PLAINTIFF'S
EXHIBIT
GF-2259

1935 — No. 2.

On February 26, 1935 the regular monthly meeting of the Executive Committee of The Ruberoid Co. was held at the office of the company, 500 Fifth Avenue, New York City. There were present Messrs. Herbert Abraham, Chairman; M. C. Whitaker; C. F. Batchelder; W. B. Harris.

On motion duly made and seconded, the minutes of the previous meeting of the Executive Committee held January 22, 1935 were approved as distributed.

The President made a report relative to the annual meeting of stockholders of The Ruberoid Co. held at Bound Brook, N. J. on February 15, 1935.

The President presented the balance sheet, including the profit and loss statement prepared by Price, Waterhouse & Co. as of December 31, 1934, also the profit and loss statement for January 1935 and the consolidated cash statement of The Ruberoid Co. as of February 23, 1935.

The President presented a letter received from The Lang Company dated February 21, 1935, in which they suggested investing $100,000. in Government securities, $50,000. to be invested in 3-1/2% Liberty Bonds and $50,000. in First 4-1/4% Liberty Bonds, which procedure was approved.

On motion duly made and seconded, the following resolution was unanimously adopted:

> RESOLVED that the resolution passed at the November 27, 1934 meeting of the Executive Committee authorizing the writing off of retired machinery, be and hereby is rescinded.
>
> FURTHER RESOLVED that the action of Price, Waterhouse & Co. in writing off against surplus the depreciated balance as of December 31, 1934 carried in "Retired Machinery Account", in closing the books of the company for the year 1934, be and hereby is in all respects approved.

The President referred to the policy which the company should adopt during the current year in respect to setting up depreciation charges and referred to the plan of charging off depreciation which the company has been following since January 1932, as approved at the meeting of the Executive Committee held on June 22, 1932, in accordance with which the depreciation charge is separated into two brackets, namely: obsolescence, estimated to be 40% of the total; and wear and tear, estimated to be 60% of the total, the latter being adjusted in proportion to the tonnage of goods produced. He pointed out that during 1934 depreciation was provided for as follows:

	Wear and Tear	Obsolescence	Total
The Ruberoid Co....................	$149,100.	$ 99,401.	$248,501.
The Lang Company..................	30,720.	20,480.	51,200.
H. & D.-Lang Manufacturing Co.....	24,840.	16,560.	41,400.
Total.....	$204,660.	$136,441.	$341,101.

The depreciation of $341,101. which we charged off in 1934 amounted to 4.0% of the net sales and 3.7% of the depreciated value of the capital assets.

Had we charged off the depreciation in full in accordance with the policy pursued prior to 1932, the charges incurred by The Ruberoid Co. would have amounted to the following:

Wear and Tear.....	$188,842.
Obsolescence......	125,894.
Total......	$314,736.

The result is a total increase for The Ruberoid Co. (only) of approximately $26,368.

After full discussion and on motion duly made and seconded, it was unanimously resolved that we adhere to our present method of figuring depreciation.

The President gave a full report regarding trade conditions and prospects.

After a full discussion and on motion duly made and seconded, it was unanimously resolved that the board of directors be requested to declare a quarterly dividend of twenty five cents (25¢) per share on the outstanding capital stock of the corporation, payable March 15, 1935, to stockholders of record at March 1, 1935.

At this point Mr. C. F. Evans, the company's counsel, was invited to attend the meeting and outlined the steps he had taken in respect to listing the company's shares on the New York Stock Exchange.

Mr. L. C. Rugen was also invited to attend the meeting, and both he and Mr. Evans gave detailed accounts of the status of the "silicosis" cases which had been instituted by certain of our ex-employees at St. Louis. After full discussion and on motion duly made and seconded, the following procedure was approved:

(a) Steps be taken to immediately install equipment at St. Louis necessary to comply fully with Missouri Statutes and to provide the maximum degree of safety to employees in respect to dust hazards, sanitary conditions, etc., at an expenditure not to exceed $15,000.

(b) Retain the services at St. Louis of a qualified physician for the purpose of periodically checking the physical condition and health of the employees.

(c) Install a Personnel Department under a competent manager to carefully check the past records and qualifications of all employees and prospective employees.

(d) A survey be immediately started to ascertain whether any hazards exist at any of our other factories, with particular reference to Bound Brook and Erie, and to determine what equipment, if any, is required at the other points to eliminate dust hazards.

Mr. Rugen made progress reports relative to the manufacture of carbon dioxide gas and also the results of his investigations relative to the addition of "rock wool" to our line of insulating products.

On motion duly made and seconded, the execution of the Minneapolis warehouse lease was unanimously approved, said lease being dated February 6, 1935, effective for one year commencing March 1, 1935, between Andrews, Inc. as lessor and The Ruberoid Co. as lessee, covering the premises 155-26th Avenue S.E., Minneapolis, Minn., at a rental of ninety dollars ($90.00) per month.

On motion duly made and seconded, the following contracts were ratified:

Alberoyd Corporation of America - Alberoyd 48/40 for Erie and Bound Brook - . per net ton f.o.b. cars Damon, Va. - 2% on the 10th of the month - expires January 31, 1936.

American Can Company - tin cans for Baltimore, Bound Brook, Erie and Millis - 1% for cash in ten days - expires December 31, 1937.

Drake Petroleum Co. - Drake mineral spirits for Joliet - $.0768 per gal. frei allowed - 1% for cash in ten days, thirty days net - expires December 31,

Enterprise Can Co. - 2½ to 10-gl. steel pails for Erie - 1% for cash in ten d expires June 30, 1935.

The Grasselli Chemical Co. - Sherardizing zinc for Joliet - expires December

Graybar Electric Co. - incandescent lamps for Bound Brook and Millis - expire December 31, 1935.

Illinois Steel Co. - crude coal tar for Joliet (1,250,000 to 1,875,000 gallon 4-1/2¢ per gal. f.o.b. Gary, Ind. - 1/2 of 1% in ten days - expires Decemb 1935.

Missouri Portland Cement Co. - red ring Portland cement, in bulk, shipment to Louis - $1.55 per standard barrel - cash discount of 10¢ per barrel - exp December 31, 1935.

National Enameling & Stamping Co. - steel drums for Joliet - 1% for cash in t expires June 30, 1935.

Ohio Pail Co. - 2½ to 10 gal. steel pails for Baltimore - 1% for cash on the and 10th - expires June 30, 1935.

Pittsburgh Coal Co. - coal for Erie - $1.65 per net ton f.o.b. mine (gas sla Banning steam stoker); $1.75 per net ton f.o.b. mine (champion stoker fue expires June 17, 1936.

Seaboard Operating Co. - micaceous talc for Baltimore - $7.75 per net ton d Baltimore 'in paper bags) - 1% for cash in ten days - expires December 31

Southern Mica Co. - AA-160, AA-700, AA-50 dry ground mica for all plants - $ per ton - 1% ten days - expires December 31, 1935.

Standard Oil Co. of N.J. - fuel oil for Baltimore - top price not to exceed per barrel - 1% for cash in ten days - expires December 31, 1935.

Standard Oil Co. of N.J. - lubricants for Baltimore - 1% 10 days - expires D 31, 1935.

Trumbull Asphalt Co. - hard asphalt in drums for Chicago territory - $18.00 (190°-200°F, 170°-175° asphalt); $20.00 per ton (150°-165°); $20.50 per (125°-130°); f.o.b. Claring, Ill. - 1% for cash in ten days - expires De 31, 1935.

Union Collieries Co. - #3 stoker coal for Erie - $2.00 per ton f.o.b. mine 1% discount in ten days - expires June 15, 1936.

United States Rubber Products Co. Inc. - mechanical rubber goods for Bound 2% 10th proximo, 60 days net - expires December 31, 1935.

On motion duly made and seconded, the employment of the following persons w unanimously approved:

	Salary
Bound Brook	
L. W. Bennett - factory specialty man - effective February 18, 1935.	$175.00 pe
Chicago	
Natalie Merk - typist - effective February 1, 1935.	65.00 "
Millis	
Mary V. Morrison - clerk - effective January 28, 1935.	15.00 "
Geo. C. Warren - salesman - effective February 11, 1935 - (replacing L. C. Wilbur, released)	200.00 "

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New York — Salary

Mae Coleman - dictaphone operator and stenographer - effective February 15, 1935. — $22.00 per week

The foregoing involves salaries totalling....$600.33 per month

On motion duly made and seconded, the following appropriations were authorized:

Baltimore.......No. 80...Chilled iron opposition roll for cutter........		$ 295.00
Joliet..........No.319...Repairs W-P Mixer..............................		1,115.75
	" 320...Additional tank storage for tar plant..........	11,584.00
	" 321...Change water intake............................	613.00
	" 322...Rag cutter repairs.............................	1,275.00
Mobile..........No. 74...New rotary shingle cutter......................		2,160.00
St. Louis.......No. 48...Structural changes trimming department..........		1,497.19
	" 49...Equipment to perfect the manufacture of floor tile......................................	2,960.00
	" 50...Brick Style Siding equipment..................	515.05
	TOTAL.......	$22,012.99

Total amount of appropriations (including those of today) authorized thus far this year..........................$36,926.98

The meeting thereupon adjourned.

E. M. Johnson

Secretary

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