosco	Anstro Manufacturing, Inc.
Rudy Prosperi	BRAKEPRO, Inc.

Mr. Healey, President, called the meeting to order at 8:30 A.M.

MINUTES OF PREVIOUS MEETING

The Secretary advised that minutes of the Board of Directors Meeting of June 9, 2001 had been distributed. The President suggested that a reading of the minutes be dispensed with, as no corrections had been suggested. Upon motion duly made, seconded and unanimously approved, it was:

RESOLVED: To accept the minutes of the meeting of the Board of Directors of June 9, 2001 as written.

PRESIDENT'S REPORT

Mr. Healey presented his report. Please refer to EXHIBIT 1 in the report booklet.

Mr. Healey welcomed all to the Annual Meeting and reviewed some of the topics that would be discussed during the course of the meeting. He thanked those members who participate in the various committees of the Institute.

PRESIDENT'S REPORT (continued)

There was no discussion on this report.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the President's Report as presented.

MEMBERSHIP COMMITTEE

This report, presented by Mr. Pat Healey, Chairman of the Committee. Please refer to EXHIBIT 2 in the report booklet.

Mr. Healey's report noted that there were two membership additions and seven losses for a net change in membership of a loss of five members, bringing the total members down to 90. By category there were 38 Active, 37 Regional and 15 Licensee Members.

There was no discussion.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the Membership Committee Report as written.

Delinquent Fees 2002 - Oral - G. Laycock

The Secretary noted that open fee billings at June 1, 2002, were $24,525.00. Considerably more than the three year average of $11,729 for the last three years. There were three members who would be 1 year behind or more at the July 1 billing. They were:

Bonded Brakes Inc. who has filed for bankruptcy owing $3,075 before the July billing.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: Terminate the membership of Bonded Brakes Inc. and write-off the open invoices.

Millennium Brake and Duramax SA de CV were $1,875 and $2,050 behind in their dues respectively (before the July billing).

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To conditionally terminate the memberships of Millennium Brake and Duramax SA de CV. (If dues are not paid by a certain date, their membership would be terminated.)

TREASURER'S REPORT

This report was prepared and presented by Mr. Ralph Neil. Please refer to Exhibit 3 in your report booklet.

The report noted that the Institute operating income was projected to be $197,189 and expenses were projected to be $199,232 giving an operating loss of $2,043. Investment Income of $10,191 gave a projected net income of $8,148. The report reviewed the variations from budget. The exhibits that accompanied the report were 3.1 a Projected Balance Sheet, 3.2 Statement of Income & Expense and 3.3 a Seven Year Financial Summary.

There was no discussion on this report.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the Treasurer's Report as written.

INVESTMENT ADVISORY COMMITTEE REPORT

Mr. Ralph Neil, Chairman, presented the Investment Advisory Committee Report. Please refer to EXHIBIT 4 in the report booklet.

The report noted that total investment balance for 2001 (actual) and 2002 (projected) were: $300,991 and $322,736 respectively. It noted that declining interest rates will have a long term effect on the income. Actual, projected and estimated Investment Income for fiscal years 2000-01, 2001-02 and 2002-03 were (respectively) $14,417, $10,191 and $14,966. It noted that buying U.S. Treasury Notes with high coupons and low yields show significant capital losses when those notes mature.

There was no discussion on this report.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the Investment Advisory Committee Report as written.

BUDGET COMMITTEE

Mr. Pat Healey, Chairman, presented the Budget Committee Report. Please refer to EXHIBIT 5 in the report booklet.

The report noted that an expense budget of $203,927 is recommended for the 2002-03 fiscal year. This is a decrease of 7.3% from the budget of 2001-02 of $220,045. The report reviewed minor changes in line item expenses. The major changes in individual line items were a decrease in Insurance Expense of $3,130 and a decrease in Pension Expense of $1,960.

BUDGET COMMITTEE (continued)

A Board Member asked how the reduction was obtained. The Secretary noted that after 5 years with no raises, Lori Dinihanian had quit FMSI and obtained another job. However, she offered to do the FMSI secretarial work on a part time basis with a few hours in the office each day and tele-commuting by email and working at home. The Secretary had agreed to this approach and it has been done this way since April 2002.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the Budget Committee Report as written.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To approve the Expense Budget of $203,927.

FEE FORMULA COMMITTEE REPORT

Mr. Walter Britland, Committee Chairman, presented this report. Please refer to Exhibit 6 in your report booklet.

Mr. Britland reviewed the sources of Institute income, the guidelines established by the Board of Directors for fee adjustment, projected income for fiscal year 2002-03 and the three year average of Income over Expense. The analysis of this average as compared to the guidelines for fee adjustment indicated that the fees should remain the same.

Several Board Members noted that the category participation for some of the Members shown in Exhibit 6.1 had changed due to acquisitions. There were 5 companies that (according to Board Members) were selling products in an additional category than were listed in Exhibit 6.1. These were noted and the July 1 fee billings would reflect the change.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the Fee Formula Committee Report as written.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To recommend that the fee structure be unchanged for the upcoming fiscal year.

The President suggested that the reading of the following reports be skipped:

Data Book & Technical Committee
Brake Performance Study Committee
Health & Environmental Affairs Committee

The Secretary noted that for the minutes the Board of Directors should approve the reports as written.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To approve the Data Book & Technical Committee Report, Brake Performance Study Committee and the Health and Environmental Affairs Committee Reports as written.

INSTITUTE PENSION PLANS

This report was presented by Gil Laycock, Secretary. Please refer to EXHIBIT 10 in the report booklet.

Mr. Laycock noted that the Institute Pension Plan which was initiated in 1981 contributes at a rate of 15% of eligible employee wages. The contributions for 2001-02 were projected to be $17,593. The employees direct the investment of contributions. Deferred contributions are allowed with all employees participating in this option.

There was no discussion on this report.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the report on Institute Pension Plans as written.

ANNUAL MEETING COMMITTEE REPORT

This report was prepared by Mr. Rob Burgess, Chairman. Please refer to EXHIBIT 11 in the report booklet.

The report noted that the site of the 2003 Annual Meeting was the Longboat Key Club, Longboat Key, Florida, June 6-9, 2003. The Institute has had four meetings at Longboat from 1993 to 1999. This site was approved last year for 2003. The room rates range from $170 to $190 per night.

There was discussion concerning the possibility of 2004 being a west coast option. The Board felt that west coast trips wasted two days in travel alone and should be dropped because most companies are east of the Mississippi.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: Future sites for FMSI Meetings should be east coast only.

Upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To accept the Annual Meeting Committee Report as written.

OTHER BUSINESS

The President asked Mr. Thomas Weldy, the Institute Counsel, to update the Membership on the lawsuit filed against the Institute and 31 other defendants by Ms. Beth Cutright who claims to have mesothelioma contracted from her father's work clothes as he was a mechanic. We have retained counsel in Pittsburgh, PA and they have filed a motion for summary judgment. However, the attorney for the plaintiff wants to tape a deposition from Gil Laycock, the Secretary of the Institute, later in June. This deposition will take place in the Institute office in Monroe, Connecticut. It is the contention of the plaintiff's attorney that the Institute conspired with the other defendants to hide the supposed dangers of asbestos. Mr. Weldy believes that the Institute should be granted the motion for summary judgment, but it will be up to the judge reviewing the motion and filings. If the motion is not granted and the institute is not released from this case, it will involve some "serious legal expense" and beyond that the Institute will be named in future cases. Mr. Weldy noted that it is important that we are removed from this case. Mr. Weldy noted that so far the Institute has incurred only about $2,400 in expenses. A question was asked, if the Institute should re-incorporate under a new name. Mr. Weldy noted that at this point the Institute should wait and see what happens on this motion. There was a question, if you get removed from the complain an the Institute counter sue to recoup expenses? Mr. Weldy noted that in Connecticut that can be done, it is called vexatious suit and you have to prove that there was no basis for their suit and additionally it may be necessary to prove that you sued maliciously and it is difficult to prove.

There being no other business brought to the attention of the Board of Directors at this time, upon motion duly made, seconded and unanimously passed, it was:

RESOLVED: To adjourn

Adjourned at 11:30 A.M.

G. N. Laycock
Secretary