OWENS-ILLINOIS GLASS COMPANY

Meeting of Directors

Toledo, Ohio, January 17, 1941

A special meeting of the Board of Directors of Owens-Illinois Glass Company was held on Friday, January 17, 1941, at 9.30 a.m., in the general offices of the Company, Ohio Building, Toledo, Ohio, upon call of the President and notice duly given to each Director.

Present: W. E. Levis, President, presiding
R. H. Barnerd
C. B. Belknap
Harold Boeschenstein
W. F. Boshart
Harry E. Collin
G. P. Greenhalgh
W. W. Knight
J. P. Levis
F. H. McAdoo
C. J. Wilcox

and also L. T. Williams of General Counsel
J. H. McNerney, Secretary

Absent: C. J. Root
F. W. Schwenck

Mr. W. E. Levis presented a draft of a proposed tribute to Mr. H. Godfrey Phillipps. On motion, the following tribute was adopted by unanimous vote and it was ordered that an engrossed and bound copy, signed by each Director, be delivered to Mrs. Phillipps:

"It is with deep sorrow that we record the death of our friend and fellow Director

H. GODFREY PHILLIPPS

Memorial to H. Godfrey Phillipps

"He was associated with the active management of the Company and its affiliates for more than thirty years in important capacities, among them being Vice-President, Assistant General Manager, and Treasurer. Resigning as Vice-President and Treasurer April 19, 1939, he continued by request as a Director until his death on December 30, 1940.

"In the affairs of the Company, his experience and counsel were constantly relied upon. His knowledge of financial and operating matters, sound judgment, honest thinking, and straight-forward conduct earned for him the entire confidence of the organization and an exceedingly important part in the Company's affairs.

Directors, January 17, 1941

"All who knew him respected and liked Godfrey Phillipps as a man. His wholesome way of living - his vigorous personality - his courage and candor - his firm adherence to principle - his alert and ever practical mind - his ready interest in science, sports, and the many activities of business and social life continually inspired their friendship and respect.

"Above all, his family life commanded admiration. His devotion to his wife and four sons, his participation in their activities, and his rare comradeship with them will always remain with us as a beautiful memory.

"While the loss to his associates and to our Company is exceedingly great, we fully realize that to his wife and family it is immeasurable. To them we tender this expression of our esteem and love for him, with our heartfelt sympathy in their great bereavement."

Minutes

The minutes of the Directors' meeting of October 17, 1940, were read, and, by unanimous vote, the minutes and the acts and authorizations shown therein were ratified, approved, and confirmed.

Minutes Planning Committee

The minutes of the meeting of the Planning Committee, a standing committee of the Board, held November 19, 1940, December 4, 1940, December 19, 1940, and January 14, 1941, were read, and by unanimous vote, the minutes and the acts and authorizations shown therein were ratified, approved, and confirmed.

General Manager's Report of Operations and Condition R-2974

The General Manager reported the Company's operations and condition, which are briefly summarized as follows:

Consolidated net earnings for the year 1940, subject to final determination by the Company's auditors, are estimated at $7,186,000, equivalent to approximately $2.70 per share for each common share outstanding, as compared with $3.17 per share earned in 1939.

Consolidated net sales for the year 1940 are estimated at $88,861,000, as compared with $81,706,183.19 in 1939.

Earnings have been influenced adversely by higher labor costs, higher paper costs, higher Federal taxes, and increased selling and administrative expenses arising out of increased volume, together with substantially lower prices in many of our lines.

The Glass Container Division increased its sales volume substantially and, normally, an increase in earnings would have been expected. However, manufacturing costs increased more rapidly than sales volume, so that gross profit margins on the larger volume of business were less than during the previous year.

Owens-Illinois Pacific Coast Company satisfactorily increased sales volume and net earnings.

Libbey Glass Company's sales increased substantially and its net earnings exceeded those of any previous year in the history of the Company.

Net sales of the Insulux Products Division were approximately the same as for the preceding year, but their net loss was considerably larger. The loss figure reflects the greater costs incident to extensive development work which has been conducted on the products of this division.

General Manager's Report of Operations and Condition R-2974

Owens-Illinois Can Company's loss decreased substantially below the loss of the preceding year. Manufacturing efficiencies have steadily improved and sales volume has increased.

An increase in the sales volume of the Closure and Plastics Division, together with improved plant efficiencies, resulted in very much improved profit margins, as compared with a loss during the preceding year.

Net earnings of the Holding Division were approximately the same as for the preceding year.

On motion, his report was received and ordered filed.

Treasurer's Report of Cash, Securities, Appropriations, etc. R-2975

Mr. McNerney reported cash balances on January 15, 1941, as follows:

Main office funds, including Glass Container Division, Insulux Products Division, and Closure & Plastics Division		$7,422,750.34
Time Deposits:		
With Insurance companies	$1,000,000	
With Morris Plan Bank of Toledo	10,000	1,010,000.00
Subsidiary companies, branch office and factory funds		1,785,815.44
		$10,218,565.78

He reported changes in security holdings during the quarter, including the redemption at $100 per share of 2,085 shares of preferred stock of Owens-Corning Fiberglas Corporation held by this Company and the purchase by this Company of 13,000 shares of the no par common stock of the Fiberglas Corporation at $25 per share; that the $120,825 par value remaining from the original investment of $135,000 in the 4% debentures of the New York World's Fair 1939, Inc. were sold for $21,743.70, resulting in a net loss of $99,081.30.

He reported that the Company received a dividend of $800,000 from Libbey Glass Company and $2,742 from The Owens Staple-Tied Brush Company.

He reported that estimated net sales for the year 1940 of The Owens Staple-Tied Brush Company totaled $890,287.24, as compared with $920,232 in the year 1939, a decrease of 3%; that it is anticipated that profits for 1940, before inventory adjustments, will be approximately $18,000, as compared with a net profit in 1939 of $25,410.66.

Treasurer's Report of Securities and Investments R-2976

The Treasurer reported securities and investments of Owens-Illinois Glass Company and subsidiaries on December 31, 1940. The total market value of the marketable securities on December 31, 1940, was $765,530, as compared with a book value of $511,807.07, an indicated appreciation of $253,722.93, as compared with a similar appreciation of $336,840.93 in 1939; that Owens-Corning Fiberglas Corporation's and The Owens Staple-Tied Brush Company's securities are carried at a book value of $3,591,596.14; and that the remaining securities are carried at a book value of $600,781.75.

On motion, his report was received and ordered filed.

Operation of Natural Gas Properties R-2977

A report by Assistant Secretary Martin was read showing that net profits from operations of the Charleston Joint Gas Department for the year 1940 were $523,855, as compared with $358,715 in 1939; that cost of gas in 1940 was approximately .1530 per M. Cu. Ft., as compared with .1625 per M. Cu. Ft. in 1939.

In the Fairmont District the cost of gas produced in 1940 was approximately 21-3/4 cents per M. Cu. Ft., as compared with 19-1/4 cents in 1939. In the Clarion District the cost of gas in 1940 was approximately 28-1/4 cents per M. Cu. Ft., as compared with 25-1/4 cents per M. Cu. Ft. in 1939.

On motion, his report was received and ordered filed.

Mr. Martin recommended that because of expected difficulties in procuring pipe requirements for the 1941 drilling program for Charleston, Mr. Spalding be authorized to place orders immediately and take delivery on pipe, sufficient for drilling 29 wells under the 1941 program, at a cost of approximately $157,000. It appearing that Libbey-Owens-Ford Glass Company has authorized the purchase, on motion, the recommended authorization was granted.

On motion, the following appropriation, previously authorized by members of the Board of Directors, acting individually, was ratified, approved, and confirmed:

Rebuild "A" Furnace R-2945

Gas City - A#1358 - $253,332.80 - For rebuilding "A" furnace.

Purchase Common Shares Fiberglas Corporation

On motion, the purchase on November 30, 1940, of 13,000 common shares of Owens-Corning Fiberglas Corporation at a price of $325,000 was approved, confirmed, and ratified.

Deficiency Appropriation R-2928

On motion, the following deficiency appropriation on completed Directors' appropriation was authorized:

A#1464 Deficiency $9,474.64

1941 Appropriations for Fund for Aged, Incapacitated Employees R-2978

Pursuant to the recommendation of the Planning Committee, on motion, the unexpended balances of the 1940 appropriations for the Fund for Care of Aged, Incapacitated Employees of the Glass Container Division, Holding Company, and Insulux Products Division in the amounts of $3,587.71, $1,700, and $723.04 respectively, were ordered canceled and new appropriations to maintain the Fund for the year 1941 were authorized as follows:

	1941 Appropriation	Number Now Participating
Glass Container Division	$30,000	77
Holding Company	5,000	10
Insulux Products Division	1,000	2

Mr. McNerney reported that the following appropriations had been made by the Boards of Directors of subsidiary companies for the Care of Aged, Incapacitated Employees during 1941:

	1941 Appropriation	Number Now Participating
Owens-Illinois Can Co.	$ 5,000	3
Libbey Glass Company	5,500	8
Owens-Illinois Pacific Coast Co.	12,000	14

Common Dividend Payable February 15, 1941 R-2979

The following resolution, on motion, was adopted by unanimous vote:

"RESOLVED, by the Board of Directors of Owens-Illinois Glass Company, that

A dividend of fifty cents (50¢) be, and hereby is, declared on each common share

payable in money on the 15th day of February, 1941, to shareholders of record at 3 p.m., on the thirtieth day of January, 1941."

Publicity Release R-2980

The secretary read the proposed publicity release to newspapers and financial houses, which was approved.

1940 Management Bonus R-2981

President Levis submitted a letter from General Counsel dated January 10, 1941, with reference to the method of determining and paying the Company's Management Bonus, together with a preliminary statement prepared by the Comptroller of the consolidated net profits of the Company for the year 1940. The Comptroller's report indicated that the amount available for distribution as Management Bonus would justify a payment equivalent to 7-1/2 per cent of the participating salaries.

It was, on motion, ordered that such statement of the consolidated net profits and of the amount of bonus payable shown by the statement be approved and that the bonus be paid by the Treasurer of the Company to the various persons entitled thereto, in the respective proportions due them, in the aggregate amount of not to exceed $48,643.75, which amount is equivalent to 7-1/2 per cent of the participating salaries; provided, however, that no payment of the Management Bonus shall be made until Messrs. Arthur Young & Company, Certified Public Accountants and independent auditors of this Company, shall have delivered their signed certificate showing this Company's consolidated net profits, as computed by them, and showing the amount available for payment of the Management Bonus for the year 1940; that the aggregate of the payments of the Management Bonus for the year 1940 shall not exceed the amount shown by Arthur Young & Company available therefor; that the Chairman of the Board of Directors be authorized to reduce the payment to individual participants to the unit percentage next below the fractional percentage of salary or the predetermined part thereof shown to be payable; and that each recipient of a Management Bonus payment be required to release the Company from all claims he might have by reason of inaccurate computation or underpayment of the bonus. Ayes - 8; Nays - none; Messrs. Belknap, Barnard, and J. P. Levis not voting because of their participation in the Management Bonus.

1940 Management Bonus

On motion, the following resolution was duly adopted:

"RESOLVED, that the office of Vice-Chairman of the Board of Directors be and hereby is created."

The President suggested that, in view of the creation of the office of Vice-Chairman of the Board and of the proposal to change the duties of the Chairman of the Board, define the duties of the Vice-Chairman of the Board, change the duties of

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the President, abandon the offices of General Manager and Assistant General Manager, and add to the duties of Vice-Presidents, it would be necessary to amend certain of the By-Laws and to renumber the sections of the Code of By-Laws. At the President's suggestion, Mr. Williams then explained in detail the proposed amendments and repeals and the reasons therefor. The various amendments were presented for consideration of the Board. Thereupon, on motion, the following resolution was adopted:

"BE IT RESOLVED, that the By-Laws be amended by adopting Section X, as presented, defining the duties of the Vice-Chairman of the Board of Directors; that the amendments to the Code of By-Laws, as presented, be and the same hereby are adopted; that Section XIV, defining the duties of the General Manager, and Section XV, defining the duties of the Assistant General Manager, be and the same hereby are repealed; and that the sections of the Code of By-Laws be renumbered to accord with the adoption of Section X and the repeal of Sections XIV and XV; and

"BE IT FURTHER RESOLVED, that the Code of By-Laws, as so amended and renumbered and as immediately hereinbelow set forth in full, be adopted:

"CODE OF BY-LAWS

of

THE BOARD OF DIRECTORS

As Amended January 17, 1941

I. The first regular meeting of a newly elected board shall be held as provided in Section 3 of Article III of the Code of Regulations. (Adopted December 16, 1907)

II. Special meetings may be held at any convenient place upon call of the Chairman of the Board or of the Executive Committee, or of the President, or of a Vice-President, or of any five directors. (Adopted December 16, 1907; amended or renumbered November 22, 1917 - April 18, 1934)

III. Notice of all meetings shall be given to each director by the Secretary or an Assistant Secretary, or by the officer or directors calling the same. (Adopted December 16, 1907; amended or renumbered April 9, 1924 - April 18, 1934)

IV. Such notice may be given personally or by telephone, or by written or printed notice directed to the address appearing on the books of the Company and transmitted by telegraph, by mail, or by messenger, all charges prepaid, and setting forth the time, the place, and the purpose or purposes of the meeting. (Adopted December 16, 1907; amended and renumbered April 18, 1934)

V. Notice of any meeting shall be sufficient in time if actually delivered to the director notified, or delivered, properly addressed and prepaid, to the carrier thereof sufficiently early to be in due and regular course delivered to the director notified or at his address appearing on the books of the Company in time to enable him, by the usual mode and route of travel, to attend such meeting. (Adopted December 16, 1907; renumbered April 18, 1934)

VI. Notice to any Director may be waived by him, and shall be deemed waived by his presence at the meeting, or by his inability, because of being beyond seas or in distant parts, or because of bodily infirmity, to attend a meeting within three days after the calling and sending of notices thereof. (Adopted December 16, 1907; renumbered April 18, 1934)

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VII. Nothing in these by-laws contained shall make it necessary to fix the time for, or to delay the holding of, any special meeting more than three days after the calling and sending of notices thereof. (Adopted December 16, 1907; renumbered April 18,1934)

VIII. A majority of all the directors shall constitute a quorum; but a less number, present at the time fixed for any meeting, may adjourn from time to time and successively, without notice, other than by announcement at the time of such adjournment, until a quorum shall be present. (Adopted December 16, 1907; renumbered April 18, 1934)

IX. The Chairman of the Board of Directors shall be the chief executive officer of the Company and, subject to the Board of Directors and committees of the Board of Directors, shall have general superintendence and direction of the affairs and business of the Company. He shall preside at all meetings of the shareholders and of the Board of Directors and shall, prior to each annual meeting of the shareholders, submit to the Board of Directors a report of the operations of the Company during the preceding fiscal year and of its affairs and, from time to time, shall report to the Board of Directors all matters affecting the Company's interests which may come to his knowledge. He may delegate to the Vice-Chairman of the Board of Directors, either generally or specially, the performance of any of the duties of the Chairman of the Board of Directors. (Adopted April 21, 1937; amended January 17, 1941)

X. The Vice-Chairman of the Board of Directors, in the absence or disability of the Chairman of the Board or during any vacancy in that office, shall perform the duties of the Chairman of the Board. He shall also perform such duties as the Chairman of the Board may delegate to him, either generally or specially. (Adopted January 17, 1941)

XI. The President shall be the chief operating officer of the Company and, subject to the Board of Directors, committees of the Board, and the Chairman of the Board, shall have direct superintendence and direction of the affairs and business of the Company. In the absence of the Chairman of the Board and Vice-Chairman of the Board, he shall preside at all meetings of the shareholders and of the Board of Directors. (Adopted April 21, 1937; amended and renumbered January 17, 1941)

XII. In the absence or disability of the President or during any vacancy in that office, his duties shall be performed by the Executive Vice-President who shall be the ranking Vice-President. The President may also delegate to any Vice-President, either generally or specially, the performance of any of the duties of the President. (Adopted April 21, 1937; amended and renumbered January 17, 1941)

XIII. The Secretary shall keep an accurate record of the acts and proceedings of the shareholders and directors. (Adopted April 21, 1937; renumbered January 17, 1941)

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XIV. Subject to the direction and control of the Board of Directors, the Executive Committee, the Chairman of the Board, and the President, the Treasurer shall receive all moneys and deposit the same with one or more of the duly designated depositories of the Company; shall keep accurate accounts of the finances of the Company; make reports thereof to the shareholders, Board of Directors, Executive Committee, Chairman of the Board, and President, whenever required by them, respectively; and have responsibility for the extension of credit and the collection of accounts. (Adopted April 21, 1937; amended or renumbered April 19, 1939 - January 17, 1941)

XV. An assistant to any officer other than the President may perform any of the duties of such officer, except as otherwise ordered by the Board, the Executive Committee or such officer. (Adopted April 21, 1937; renumbered January 17, 1941)

XVI. The several officers shall perform all other duties usually incident to their respective offices, or which may be required by the shareholders, directors, or Executive Committee, or by their superior officers as in these by-laws provided; shall, from time to time, and also whenever requested, report to the Board, the Executive Committee, the Chairman of the Board, or the President, all matters affecting the Company's interests, which may come to their knowledge; and, on the expiration of their terms of office, shall respectively deliver all books, papers, money and property of the Company in their hands to their successors, or to the Chairman of the Board, or to any person designated by the Board, or by the Executive Committee, to receive the same. (Adopted April 21, 1937; amended and renumbered January 17, 1941)

XVII. Subject to the direction and control of the name by the Board of Directors, and the seal of the Company shall be affixed thereto; provided, however, that whenever any such certificate is countersigned by a transfer agent, who is not an employee of the Company, or by a transfer clerk and by a registrar, the signatures of any such President, Vice-President, Secretary, or Assistant Secretary and the seal of the Company upon such certificate may be, in the discretion of the Board of Directors, facsimiles, engraved, stamped, or printed. (Adopted April 21, 1937; amended or renumbered April 19, 1939 - January 17, 1941)

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XXII. If a person claiming to be the holder of shares in this Company, or the owner of an obligation for the unconditional payment of money payable to bearer, claims that the certificate representing such shares or the written instrument evidencing such obligation has been lost or destroyed, a duplicate certificate or written instrument may be issued by Order of the Board of Directors, or of the Executive Committee, or of the Chairman of the Board and Secretary or of the President and Secretary, upon the filing with the Secretary of the Company of an affidavit, in form and substance satisfactory to him, showing such ownership and such loss or destruction, and upon the giving to the Company of a bond or agreement of indemnity executed by such holder or owner with a surety company authorized to do business in the State of Ohio, as surety, in form approved by General Counsel for the Company. Such bond or agreement of indemnity shall, in the case of a lost or destroyed share certificate, be in the penal sum of not less than double the market value, or not less than double the par value, whichever sum shall be the greater, of the shares represented by such certificate, or, in the case of a written instrument evidencing an obligation of the Company for the unconditional payment of money payable to bearer, shall be in the penal sum of not less than 125% of the aggregate of the face value and unpaid interest accrued or to accrue to maturity on such obligation; but an agreement, with surety as heretofore provided for, for full and complete indemnification to the Company of all losses, costs, and expenses of every kind and nature whatsoever which may result to the Company or any of its agents or employees by reason of the issuance of such duplicate certificate or such duplicate written instrument, may be accepted by the officers ordering the issuance of the same, as constituting full compliance with the provisions of this by-law. (Adopted April 21, 1937; amended or renumbered April 19, 1939 - January 17, 1941)

XXIII. The Board of Directors may, by resolution, authorize the issuance of a duplicate share certificate or written instrument in case of a lost or destroyed certificate or written instrument, on such security other then such bond or agreement of indemnity as shall, in the discretion of the Board of Directors, seem sufficient to fully protect the Company. (Adopted April 21, 1937 - renumbered April 19, 1939 - January 17, 1941)

XXIV. The Chairman of the Board of Directors, the Vice-Chairman of the Board, the President, each Vice-President, the Secretary, an Assistant Secretary, the Treasurer, and an Assistant Treasurer, or any one of them, or any person thereto specifically authorized by the Board of Directors or by the Executive Committee, may, in

XXVIII. Dividends shall be payable only to shareholders of record at, and only upon the shares by them respectively held at 3.00 p.m., on the sixteenth day preceding the date appointed for the payment thereof. (Adopted December 11, 1920; amended or renumbered April 9, 1924 - April 18, 1934 - January 20, 1936 - October 15, 1936 - April 21, 1937 - April 19, 1939 - January 17, 1941)

XXIX. Shareholders shall be entitled to vote at the annual meeting only upon the shares respectively held by them of record at 3.00 p.m., on the sixteenth day of March in each year; and at any special meeting of shareholders only upon the shares respectively held by them of record at 3.00 p.m., on the sixteenth day preceding the day appointed for the holding of such special meeting. (Adopted April 12, 1922; amended or renumbered April 9, 1924 - April 18, 1934 - January 20, 1936 - October 15, 1936 - April 21, 1937 - April 19, 1939 - January 17, 1941)

XXX. A Planning Committee is hereby constituted and shall consist of not less than four directors, including the Chairman of the Board of Directors, and the President, and not to exceed three advisory members, all to be appointed by the Board of Directors, to serve for one year or until their successors are appointed. The Planning Committee shall consider and determine major operating problems and policies of the Company and plans for the future conduct of its business. It shall report its findings and determinations to the Board of Directors. Any such finding or conclusion may be made by a majority of those of the Committee who are directors of the Company. The Chairman of the Board shall be ex-officio Chairman of the Committee. (Adopted July 12, 1935; amended or renumbered November 15, 1935 - January 20, 1936 - October 15, 1936 - April 21, 1937 - April 19, 1939 - January 17, 1941)

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XXXI. An administrative division is hereby constituted and shall consist of the Glass Container, Corrugated and Wood Package, and Closure business of the Company, to be known as the Glass Container Division. Its administrative organization shall consist of a Vice-President or other designated official in charge of the Division, a Directing Committee, and an Operating Committee.

The Directing Committee shall consist of not less than five (5) officers or employees of the Company, to be appointed by the President and to serve for one (1) year or until their successors are appointed. This Committee shall consider general policies and major operating problems of the Glass Container Division and plans for the future conduct of its business. It shall report to the President, who shall be ex-officio a member of and Chairman of the Directing Committee. The Executive Vice-President shall be ex-officio a member of and Vice-Chairman of the Directing Committee.

The Operating Committee shall consist of not less than seven (7) employees in the Division, who shall be appointed by the Vice-President or other designated official in charge of the Division to serve for one (1) year or until their successors are appointed. The Operating Committee shall consider all matters connected with the operation of the Division, including the activities of the Sales, Manufacturing, Engineering, and allied departments of the Division. It shall report its conclusions and recommendations upon any such question to the Vice-President or other designated official in charge of the Division or to the officer or body referring such questions to it. The Vice-President or other designated official in charge of the Division shall be ex-officio a member of and Chairman of the Operating Committee. (Adopted October 15, 1936; amended or renumbered April 21, 1937 - April 19, 1939 - January 17, 1941)

XXXII. An Administrative Division is hereby constituted, and shall consist of the glass block, glass insulator, and related business of the Company, to be known as the Insulux Products Division. Its administrative organization shall consist of a Vice-President, or other designated official in charge of the Division, a Directing Committee, and an Operating Committee.

The Directing Committee shall consist of not less than five (5) officers or employees of the Company, to be appointed by the President and to serve for one (1) year or until their successors are appointed. This Committee shall consider and determine general policies and major operating problems of the Insulux Products Division and plans for the future conduct of its business. It shall report its findings and determinations to the President and to the Executive Vice-President. The President of the Company shall be ex-officio a member of and Chairman of the Directing Committee. The Executive Vice-President shall be ex-officio a member of and Vice-Chairman of the Directing Committee.

The Operating Committee shall consist of not less than seven (7) employees in the Division, who shall be appointed by the Vice-President or other designated official in charge of the Division to serve for one (1) year or until their successors are appointed. The Operating Committee shall consider all matters connected with the operation of the Division, including the activities of the Sales, Manufacturing, Engineering, and allied departments of the Division. It shall report its conclusions and recommendations upon any such question to the Vice-President, or other designated official in charge of the Division, or to the officer or body referring such questions to it. The Vice-President, or other designated official in charge of the Division, shall be ex-officio a member of and Chairman of the Operating Committee.

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The Operating Committee may, by resolution, determine the number of the Committee that shall constitute a quorum; but no action shall be taken without the concurrence of at least three members. (Adopted October 15, 1936; amended or renumbered April 21, 1937 - January 20, 1939 - April 19, 1939 - January 17, 1941)

XXXIII. Except as otherwise provided in the Regulations or these by-laws, a majority of any Committee appointed by the Board of Directors or pursuant to authority granted by it, shall constitute a quorum and the concurrence of a majority of the members present shall be necessary for action. (Adopted October 15, 1936; renumbered April 21,1937 - April 19, 1939 - January 17, 1941)

XXXIV. Appropriations of funds for capital expenditures may be made from time to time by the following bodies, officers, and persons:

a. $500 or less by any Vice-President.

b. $1,000 or less -

1. If for the Glass Container Division,

by the Vice-President, or other designated official, in charge of the Division.

2. If for the Insulux Products Division, by the Vice-President, or other designated official or officials, in charge of the Division.

c. $5,000 or less by the President or Executive Vice-President.

d. $10,000 or less by the Operating Committee of the Division in which the capital expenditure is to be made, with the concurrence of either the President or the Executive Vice-President.

e. $50,000 or less by the Directing Committee of the Division in which the expenditure is to be made, with the concurrence of the President or the Executive Vice-President.

f. $100,000 or less by the Planning Committee.

g. $200,000 or less by an instrument in writing submitted to all the members of the Board of Directors and signed by a majority of the members thereof.

h. Over $200,000 by the Board of Directors or by the Executive Committee acting in meeting.

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By "appropriation" is meant not only a single appropriation, but also a series of appropriations for a single project. By "capital expenditure" is meant that part of the cost of a project which is ordinarily set forth upon the books of the Company as a permanent asset and not as a current or deferred asset. The Comptroller of the Company shall determine that part of the cost of a project which shall be the capital expenditure. (Adopted July 12, 1935; amended or renumbered November 15, 1935 - January 20, 1936 - October 15, 1936 - April 21, 1937 - January 20, 1939 - April 19, 1939 - January 17, 1941)

XXXV. At any regular or special meeting of the Board, the by-laws may be amended or repealed, or new by-laws added, by the affirmative vote of a majority of the entire Board. (Adopted December 16, 1907; amended or renumbered April 11, 1917 - April 9, 1924 - April 18, 1934 - January 20, 1936 - April 21, 1937 - April 19, 1939 - January 17, 1941)"

Resignations and Elections of Certain Officers

On motion, the resignations of Messrs. W. E. Levis as President, J. P. Levis as Vice-President and General Manager, and C. B. Belknap as Executive Vice-President were accepted.

Thereupon, on motion, the following officers were elected:

W. E. Levis	-	Chairman of the Board
C. B. Belknap	-	Vice-Chairman of the Board
J. P. Levis	-	President
R. H. Barnard	-	Executive Vice-President

The following resolution, on motion, was adopted by unanimous vote:

Specimen Signatures Stock Certificates

"RESOLVED, that certificates for common shares of this Company, signed by Wm. E. Levis as President (who is no longer President but is now Chairman of the Board of Directors of this Company), and by the Secretary or an Assistant Secretary of this Company, when countersigned by a Transfer Agent or Transfer Clerk and by a Registrar, be, and they are hereby adopted as the certificates of stock of this Company, with the same force and effect as if the said Wm. E. Levis were now and at the time of the issue of such certificates President of this Company; and that the holders of the aforesaid certificates of stock, when issued, shall be entitled to all the benefits and advantages of holders of certificates for stock of this Company, signed by persons who are or may be officers of this Company at the time of the issuance thereof."

By unanimous vote, it was ordered that the Annual Meeting of Shareholders, to be held April 16, 1941, be held in the Toledo Room of the Commodore Perry Hotel, Jefferson and Superior Streets, Toledo, Ohio.

Designate Place of Holding Annual Meeting

On motion, the Board reaffirmed its order made at its meeting of January 20, 1939, with reference to mailing proxy forms and soliciting proxies.

Proxies

Chairman Levis called attention to the substance and form of the 1937, 1938, and 1939 Annual Reports and the cost of same. After discussion, on motion, it was the concensus of the Board that a similar report be prepared for the year 1940 and mailed to shareholders at or about the time of the sending of the Notice of Annual Meeting of Shareholders.

Approve Plan for 1940 Annual Report

A report by Assistant Secretary Morfoot was read showing the following conveyances:

Approve Various Conveyances by Real Estate Department R-2982

Warranty deed to house and lot on Morgantown Avenue, Fairmont, W. Va., to Rollin F. and Leona M. Baird, dated February 1, 1940. Consideration	$4,500.00
Warranty Deed to lot in factory site No. 2 Loogootee, Indiana, to Paul and Elizabeth McGovren, dated March 6, 1940. Consideration	237.50

Quit-claim deed to part of Lot No. 149, 17th District, Fulton County, Georgia, fronting 130' on Calhoun Street, to G. G. McDaniel, dated May 30, 1940. Consideration	$ 1.00
Warranty Deed to Lot 3, Block 23, Villa Park Addition, Streator, Illinois, to Charles Tapley, dated April 30, 1940. Consideration	250.00
Quit-claim deed to Lot 7, Block 44, Goshorn & Lupton's Subdivision of the Walling Tract, Muncie, Indiana, to Russell Beaty, dated June 27, 1940. Consideration	100.00
Deed to part of main factory site at Fairmont, W. Va., to City of Fairmont for street purposes, dated March 25, 1940. Consideration	1.00
Warranty deed to strip of land along Memorial Boulevard, Huntington, W. Va., to Board of Park Commissioners of the City of Huntington, dated September 9, 1940. Consideration	1.00
Warranty Deed St. Paul Warehouse to Hilex Company, dated September 23, 1940. Consideration	20,000.00
Warranty deed to powder house and 31,000 sq. ft. of land at Silica, Ohio, to Toledo Stone & Glass Sand Company, dated July 30, 1940. Consideration	500.00

By unanimous vote, the execution and delivery of the foregoing deeds by its corporate officers, in the name and behalf of the Company, were approved, confirmed, and ratified.

Report on Pending Litigation

Mr. Belknap explained to the Board the progress of negotiations between counsel for all defendants and counsel for the Government, for the settlement of the cause, United States of America v. Hartford-Empire Company, Owens-Illinois Glass Company, and others, pending in the United States District Court in Toledo, by entry of a consent decree. He also explained the progress of negotiations between Hartford-Empire Company and a committee of Hartford's licensees for the organization of Glass Institute, Inc., to acquire certain assets of Hartford-Empire Company as proposed in the consent decree. Mr. Williams explained the terms of the proposed decree as now drafted. After full discussion of the matter, it was, on motion, ordered that Messrs. W. E. Levis, C. B. Belknap, H. E. Collin, and W. W. Knight be and they are hereby appointed as a Committee of the Board, with full power to act, to determine whether the Company shall consent to the entry of a consent decree in the cause and to authorize any officer or officers or counsel of the Company to accept, consent to, and sign, on behalf of the Company, such consent decree, as now drafted and exhibited at this meeting of the Board or as hereafter amended.

Chairman of the Board Authorized to Fix Salaries

On motion duly carried, the Chairman of the Board of Directors was authorized, until further order of the Board on the subject, to fix from time to time, in whole or in part, the compensation other than his own of the several officers, agents, and employees of the Company, individually or by classes, any such action hereunder to be reported by him to the Board not later than at its meeting next thereafter occurring; and the authority conferred upon the President of the Company at its meeting of April 18, 1934, to so fix such compensation, was revoked.

The Chairman reported to the Board the annual compensation, which he had fixed, of Mr. C. B. Belknap, as Vice-Chairman of the Board, Mr. J. P. Levis, as President, and Mr. R. H. Barnard, as Executive Vice-President, effective as of January 1, 1941.

Fix Salary W. E. Levis

The Chairman suggested that his salary for the year 1941 and annually thereafter until changed by the Board be reduced from $125,000 to $75,000. Individual members of the Board objected; and, after discussion and with the consent of the Chairman, his salary was, on motion, fixed at $100,000 for the year 1941 and annually thereafter until changed by the Board.

Prudential Declines Offer to Prepay Additional Debentures

Mr. McNerney reported that he had discussed with the Prudential Insurance Company the prepayment of an additional $1,000,000 or $2,000,000 on this Company's loan and that the Prudential is not disposed to accept any payments at this time beyond the amounts permitted by the Indenture.

Payment to Mrs. H. G. Phillipps

Mr. W. E. Levis called attention to the arrangement in effect with Mr. Phillipps at the time of the latter's death, under which he would have been paid compensation at the rate of $1,000 per month for the first five months of the year. Upon his recommendation, on motion, the Treasurer was authorized to pay this amount to Mrs. H. G. Phillipps either in a lump sum or in monthly installments.

Owens-Corning Fiberglas Corporation

Mr. Boeschenstein reported sales and earnings of Owens-Corning Fiberglas Corporation for the year 1940, as compared with 1939, and outlined generally the progress of the Company's affairs.

On motion, adjournment.

John F. McNerney
Secretary