

PITTSBURGH CORNING CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD AT ROLLING ROCK CLUB, LIGONIER, PENNSYLVANIA
THURSDAY, JUNE 14, 1962

PLAINTIFF'S
EXHIBIT
12018.06

THE REGULAR QUARTERLY MEETING OF THE BOARD OF DIRECTORS OF PITTSBURGH CORNING CORPORATION WAS HELD AT THE APPOINTED TIME AND PLACE ON THURSDAY, JUNE 14, 1962.

MEMBERS PRESENT:

MR. RUSSELL BRITTINGHAM, PRESIDING
MR. W. C. DECKER
MR. D. G. HILL
MR. AMORY HOUGHTON, JR.
MR. AMORY HOUGHTON, SR.
MR. FELIX T. HUGHES

PLAINTIFF'S
EXHIBIT
WV-11685

THE PRESIDENT REPORTED ON THE STATUS OF THE NEW TECHNICAL CENTER AT PLUM BOROUGH. IT WAS NOTED THE BOARD HAD GRANTED APPROVAL TO BUILD THIS CENTER AND HAD APPROVED THE SUM OF \$961,000 FOR THIS PURPOSE. AFTER REVIEW THE ESTIMATED COST OF THE PROJECT WAS DETERMINED TO BE \$860,000, AND AN APPROPRIATION REQUEST WAS ISSUED. AS OF MAY 31, 1962, EXPENDITURES OF \$795,000 HAVE BEEN MADE, WITH AN ADDITIONAL COMPLETION COST OF \$55,000 REQUIRED. THE TOTAL COST OF THE PROJECT IS EXPECTED TO BE SLIGHTLY LESS THAN \$850,000, OR 2.2% UNDER THE APPROPRIATION REQUEST. THE COST OF THE BUILDING ONLY WAS \$21.42 PER SQUARE FOOT.

IN CONJUNCTION WITH THE MOVE TO THE NEW CENTER, THE COMPANY ASSISTED OUR EMPLOYEES IN THE SELLING OF THEIR HOMES AND MOVING TO PLUM BOROUGH. AS OF MAY 31 WE WERE COMMITTED TO PURCHASE EIGHT EMPLOYEE HOMES OF WHICH FIVE HAVE ALREADY BEEN NEGOTIATED FOR. THE OTHER THREE HOMES WILL BE PURCHASED IN THE NEXT FEW MONTHS. TOTAL COST OF THE HOMES IS ESTIMATED AT \$126,000 AGAINST THE ORIGINAL ESTIMATE OF \$171,000. THIS DIFFERENCE IS DUE TO OUR NOT BUYING TWO HOMES. WE HAVE SIGNED SALES AGREEMENTS ON TWO HOMES AND ARE WORKING ON THE REMAINING UNITS.

THE PRESIDENT RECALLED TO THE BOARD THAT IN MARCH HE HAD REPORTED THAT NEGOTIATIONS WITH UNION ASBESTOS AND RUBBER COMPANY OF CHICAGO, ILLINOIS, FOR THE PURCHASE BY PITTSBURGH CORNING CORPORATION OF FACILITIES OF UNION ASBESTOS FOR THE PRODUCTION OF A HIGH TEMPERATURE INSULATION PRODUCT HAD BROKEN DOWN, AND THAT AT THE MEETING THE BOARD AUTHORIZED THE COMPANY TO ERECT A PLANT FOR THE MANUFACTURE OF AN ASBESTOS BASE HIGH TEMPERATURE INSULATION PRODUCT.

THE PRESIDENT SAID THAT: (A) VERY SHORTLY AFTER THIS BOARD MEETING HE HAD BEEN REAPPROACHED BY THE PRESIDENT OF UNION ASBESTOS WHO SAID THAT THEY WOULD BE WILLING TO SELL THEIR FACILITIES FOR THE MANUFACTURE OF ITS UNIBESTOS HIGH TEMPERATURE INSULATION PRODUCT FOR THE SUM OF \$750,000; (B) IN HIS JUDGMENT SUCH FIGURE WOULD REPRESENT A FAIR PRICE FOR SUCH ASSETS; (C) THE PRINCIPAL RAW MATERIAL FROM WHICH UNIBESTOS IS MANUFACTURED IS AMOSITE ASBESTOS FIBER AND THAT THESE FIBERS ARE MINED IN THE UNION OF SOUTH AFRICA BY CAPE ASBESTOS COMPANY, LIMITED OF GREAT BRITAIN WHICH PRODUCES 90-95% OF THE WORLD'S PRODUCTION OF AMOSITE; (D) HE HAD RECEIVED ASSURANCES FROM CAPE ASBESTOS COMPANY, LIMITED

THAT IT WOULD BE WILLING TO SUPPLY PITTSBURGH CORNING CORPORATION WITH ITS REQUIREMENTS OF AMOSITE ASBESTOS FIBER FOR A PERIOD OF AT LEAST FIVE YEARS; AND (E) HE RECOMMENDED THE BOARD AUTHORIZE THE PURCHASE BY PITTSBURGH CORNING OF THE FACILITIES OF UNION ASBESTOS FOR THE MANUFACTURE OF UNIBESTOS FOR THE SUM OF \$750,000.

AFTER DISCUSSION, AFTER MOTION ONLY MADE, SECONDED, AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, UNION ASBESTOS AND RUBBER COMPANY OF CHICAGO, ILLINOIS, HAS INDICATED TO PITTSBURGH CORNING CORPORATION THAT IT WOULD BE WILLING TO SELL ITS FACILITIES FOR THE MANUFACTURE OF THE HIGH TEMPERATURE INSULATION PRODUCT KNOWN AS UNIBESTOS, WHICH FACILITIES CONSIST OF ITS PLANT AND EQUIPMENT AT TYLER, TEXAS, AND CERTAIN OF ITS EQUIPMENT IN ITS PLANT AT BLOOMINGTON, ILLINOIS, FOR THE SUM OF \$750,000; AND

WHEREAS, IT WOULD BE DESIRABLE FOR PITTSBURGH CORNING CORPORATION TO PURCHASE THESE FACILITIES BECAUSE IT DOES NOT HAVE A HIGH TEMPERATURE INSULATION PRODUCT AND THE SUM OF \$750,000 APPEARS TO REPRESENT A FAIR PRICE FOR UNION ASBESTOS' FACILITIES FOR THE MANUFACTURE OF UNIBESTOS.

NOW THEREFORE, BE IT RESOLVED THAT THE PROPER OFFICERS OF THIS COMPANY BE, AND THEY HEREBY ARE, AUTHORIZED TO ENTER INTO AN AGREEMENT FOR, ON BEHALF OF, AND IN THE NAME OF PITTSBURGH CORNING CORPORATION WITH UNION ASBESTOS AND RUBBER COMPANY FOR THE PURCHASE BY PITTSBURGH CORNING OF THE LATTER'S AFOREMENTIONED FACILITIES FOR THE MANUFACTURE OF UNIBESTOS TOGETHER WITH THE TRADEMARK "UNIBESTOS" FOR THE SUM OF \$750,000.

THE PRESIDENT STATED THAT WHEN THE ASSETS OF UNION ASBESTOS AND RUBBER COMPANY LOCATED IN TYLER, TEXAS, ARE PURCHASED, PITTSBURGH CORNING SHOULD QUALIFY TO TRANSACT BUSINESS UNDER THE LAWS OF THAT STATE AND MOVED THE FOLLOWING RESOLUTION WHICH WAS ONLY SECONDED AND UNANIMOUSLY ADOPTED:

BE IT RESOLVED THAT THE PROPER OFFICERS OF THIS CORPORATION BE, AND THEY HEREBY ARE AUTHORIZED AND DIRECTED TO DO ANY AND ALL ACTS AND TO MAKE, FILE AND RECORD ANY AND ALL DOCUMENTS REQUIRED BY LAW TO QUALIFY THIS CORPORATION TO TRANSACT BUSINESS IN THE STATE OF TEXAS.

IN CONNECTION WITH THE RAW MATERIAL SUPPLY FOR THE HIGH TEMPERATURE PRODUCT, THE PRESIDENT ADVISED THAT A CONTRACT WITH CAPE ASBESTOS LIMITED, LONDON, ENGLAND, WAS IN THE PROCESS OF BEING DRAWN UP AND THAT HE WOULD GO TO ENGLAND IN THE NEAR FUTURE, IF NECESSARY, TO FINALIZE THE CONTRACT. HE WILL ENDEAVOR TO NEGOTIATE A FIVE-YEAR CONTRACT, RENEWABLE ANNUALLY THEREAFTER, FOR OUR RAW MATERIAL NEEDS.

NO FURTHER BUSINESS BEING BROUGHT BEFORE THE BOARD, UPON MOTION ONLY MADE, SECONDED AND CARRIED, THE MEETING WAS ADJOURNED AT 7:00 P.M.


FRANK R. MASTON
SECRETARY