

MINUTES OF SPECIAL MEETING OF STOCKHOLDERS

OF

STAUFFER CHEMICAL COMPANY

September 25, 1956

Pursuant to notice given to each of the stockholders of Stauffer Chemical Company in the manner provided in the by-laws and in the Corporation Law of the State of Delaware, a special meeting of the stockholders of Stauffer Chemical Company, which had been called to consider and vote upon the adoption of an agreement of merger providing for the merger of West End Chemical Company with and into Stauffer Chemical Company, was held at Room 360 of the Mills Tower, 220 Bush Street, San Francisco, California, on September 25, 1956, at the hour of 11:00 A. M. of said day.

The meeting was called to order by Mr. Hans Stauffer, president of the company, who introduced all of the other directors present at the meeting. Mr. Stauffer said he thought it fitting that Mr. Christian de Guigne, chairman of the board of directors and a former president of the company, should act as chairman of the meeting, and that he had asked Mr. Vincent H. O'Donnell, the general counsel of the company, to act as secretary of the meeting. A motion was made, seconded, and unanimously carried, approving the suggestion. Mr. Stauffer then turned the meeting over to Mr. de Guigne.

Mr. de Guigne called for a preliminary report on whether a quorum was present. Mr. O'Donnell reported that although the final count of the proxies and of the shares represented by stockholders present at the meeting had not yet been completed, it was clear that more than two-thirds of the outstanding shares of

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stock of Stauffer Chemical Company were represented at the meeting and that a quorum was present.

Mr. de Guigne announced to the meeting that he had received the affidavit of The Bank of California, N.A., certifying that notices of the meeting and proxy statements had been mailed to all of the stockholders of the company within the time prescribed by law. This affidavit was presented to the secretary for inclusion in the minutes of the meeting and said affidavit is attached to these minutes, marked Exhibit A, and by this reference made a part hereof.

Mr. de Guigne also announced that the secretary had received an affidavit of the publication of notice of the meeting in the State of Delaware as required by the Delaware Corporation Law. Mr. de Guigne directed that this affidavit should be included in the minutes of the meeting, and said affidavit is attached to these minutes, marked Exhibit B, and is by this reference made a part hereof.

Mr. de Guigne further announced to the meeting that a list of all of the stockholders entitled to vote at the meeting, that is, all of the stockholders of record at the close of business on August 14, 1956, was available for inspection by any of the stockholders who might wish to do so.

Mr. de Guigne stated that the directors had appointed Mr. L. F. Cummings, Mr. Iver C. Macdougall, and Mr. Fredrik S. Waiss as inspectors of election for the meeting and asked that their appointment be confirmed by the stockholders. On motion duly made, seconded and unanimously carried, the stockholders confirmed the appointment of the inspectors.

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Mr. de Guigne then addressed to the meeting the following remarks concerning the matter to be voted on at the meeting:

"As you know, this meeting has been called for the purpose of considering a matter of importance to the company and its stockholders -- namely, the proposed merger with West End Chemical Company.

"You have received a copy of the proxy statement relating to the merger proposal and the operations of West End. I hope that all of you have had an opportunity to examine this statement which outlines, in greater detail than time will permit today, the many considerations that entered into the decision of your directors.

"In brief, the merger agreement provides for the exchange of one share of Stauffer common stock for each 5.6 shares of West End common stock and one share of Stauffer common stock for each 60 shares of the West End participating preferred stock.

"I can assure you that the action of your directors in approving the merger agreement was taken only after months of thoughtful deliberation and investigation. It is difficult to assign specific weight to any one of the many considerations which, in the opinion of your directors, commended a merger of Stauffer and West End. It may be of interest, however, to review briefly some of the more significant considerations.

"West End Chemical Company is one of the three basic producers of borax in the United States. Its other products are soda ash, sodium sulphate and lime. Of these chemicals, borax, soda ash and sodium sulphate are derived from the brine of Searles Lake, California, a portion of which West End holds under lease from the Federal Government. Its lime products are obtained from company-owned deposits near Searles Lake. Essentially, West End's product group can be best described as basic industrial chemicals, being used in the manufacture of glass, ceramics, paper, detergents and a variety of other end products.

"The historical relationship which has existed between Stauffer and West End, in itself, suggested the possibility of a merger. Stauffer's interest in borax dates back to the days of its founders and, for the past 23 years, Stauffer has acted as exclusive sales agent for all of the borax produced by West End. In addition, of course, Stauffer has owned a minority interest in West End for many years.

"Further, your directors view the merger as a means of implementing the company's active program of diversification.

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West End's soda ash and lime will represent new additions to the basic line of products now produced and sold by Stauffer; West End's sodium sulphate will represent a substantial addition to Stauffer's present small production of this chemical, the demand for which has increased rapidly with the expansion of paper mills in the forest areas west of the Mississippi.

"The merger also provides a means of obtaining a raw material source for borax which the company does not have at the present time. In general, we believe that it is sound policy for a manufacturing company, so far as possible, to own or control natural resources required for its operations.

"Finally, your directors view the acquisition of West End, with its basic group of products and able management, as a sound investment. When West End is a part of the Stauffer organization, assisted by Stauffer's extensive research program and sharing in its wider markets, the worth of the business and properties of West End should be greatly enhanced.

"For these principal reasons, we believe that the merger will be advantageous to Stauffer and its stockholders. We sincerely hope that you concur in this judgment."

At the conclusion of his address, Mr. de Guigne called for a final report from the inspectors of election concerning the number of stockholders present at the meeting. The report, which was read by the secretary of the meeting, stated that of the 3,076,705 outstanding shares of common stock of the company entitled to vote at the meeting, 192,102 shares were represented in person and 2,547,389 shares were represented by proxies given to John Stauffer, Rollo C. Wheeler, and Elliott McAllister, the management nominees. The total number of shares represented at the meeting was, therefore, 2,739,491, that is, 89 per cent of all of the outstanding shares.

Mr. de Guigne then called upon the secretary to read the resolution which had been prepared for the approval of the stockholders, and after it had been read, called for a motion to adopt

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it. The text of the resolution follows:

"RESOLVED, that the agreement of merger providing for the merger of West End Chemical Company with and into Stauffer Chemical Company, signed by a majority of the directors of each of said corporations as of September 25, 1956, be and it is hereby adopted and approved; and a copy of said agreement of merger shall be appended to the minutes of this meeting and shall be made a part thereof; and

"RESOLVED FURTHER, that the proper officers of this corporation be and they are hereby authorized in the name and on behalf of this corporation to execute and acknowledge said agreement of merger and to cause the agreement to be filed and recorded in accordance with the laws of the State of Delaware and filed in accordance with the laws of the State of California; and said officers be and they are hereby further authorized to execute, acknowledge, file and record any and all documents required under the laws of the State of Delaware or the laws of the State of California in order to give effect to said agreement and each of its provisions; and

"RESOLVED FURTHER, that it is the intent of this corporation and its stockholders that the merger of this corporation with West End Chemical Company, as aforesaid, shall constitute a reorganization within the purposes and meaning of sections 354 and 368 of the Internal Revenue Code, as amended; and

"RESOLVED FURTHER, that the adoption and approval of the agreement of merger between this corporation and West End Chemical Company by this corporation and its stockholders shall be deemed to be the adoption and approval of a plan of reorganization within the meaning of section 354 of the Internal Revenue Code, as amended, and that the corporation and its stockholders shall be considered as having adopted such a plan of reorganization; and

"RESOLVED FURTHER, that the proper officers of this corporation be and they are hereby authorized to take any and all action necessary or desirable to effect the merger of Stauffer Chemical Company with West End Chemical Company, in accordance with the terms of said agreement of merger and to carry out the purposes of the foregoing resolutions."

Adoption of the resolution was moved by Mr. Rollo C. Wheeler and was duly seconded.

Ballots for voting upon this resolution had been

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distributed to the stockholders at the beginning of the meeting. Mr. de Guigne explained the manner of using these ballots, and the ballots were then collected and counted by the inspectors of election.

After a short interval, Mr. de Guigne announced that the inspectors had completed their tally and that the results were as follows:

For the resolution	2,737,587
Against the resolution	<u>1,904</u>
Total votes cast	2,739,491

Mr. de Guigne therefore ruled that more than two-thirds of the outstanding shares of common stock of Stauffer Chemical Company had been voted in favor of the resolution, and that in consequence the agreement of merger providing for the merger of West End Chemical Company with and into Stauffer Chemical Company had been adopted and approved by the stockholders of Stauffer Chemical Company.

ADJOURNMENT:

On motion made, seconded and unanimously carried, the meeting adjourned at 11:30 A.M.

Vincent H. O'Connell

Assistant Secretary