

FILE NAME: Cape Asbestos (CAPE)

DATE: 1975 July 4

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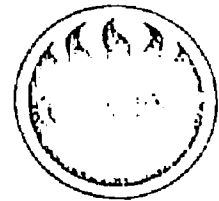
DOCUMENT DESCRIPTION: Letter from Cape Asbestos Fibre Ltd. to Mr. Morgan noting resignation of board members for liability reasons [Legal - Tibbs Case Exhibit 55]

Cape Asbestos Fibres Limited

REGISTERED IN ENGLAND No. 676 215

REGISTERED OFFICE

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Mr. C.G. Morgan,
39 Croydon Lane,
York Woods,
Oak Brook,
Illinois 60521.

4th July, 1975

Dear Gerry,

Tony Penna has come to the conclusion that it would have been of some advantage so far as the Pittsburgh case is concerned, if neither Mr. Higham nor I had been members of the NAAC and (in Mr. Higham's case) EGNEP Boards.

Although it will not affect the present situation, Tony has recommended that it would be as well for Mr. Higham and me to resign from these and other Boards which could conceivably be involved in future actions. You will understand that the reason for this is to dissociate the Parent Company as fully as possible from the operating companies and that it does not imply any change whatever in the method of operation or the present responsibilities of individuals concerned, including yourself.

The formal resignations will reach you in due course and I understand that it will be necessary to amend the Articles to reduce the minimum number of directors to three. In view of the other changes we are contemplating and about which I wrote to you recently, it would hardly seem appropriate to appoint other directors at this time but it will of course be necessary to go through the formality of appointing a Chairman. I suggest that you discuss these formalities with Max as soon as you can and it would seem logical for either him or for Herb to become Chairman.

It would I think be as well for this letter not to appear on the office file and so I am sending it to your home. I am also sending a copy to Max at his private address.

Yours sincerely,


Dr. R. Gaze

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RG/WFG

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