

FRICION MATERIALS STANDARDS INSTITUTE, INC., E-210 ROUTE 4, PARAMUS, N.J. 07652

MINUTES OF MEETING

OF THE

BOARD OF DIRECTORS

Wednesday and Thursday, June 17-18, 1981

at

The Homestead, Hot Springs, Virginia

DIRECTORS PRESENT

Gordon A. Carrigan, President
Robert E. Nelson, Vice President

Francis E. Messier

Robert J. Anderson

Stuart Comins
F. William Barton
John P. Gallagher

S. K. Wellman Corporation
Abex Corporation
Friction Products Group
Bendix Corporation
Automotive Aftermarket Operations
Certified Brakes
A Lear Siegler Company
P. T. Brake Lining Company, Inc.
Reddaway Manufacturing Company, Inc.
Thiokol Chemical Corporation

OTHERS PRESENT

William Simon, Treasurer
Robert P. Gorman, Counsel

Edward W. Drislane, Secretary

Brassbestos Manufacturing Corporation
Durand, Gorman, Heher, Imbriaco
& Lynes, Counsellors at Law
Friction Materials Standards Institute

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Mr. Carrigan, acting as Chairman, called the meeting to order at 5:15 PM. on June 17, 1981.

ELECTION OF OFFICERS

The Chairman called for nominations for the office of President. The name of Mr. Gordon A. Carrigan was presented for President. Counsel asked that nominations be suspended, as Mr. Carrigan was not a Director of the Institute, and he referred the Directors to ARTICLE V, Section 2, Election and Term of Office. This Section states that the Board of Directors shall elect a President and Vice President from among its members. As Mr. Carrigan had not been elected a Director at the preceding Membership meeting, he was ineligible for election as President.

After further discussion, Mr. William Simon, Treasurer, submitted his resignation as a Director of the Institute.

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

RESOLVED: To accept Mr. William Simon's resignation
as a Director of the Institute.

FMSI 04408

FMSI--0363

Mr. Francis E. Messier assumed the position of Chairman of the meeting. Mr. Messier, citing ARTICLE IV, Section 5, Vacancies, announced that the remaining members of the Board of Directors shall choose a successor to fill the vacancy on the Board of Directors caused by Mr. Simon's resignation. Mr. Messier called for nominations for the vacancy on the Board of Directors. The name of Mr. Gordon A. Carrigan was presented for the Director position. The nomination was seconded.

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

RESOLVED: That nominations to fill the vacancy on the Board of Directors be closed.

Whereupon the Secretary was instructed to cast one ballot for the election of Mr. Gordon A. Carrigan as a Director. The Secretary advised that the ballot had been cast.

Mr. Carrigan reassumed the position of Chairman of the meeting, and he called for nominations for the office of President. The name of Gordon A. Carrigan was presented for President. The nomination was seconded.

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

RESOLVED: That the nominations for the office of President be closed.

Whereupon the Secretary was instructed to cast one ballot for the election of Mr. Gordon A. Carrigan as President. The Secretary advised that the ballot had been cast.

Mr. Carrigan called for nominations for the office of Vice President. Mr. Robert E. Nelson was nominated and seconded for the office of Vice President.

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

RESOLVED: That the nominations for the office of Vice President be closed.

Whereupon the Secretary was directed to cast one ballot for the election of Mr. Robert E. Nelson as Vice President. The Secretary advised that the ballot had been cast.

For the Office of Treasurer, the name of Mr. William Simon was presented and seconded.

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

RESOLVED: That the nominations for the office of Treasurer be closed.

Whereupon the Secretary was directed to cast one ballot for the election of Mr. William Simon as Treasurer. The Secretary advised that he had cast such ballot.

For the Office of Secretary, the name of Mr. Edward W. Drislane was presented and seconded.

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

RESOLVED: That the nominations for the office of Secretary be closed.

Whereupon the Secretary was instructed to cast one ballot for the election of Mr. Edward W. Drislane as Secretary. The Secretary advised that the ballot had been cast.

Whereupon the following persons are duly elected as officers of the Institute for the ensuing year:

Gordon A. Carrigan - President
Robert E. Nelson - Vice President
William Simon - Treasurer
Edward W. Drislane - Secretary

RETENTION OF COUNSEL

Mr. Carrigan advised that according to ARTICLE VI of the By-Laws, at each annual meeting legal counsel shall be retained for the ensuing year.

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

RESOLVED: That Mr. Robert P. Gorman of the Durand, Gorman, Heher, Imbriaco & Lynes Law Firm be retained as Counsel for the ensuing year.

RETENTION OF AUDITORS

The Chairman on recommendation of the Secretary, suggested the retention of auditors for the ensuing year.

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

RESOLVED: That Marshall Granger & Co., Certified Public Accountants, be retained as auditors for the ensuing year.

BUDGET - JULY 1, 1981 THROUGH JUNE 30, 1982

The Chairman advised the meeting that the expense budget presented to the Annual Meeting for \$101,005 for 1981-82 had been adopted by the Membership.

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

RESOLVED: That a budget of \$101,005 for the fiscal year starting July 1, 1981 be accepted.

FEE FORMULA - JULY 1, 1981 to JUNE 30, 1982

The meeting was advised that the outgoing Board of Directors had voted to maintain the 1980-81 fee formula for the fiscal year starting July 1, 1981.

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

RESOLVED: That the annual fee for the Active Members for the fiscal year starting July 1, 1981 for Active Members and Regional Members with Active Members rights be a basic rate \$1,150 and \$700 for each category in which engaged; for the individual regular Regional Member \$1,450; for trade groups holding Regional Membership \$2,400; and Licensees \$550.

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As the Directors wished to have additional input from the Membership on questions concerning organization of the Annual Meeting and the election of Directors and Officers, it was suggested that the meeting recess.

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

RESOLVED: To recess the meeting of the Board of Directors.

Meeting recessed at 5:30 PM, June 17, 1981

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Mr. Gordon A. Carrigan, acting as Chairman, reconvened the meeting of the Board of Directors at 10:10 AM, June 18, 1981.

RATIFICATION OF ACTS OF OFFICERS

Legal Counsel stated that since ARTICLE V, Section 2, Election and Terms of Office indicated that an individual could not serve as President or Vice President if not a Member of the Board of Directors, that the Board of Directors might entertain a motion to ratify and affirm any actions taken heretofore on behalf of the Institute by a non-eligible Officer, provided those acts had been done in good faith.

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

RESOLVED: That all acts by and all acts done at the direction of any President or Vice President of the Institute who was not also at the same time a Member of the Board of Directors, shall be and hereby are ratified and affirmed, provided only that such acts or directions were done in good faith.

AMENDMENT OF CONSTITUTION AND BY-LAWS

Based on the Board's recommendation on election of new Members this subject was discussed at the Membership Meeting, and it was decided to revise the recommendations on requirements for election. In summary, it was recommended that election require the affirmative vote of two-thirds of the Members responding to a mail ballot within thirty days of the mailing of the ballots to the Members. A similar two-thirds vote of those present was called for if the vote on application of a new member took place at a Meeting.

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

RESOLVED: That the Membership be asked to ballot on amendment of ARTICLE III, Section 2 of the Constitution to require the affirmative vote of two-thirds of the Members casting ballots within thirty days of the distribution of ballots, to elect a new Member of the Institute.

Legal Counsel was asked to prepare the necessary wording for the proposed amendment of the Constitution, and send it to the Office for preparation of ballots for the Membership.

Based on the earlier election of Officers and the resolution on ratification of the Acts of Officers, it was suggested that the Constitution and By-Laws be amended so that the President and Vice President could be elected as Officers, even if not members of the Board of Directors. This could enlarge participation in managing the affairs of the Institute. As this would require amendment of the Institute's Constitution and By-Laws, the question would have to be voted on by the full Membership.

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

RESOLVED: That the Membership be asked to ballot on amendment of ARTICLE V, Section 2 of the Constitution to permit the Board of Directors to elect a President and a Vice President from among the Members of the Institute, regardless of whether such member also serves as a member of the Board of Directors.

Legal Counsel was asked to prepare the necessary wording for the proposed amendment of the Constitution, and send it to the Institute Office for preparation of ballots for the Membership.

INSTITUTE LOGO

A Director suggested that the name tags issued by the Institute could be of better quality. One suggested a plastic nameplate with professional printing. It was further suggested that the Institute consider a logo for imprinting on the nameplate. It was noted that other trade associations such as ASIA, MEMA, APRA and others have a logo. The Secretary advised that he had been asked concerning an FMSI logo in the past, but that there had been no other movement in that area. Mr. Simon, Chairman of the Public Relations Committee, was asked to make suggestions concerning a logo for the Institute.

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

RESOLVED: That Mr. Simon, Chairman of the Public Relations Committee, report to the Board of Directors with his recommendations on design of a logo for the Friction Materials Standards Institute.

MEETING OF THE BOARD OF DIRECTORS

The next meeting of the Board of Directors is scheduled for the week of June 14, 1982, at Sawgrass, in Ponte Vedra Beach, Florida. If due to Committee action or other reasons an earlier Board Meeting must be called, the Directors will decide on a location and date at that time.

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There being no other business brought to the attention of the Board of Directors,

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

RESOLVED: To adjourn

Adjourned at 10:20 AM, June 18, 1981.

E. M. Drislane
Secretary