MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
OF THE GLIDDEN COMPANY

Minutes of the regular monthly meeting of the Board of Directors of The Glidden Company held in the Directors Room of the offices of the Company, 1396 Union Commerce Building, Cleveland, Ohio on Friday, December 17, 1954 at 10:00 A.M.

The following Directors were present:

Dwight P. Joyce	John H. Weeks
P. E. Sprague	R. D. Horner
John P. Ruth	W. G. Phillips
A. D. Duncan	W. C. Lighter
B. W. Maxey	H. L. Slaughter

Mr. Dwight P. Joyce, President, presided and Mr. R. D. Horner, Secretary, recorded the minutes.

Copies of the minutes of the November meeting of the Board of Directors having been mailed to each Director, the Directors present, upon motion duly made and seconded, unanimously agreed to dispense with the reading of the minutes and approved them as they appeared in the copies received by them.

Upon motion duly made and seconded the Directors unanimously approved action taken by the Executive Committee since February 11, 1954, the last previous date of Board approval of Executive Committee action, as reported in copies of minutes of the Executive Committee meetings mailed to each Director.

The President commented favorably on sales and profits as reported in the Company's Preliminary Operating Statement for each of its major Divisions. He also reviewed briefly comparative data prepared by Mr. B. W. Maxey, Vice President--Finance, relative to the sales and profits of each major Division of the Company for a nine-year period. The operating Vice Presidents each discussed the trend of their respective Division's sales and earnings for the first few months of the current fiscal year. The President commented to the Board particularly on the improved current earnings of the Food Division and the very fine current showing of the Chemicals-Pigments-Metals and Naval Stores Divisions.

All PFE's approved by the Executive Committee and/or the President, as well as those PFE's approved by the Vice Presidents and the Engineering Department as set forth in a report prepared by the Accounting Department dated December 15, 1954, covering the period from November 13 to December 10, 1954 and totaling $22,319, were, upon motion duly made and seconded, unanimously approved by the Directors.

Mr. H. L. Slaughter submitted PFE No. 21-258 in the amount of $65,000 covering cleaning and painting of buildings and equipment at the Louisville plant, covers for nine vegetable oil tanks, and provision for an office for a Federal Government inspector on the second floor of the Louisville Division's office building. Mr. Slaughter explained that approval of this PFE would not only effect a substantial improvement in a very large segment of the Louisville plant, but would also permit the manufacture of animal fat products at Louisville which were subject to inspection by the Federal Government's Bureau of Animal Industry. Following careful consideration and upon motion duly made and seconded, PFE No. 21-258 was unanimously approved by the Directors.

The Directors, upon motion duly made and seconded, unanimously approved an expenditure of not to exceed $120,000 for a second marine leg, and $243,365 for an additional elevator leg, as a part of the Calumet River terminal grain elevator project approved by the Board October 22, 1954. A proposal for these additional expenditures had been originally submitted by Mr. Willard C. Lighter, Vice President in charge of the Chemurgy Division, to Mr. Dwight P. Joyce in a Memorandum dated December 9, 1954. This proposal, as presented in Mr. Lighter's letter to Mr. Joyce, had been reviewed by the Executive Committee on December 10, 1954 and had been given tentative approval by the Committee, subject to final action by the Directors.

Mr. R. L. Lozon, Assistant to Mr. C. P. Maxson, Director of Purchases, presented a monthly report on developments during the preceding month pertaining to the price and availability of chemicals, pigments and vegetable oils and other agricultural commodities, metals, containers and other materials purchased by the Company.

The Directors considered a policy established by the Board June 17, 1949 requiring that a Division Vice President approve any hiring of hourly waged or salaried employees over 40 years of age. It was unanimously agreed that this policy should be rescinded; that, in the future, Company policy decisions involving age requirements for employment with the Company be reviewed by the Director of Personnel subject to the direction of the President; and that until such time as a different general policy was adopted, all Divisions of the Company should be guided by Personnel Bulletin No. 116 issued June 6, 1952 on this subject. Upon motion duly made and seconded, it was unanimously

> RESOLVED, that the policy established by resolution of this Board of Directors June 17, 1949 specifying age prerequisites for future employment of all hourly waged and salaried employees of this Company be and it is hereby rescinded.

Consideration was given to redefining the Company's policy relative to retiring hourly waged and salaried employees and salesmen. Upon the recommendation of Mr. B. W. Maxey, Chairman of the Pension Committee and following careful consideration of the Board, it was, upon motion duly made and seconded, unanimously

> RESOLVED, that is is and shall continue to be the policy of this Company to require that its employees retire from active employment upon reaching normal retirement age, as established

by the Retirement Plans adopted by this Board of Directors, as from time to time amended, subject, however, to such extensions of employment as may be granted

(1) to any hourly employee or salesman, for such successive periods of not more than one year each as may be approved by the Pension Committee,

(2) to any Officer, Director, Regional Director, Division Manager, or Headquarters Staff Department Head, upon recommendation of the Pension Committee, for such successive periods of one year each as may be approved by the Board of Directors or Executive Committee, and

(3) to any other salaried employee for a period of not more than one year by the Pension Committee, and thereafter, upon recommendation of the Pension Committee, for such successive periods of not more than one year each, as may be approved by the Board of Directors or Executive Committee; and

FURTHER RESOLVED, that the Pension Committee shall report to the Vice President--Finance immediately following each calendar month any action taken by said Committee, during such month, postponing the retirement of any employee beyond said normal retirement date; and

FURTHER RESOLVED, that the resolution adopted by this Board of Directors October 15, 1948 establishing a general retirement policy applicable to employees covered by this Company's Retirement Plan for Salaried Employees be and it is hereby superseded.

The Secretary presented proposals for amendment of the Code of Regulations of the Company which were carefully considered and discussed by the Directors. Upon motion duly made and seconded, it was unanimously

RESOLVED, that, subject to the approval of the Stockholders of this Company, the following Sections of the Code of Regulations of this Company, as heretofore amended, be amended so as to read as follows:

ARTICLE I
Meetings of Stockholders

"Section 1. Annual Meeting. The annual meeting of the stockholders for the election of Directors and the consideration of the reports to be laid before such meeting shall be held at the principal office of the Company, in the City of Cleveland, Ohio, or at such other place in the State of Ohio as may be

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directed by the Board of Directors, on the second Thursday in December, 1955, and each year thereafter, at 10:00 o'clock A.M."

ARTICLE III
Officers

"Section 1. Designations. The Company shall have a President, a Secretary, a Treasurer and a Controller and may also have, if the Board of Directors so determines, a Chairman of the Board of Directors, a Vice Chairman of the Board of Directors, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and Assistant Controllers. The Board of Directors may also elect or appoint such other officers as the Board of Directors may from time to time deem expedient, who shall have such powers and perform such duties as may be prescribed by the Board of Directors.

"The Chairman of the Board of Directors, the Vice Chairman of the Board of Directors and the President shall be chosen from the members of the Board of Directors. Other officers need not be members of the Board of Directors. Any two or more offices may be held by one and the same person, except that the offices of Chairman of the Board of Directors and Vice Chairman of the Board of Directors, the offices of President and Vice President, the offices of Treasurer and Controller, the offices of Treasurer and Assistant Treasurer, the offices of Secretary and Assistant Secretary and the offices of Controller and Assistant Controller may not be held by the same person."

ARTICLE IV
Duties of Officers

"Section 3. President. The President shall perform such duties as specifically imposed upon him by statute and such other duties as from time to time may be imposed upon him by the Board of Directors or by the Executive Committee or by the Chairman of the Board of Directors, and shall be the general manager of the business of the Company, subject, however, at all times to the control of the Board of Directors, and of the Executive Committee and of the Chairman of the Board of Directors, and in case of the absence or disability of both the Chairman of the Board of Directors and Vice Chairman of the Board of Directors, or of vacancies in the offices of both of them, the President shall be vested with all of the powers, and be required to perform all of the duties, of the Chairman of the Board of Directors."

"Section 7. Treasurer. The Treasurer shall receive and safely keep all moneys, checks, notes or drafts received by the Company belonging to it, and make proper deposit of the same in the name of the Company and shall disburse said moneys under the direction of the Board of Directors. The Treasurer generally shall perform those duties usually pertaining to the office of Treasurer, and such other duties as the Board of Directors or the Executive

Committee or Chairman of the Board of Directors shall require and at the termination of his term of office, shall deliver all moneys and other property of the Company into the possession of his successor or to the Chairman of the Board of Directors."

"Section 9. Controller. The Controller shall keep the books of account, accounting records and financial records of the Company and he shall maintain internal audit and control over all disbursements of funds and other financial transactions of the Company, subject, however, at all times to the control of the Board of Directors and of the Executive Committee. He shall render to the Chairman of the Board of Directors and to the Board of Directors and to the Executive Committee reports and statements of the financial condition of the Company and such other financial statements as any of them may request, and shall perform such other duties as may be required by the Board of Directors or by the Executive Committee or by the Chairman of the Board of Directors and shall render at meetings of stockholders such financial statements of the Company as may be required by law."

"Section 10. Assistant Controllers. The Assistant Controllers of the Company shall perform such duties as from time to time may be respectively imposed upon them by the Board of Directors or by the Executive Committee or by the Chairman of the Board of Directors, and in case of the absence or disability of the Controller, or of a vacancy in his office, the Assistant Controller (or if there be more than one Assistant Controller, then the Assistant Controller who is then the senior in office) shall be vested with all the Controller's powers and required to perform all the Controller's duties."

ARTICLE V
Executive Committee

"Section 1. Number and Election. The Board of Directors may at any time elect from their number an Executive Committee which shall consist of not less than three (3) members, each of whom shall hold office during the pleasure of the Board and may be removed at any time with or without cause, by the vote thereof."

"Section 2. Duties. The Executive Committee shall be vested with the powers of the Board of Directors between meetings of the Board, subject to limitations which may from time to time be placed upon the Executive Committee by the Board of Directors."

"Section 3. Meetings. Meetings of the Executive Committee shall be held on call of the Chairman of the Board of Directors or of any two members of the Committee. All members of the Commitee shall be notified of its meetings, and a majority of its members shall constitute a quorum. The Executive Committee shall keep a record of its meetings and transactions which shall at all times be open to the inspection of any Director."

ARTICLE VIII
Signing of Checks, Notes, Etc.

"All checks, notes and other obligations or evidences of indebtedness of the Company shall be drawn and signed by one or more Executive Officers of the Company granted such authority by resolution of the Board of Directors. The Board of Directors may also grant any two of said Executive Officers authority to designate other officers and employees of the Company, one or more of whom shall be empowered to sign or countersign checks and to endorse, for collection or deposit to the credit of the Company, checks, notes, or other obligations or evidences of indebtedness."

ARTICLE IX
Fiscal Year

"The fiscal year of this Company for 1955 shall begin November 1, 1954 and end August 31, 1955 and subsequent fiscal years shall begin with the first day of September in each calendar year and end on the 31st day of August of the calendar year following."

ARTICLE X
Amendments

"These regulations may be altered, repealed or amended by the consent in writing of two-thirds of the outstanding capital stock at the time entitled to voting privileges, or at any annual meeting of the stockholders or meeting called for that purpose, by the vote of the holders of a majority of the outstanding capital stock at the time entitled to voting privileges."

The Directors considered an amendment of the Articles of Incorporation presented by the Secretary changing the No Par Common Stock of the Company to Common Stock with $10 Par Value. Upon motion duly made and seconded, it was unanimously

RESOLVED, that, subject to the approval of the Stockholders of this Company, the Amended Articles of this Corporation, as heretofore amended, be further amended as follows:

(a) Section 1 of Article Fourth of said Amended Articles, as heretofore amended, is hereby further amended so as to read as follows:

"Section 1. The authorized number of shares of the corporation is three million (3,000,000), all of

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which shall be shares of Common Stock with a par value of Ten Dollars ($10.00) each."

(b) Article Fifth of said Amended Articles is hereby amended so as to read as follows:

"FIFTH: The amount of the stated capital of the corporation shall be Ten Dollars ($10.00) for each issued and outstanding share of Common Stock of the corporation, making an aggregate stated capital of Twenty-two Million Nine Hundred and Thirty-four Thousand Five Hundred and Fifty Dollars ($22,934,550.00) at the time of filing this amendment to the Amended Articles of the corporation."

FURTHER RESOLVED, that the proper officers of this Company be and they are hereby authorized and directed in the name and on behalf of this Company to prepare, execute and file with the New York Stock Exchange the supplemental listing application necessitated by the foregoing resolution for all shares of Common Stock of this Company listed on said Exchange, said supplemental listing application to be effective upon the stockholders' adoption of the foregoing resolution and the proper filing of said amendment in the office of the Secretary of State of the State of Ohio.

The Secretary submitted to the Directors a proposed Notice, Proxy, and Proxy Statement to be mailed to holders of Common Stock of record January 11, 1955 in connection with the February 10, 1955 Annual Stockholders Meeting. The Directors carefully considered items of business to be acted upon by the stockholders of the Company and, upon motion duly made and seconded, unanimously adopted the following resolution:

WHEREAS the Board of Directors of this Company deems it advisable

(a) that the number of directors of the Company be decreased from twelve (12) to ten (10);

(b) that the shares of Common Stock of the Company be changed from shares without par value to shares of the par value of $10 each;

(c) that the proposed amendments of the Regulations of the Company, which have been presented to this meeting, be adopted by the stockholders; and

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(d) that the stockholders of the Company be requested to designate a firm of independent Certified Public Accountants to be engaged as auditors by the Company;

NOW, THEREFORE, RESOLVED that the annual meeting of stockholders of the Company, which, under the provisions of the Regulations of the Company, is to be held on February 10, 1955, at 10:00 o'clock A.M., be called for the following purposes:

(1) To fix the number of directors to be elected at said annual meeting;

(2) To elect directors of the Company;

(3) To consider and act upon a proposal to amend the Amended Articles of the Company so as to change the authorized shares of the Company, including the issued and outstanding shares, from shares without par value to shares of the par value of $10 each;

(4) To consider and act upon the above mentioned proposed amendments of the Regulations of the Company;

(5) To consider and act upon the designation of Ernst & Ernst as auditors for the Company;

(6) To transact such other business as properly may come before the meeting;

and that the Secretary of the Company be and he hereby is authorized and directed to give notice of said annual meeting of the stockholders, as required by law and the Regulations of the Company; and

FURTHER RESOLVED that the Board of Directors recommend to the stockholders of the Company that the number of directors to be elected at said annual meeting be fixed at ten (10), that said proposed amendment of the Amended Articles of the Company be adopted, that said proposed amendments of the Regulations of the Company be adopted and that the stockholders designate the firm of Ernst & Ernst as auditors for the Company; and

FURTHER RESOLVED that the form of Notice of Annual Meeting of Stockholders to be held on February 10, 1955, the form of Proxy Statement to accompany said notice, and the form of Proxy to be used at said meeting, which have been presented at this meeting of the Board of Directors, be and they hereby are approved by the Board of Directors, subject to such changes therein, if any, as may be required by the Securities and Exchange Commission or as may be approved by the President and the Secretary of the Company.

An amendment dated December 8, 1954 to the Employment Agreement of Mr. Dwight P. Joyce as President and General Manager of the Company providing for adjustment of Mr. Joyce's annual salary and additional compensation in the event of approval by the stockholders on February 10, 1955 of the proposed change in the Company's fiscal year, was presented by Mr. B. W. Maxey, Vice President--Finance, and was, upon motion duly made and seconded, unanimously approved by the Directors.

The Directors, upon motion duly made and seconded, unanimously approved and authorized Mr. P. E. Sprague, Chairman of the Stock Option Committee, to execute on behalf of the Company a form of Employee's Stock Option Contract submitted by the Stock Option Committee for use in connection with a tender of Options to purhase Common Stock of the Company to be made to key employees in December by the Stock Option Committee, subject to approval of the President, pursuant to the Company's Stock Option Incentive Plan.

The Board, upon motion duly made and seconded, unanimously approved the Donation Committee's December 14, 1954 Quarterly Report as submitted to the Directors by Mr. W. G. Phillips, Chairman of this Committee.

Upon motion duly made and seconded, the Directors unanimously adopted the following resolution relative to approval of indemnity bonds used in connection with stock certificate replacements.

> RESOLVED, that the authorization of J. A. Peters, Treasurer, to approve Indemnity Bonds used by The Cleveland Trust Company, Transfer Agent, and the Central National Bank of Cleveland, Registrar of this Corporation, as a basis for issuing, countersigning and registering new certificates for shares represented by and in placement of certificates reported by shareholders of this Corporation as lost, destroyed or stolen, be and the same is hereby terminated, and that W. G. Phillips, Treasurer, be and he is hereby authorized to approve said Indemnity Bonds.

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Mr. P. E. Sprague reported that the Naval Stores Division was preparing plans for a tall oil project involving an expenditure of up to $6,000,000. A concrete proposal covering this project, he stated, would be submitted in the near future to the Board.

The Directors, upon motion duly made and seconded, unanimously authorized Mr. Sprague to negotiate with Turpentine & Rosin Factors, Inc. of Jacksonville, Florida for the sale to T&R of the Company's 50% stock ownership in its subsidiary, the Jacksonville Processing Corporation. This authorization was conditioned upon Jacksonville Processing Corporation first distributing its entire earned surplus as a dividend to its stockholders prior to March 31, 1955, the date of the proposed sale; the Company receiving from T&R, as consideration for its stock, payments aggregating $115,220, $77,720 of which would be paid on the date of sale and the balance over a period of years as evidenced by a promissory note having a maturity and bearing interest satisfactory to the Company; as well as certain other requirements to be included by Mr. Sprague in a letter to T&R setting forth the Company's proposal to sell its Jacksonville Processing Corporation stock.

The Directors, upon motion duly made and seconded, unanimously approved extending the employment of Mr. M. A. Palle, Purchasing Agent for the Chemicals-Pigments-Metals Baltimore Division, for a period of six months beyond February 11, 1955, his normal retirement date. Mr. B. W. Maxey, Chairman of the Pension Committee, explained that this extension would permit the Company to use Mr. Palle's services for a period of sharply increased purchasing during the construction of the Chemicals-Pigments-Metals Division's Adrian D. Joyce Works. Mr. Maxey said that training of Mr. Palle's successor, Mr. Peter Maxson, would be continued during the extension period and that the

Committee had every expectation that Mr. Maxson would be fully qualified and able to assume Mr. Palle's duties July 11, 1955.

There being no further business to come before the Directors, the meeting was adjourned.

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