A MEETING OF THE BOARD OF DIRECTORS OF JOHNS-MANVILLE CORPORATION was held in the offices of the Corporation, on the 11th floor at No. 22 East 40th Street, New York City, on Tuesday, the 17th day of June, 1947, at 9:20 in the forenoon.

The following Directors were present, constituting a quorum:

Messrs. Walter H. Aldridge
Henry C. Alexander
Alvin Brown
Lewis H. Brown
John W. Hanes
R. W. Lea
H. E. Manville, Jr.
E. M. Voorhees

Mr. Lewis H. Brown, Chairman of the Board, acted as Chairman of the meeting and presided thereat and Mr. Vandiver Brown, Secretary of the Corporation, acted as Secretary of the meeting and kept the minutes thereof.

A notice of the meeting and affidavit of mailing the same to all the Directors of the Corporation were presented to the meeting and, on motion, duly made, seconded and unanimously carried, were ordered filed with the minutes of the meeting.

The minutes of the regular meeting of the Board of Directors held on May 21, 1947 and of the meetings of the Executive Committee held on May 23, 1947 and June 11, 1947, respectively, were read to the meeting and, on motion, duly made, seconded and unanimously carried, were ratified and approved as recorded.

The Chairman presented each member of the Board with a report by the Analysis Department dated June 9, 1947, entitled "Production vs. Capacity - April, 1947", which he suggested might be of interest. He also presented a report entitled "Capital Expenditure Program" (already considered by the Executive Committee on June 11) which had been prepared by the officers of the Corporation pursuant to instructions received from the Board at the May 21st meeting. This report summarized the first phase of the Capital Expenditure Program; listed the major projects where the cost as presently estimated was substantially in excess of estimates presented at the time Board approval was secured; and listed all projects in the first phase of the program, showing degree of completion. As a supplement to this report the Chairman read that section of his Monthly Report entitled "Capital Expenditure Program", a copy of which was in the possession of each of the Directors as a part of the agenda. This contained details with respect to the approved program as to (a) the amount expended on the first phase of the program, (b) the amount com-

84

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/1

mitted, (c) the amounts that would be expended during 1947, 1948 and 1949 in order to complete the approved projects, and (d) the source from which funds would be derived to meet the commitments. It revealed that in the aggregate the presently-estimated cost of completing all projects heretofore approved by the Board or by the Directors of the subsidiaries was $4,322,000 in excess of the original estimates presented at the time the projects were approved.

The Chairman further advised the meeting that the officers of the Corporation and of the subsidiaries were reasonably certain that the cost of completing the approved projects would not exceed the revised estimates.

The Chairman also outlined what the officers recommended should be the future policy with respect to Capital Expenditures, which was the same as had been presented at the June 11th meeting of the Executive Committee and recorded in the minutes of that meeting.

After discussion, the Board indicated its approval of the viewpoint of the Executive Committee with respect to the future policy, namely, that the plans for future growth of the Company as contemplated under the second phase of the program should be retarded; that further expenditures should be very carefully scrutinized; and that the officers should bring before the Board only the most urgent projects so long as the economic trend remained uncertain. The Board likewise indicated approval of the Executive Committee's recommendation that research and engineering work on the second phase should be continued although no appropriation should be made and no work started except on the most urgent projects until completion of the first phase or clarification of the economic trend.

The Chairman presented in detail, from data in his possession, the projects in the first phase of the program which, because of estimated increase in cost of completion, required additional funds. He stated that the officers of the Corporation recommended that the Board approve an additional expenditure aggregating $1,652,000 for those projects where presently-estimated cost exceeded the amount originally approved and he informed the Board that the officers of the various subsidiaries intended to make similar recommendations to their respective Boards of Directors.

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

95

RESOLVED that the officers of the Corporation be, and they hereby are, authorized and empowered to expend the amounts indicated below for completion of the projects listed below, such amounts being in addition to the sums previously authorized by the Board to be expended therefor:

Project	Additional Expenditures
Plant and equipment for Quinterra paper manufacture at Tilton,N.H.	$ 644,000
Replacement of boilers and turbine generators at Manville with added generating capacity	540,000
New three sheet rag felt machine at Manville with capacity of 100 tons per day	170,000
Research Center at Manville	
(a) First stage,semi-works building	156,000
(b) Second stage,research and mechanical buildings	81,000
Grain roll equipment and improved layout at Manville	43,000
Net excess of actual expenditures on completed projects over amounts previously appropriated	18,000
	$1,652,000;

RESOLVED that the officers and directors of Johns-Manville Products Corporation, Canadian Johns-Manville Company, Limited, Southern Johns-Manville Products Corporation, and Johns-Manville Products Corporation of Massachusetts, be informed that it is the recommendation of this Board that they proceed in accordance with their plans for completing the various capital expenditure projects presently under way, the cost of which they estimate will exceed original estimates and appropriations therefor; and

86

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/3

RESOLVED that the Secretary include in the minutes of this meeting a list of the projects of the above-named subsidiaries and of the estimated additional expenditures that will be made by such subsidiaries if the recommendation of this Board be adopted, it being the intent and purpose of these resolutions that the officers of the Corporation be authorized to expend for the projects of the Corporation which are included in the first phase of the Capital Expenditure Program an additional $1,652,000 and that the recommendation with respect to additional expenditures by the above-named subsidiaries cover an additional sum estimated at $2,670,000, in the aggregate.

In accordance with the instructions of the Board, there are listed below the projects of the various subsidiaries now in process of construction, the completion of which will require estimated additional expenditures in the amounts indicated over and above the sums originally authorized to be expended by the respective Boards of Directors of the subsidiaries:

Johns-Manville Products Corporation

Project	Additional Expenditures
Facilities to produce new-process deluxe Flexboard at Waukegan	$ 234,000
Purchase and installation of two Transite Pipe machines at Watson	105,000
One rock wool batt producing unit (spun wool process) at Watson	48,000
Facilities for locker and washrooms, engineering office and lunchroom at Lompoc	40,000
Purchase and installation of three Transite Pipe machines at Marrero	36,000
Two additional rock wool batt producing units (spun wool process) at Richmond	26,000

$7

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/4

Transfer of Manville 50 ton rag felt machine to Pittsburg and improvement of process by installation of Asplund defibrator		$ 14,000
Roofing machine improvements for cost reduction at Waukegan		8,000
Excess of actual expenditures on completed projects over amounts previously appropriated (including $49,000 for grain roll equipment and improved layout at Pittsburg)		72,000
		$ 583,000

Canadian Johns-Manville Company, Limited

Project		Additional Expenditures
Construction of Transite Pipe facilities at Toronto (Port Union)		$ 663,000
Construction of rock wool facilities at Toronto (Port Union)		333,000
Expansion program at Asbestos Factory, approved 7/17/46. Additional for:		
(a) Construction of building	$128,000	
(b) Boiler installation	63,000	
(c) Offices	46,000	
(d) Transformers	17,000	
(e) Net increase for all other items including friction materials manufacture	124,000	378,000
Capital expenditures for underground mining development at Asbestos Mines		116,000
Construction of twelve staff houses at Asbestos Mines		24,000
Two tailings retreatment lines at Asbestos Mines		5,000
		$ 1,519,000
Less: Balance of previous appropriations not required		108,000
		$ 1,411,000

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/5

Southern Johns-Manville Products Corporation

Project	Additional Expenditures
New insulating board plant at Natchez	$ 636,000
Wood supply for Natchez plant	11,000
Equipment for manufacture of Strongbord at Jarratt	5,000
	$ 652,000

Johns-Manville Products Corporation of Massachusetts

Project	Additional Expenditures
Additional press and facilities for manufacture of new integrally colored sheets at Billerica	$ 24,000

The Chairman advised the meeting that the Directors of Southern Johns-Manville Products Corporation had at an earlier date authorized an expenditure of approximately $40,000 for the construction of six houses at Natchez, Mississippi, that would be required for supervisory personnel. The housing shortage at Natchez was very serious and unless housing were provided by the subsidiary it would be impossible to transfer the required nucleus of supervisory personnel to that location and virtually impossible to start the plant. It now appeared that the minimum requirement would be twelve or thirteen houses, which it was presently estimated would cost approximately $13,000 each. This would require a total expenditure of $170,000 -- or $130,000 more than originally estimated -- and the officers of the subsidiary were recommending that their Board of Directors authorize this additional expenditure. The Chairman stated it was his opinion that this could be classified as an "urgent project" under the limitations prescribed by the Board concerning future policy with respect to the second phase of the program.

It was the consensus that the construction of houses for supervisory personnel at Natchez be classified as an "urgent project" and accordingly the Directors unanimously recommended that the officers of Southern Johns-Manville Products Corporation proceed in accordance with their plans.

89

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/6

The President then read his Monthly Report, which presented the latest operating results and reviewed various developments of interest which did not, however, require any action by the Board. He pointed out that sales for the twelve months ended May 31st were at the highest rate in the history of the Company and answered questions put to him by Directors as to the present break-even point for operations and as to dealer inventories of building materials.

The matter of the declaration of a dividend upon the Preferred Stock was next presented for consideration.

Thereupon, on motion, duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED that the regular quarterly dividend of 87-1/2¢ per share be, and the same hereby is, declared upon the 3-1/2% Cumulative Preferred Stock of the Corporation, said dividend to be payable August 1, 1947, upon the number of shares of said stock outstanding at the close of business on July 9, 1947, and to the record holders thereof on said date; and

RESOLVED that the proper officers of the Corporation be, and they hereby are, authorized and directed to mail and deliver, or cause to be mailed and delivered, to the holders of record on July 9, 1947, of 3-1/2% Cumulative Preferred Stock of the Corporation checks for the amount of dividends to which said Stockholders are entitled in accordance with the foregoing resolution, and that said officers be, and they hereby are, authorized and directed to do all other acts necessary or proper to carry out the intent and purpose of said resolution.

The Chairman called attention to the portion of the agenda entitled "Financial Program, Proposal for Loan" which presented in outline form the negotiations with Metropolitan Life Insurance Company regarding a loan of $20,000,000 and with The Mutual Life Insurance Company of New York regarding a loan of $5,000,000. The proposal had been approved by the Executive Committee, which had recommended it for Board approval in the event no unduly burdensome restrictions were involved. Since the meeting of the Executive Committee on June 11th, it had been ascertained that there would be no restriction other than the negative pledge which was invariably required in con-

90

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/7

nection with any such loan and which was entirely acceptable. It was pointed out that the interest rate in the case of both loans was to be 2.7% per annum, with a stand-by charge of 1/2 of 1% for the unused portion. The terms contemplated the borrowing of $4,000,000 immediately from Metropolitan and $1,000,000 from Mutual, the remainder to be available at any time up to December 31, 1950, in multiples of $2,000,000 in the case of Metropolitan and of $500,000 in the case of Mutual.

There was presented to each Director a printed proof of the form of Loan Agreement, identified by the notation "1949 - June 13, 1947 - D", to be entered into between the Corporation and Metropolitan Life Insurance Company, together with the form of notes to be made by the Corporation pursuant to the Loan Agreement, which constituted Exhibit A thereto, and the Directors were advised that the form of Loan Agreement to be entered into between the Corporation and The Mutual Life Insurance Company of New York would be identical except as to the amount specified for the loan, the first installment of the loan, and the amount of subsequent installments, which would be $5,000,000, $1,000,000, and $500,000 or a multiple thereof, respectively, in the case of the agreement with Mutual rather than $20,000,000, $4,000,000 and $2,000,000 or a multiple thereof as provided in the form of agreement to be entered into with Metropolitan.

After full discussion and upon motion, duly made, seconded, and unanimously carried, the following resolutions were unanimously adopted:

RESOLVED that this Company enter into a loan agreement with Metropolitan Life Insurance Company providing for a loan to this Company of $20,000,000, to be advanced in two or more instalments, all upon the terms and subject to the conditions provided in said loan agreement, and that this Company enter into a similar loan agreement with The Mutual Life Insurance Company of New York providing for a loan to this Company in the amount of $5,000,000, to be advanced in two or more instalments, all upon the terms and subject to the conditions provided in said loan agreement; said loans to bear interest at the rate of 2.70% per annum and to be made in instalments, all upon substantially the terms and conditions contained in the form of loan agreement submitted to this meeting, which form is hereby approved with such changes therein as may be authorized as hereinafter provided;

91

RESOLVED that the President or any Vice-President of this Company be and he hereby is authorized, directed and empowered to execute in the name and on behalf of the Company and deliver separate loan agreements to Metropolitan Life Insurance Company and The Mutual Life Insurance Company of New York, each in the form of the loan agreement submitted to this meeting with such changes therein as may be approved by the officers of this Company executing said loan agreements and by counsel for this Company, such execution by such officer to be conclusive evidence of the approval of the forms of said loan agreements (by such officers and by counsel) and of the approval of this Board of Directors; and that the officer of this Company executing said loan agreement be and he hereby is authorized, prior to the execution of said loan agreements, to prepare and to annex to each thereof all exhibits provided for therein, in addition to Exhibit A, in such form as may be approved by him;

RESOLVED that the President or any Vice-President of this Company be and he hereby is authorized to execute and deliver from time to time Notes in the aggregate principal amount not exceeding $25,000,000, all as specified in said loan agreements and in the respective forms of Exhibit A thereto, with such changes therein as may be approved by the officers executing said loan agreements and by counsel for this Company, such execution to be conclusive evidence of the approval of the form of the Notes by such officers and by counsel and of the approval of this Board of Directors; and

RESOLVED that the proper officers of this Company be and they hereby are severally authorized and directed to make all such payments and to do or cause to be done all such other acts or things and to execute, acknowledge and verify and to deliver and file any and all instruments and other documents as may be necessary or desirable in connection

92

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/9

with the execution and delivery of said several loan agreements and the Notes to be made pursuant thereto, or in connection with or arising out of the performance and fulfillment by this Company of the provisions of said several loan agreements or of said Notes, including, without limitation, the designation of the times for the advances of instalments of said loans, and the respective amounts thereof, and the making of all payments required to be made pursuant to the loan agreements for the period expiring December 31, 1950 in respect of portions of the loans not advanced.

Thereupon, on motion, duly made and seconded, the following preamble and resolution was unanimously adopted:

WHEREAS Elinor S. Oswald, of Los Angeles, California, has represented that Certificate No. 1317, for one (1) share of the 3-1/2% Cumulative Preferred Stock of the Corporation registered in her name, has been lost and has requested the issuance of a new or duplicate stock certificate for said one share of Preferred Stock; and

WHEREAS Elinor S. Oswald has delivered to the Corporation a duly executed surety bond of Fidelity and Deposit Company of Maryland in the sum of Three Hundred Seventy-Five Dollars ($375), by the terms of which bond said Fidelity and Deposit Company of Maryland guarantees that the Corporation, J. P. Morgan & Co. Incorporated, as Transfer Agent of, and Bankers Trust Company, as Registrar of, the 3-1/2% Cumulative Preferred Stock of the Corporation, will, upon the issuance of said new or duplicate stock certificate hereinafter referred to, be held harmless from all liability, claims or losses resulting from said lost stock certificate:

RESOLVED that J. P. Morgan & Co. Incorporated, the Transfer Agent of said stock, be, and it hereby is, authorized to issue to Elinor S. Oswald, and to deliver to her as thus issued, a new or duplicate certificate for one share of the 3-1/2% Cumulative Preferred Stock of the Corporation in place of said certificate No. 1317 and that

93

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/10

Bankers Trust Company be, and it hereby is, authorized to register upon presentation said new or duplicate certificate.

Thereupon, on motion, duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED that the resolutions adopted by the Board at a meeting held on November 20, 1946, pursuant to which an account has been opened with the Chemical Bank and Trust Company, New York City, known as "JOHNS-MANVILLE CORPORATION --INDUSTRIAL PRODUCTS DIVISION" be, and the same hereby are, rescinded;

RESOLVED that the Treasurer, any Assistant Treasurer or the Fiscal Assistant of the Corporation be, and any one of them hereby is, authorized and empowered, on behalf of the Corporation, to open an account with the Chemical Bank and Trust Company, New York City, to be known as "JOHNS-MANVILLE CORPORATION--INDUSTRIAL PRODUCTS DIVISION"; and

RESOLVED that said Chemical Bank and Trust Company be, and it hereby is, authorized to pay out funds deposited in said account upon checks, drafts or other orders for the payment of money drawn on said account when signed by any one of the following:- Treasurer, Fiscal Assistant, any Cost Accountant and countersigned by any one of the following:- Assistant Secretary, General Auditor, Plant Manager, any Senior Accountant or any Accountant.

The meeting was informed that in connection with a rather routine license agreement under patent rights owned by S. D. Warren Company, the Licensor had required a resolution of the Board approving the action of the officers of the Corporation who signed and delivered the agreement on behalf of the Corporation.

Thereupon, on motion, duly made and seconded, the following resolution was unanimously adopted:

94

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/11

RESOLVED that the action of Alvin Brown, Vice-President, in signing in the name of the Corporation, and the action of Vandiver Brown in attesting and affixing the corporate seal, to duplicates of the contract dated April 17, 1947 between the Corporation and S. D. Warren Company, a Massachusetts corporation, and all action of any other officers or employees in connection with the execution of said contract, and the delivery and acceptance thereof (said contract containing the grant of a license to the Corporation under S. D. Warren Company's air brush patents) be, and the same hereby are, approved, authorized, ratified, confirmed and adopted.

At the request of the Chairman, Mr. Lea presented a recommendation for the appointment of an officer who would have full responsibility for the relationships between the Corporation and the employees and between the Corporation and the communities in which it operates. Because of the importance of this function, it was suggested that the appointee be given the title and rank of Vice-President. It would be the especial responsibility of this Vice-President to assist the President in carrying out the basic policies established by the Chairman of the Board to promote a sympathetic understanding between the Corporation and its employees, as well as community good-will. He outlined the considerations which prompted him to make the recommendation and suggested the appointment of Mr. L. C. Hart, a Vice-President of Johns-Manville Sales Corporation, to fill the new position in the event the Board agreed with his recommendation.

The Chairman informed the meeting that Mr. Lea's recommendation met with his approval in its entirety.

After discussion, it was the consensus that the recommendation for the appointment of an additional Vice-President be approved and Mr. L. C. Hart was thereupon duly nominated and, there having been no other nominations, unanimously appointed a Vice-President of the Corporation to hold office until the first meeting of the Board of Directors following the next Annual Meeting of Stockholders and until his successor shall have been duly appointed and shall have qualified.

The Chairman then presented his recommendation for an increase in the compensation of Mr. Hart, whose annual salary would be in excess of $25,000. The Board unanimously approved the Chairman's recommendation and directed that an appropriate notation of their approval be filed in the office of the Chairman as an amendment to Confidential Minute No. 33.

95

The meeting was informed of the death of Mr. Philip Amato, a member of the Quarter Century Club, who at the time of his death was employed at the Manville Factory of the Corporation.

Thereupon, on motion, duly made and seconded, the following resolutions were unanimously adopted:

> BE IT RESOLVED, that the Board of Directors of Johns-Manville Corporation expresses its deep sorrow at the death of an honored member of the Quarter Century Club who was with the Johns-Manville organization for many years, that it recognizes his years of faithful service in the interests of the Company and commends his loyalty; and
>
> BE IT FURTHER RESOLVED, that copies of this resolution together with the Board's condolences be transmitted to his family and his fellow workers.

Whereupon, on motion, duly made and seconded, it was unanimously resolved that the meeting adjourn.

Vandiver Brown
Secretary.

96

Published by AsbestosClaims.Law
asbestosclaims.law/library/25178/13