FLUID SEALING ASSOCIATION

BOARD OF DIRECTORS MEETING

PLAINTIFF'S EXHIBIT

FSA-5

Wednesday
September 29, 1976

The Broadmoor
Colorado Springs, Colorado

M I N U T E S

The meeting of the Board of Directors of the Fluid Sealing Association was held on Wednesday, September 29, 1976, at The Broadmoor, Colorado Springs, Colorado.

Members Presdent: George K. Mordas - President
Richard T. McDermott - Vice President
Clay M. Jewett
John Scannell
Jack Reynolds
W. Jerry Rooney
Vernon W. Gibson, Jr.

Members Absent: Charles J. Kenkelen
John Rhine
Donald M. Condren
Roy Van Ness

Staff Present: Brent H. Farber, Jr.
Stephen W. Armstrong, Legal Counsel

President Mordas called the meeting to order at 2:20 PM and asked for a motion to approve the minutes of the Directors' meeting of February 26, 1976. Upon a motion duly made and seconded, the minutes were approved as distributed.

TREASURER'S REPORT

The Secretary/Treasurer presented an Income and Expense Statement covering the period of January 1, 1976 to August 31, 1976 and pointed out in reviewing the Statement that the Association was in fine financial condition and should meet the budget that was set for 1976 even though there had been a substantial contribution made to the Research Study done by AIA.

The Secretary/Treasurer then presented the Proposed Budget for 1977. Under expenses there were two increases: one in the management fee which amounted to approximately 12% and the other in the Legal Fee area amounting to $1,500 to cover the cost of meeting expenses. The increase in the management fee is the first increase since 1975 Upon a motion made and seconded, the Proposed Budget for 1977 was approved.

BOARD MEMBER RESIGNATION

President Mordas announced the resignation of John Rhine as a Board member representin the Flexitallic Gasket Company, as Mr. Rhine had resigned from the company and had taken a new position with the Condren Corporation.

NOMINATING COMMITTEE

President Mordas advised the Board of Directors that he had appointed a Nominating Committee made up of the following members:

Jerry Rooney - Chairman
Robert McQuown
Chuck Zimmerman
Dana Binkoff
Al Pilecki
Robert Gerschke

The Nominating Committee will make their report at the Annual Business Meeting on September 30, 1976.

COMMITTEE REPORTS

1. Membership - There were two members approved by mail ballot that were presented and approved by the Board for the minutes - Regular Member: Sacomo-Sierra, Carson City, Nevada; Associate Member: Nippon Valqua Industries, Tokyo, Japan.

   Two new applications for regular membership:

   Johns-Manville, Sales Corporation, Denver, Colorado
   Crow Industries, Inc., Houston, Texas

   Upon a motion made and seconded, these applications for regular membership were approved by the Board of Directors.

   An application for a non-approved regular member was presented for George Short Company, Brisbane, California. A motion was made, seconded that the George Short Company be approved as a potential member and then was approved as a regular member.

   The application as an Associate Membership for Roger Chown & Associates, Ottawa, Canada was discussed and a motion was made, seconded, that Roger Chown be approved as an "Honorary Member". Motion carried.

   Resignation - The American Carbon Seals Corporation resignation letter was approved with regret.

   The following potential regular members were approved and placed on our approved list:

   Southern Asbestos, Charlotte, North Carolina, recommended by W. McAllister
   Latex Fiber Industries, Clifton, New Jersey, recommended by George Mordas
   All Seals, Inc., Houston, Texas

   Approval or potential associate member:

   Savesta y Cia. Ltda., Santiago, Chile

   llowing a discussion of the potential members that might be approved in e future, it was decided that:

   If a foreign manufacturer who has been approved as a member wans to attend a meeting of FSA and needs an interpreter, the interpreter must be neutral and not a sales representative.

   ll proposed members seeking admission to FSA must submit a catalog with heir request for membership.

C. In the future, where possible, one of our regular members will physically check out the proposed members. The regular member would not be in direct competition with the applicant.

2. Meetings - The Board of Directors decided after a review that the Fluid Sealing Association would go back to three (3) meetings per year, thus again adding the June meeting to their present schedule. Richard McDermott expressed the opinion that FSA had gotten large and active enough to require three meetings per year. Others felt that the General Membership had changed their attitude during the past year and therefore should again try three meetings. The attendance at the third meeting will be watched.

3. Standard & Technical Committee - Richard McDermott chairman of this Committee reported that the Molded Packing Dividsion had requested approval of an expenditure for an audio-visual presentation to our General Membership in their Health, Safety, Educational Survey amounting to $1,000 to $1,500. The Board turned down the request feeling that this was too much money to be spending on this project. They felt that the presentation could be made without the expenditure.

LABELLING

The Directors discussed the Opinion Letter on Labelling that had been presented by Morgan, Lewis & Bockius and it was decided that the letter should be used as our "Position Paper" and sent to all members. It was also decided that we should request all members to send any "labelling" information to the Association's office, and then this information can be used to help other members when they want information on labelling.

REQUEST BY REJ DIVISION

The request by the REJ Division for a special assessment to be levelled plus yearly dues charged to their Division members was approved by the Board. The proceeds from this income to be used to finance future projects as approved by that Division.

COST OF HANDBOOKS TO MEMBERS

The Secretary/Treasurer was instructed to revise the present price schedule for Handbooks to our members using a decreasing percentage figure after the first 100 books.

MEMBERSHIP QUALIFICATIONS

Due to a time problem, the Board of Directors decided to discuss this matter at our next meeting and suggested that the Secretary/Treasurer gather information on Dues Structures from other Associations and any other information that might be helpful in setting membership qualifications.

QUESTIONS AND ANSWERS - ON ASBESTOS

Vernon Bigson expressed a very strong feeling that the FSA should be working up a folder with questions and answers on asbestos that could be used by our members to their customers. President Mordas asked Mr. Gibson if he would undertake this job and he agreed to do so. He will send his suggestions to the Association office and the Secretary will forward them on to the members of the Board for their comments.

The meeting was adjourned at 5:30 PM.