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 at the office of the Company, 1396 Union Commerce Building, Cleveland, Ohio, on Friday, June 15, 1951, at 9:30 o'clock A.M.

The following directors were present:

Adrian D. Joyce	J. A. Peters
Dwight P. Joyce	J. P. Ruth
Clifton M. Kolb	M. B. Betzold
W. J. O'Brien	A. D. Duncan
P. E. Sprague	B. W. Maxey

Mr. R. G. Golseth was not present at the meeting.

Mr. Adrian D. Joyce, Chairman, presided and Mr. Clifton M. Kolb, Secretary, recorded the minutes.

The reading of the minutes of the previous meeting was, upon motion duly made, seconded and unanimously carried dispensed with and said minutes were approved.

A report of the PFE's approved by the President, Vice Presidents and Engineering Department, covering the period from May 5, 1951 to June 8, 1951, totaling $69,799.28 was, upon motion duly made and seconded, unanimously approved.

The Chairman reported briefly and favorably upon comparisons he had been recently able to make between the Company's corporate organization and that of the General Electric Company. He commented specifically upon similarity in the Company's delegation of responsibilities to Divisional Vice Presidents and in the functions of Executive and Advisory Committees. The Chairman also commented upon and the Directors summarily discussed the advantages and disadvantages of outside directorates.

PFE No. 23-332 in the amount of $25,370 covering relocation, consolidation and re-equipment of maintenance shops and PFE No. 23-336 in the amount of $19,712 covering relocation of the Acidulation Department and installation of new

GLD008780

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 at the office of the Company, 1396 Union Commerce Building, Cleveland, Ohio, on Friday, June 15, 1951, at 9:30 o'clock A.M.

The following directors were present:

Adrian D. Joyce	J. A. Peters
Dwight P. Joyce	J. P. Ruth
Clifton M. Kolb	M. B. Betzold
W. J. O'Brien	A. D. Duncan
P. E. Sprague	B. W. Maxey

Mr. R. G. Golseth was not present at the meeting.

Mr. Adrian D. Joyce, Chairman, presided and Mr. Clifton M. Kolb, Secretary, recorded the minutes.

The reading of the minutes of the previous meeting was, upon motion duly made, seconded and unanimously carried dispensed with and said minutes were approved.

A report of the PFE's approved by the President, Vice Presidents and Engineering Department, covering the period from May 5, 1951 to June 8, 1951, totaling $69,799.28 was, upon motion duly made and seconded, unanimously approved.

The Chairman reported briefly and favorably upon comparisons he had been recently able to make between the Company's corporate organization and that of the General Electric Company. He commented specifically upon similarity in the Company's delegation of responsibilities to Divisional Vice Presidents and in the functions of Executive and Advisory Committees. The Chairman also commented upon and the Directors summarily discussed the advantages and disadvantages of outside directorates.

PFE No. 23-332 in the amount of $25,370 covering relocation, consolidation and re-equipment of maintenance shops and PFE No. 23-336 in the amount of $19,712 covering relocation of the Acidulation Department and installation of new

GLD008781

acidulation facilities at the Elmhurst plant were resubmitted by Mr. Dwight P. Joyce for Board approval. Approval of PFE 23-332, it was stated, would permit maintenance economy through ultimate reduction of personnel, would avoid the necessity of constructing a new acidulation building to house the Division's expanded acidulation facilities and would provide storage space and mixing facilities for handling soda ash for the Division's converted Sharples refining system. PFE 23-336, would permit relocation of the Acidulation Department and installation of facilities to store soda ash and unload railway shipments of soda ash and bleaching clay. The PFE included authorization of facilities for mixing and pumping soda ash solution to the Sharples soda ash day tank which would be installed on the third floor of the refinery.

The Chairman stated that a discussion of PFE's 23-332 and 23-336 subsequent to the last preceding Executive Committee meeting had developed facts which he believed warranted approval of these projects. He specifically referred to contemplated changes in stock-keeping policies which would effect estimated savings of $5,000 per year in elimination of outside storage expenses. He pointed out that when the new warehouse building at Elmhurst was planned the Company had contemplated placing a basement under only part of the building. These plans had been revised at his suggestion, he said, to include a basement under the entire building and it was his opinion as a result of further investigation of pertinent facts that this space was well adapted for use as a maintenance shop.

Following consideration of the Chairman's recommendations and upon motion duly made and seconded the Directors unanimously approved PFE's 23-332 and 23-336.

Mr. J. P. Ruth proposed authorization of a total expenditure approximating $160,000 for the purpose of relocating the powdered metal and copper oxide plants of the Company's Hammond, Indiana plant. This PFE, he said, would include alterations to the Division's office building, relocation of plant services, and fencing. He pointed out that these latter projects were to be undertaken as a result of the sale of the Company's smelting facilities and a portion of its office building at Hammond, Indiana. He stated that had the Company decided to streamline its Hammond operations before the sale of the smelter and other buildings without extensive relocation, a lesser expenditure of between $110,000 and $120,000 would have been necessary. Relocation and streamlining of the Division's present copper powder, lead powder, cupric and cuprous oxide manufacturing facilities, he said, would cost approximately $40,000 more, but would further reduce the Division's labor costs and thereby permit more profitable and more competitive plant operation.

The Chairman reported to those Directors who had not been fully informed as to negotiations for the sale of the Hammond property that Mr. Ruth had contracted for the sale of the Company's Hammond smelting business to Metals Realty Company of Chicago, Illinois at a price of $280,000. He commended Mr. Ruth for the excellent job he had performed in negotiating the sale while retaining the more efficient and essential metal powders and copper oxide plants.

Following a brief discussion and upon motion duly made and seconded the Directors unanimously approved PFE No. 27-58 in the amount of $160,000 covering relocation of the powdered metal and copper oxide plants as proposed by Mr. Ruth. It was understood that individual PFE's would be submitted to cover actual expenditures involved in this project, which would commence immediately with the moving of the cuprous oxide facilities out of the smelter which had been sold to Metals Realty Company.

The relocation project authorized by PFE 27-58 would require about one year to complete, said Mr. Ruth. He predicted that the Hammond plant would not only prove more profitable as a result of the sale of the smelting business but as a result of expenditures authorized by PFE 27-58 would make even a better profit-showing upon completion of the approved relocation.

The negotiated sale, Mr. Ruth reported, also contemplated sale of a portion of the Metals Refining Division office building to the purchaser. He stated that the Division would eventually have only 32 to 34 operating employees at Hammond, but would be able to achieve 50% to 60% greater volume by the use of improved equipment and better plant layout.

Following careful consideration of the sales contracts negotiated by Mr. Ruth and prepared by Mr. Clifton M. Kolb the Directors upon motion duly made and seconded unanimously

RESOLVED, that this Company sell and convey to Metals Realty Company of Chicago, Illinois, or its nominee, the land, buildings, fixtures, inventories, good will, trademarks, formulas, processes, rights and other properties more fully described in Agreements entered into on behalf of this Company by Dwight P. Joyce, President, and Clifton M. Kolb, Senior Vice President and Secretary, with said Metals Realty Company for consideration of the agreements therein contained, and

FURTHER RESOLVED, that the proper officers of this Company be and they hereby are authorized and directed to do all things necessary to discharge the obligations of this Company to said Metals Realty Company as set forth in said Agreements.

The Chairman reported that an application by the Nubian Division to the City of Chicago to proceed with rehabilitation of property and buildings which it had acquired from McCloskey Varnish Company had been initially rejected by the City and that it therefore would be necessary to include installation of ventilating ducts in the recently approved rehabilitation project at an estimated additional cost of $9500. Total eventual additional expenditure necessary to complete the project to provide adequate office facilities at Nubian was estimated at $28,000. Further details were not yet available, the Chairman stated, however, upon motion duly made and seconded the Directors unanimously approved installation of the necessary ventilating ducts at an estimated cost of $9500.

The Chairman stated that, pursuant to previous authorization by the Board of Directors, the officers of the Company had negotiated an unsecured bank loan to be made to the Company by The Chase National Bank of the City of New York, The New York Trust Company, The National City Bank of New York and Continental Illinois

National Bank and Trust Company of Chicago, in the aggregate principal amount of $10,000,000.00, to be evidenced by Serial Notes of the Company maturing in installments over a period ending July 1, 1957, and bearing interest at the rate of 3% per annum, payable quarterly, and had obtained the required written consent of the holders of record of two-thirds of the Company's outstanding Convertible Preferred Stock to the issuance of such Serial Notes, and presented to the meeting a copy of the proposed form of such Serial Notes. A copy of the form of Serial Note presented to the meeting, marked "Exhibit A", is attached to the minutes of this meeting.

After a discussion of the proposed loan, on motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that The Glidden Company borrow from the four banks hereinbelow named the aggregate principal sum of $10,000,000.00, repayable as follows:

An aggregate of $1,500,000.00, principal amount, shall mature on the 1st day of July in each of the years 1953, 1954, 1955 and 1956, and the balance in the aggregate principal amount of $4,000,000.00 shall mature on July 1, 1957,

bearing interest at the rate of 3% per annum, payable quarterly, and upon and subject to the other terms, provisions and conditions set forth in the form of Serial Note which has been submitted to this meeting, the respective principal amounts to be borrowed from each of said banks and the respective maturity dates of the amounts borrowed being as follows:

From The Chase National Bank of the City of New York the aggregate principal amount of $3,000,000.00, of which $450,000.00 shall mature on the 1st day of July in each of the years 1953, 1954, 1955 and 1956, and the balance of $1,200,000.00 on July 1, 1957;

From The New York Trust Company the aggregate principal amount of $2,500,000.00, of which $375,000.00 shall mature on the 1st day of July in each of the years 1953, 1954, 1955 and 1956, and the balance of $1,000,000.00 on July 1, 1957;

From The National City Bank of New York the aggregate principal amount of $2,500,000.00, of which $375,000.00 shall mature on the 1st day of July in each of the years 1953, 1954, 1955 and 1956, and the balance of $1,000,000.00 on July 1, 1957;

From Continental Illinois National Bank and Trust Company of Chicago the aggregate principal amount of $2,000,000.00, of which $300,000.00 shall mature on the 1st day of July in each of the years 1953, 1954, 1955 and 1956, and the balance of $800,000.00 on July 1, 1957;

and that said loans be evidenced by Serial Notes of The Glidden Company in substantially the form of the Serial Note submitted to this meeting, with appropriate insertions as to date, payee, principal amount, date of maturity and place of payment, and that such Serial Notes, executed and delivered to evidence the Company's obligation to repay said loans, be executed, in the name and on behalf of the Company, by Adrian D. Joyce, Chairman of the Board of Directors, or Dwight P. Joyce, President, and by Clifton M. Kolb, Senior Vice President and Secretary, or J. A. Peters, Treasurer, of the Company; and

RESOLVED that the proper officers of The Glidden Company be and they are hereby authorized, in the name and on behalf of the Company, to execute and deliver all such instruments and documents and to do all such acts and things as may be necessary or desirable and proper to carry into effect the purposes of the foregoing resolution.

The Chairman stated that written consents of holders of 144,046 Convertible Preferred shares to the proposed financing had been received and that only 848 shareholders had filed dissents on the proxy form submitted by the Company.

The Secretary submitted the following bank resolutions which were upon motion duly made and seconded unanimously approved:

RESOLVED, that the signature of D. C. Lewis be added to the list of authorized signers on the Account No. 2 maintained by The Glidden Company for the use of various of its Divisions located at Chicago, Illinois, with the Continental Illinois National Bank and Trust Company at Chicago, Illinois; said additional signature to become effective as of the date letter of notification is received by said Bank (letter of notification dated May 24, 1951). After said addition has been made on this Account, it should appear on the records of the Bank as follows:

Any Two: J. A. Peters, Treasurer
Clifton M. Kolb, Secretary
H. K. Heath
H. G. Kaupert
G. Norman Bruce
R. G. Colseth
K. E. Froyd
Raymond McGee
O. Floria
Ford M. Ferguson
Robert A. Lahann
R. L. Wright
C. R. Raff
J. Albert Califf
E. J. Simcoek
W. B. McCabe
L. C. Burns
D. C. Lewis

GLD008786

RESOLVED, that the signature of D. C. Lewis be added to the list of authorized signers on the Working Fund Account of the Soya Products Division of The Glidden Company at 1825 N. Laramie Avenue, Chicago, Illinois, maintained with The Northern Trust Company, Chicago, Illinois; said additional signature to become effective as of the date letter of notification is received by said Bank (letter of notification dated May 24, 1951). After said addition has been made on this account, it should appear on the records of the Bank as follows:

Any Two: J. A. Peters, Treasurer
Clifton M. Kolb, Secretary
R. G. Golseth
H. H. Froyd
O. Florin
Ford M. Ferguson
R. L. Wright
D. C. Lewis

RESOLVED, that a Cleveland Account be opened on behalf of the Oklahoma City Branch of The Glidden Company with The Liberty National Bank and Trust Company, Oklahoma City, Oklahoma; and that any two of the following be authorized to sign thereon:

Any Two: Clifton M. Kolb, Sr. Vice President
J. A. Peters, Treasurer
C. C. Hart
C. A. Leach
W. W. Hostetler
S. M. Smith
F. M. Miller
W. E. Van Fleet
H. A. Crowl
J. M. Cole

RESOLVED, that the signatures of C. M. Wells, Jr. and Otha C. Baker be added to the list of authorized signers on the Operating Account of the Valdosta plant of The Glidden Company maintained with the Citizens and Southern National Bank, Valdosta, Georgia; said additional signatures to become effective as of the date letter of notification is received by said Bank (letter of notification dated June 5, 1951). After said additions have been made on this account, it should appear on the records of the Bank as follows:

Any Two: J. A. Peters, Treasurer
Clifton M. Kolb, Secretary
W. D. Stallcup
Carey Speer
F. W. Rabon
J. W. Baskin
C. M. Wells, Jr.
Otha C. Baker

RESOLVED, that the signatures of C. M. Wells, Jr. and Otha C. Baker be added to the list of authorized signers on the Operating Account of the Valdosta plant of The Glidden Company maintained with the First National Bank, Valdosta, Georgia; said additional signatures to become effective as of the date letter of notification is received by said Bank (letter of notification dated June 5, 1951). After said additions have been made on this account, it should appear on the records of the Bank as follows:

Any Two: J. A. Peters, Treasurer
Clifton M. Kolb, Secretary
W. D. Stallcup
Carey Spear
F. W. Rabon
J. W. Baskin
C. M. Wells, Jr.
Otha C. Baker

RESOLVED, that the officers of The Glidden Company be and they are hereby authorized to grant authority to various members of the Divisions of the Company to sign checks drawn against the "Cleveland Accounts" of the Company maintained with various banks; said authorizations to remain in full force and effect until further notice is received by said banks from the Company.

The following resolution relative to a lost stock certificate was submitted by the Secretary and upon motion duly made, seconded and unanimously carried it was

RESOLVED, that The New York Trust Company of the City of New York, Transfer Agent of this company, and The Chase National Bank of the City of New York, Registrar of this company, be and they are hereby authorized to issue and register a new Certificate for Fifty (50) Shares of the Common Stock of this corporation in the name of Raymond G. Conover and Mrs. Lelia M. Conover as joint tenants with right of survivorship and not as tenants in common, 1408 East Platte, Colorado Springs, Colorado, to replace Certificate No. NE215667 representing Fifty (50) Shares of Common Stock registered and outstanding in the name of said Raymond G. Conover and Mrs. Lelia M. Conover as joint tenants with right of survivorship and not as tenants in common; said Certificate for said Fifty (50) Shares having been lost, the necessary indemnity bond and affidavit of loss having been deposited with the company.

The Treasurer stated that recent reports received from the Divisions indicated a sharp increase in finished goods inventories. It was pointed out that much of this increase could be attributed to substantially increased unit volume of sales. However, it was recommended that such inventories of finished goods be carefully watched. It was the consensus of the Directors that the Divisions had done a good job in controlling their raw materials inventories.

The Chairman cautioned the Directors to watch all financial and other reports very carefully in future months for unjustifiable expense items. He further recommended that all possible steps be taken in each Division to eliminate unnecessary expenses wherever possible.

There being no further business to come before the Directors, the meeting, upon motion duly made, seconded and unanimously carried, was adjourned.