PLAINTIFF'S EXHIBIT

FSA-6

FLUID SEALING ASSOCIATION

Board of Director's

Wednesday, February 16, 1977
Thursday, February 17, 1977

Caesar's Palace
Las Vegas, Nevada

MINUTES

The meeting of the Board of Director's of the Fluid Sealing Association was held on Wednesday afternoon, February 16 and Thursday afternoon, February 17, 1977 at the Caesar's Palace in Las Vegas, Nevada.

Members Present: Richard T. McDermott - President
Clay M. Jewett - Vice-President
George K. Mordas
John Scannell
Jack Reynolds
W. Jerry Rooney
Vernon W. Gibson, Jr.
Charles J. Kenkelen
John Rhine
Robert P. van Blaricom

Members Absent: Roy Van Ness

Staff Present: Brent H. Farber, Jr.
Stephen W. Armstrong, Legal Counsel

President Richard McDermott called the meeting to order at 4:00 p.m. pointing out to the members of the Board that in order to cover all of the materials on the agenda, the first session of the meeting would run to approximately 5:30 p.m. today and the Board would reconvene on Thursday at 3:30 p.m. to wound up its business.

MINUTES

The minutes of the Board of Director's meetings held on September 29 and September 30, 1976 were approved as distributed with one minor correction by adding Robert van Blaricom to those Directors attending the New Board Meeting held on September 30.

TREASURER'S REPORT

Secretary/Treasurer Farber presented the CPA's Audited Report for the calendar year ending December 31, 1976. After reviewing the Report, there was a motion made and seconded that the report be accepted. Motion carried.

ANNUAL REPORT OF DIRECTORS

President McDermott went over with the Directors the Annual Report that he would present to the membership in accordance with Section 17 of our Bylaws. The Secretary was instructed to include this report with the minutes.

MEMBERSHIP

The following applications for Regular Membership were presented and approved:

1. Raybestos-Manhattan, Inc.
   North Charleston, South Carolina

   Representatives: William Krucke
   Milton Q. Scowcroft

2. Donley's Inc. - Circo-Flex Division
   Cleveland, Ohio

   Representative: Robert L. Lawrence

The following company was approved as a Potential Regular Member:

Sur-Seal Gasket & Packing Inc.
Cincinnati, Ohio

Representative: Paul L. Hehman

The following company was approved as a Potential Associate Member:

Amatex Corporation
Norristown, Pennsylvania

Representative: Boyce Bond

The Secretary/Treasurer advised the Board that he had been notified by Richard Klinger, Inc. that their new manufacturing plant in Sidney, Ohio would be starting up sometime in May of 1977. With this in mind, the Directors approved Richard Klinger, Inc. changing its classification from an Associate Foreign member to a Regular Member.

At this point several members of the Board suggested that the Chairman of our Membership Committee contact Union Carbide, now listed as an Associate Member, to discuss with them changing their classification to a Regular Member since they now manufacture and market a sealing device.

Vernon Gibson advised the Board that his company Sepco, had purchased one of our members,Crow Industries, Inc. and in the future they would be known as a division of Sepco.

DUES

Following the Membership reports, the Directors discussed at some length our Dues Schedule and there was a strong feeling that our minimum dues were entirely too low and unanimous approval was given to raising the minimum dues to $250 and adding $100 to each other class of dues. In addition a motion was made and carried that the dues increase be retroactive covering the year 1977. The Secretary was instructed to send an additional bill to each member covering the increase.

MEMBERSHIP QUALIFICATIONS

The Directors asked advice of our legal counsel Stephen Armstrong, as to how we could clarify our membership qualifications in our Bylaws so that there would be no misunderstanding as to who qualified as a manufacturer under the Bylaws. Legal Counsel told the Board that he would review the Bylaws and make a recommendation on clarifying this section.

President McDermott adjourned the Board of Directors meeting at 5:30 p.m. reminding the members that the Board would reconvene at 3:30 p.m. the next day.

RECESS

On Thursday, February 17, President McDermott reconvened the Board of Directors' meeting of the Fluid Sealing Association.

FUTURE MEETINGS

Vice-president Clay Jewett reviewed with the Board of Directors several suggested changes in future meeting locations brought about mainly by the new Federal Tax Law which will make having meetings abroad very difficult and costly. The Directors agreed with the suggested changes and instructed the Secretary to send out a new schedule for future meetings to the members.

STANDARD & TECHNICAL COMMITTEE REPORT

Vice-president Clay Jewett reviewed with the Directors the material covered by the S & T Committee just prior to this meeting. He pointed out that the Committee had discussed at some length how much information should be made available to foreign members not participating in certain projects. At the meeting President McDermott told the committee he felt all foreign members already had any information that our members might have and therefore felt that we could gain more from their knowledge by exchanging information. It was decided that if a foreign member seemed reluctant to give information when requested that the member should be spoken to at the next meeting.

The Committee also decided that the Chairman should extol the values of the Standard and Technical Committee at the General Membership Meeting since many new members and old probably do not know the purpose of the S & T Committee.

REPORTING SALES AND PRODUCTION FIGURES

The Board decided that the figures that were presently being collected by the Association office were meaningful including the Sales Index Figures. It was suggested that, since some of the new members did not know about reporting figures, a notice be mailed to those members not now reporting reminding them of these reports and see if any more members wish to join the program.

In this regard, it was moved and seconded that if a new member decided to join the reporting program his firm's figures should be included in the first quarter of each year following the approval of his membership. Motion carried.

DUMPING

The Board decided that at this time the subject of 'Dumping" should be dropped from the agenda.

QUESTIONS AND ANSWERS ON ASBESTOS

Vernon Gibson presented some suggestions on "Questions and Answers" about asbestos that he felt FSA should develop and be presented to our customers. President McDermott asked the Directors take these suggestions home with them and study them and be prepared to make a recommendation as to how they should be handled at the next Board of Directors meeting. The Secretary was also instructed to obtain the March edition of duPont Context magazine and forward one to each of the Directors so that they could read the article on "Occupational Cancer". Finally, it was decided that our Legal Counsel would also review the suggestions presented by Vernon Gibson and if he felt that the Association had enough back-up material for the suggestions that FSA would at that time decide whether or not they could afford to promote such a program.

FOREIGN MEMBERS

Due to a time problem this subject was tabled for review at a later date.

The meeting was adjourned at 5:40 p.m.

FLUID SEALING ASSOCIATION

ANNUAL REPORT OF DIRECTORS

1976

FEBRUARY 18, 1977

In accordance with Section XVII of our Bylaws the following is the Annual Report of the Directors of FSA to its members:

1. Statement of Assets, Liabilities and Fund Balance

Cash	$20,109.00
Savings Account and Certificates of Deposit	17,870.00
Dues and Accounts Receivable	177.00
Inventory - Plaques	
	$38,156.00

Liabilities & Fund Balance

Liabilities:

Prepaid Dues	$19,550.00
Accrued Expenses	3,535,00
Fund Balance	15,071.00
	$38,156.00

2. There were no principal changes in our assets and liabilities during the year 1976.

3. The revenue or receipts of the association were $41,457.00

4. The expenses or disbursements of the association were $34,914.00.

5. The number of Regular members of the Association as of December 31, 1976 were 50 and Associate members 12. This is an increase of 5 regular members and two associate members over 1975. We also have 4 Honorary members. A list of our members may be found at the Association office, 2017 Walnut Street, Philadelphia, PA 19103.