

MINUTES OF MEETING OF INCORPORATORS OF

JOHNSON CITY MILLS.

The Incorporators of the Johnson City Mills met in the office of Hackney, Broyles & Lackey Company, 306 Gay St., Knoxville, Tenn. on 21<sup>st</sup> day of October 1916.

Present:-

J. P. Roddy,  
G. H. Gallaher,  
Ben A. Morton  
C. L. Dooley.

Upon motion duly made, seconded and unanimously voted, J. P. Roddy was made Chairman of the Meeting and Ben A. Morton Secretary.

Thereupon B. A. Morton presented the Charter granted to the Johnson City Mills by the State of Tennessee, which appeared to have been duly registered in the office of the Secretary of State and in the Registrar's office of Washington County, Tennessee, and all fees to have been paid, and same is as follows:-

STATE OF TENNESSEE.

CHARTER OF INCORPORATION

Be it known, that by virtue of the general laws of the State, Ben A. Morton, C. L. Dooley, J. P. Roddy, G. H. Gallaher, and T. F. Dooley, all not less than twenty-one years of age, are hereby constituted a body politic and corporate, by the name and style of

JOHNSON CITY MILLS.

for the purpose of engaging in the manufacture and sale of socks, stockings, gloves, underwear, and all kinds of garments and clothing, and for buying, storing, selling and dealing in any and all kinds of material necessary for the manufacture of the same.

The authorized capital stock of said corporation shall be FIFTY THOUSAND (\$50,000.00) and shall be divided into shares of ONE HUNDRED (\$100.00) each and said corporation, hereafter, may begin business, and continue the same, with a less amount if its directors so elect.

GENERAL POWERS:

- The general powers of the corporation shall be as follows:
- (1) To sue and be sued by the corporation name.
  - (2) To have and to use a common seal, which it may alter at pleasure. If no common seal, then the signature of the president of the corporation, by any duly authorized officer, shall be legal and binding.
  - (3) To purchase and hold, or receive in gift, in liquidation the personal property owned by the corporation, any real estate necessary for the transaction of the corporate business, and also to purchase or accept any real estate in payment of any amount of any debt due to the corporation, and to sell realty for corporation purposes.
  - (4) To establish by-laws, and to make all rules and regulations

Amend  
Page 31  
" 74

not inconsistent with the laws and constitution deemed expedient for the management of the corporate affairs.

(15) To appoint such subordinate officers and agents, in addition to the president, secretary or treasurer, as the business of the corporation may require.

(16) To designate the name of the office, and fix the compensation of the officers.

(17) To borrow money, and issue bonds or notes upon the faith of the corporate property, and also to execute a mortgage or mortgages as further security for the repayment of money thus borrowed.

#### SPECIAL PROVISIONS.

The following provisions and restrictions are coupled with this grant of power:

(1) A failure to elect officers at the proper time does not dissolve the corporation, but those in office hold until the election or appointment and qualification of their successors.

(2) The term of all officers may be fixed by the by-laws of the corporation, the same not, however, to exceed two years.

(3) The corporation may by by-laws make regulations concerning the subscription for, or transfer of stock; fix upon the amount of capital to be invested in the enterprise, the division of the same into shares, the time for the payment thereof by the subscribers of the stock, the amount to be called at any one time; and in case of failure of any stockholder to pay the amount thus called for, at the time and in the amount thus called, a right of action shall exist in the corporation to sue said defaulting stockholder for the same.

#### BY-LAWS.

The board of directors, which may consist of five or more members, at the option of the corporation, to be elected either in person or by proxy, by a majority of the votes cast, each share representing one vote, shall keep a full and true record of all their proceedings; and an annual statement of receipts and disbursements shall be copied on the minutes, subject at all times

to the inspection of any stockholder. A majority of the board of directors shall constitute a quorum, and shall fill all vacancies until the next election. The first board of directors shall consist of the five or more incorporators who shall apply for and obtain the charter.

#### BOOKS.

The books of the corporation shall show the original or subsequent stockholders, their respective interests, the amount which has been paid on the shares subscribed, the transfer of stock, by and to whom made; the other transactions in which it is presumed a stockholder or creditor may have any interest.

#### UNPAID STOCK.

The amount of any unpaid stock due from the subscribers to the corporation, shall be a fund for the payment of any debts due from the corporation. The transfer of stock by any subscriber does not relieve him from payment, unless his transferee has paid up all or any of the balance due on his original subscription.

#### POWERS AND IMPLIED POWERS.

By no implication or construction shall the corporation be deemed to possess any powers except those expressly given or necessarily implied from the nature of the business for which the charter is granted, and by no inference shall said corporation possess the power to discount bills or notes, deal in gold or silver coin, or issue any evidences of debt as currency.

#### CHARTER, MAY BE REVOKED OR AMENDED.

The right is reserved to repeal, amend or modify the charter, if it is repealed or if the amendments proposed shall be merely auxiliary but fundamental, are rejected by a vote representing more than half the stock, the corporation shall continue to exist for the purpose of winding up its affairs but not to enter upon any new business. If the amendments or modifications being fundamental are accepted by the corporation as aforesaid in a general meeting to be called for that purpose any minor, married woman, or

other person under disability, or any stockholder not agreeing to the acceptance of the modification shall cease to be a stockholder, and the corporation shall be liable to pay said withdrawing stockholders the par value of their stock, if it is worth so much; if not, then so much as may be its true value in the market on the day of the withdrawal of said stockholders, as aforesaid; provided, that the claims of all creditors are to be paid in preference to said withdrawing stockholders.

POWERS OF CONDEMNATION.

The corporation shall have the power and right, in pursuance of the general law authorizing the condemnation of private property for internal improvements, as set forth in sections 1325 to 1343, inclusive, of the Code, to condemn a right of way necessary for the transaction of corporate business, not exceeding thirty feet in width, over the lands of any private person or corporation, and such right of way is hereby declared to be a public road.

ANNUAL STATEMENT.

Annually, during the month of January, the president shall make and publish in a newspaper printed in the county where the principal office of the business is located, or if no newspaper is printed in that county, then, in an adjoining or nearest county where a newspaper is printed, a sworn statement, showing the amount of the capital stock, and the existing liabilities, and a list of the names of the stockholders.

PAYMENT OF CAPITAL STOCK.

Nothing but cash shall be taken in payment of any part of the capital stock, or land at a fair cash valuation, and no loan of money shall at any time be made to any stockholder thereof, and any such loan shall render the directors consenting thereto individually liable for the amount thereof; this liability to extend in favor of innocent stockholders as well as creditors.

FALSE STATEMENT.

The making of a false statement to be printed as aforesaid shall render all persons consenting thereto individually liable to all persons dealing or trading with said company, upon the faith of said fraudulent statements.

INDEBTEDNESS.

If the indebtedness of the company shall at any time exceed the capital stock paid in, the directors assenting thereto shall be individually liable to the creditors for said excess. The stockholders are jointly and severally liable individually at all times for all moneys due and owing to laborers, servants, clerks, and operatives of the company, in case the corporation becomes insolvent.

DIVIDEND.

If the directors declare and pay any dividends when the company is insolvent, on which declaration of dividends would diminish the amount of the capital stock, they shall be jointly and severally liable to creditors for the amount of the dividend thus declared. Any director may avoid liability by voting against the dividend, or by filing his objection in writing as soon as he ascertains a dividend has been declared.

ADDITIONAL POWERS.

The corporation shall have power to raise, buy, sell, and deal in agricultural products, operate flouring and other mills, and deal in merchandise.

I, the undersigned, duly so the State of Tennessee, by virtue of the laws of the land, for a charter of incorporation for the purpose and with the powers, etc., declared in the foregoing instrument.

This October 2nd, 1913.

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State of Tennessee,

County of \_\_\_\_\_

Personally appeared before me, \_\_\_\_\_

clerk of the County Court of \_\_\_\_\_ County, \_\_\_\_\_

with whom \_\_\_\_\_ is personally ac-  
quainted, who being duly sworn deposed and said that he saw

the within named applicants and incorporators whose genuine  
signatures are hereto attached, sign the foregoing charter on  
the day the same bears date, and that they and each of them  
acknowledged that they signed the said charter for the purposes  
therein contained, and I further certify that the fact of  
acknowledgment and probate as aforesaid has been entered on  
the books of my office and the same is hereby certified on the  
within instrument. Witness my hand and the seal of my office in  
\_\_\_\_\_ this the \_\_\_\_\_ day of October  
1916.

Clerk.

Thereupon <sup>on</sup> motion duly made and seconded, it was unanimously  
voted that the Charter be accepted as the Charter of the  
Company, and that the Company organize for transaction of  
business.

It was moved, seconded and unanimously voted that the  
subscription books of the Company be opened for subscriptions  
to the capital stock. This was accordingly done and subscrip-  
tions made as follows:

G. H. Gallsheer,	\$5000.00
C. L. Dooley	2500.00
Robt. Dooley,	2500.00
T. F. Dooley,	5000.00
R. E. McNew,	1000.00
F. J. Moses,	1000.00
S. A. Lackey	2500.00
J. P. Roddy,	15250.00
B. A. Morton	15250.00

It was moved, seconded and unanimously voted that said  
subscriptions be accepted by the Company.

Thereupon the incorporators constituted by law the  
first board of directors of the Company, tendered their  
resignation in writing, a copy of which is hereto attached,  
and the meeting adjourned.

B. A. Morton  
Secretary,

J. P. Roddy  
Chairman.

We the undersigned incorporators of the Johnson City Mills  
herby tender our resignation as directors of said Company to  
take effect at once: This October 21<sup>st</sup> 1916.

B. A. Morton  
C. L. Dooley  
J. P. Roddy  
G. H. Gallsheer  
T. F. Dooley

STOCKHOLDERS MEETING.

The first meeting of the stockholders of the Johnson City Mills met in the office of Hackney, Broyles & Lackey Co., 306, Gay St., Knoxville, Tennessee on 21 October 1916 at 9 o'clock.

Present:

J. P. Roddy,  
G. H. Gallaher,  
C. L. Dooley,  
B. A. Morton,

and the following proceedings were had:

Upon motion duly made, seconded and unanimously voted, J. P. Roddy was elected Chairman of the meeting and B. A. Morton Secretary.

Upon motion duly made and seconded, the following by-laws were unanimously adopted as the by-laws of the corporation.

BY-LAWS OF JOHNSON CITY MILLS.

ART. 1.

CAPITAL STOCK.

Section 1.

The capital stock of this corporation shall consist of Fifty Thousand Dollars (\$50,000.00) divided into Five Hundred (500.00) shares of common stock of the par value of One Hundred Dollars (\$100.00) per share.

Each owner of stock shall be entitled to a certificate or certificates to represent the same, and all certificates shall be signed and issued by the president and secretary.

Section 2.

Stock shall be transferred upon books of the Company by the owner only in person or by attorney. When such transfers are made the Secretary shall take up the old certificates, mark them cancelled, and attach them to their proper stubs in the stock certificate book, and the President and Secretary shall issue new certificates to the transferee in such amounts as he may desire except that no certificate shall be issued for less than one whole share.

Art. 11.

BOARD OF DIRECTORS.

Section 1.

The Board of Directors shall consist of five stockholders to be elected annually at the annual stockholders meeting by votes either in person or by proxy, representing a majority of the stock issued and outstanding.

Section 2.

The terms of office of the Directors shall be for one year and until their successors are elected and qualified. *Amend.*

Section 3.

All power to manage the corporate affairs shall reside in the Board of Directors, including the power to elect or appoint all officers and agents, to fix their compensation and to discharge them at the discretion of the Board.

Section 4.

Regular meetings of the Board of Directors shall be held on the *First Thursday* *September* *1916* fourth Tuesday of October and April of each year; special meetings at such times as they may be called by the President, or in case of his absence or refusal, by a majority of the Board, upon five days notice to each member. Any business transacted at a special meeting duly called, as above provided, shall be valid as if transacted at a regular meeting, provided each member of the Board had had notice, as above provided, of said meeting. *Page 52*  
*Page 154*  
*Jan 21*

Section 5.

Three members shall constitute a quorum of the Board for the transaction of business. A majority vote of those present shall be necessary to pass any measure, and no business shall be transacted in the absence of a quorum. *Amend.*  
*Page 106*

Art. 111.

OFFICERS.

Section 1. The officers of the Corporation shall be a President, vice-president, a secretary and treasurer, all of whom shall be elected by the Board of Directors and shall serve for one year and until their successors are elected and qualified, or during the pleasure of the Board of Directors. One person may be elected to two or more of the offices.

Section 2.

The President shall preside at all the meetings of the stockholders and directors. He shall be the general executive officer of the Company and shall perform all the duties imposed upon his office by the laws of the land, and shall have power to sign notes, checks, drafts and any other papers relating to the company's business, and may delegate such powers as are herewith given him to any other regularly elected officer of the Company,

Section 3.

The vice-president shall perform all the duties of the president in the absence or disability of the latter, and during such absence or disability shall be clothed with the same authority as the President.

Section 4.

The Secretary & Treasurer of the Company shall keep a true and correct account of all the proceedings of the Board of Directors and Stockholders meetings. He shall also attest all contracts and conveyances of the corporation; shall have charge of the stock books and shall sign all certificates of stock and attend to the transfer of the same. He shall have charge of the books of the corporation and shall make statements of all transactions and affairs of the corporation whenever called for by the Board of Directors.

As Treasurer he shall receive and keep the cash, notes accounts, contracts, and other valuable papers of the Company.

Art. IV.

STOCKHOLDERS MEETING.

Section 1.

There shall be an annual stockholders meeting held at the home office of the Company on <sup>First Tuesday</sup> ~~Fourth~~ <sup>September</sup> Tuesday in October of each year at which time and place may be transacted any and all business properly done by stockholders and at which time directors shall be elected for the ensuing year.

Section 2.

Special stockholders meetings may be held at such other times as they may be called by the President, or by a majority of the

directors, or by a majority in amount of the outstanding stock, upon five days notice of time and place to each stockholder, said notice to include a statement of the business to come before the meeting; no other business than that mentioned shall be transacted unless every stockholder personally consent thereto.

Section 3.

Each share of stock shall be entitled to one vote on all matters coming before said meetings and a majority of the votes present and represented shall be necessary to pass any measure.

Section 4.

One half of the amount of the capital stock issued and outstanding shall constitute a quorum for the transaction of business. Any vacancy in any of the offices or in the Board of Directors of the Company shall be filled by the Directors or such of them as shall remain. Such appointment so made by the Directors to be for the unexpired terms of said offices.

Art. V.

---AMENDMENTS---

These by-laws may be amended at any regular stockholders meeting or special meeting called for that purpose upon a vote of a majority of the stock issued and outstanding.

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The next business before the meeting being the election of Directors to serve for the ensuing year, the polls were opened for the election of said Directors, and thereupon the following gentlemen were elected as Directors:

- G. H. Callahan.
- C. L. Dooley.
- T. F. Dooley.
- J. P. Boffy.
- B. A. Morton.

There being no further business to come before the meeting it adjourned.

B. A. Morton  
Secretary.

J. P. Boffy  
Chairman.

Amend  
Page 52  
239

DIRECTORS MEETING.

A meeting of the Board of Directors of the Johnson City Mills was held in the office of Hackney, Broyles & Lackey Company, 306 Gay St., Knoxville, Tennessee, on 21<sup>st</sup> Oct 1916 the following Directors being present:-

J. P. Roddy,  
G. H. Gallahar,  
C. L. Dooley,  
B. A. Morton.

On motion duly seconded Mr. J. P. Roddy was elected temporary chairman and Mr. Ben A. Morton temporary Secretary.

On proper motion salaries of officers was fixed as follows:

President no salary  
V-President no salary  
Secy. & Treasurer, \$100.00 per month

effective as of October 1st. 1916, and to be increased to \$200.00 per month beginning on January 1st, 1917.

All other officers of the Company to serve without compensation.

Upon proper motion the following officers were unanimously elected for the ensuing year:

B. A. Morton, President,  
J. P. Roddy, V-President  
T. F. Dooley, Secretary & Treasurer.

Mr. B. A. Morton then stated to the directors that since the purpose of the Company was to operate a knitting mill, Mr. T. F. Dooley and himself after investigation had decided to recommend that the mill be located at Johnson City Tennessee. Upon proper motion passed, it was decided that the knitting mill should be erected at Johnson City, Tennessee and the officers of the company were directed to proceed at once with the construction of same, and to do all things necessary to carry out the plan and to get the mill into operation at the earliest possible moment.

*Also to collect the money due on  
stock subscriptions as needed to  
meet expenses of the company*

There being no further business to come before the meeting, it adjourned.

J. P. Roddy  
Chairman.

B. A. Morton  
Secretary.

STOCKHOLDERS' MEETING

The regular annual meeting of the stockholders of the Johnson City Mills met on Tuesday, October 23, 1917, at the office of the Company at the plant of the Corporation in Johnson City, Tennessee. Meeting called to order but failed for want of a quorum.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman



STOCKHOLDERS' MEETING.

The stockholders of the Johnson City Mills met at the Office of the Company at the plant in Johnson City, Tennessee, at 1 P.M. o'clock, Saturday, November 3rd, 1917, This meeting being held as an adjournment of the regular meeting called for by the by-laws of the Corporation on Tuesday October 23rd at 2:30 P.M. o'clock, when meeting failed for want of a quorum.

The following stockholders present in person:

B. A. Morton  
G. H. Gallaher  
F. J. Moses,  
T. F. Dooley

and the following stockholders represented by proxy which proxies are made part of the minutes of this meeting.

J. P. Roddy,  
Powell Smith,  
R. E. Mellow.



GOODMAN'S  
CHOCOLATES  
MOONBEAM  
KISSES

THE RODDY-GOODMAN COMPANY

INCORPORATED  
CANDY MANUFACTURERS AND COCA-COLA BOTTLERS

COR. MORGAN ST. AND SOU. RY.

KNOXVILLE, TENN., October 1st., 1917

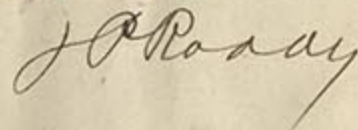
MR. G. H. Gallaher,  
City.

Dear Sir:---

I hereby authorize you to vote my stock at the regular annual Stock Holders meeting of the Johnson City Mills.

Very truly yours,

J.P.R.



GENERAL PROXY

KNOWN ALL MEN BY THESE PRESENTS, That I, Powell Smith  
the undersigned, do hereby appoint and constitute Ben A. Morton  
of Johnson City, my attorney and agent (with power of substitution for me, and in my name, place and stead) to vote as my proxy, for the election of a Board of Directors, and upon all other matters and business, of any kind and character whatsoever, without exception or reservation, that may be considered at the annual meeting of the stockholders of the Johnson City Mills, to be held at office of Company in the city of Johnson City, County of Washington State of Tennessee, on the 23rd day of October, 1917 at 2:30 o'clock P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present at said meeting, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing and voting for me at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 11<sup>th</sup> day of October, 1917.

Signature Powell Smith  
Address Johnson City  
Holder and owner of 25 shares.

WITNESS:

GENERAL PROXY

KNOWN ALL MEN BY THESE PRESENTS, That I, Powell Smith  
the undersigned, do hereby appoint and constitute Ben A. Morton  
& Johnson City, my attorney and agent (with power of substitution for me, and in my name, place and stead) to vote as my proxy, for the election of a Board of Directors, and upon all other matters and business, of any kind and character whatsoever, without exception or reservation, that may be considered at the annual meeting of the stockholders of the Johnson City Mills, to be held at office of Company in the city of Johnson City, County of Washington State of Tennessee, on the 23rd day of October, 1917 at 2:30 o'clock P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present at said meeting, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing and voting for me at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 11<sup>th</sup> day of Oct, 1917.

Signature Powell Smith  
Address Johnson City  
Holder and owner of 10 shares.

WITNESS:

The following proceedings were had.

Upon motion duly made and seconded and unanimously voted Mr. B. A. Morton was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

The minutes of the last meeting were read and approved.

T. F. Dooley, Secretary and Treasurer submitted a statement of condition of affairs of the Corporation, which statement was discussed and upon motion duly made and seconded and unanimously voted Secretary was directed to spread said statement upon the minutes of this meeting.

#### STATEMENT OF CONDITION OF JOHNSON

CITY MILLS AT CLOSE OF BUSINESS SEPT. 29th., 1917

##### RESOURCES

Buildings & Grounds	\$24,786.54
Furniture & Fixtures	1,199.69
Machinery & Equipment	28,649.62
Material & Stock	28,295.34
Power, Light & Fuel Stock	324.56
Accounts Receivable.	7,663.42
Unearned ins. premiums. (Gen. Ex.)	320.25
Cash in Bank (Unaka National)	3,036.62
Advance Commissions Paid (Selling Ex)	1,414.83
Household Furniture	524.00
NET LOSS	1,116.31
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	\$87,331.18

##### LIABILITIES

Capital Stock	\$50,000.00
Bills Payable	28,015.00
Accounts Payable	8,316.18
Reserve for Depreciation	1,000.00
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	\$87,331.18

Upon motion duly made and seconded and unanimously voted the By-laws of the Corporation were amended as follows:

Art. II Section 1 to read:- "The Board of Directors shall consist of not more than seven stockholders to be elected at the annual stockholders' meeting by votes either in person or by proxy, representing a majority of the stock issued and outstanding." and

19  
Art. II, Section 5 to read:- "Four members shall constitute a quorum of the Board for the transaction of business. A majority of those present shall be necessary to pass any measure, and no business shall be transacted in the absence of a quorum."

The next business before the meeting being the election of Directors to serve for the ensuing year, the polls were opened for the election of said Directors, and thereupon the following stockholders were elected as Directors:

B. A. Morton  
G. H. Gallaher  
J. P. Roddy  
C. L. Dooley  
F. J. Moses  
G. E. Wofford  
T. F. Dooley.

There being no further business to come before the meeting it adjourned.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

## DIRECTORS' MEETING

A meeting of the Board of Directors of the Johnson City Mills was held in the office of the Corporation at the plant in Johnson City, Tennessee on the 3rd day of November 1917, at 1:30 P.M. o'clock, and the following Directors were present:

B. A. Morton  
G. H. Hallaher  
E. J. Moses  
T. F. Dooley

Upon proper motion duly made and seconded and unanimously voted Mr. B. A. Morton was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

The minutes of the last meeting were read and approved.

Upon motion duly made and seconded and unanimously voted salaries of officers was fixed as follows:

President no salary  
V-President no salary  
Secy. & Treasurer \$200.00 per month.

Upon proper motion the following officers were re-elected to serve for the ensuing year.

B. A. Morton, President,  
J. P. Roddy, Vice-President  
T. F. Dooley, Secretary and Treasurer.

There being no further business to come before the meeting it adjourned.

*T. F. Dooley*  
Secretary

*Ben A. Morton*  
Chairman

## Stockholders Meeting.

JOHNSON CITY MILLS

MINUTES of a Special Meeting of the STOCKHOLDERS of the Johnson City Mills, a Tennessee corporation, held at the offices of said corporation, in Johnson City, Tennessee, at 1:30 o'clock, P. M., on Thursday, the 7th day of March, 1918, in pursuance of a written notice, which was mailed and sent to each one of the stockholders, in accordance with that provision of the by-laws which regulates the calling of special meetings of the stockholders; a copy of which notice is hereto attached and made a part of these minutes, being marked exhibit "A" hereto; and at which meeting the following business was transacted and ordered spread of record upon the permanent records of the company.

President Ben A. Morton presided over the meeting; and secretary T. F. Dooley acted in that capacity.

Upon a roll call, it was ascertained that the following stockholders were either present or represented:

## Present in person:

Ben A. Morton, holder and owner of	143 shares;
George T. Wofford, holder and owner of	10 shares;
Fred J. Moses, holder and owner of	10 shares;
T. F. Dooley, holder and owner of	50 shares;
C. L. Dooley, holder and owner of	25 shares;
Total, present in person,	238 shares;

## Represented by proxy:

R. E. McNew, represented by Ben A. Morton,	10 shares;
G. H. Galliher, " " " "	50 shares;
J. P. Roddy, " " " "	142 shares;
R. F. Brewer, " " Geo. T. Wofford,	10 shares;
Total, represented by proxy,	212 shares;

Total shares present and represented, 450 shares.

To the stockholders of the Johnson City Mills: -

Exhibit "A"

The officers of your Company have reached the conclusion that it would be wise to increase the paid-up capital stock of the Johnson City Mills from \$50,000 to \$75,000 in the following manner:

First, as of January 1st. the Company carried an undivided profit account of \$4116.50. Our suggestion is that we instruct the Directors to declare a stock dividend of 8%, or \$4000.

Second, that we sell \$21,000 at par for cash and in this way would absorb the increase suggested of \$25,000.

This plan, of course, contemplates that every stockholder will take his proportionate part and in that way it will be equitable to sell the stock at par. We understand that all stockholders will take their proportionate part. However, if any stockholder elects not to do so, the writer is in position to negotiate with him for the purchase of his right to take his proportionate part on a basis which we think would be equitable and would compensate him against any loss he might sustain by reason of issuing the stock at par.

To consider these matters, and to instruct the Directors to carry out the decision of the stockholders in regard thereto, a called meeting of the stockholders of the Johnson City Mills will be held at the office of the Company in Johnson City on Thursday, March 7, 1918, at 1:30 P. M.

If any stockholder cannot attend this meeting it is hoped that he will send his written proxy to some stockholder who will be present, in order that if possible, we may have a full representation of the stockholders at this meeting.

We suggest, in this connection, to any stockholder who will not attend, and he does send proxy, that he will instruct the holder of his proxy as to whether or not he desires to take his proportionate part of the increase.

From what we own understand, that stockholder

will take his proportionate part, but if he does not

send a proxy, in order that we may know how to proceed.

*[Handwritten signature]*

LARGEST JOBBERS IN OUR LINE IN TENNESSEE

# The H. J. Hackney Company

KNOXVILLE  
JELICO  
MIDDLESBORO  
JOHNSON CITY  
HARLAN

WHOLESALE GROCERS

Harlan, Ky.



Mar. 2nd, 1918.

Mr. Ben A. Morton, President,  
Johnson City Mills,  
Knoxville, Tennessee.

Dear Sir:

Replying to yours of the 1st., in reference to increasing capital stock of the Johnson City Mills. It will be impossible for me to attend the stockholders' meeting of same, and I hereby instruct you as my proxy, and authorize you to vote my stock, as outlined in your favor of the 1st., i.e. in favor of increasing the capital stock, and also in favor of issuing stock dividend, and subscribing my proportion for the additional stock.

Yours truly,

~~THE H. J. HACKNEY COMPANY,~~

BY

*Coca-Cola*



GOODMAN'S  
CHOCOLATES  
MOONRISE  
MILK

## THE RODDY-GOODMAN COMPANY

INCORPORATED

CANDY MANUFACTURERS AND COCA-COLA BOTTLERS

COR. MORGAN ST. AND SOV. ST.

PHONE  
1210, OLD 389

KNOXVILLE, TENN. March 5th., 1918

Mr. B. A. Morton,  
City.

Dear Sir;---

You are hereby authorized to vote my 142 shares at meeting of Stockholders of the Johnson City Mills, called for Thursday November 7th. 1918, for the purpose named in call.

Very truly yours,

*J. Roddy*

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DUANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE }  
Knox County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, G. H. Gallaher  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 50 shares of the capital stock of the corporation named hereinafter,  
do hereby nominate, appoint and constitute P. A. Morton  
of Knoxville, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Called meeting of the stockholders of the Johnson  
City Mills Corporation, to be held at Office of  
Johnson City in the city of Johnson City  
County of Washington, State of Tenn., on Thursday  
the 7 day of March, 1918, at 1:30 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 2nd day  
of Feb, 1918.

Signature J. H. Gallaher

Address Knoxville

WITNESS:

N. J. Robertson

FORM 101-1M-2-10-18

Law Offices of

MILLER & DEPEW  
Johnson City,  
Tennessee.

MILLER, SEILER & HUNTER,  
Elizabethton, Tennessee.

GENERAL PROXY.



STATE OF TENNESSEE }  
Washington COUNTY. } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, R. P. Brewer  
the undersigned, for and in behalf of myself, my heirs, executors, admin-  
istrators, assigns, etc., as the holder and owner of 10 shares of the  
capital stock of the corporation named hereinafter, do hereby appoint and  
constitute Ed. D. Wofford of Johnson City, Tenn.  
my attorney and agent (with power of substitution for me, and in my name,  
place and stead), to vote as my proxy, for the election of a Board of Di-  
rectors, and upon all other matters and business, of any kind and charac-  
ter whatsoever, without exception or reservation, that may be considered  
and acted upon at a Call meeting of  
the stockholders of the Johnson City Mills, to be  
held at Office of the Company, in the City of Johnson City  
County of Washington, State of Tennessee, on  
7 day of March, 1918,  
at One-thirty o'clock, P. M., or at any adjournment or adjournments  
thereof, according to the number of votes that I would be entitled to  
vote if I were personally present at said meeting, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in  
advance, all the acts of my said agent and attorney, in so representing  
and voting my said stock for me at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this  
the 6 day of March, 1918.

Witness

A. B. Crauch

Signature

R. P. Brewer

It appearing from the roll call, and the report of the secretary, that all of the stockholders had received legal and proper notice of the time, place and purpose of the meeting, and that 450 out of the 500 shares of stock issued and outstanding, were present in person or properly represented by proxy, the president announced that the meeting was open and competent for the transaction of all business stated in the call.

The originals of the proxies above referred to, duly stamped, were filed with the secretary, and ordered made a part of these minutes; same being examined and approved and found to be in all respects correct and legal; and it was so ordered.

The notice and call of the meeting was <sup>read</sup> held; after which the president announced to the stockholders that, owing to the development of the business of the corporation, and for the purpose of further developing and expanding the same, the officers of the corporation recommended that \$21,000.00 of new money be raised and put into the business; and the officers of the company recommended to the stockholders that the stockholders authorize the board of directors to apply to the secretary of state, of Tennessee, for an amendment to the company's charter, for the purpose of investing it with power to increase the company's capital stock from 500 shares, of the par value of \$50,000.00, to 750 shares of the par value of \$75,000.00. After the proposition was thoroughly discussed and understood, Mr. George T. Wofford presented, read to the meeting, and moved the adoption of the following resolution:

"BE IT RESOLVED by the stockholders of the Johnson City Mills, in special meeting assembled, pursuant to notice, on this the 7th day of March, 1918, that it is the

opinion and sense of the stockholders that it would be wise to increase the corporation's capital stock, from \$50,000.00 to \$75,000.00; and therefore, that the stockholders hereby recommend to the board of directors that this step be taken; and authorize the board of directors to make the proper application to the Secretary of State, for said amendment."

This motion was duly seconded by Fred J. Moses; and, upon a vote being taken, the same was unanimously carried, all the stockholders present and represented by proxy, voting in the affirmative.

The president then commented upon the fact that the corporation had in its undivided profits account, net earnings of something in excess of \$4,000.00, as of the first of January, 1918; and he recommended that it would be proper to declare an eight per centum (8%) dividend, which would amount to the sum of \$4,000.00, and which would absorb or take care of the unsubscribed portion of the \$25,000.00 increase in capital stock.

As a result of this suggestion, Mr. George T. Wofford presented, read to the meeting, and moved the adoption of the following resolution:

"BE IT RESOLVED by the stockholders of Johnson City Mills, that, after the corporation's authorized capital stock had been increased, as provided in the resolution just passed by the stockholders, from \$50,000.00 to \$75,000.00, an eight per centum (8%) stock dividend be declared and issued to all of the stockholders, in proportion to their stock holdings; and that same be charged to the undivided profits account."

This motion was duly seconded by Fred J. Moses; and, upon a vote being taken, the same was unanimously carried; all the stockholders present and represented, voting in the affirmative.

Mr. George T. Wofford then presented, read to the meeting, and moved the adoption of the following resolution:

"BE IT RESOLVED by the stockholders of Johnson City Mills, that the officers of the corporation be directed to have prepared, and that they sell and issue at par (after the amendment to the company's charter, increasing its capital stock from \$50,000.00 to \$75,000.00, shall have been granted), common capital stock of the corporation to the amount of \$21,000.00; and that same be offered to the present stockholders of the corporation, in proportion to their present holdings, at par."

This motion was duly seconded by Fred J. Moses; and, upon a vote being taken, same was unanimously carried, all the stockholders present and represented voting in the affirmative.

It appearing that all of the stockholders of the corporation, excepting one (namely, R. R. Dooley, who is now in France), had previously expressed his purpose and intention of subscribing to and paying for his proportionate part of the increase in capital stock; and it was suggested and unanimously agreed upon that Mr. R. R. Dooley's pro rata of said increase in capital stock should be issued to Mr. C. L. Dooley, to hold for the said R. R. Dooley, in trust; with the further understanding and agreement that if the said R. R. Dooley did not care to subscribe and pay for his said pro rata portion of said stock, that he should have the privilege of selling or disposing of his option and right thereto; and that said increase should thereafter be issued to whomsoever the said R. R. Dooley designated.

There being no further business, the meeting, on motion duly made, seconded and carried, adjourned sine die.

*T. F. Dooley*  
Secretary.

*Ben A. Morton*  
President.

DIRECTORS MEETING.

JOHNSON CITY MILLS

MINUTES of a special meeting of the BOARD OF DIRECTORS of the Johnson City Mills, a Tennessee corporation, held at the offices of said corporation, in Johnson City, Tennessee, at two o'clock, P. M., on Thursday, the 7th day of March, 1918, in pursuance of a written notice, mailed and sent to each member of the Board of Directors, in accordance with the by-laws of this corporation; and at which meeting the following business was transacted and ordered spread of record upon the permanent records of the corporation.

President Ben A. Morton presided over the meeting; and secretary T. F. Dooley, who is also secretary of the board of directors, acted in that capacity.

The call of the meeting was read by the secretary, and ordered made a part of these minutes; and same is attached hereto, marked exhibit "A".

Upon a roll call, it was ascertained that the following directors were present:

Ben A. Morton,  
George T. Wofford,  
Fred J. Moses,  
C. L. Dooley,  
T. F. Dooley.

It appearing that the board of directors of the corporation consisted of seven members; that all members had had due and legal notice of the time, place and purpose of the meeting, and that a quorum was present; the president thereupon announced, that, in accordance with the provisions of the by-laws governing and controlling in the matter as to what constituted a quorum for the transaction of business, that the

meeting was open and competent for the transaction of any and all business stated in the notice and call therefor.

The president stated to the board of directors that, inasmuch as the stockholders of the corporation, in a special meeting held earlier in the day on this date, had passed a resolution authorizing the directors to apply to the Secretary of State of Tennessee, for an amendment to the charter of this corporation, for the purpose of investing it with power to increase its capital stock from 500 shares of the par value of \$50,000.00, to 750 shares of the par value of \$75,000.00; that the meeting was, therefore, open for the transaction of that, and any other business mentioned in the call.

Whereupon, George T. Wofford moved that the directors apply to the Secretary of State, of Tennessee, in accordance with the recommendation thereto given by the stockholders, and in accordance with the laws of the state, for an amendment to the charter, providing for said increase of capital stock, from \$50,000.00 to \$75,000.00;

Which motion was duly seconded by Fred J. Moses and unanimously carried; all the directors present voting therefor.

The application for said amendment to the charter, authorizing said increase, was present, was executed by all of the directors present; and the secretary was ordered to secure the signatures of the remaining members of the board of directors, and to have said application duly transmitted to the register of Washington County, Tennessee, and to the Secretary of State, and to consummate in every way, said amendment, for said increase of capital stock.

The president then commented upon the fact that the corporation had in its undivided profits account, net earnings of something in excess of \$4,000.00, as of the first of January, 1918; and he recommended that it would be proper to declare an eight per centum (8%) dividend, which would amount to the sum of \$4,000.00, and which would absorb or take care of the unsubscribed portion of the \$25,000.00 increase in capital stock.

As a result of this suggestion, Mr. George T. Wofford presented, read to the meeting, and moved the adoption of the following resolution:

"BE IT RESOLVED by the board of directors of Johnson City Mills, that, after the corporation's authorized capital stock had been increased, as provided hereinbefore, from \$50,000.00 to \$75,000.00, an eight per centum (8%) stock dividend be declared and issued to all of the stockholders, in proportion to their stock holdings; and that same be charged to the undivided profits account."

This motion was duly seconded by Fred J. Moses; and, upon a vote being taken, same was unanimously carried; all the directors present voting therefor.

Mr. George T. Wofford then presented, read to the meeting, and moved the adoption of the following resolution:

"BE IT RESOLVED by the board of directors of Johnson City Mills, that the officers of this corporation be, and they are hereby, directed to have prepared, and that they sell and issue, at par (after the amendment to the company's charter, increasing its capital stock from \$50,000.00 to \$75,000.00, shall have been granted), common capital stock of the corporation, to the amount of



\$21,000.00; and that same be offered to the present stockholders of the corporation, in proportion to their present holdings, at par."

This motion was duly seconded by Fred J. Moses; and, upon a vote being taken, same was unanimously carried, all the directors present voting therefor.

There being no further business, the meeting, on motion duly made, seconded and carried, adjourned sine die.

*T. A. Dudley*  
Secretary.

*Paul Morley*  
President.

Directors Participating:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

To the -  
Directors of the Johnson City Mills:

*Exhibit "A"*

A called meeting of the Directors of the Johnson City Mills will be held at the office of the Company in Johnson City, Tennessee, on Thursday, March 7, 1918, at 2:00 P. M. to receive instructions from the stockholders relative to the issuance of \$25,000 additional stock in the Company.

*Paul Morley*  
President.

Knoxville, Tennessee.  
Feb. 28, 1918.

Knoxville, Tenn.  
March 8, 1918.

TO THOSE CONCERNED:

This is to acknowledge that I received due notice of a called meeting of the Board of Directors of the Johnson City Mills, held at the office of the Company in Johnson City, Tennessee, March 7, 1918, and having been advised of all things done by the Directors at that meeting, hereby endorse all such actions.

*J. P. Ruddy*

Knoxville, Tenn.  
March 8, 1918.

TO THOSE CONCERNED:

This is to acknowledge that I received due notice of a called meeting of the Board of Directors of the Johnson City Mills, held at the office of the Company in Johnson City, Tennessee, March 7, 1918, and having been advised of all things done by the Directors at that meeting, hereby endorse all such actions.

*G. H. Gallahan*

## DIRECTORS MEETING.

The regular meeting of the Board of Directors of the Johnson City Mills was held at the office of the Corporation at its plant, at Johnson City, Tenn. Tuesday, April 23rd., 1918. Meeting called to order at 2 o'clock P.M. but failed for want of a quorum.

*T. F. Dooley*  
Secretary.

*Ben A. Morton*  
President.

## Stockholders Meeting.

Minutes of regular annual meeting of the stockholders of Johnson City Mills, a Tennessee Corporation, held at offices of said Corporation, in Johnson City, Tennessee, at 1:30 o'clock, P.M. on Tuesday, the 22nd., day of October, 1918 in accordance with the by-laws of said Corporation.

Upon proper motion which was duly seconded and unanimously voted Mr. Ben A. Morton was elected temporary Chairman and Mr. T. F. Dooley, temporary Secretary.

Upon a roll call it was ascertained that the following stockholders were either present or represented.

Present in Person				
Ben A. Morton	holder and owner of			215 shares
J. P. Roddy	" " " "	" " " "	" "	213 "
G. H. Gallaher	" " " "	" " " "	" "	75 "
George T. Wofford	" " " "	" " " "	" "	12 "
Fred J. Moses	" " " "	" " " "	" "	15 "
C. L. Dooley	" " " "	" " " "	" "	38 "
T. F. Dooley	" " " "	" " " "	" "	75 "
				<u>543</u> "

Represented by proxies, which proxies are made a part of the minutes of this meeting.

R. R. Dooley	represented by	T. F. Dooley	27 Shares
Mrs. Dora V. Dooley	" "	T. F. Dooley	10 "
C. Powell Smith	" "	B. A. Morton	37 "
R. E. McNew	" "	B. A. Morton	15 "
R. F. Brewer	" "	G. T. Wofford	15 "
			<u>104</u> "

Total shares present and represented 747

It appearing from the roll call, and the report of the Secretary that 747 out of 750 shares of stock issued and outstanding, were present in person or properly represented by proxy, the Chairman announced that the meeting was open for business.

The minutes of the previous meetings were read and approved.

The Secretary & Treasurer read a statement of condition of the affairs of the Corporation at the close of business September 30th., 1918. After a discussion of this statement it was moved by Mr. Fred J. Moses that the Secretary be instructed to incorporate said statement in the minutes of this meeting to be spread upon the permanent records of the Corporation. This motion was seconded by Mr. C. L. Dooley and was unanimously carried, all the stockholders present and represented by proxy voting in the affirmative.

The next business before the meeting being the election of Directors to serve for the ensuing year, the polls were opened for the election of the said Directors.

Upon motion of Mr. Geo. T. Wofford seconded by Mr. C. L. Dooley the present Board of Directors consisting of Ben A. Morton, J. P. Roddy, G. H. Gallaher, Geo. T. Wofford, Fred J. Moses, C. L. Dooley, and T. F. Dooley, were elected.

There being no further business to come before the meeting, it adjourned.

*T. F. Dooley*  
Secretary.

*Ben A. Morton*  
Chairman.

Statement of Condition of Johnson City Mills  
at close of business September 30th., 1918.

Resources.

Buildings & Grounds.	\$27,401.50	
Furniture & Fixtures	1,470.00	
Machinery & Equipment	41,372.30	
Material & Stock (Inventory)	34,969.96	
Power, Light & Fuel "	381.46	
Accounts Receivable	20,973.71	
General Expense (Unearned ins.)	295.82	
Cash in Bank (Unaka)	322.42	
Household Furniture	540.74	
Investments (Pref. Stock)	2,000.00	C. Walker Jones, Inc.
U.S. Government Securities	2,288.00	
	<u>\$132,515.91</u>	

Liabilities.

Capital Stock	\$75,000.00
Bills Payable	4,000.00
Accounts Payable	none
Undivided Profits	48,115.91
Reserve for Depreciation	5,400.00
	<u>\$132,515.91</u>

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER EDWIN HUNTER



GENERAL PROXY

STATE OF TENNESSEE }  
Shrop County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Caura Smith  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 37 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute D. A. Motson  
of Shropville Tenn my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a meeting of the stockholders of the Johnson City Mills  
to be held at the office of  
the company in the city of Johnson City  
County of Tenn, State of Tenn, on Tuesday  
the 22 day of October, 1918, at 1:30 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and sed, this the 16 day  
of Oct, 1918.

Signature Caura Smith  
Address Shropville Tenn

WITNESS:  
Mrs. F. W. Severance.

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



### GENERAL PROXY

STATE OF TENNESSEE }  
County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Nora V. Dooley  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of Ten shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute T. H. Wooley  
of Johnson City, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a regular meeting of the stockholders of the Johnson  
City Mills to be held at the office of  
the Corporation in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 22nd day of October, 1918, at 1:20 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 18th day  
of October, 1918.

Signature Nora V. Dooley

Address 2533 Va. Ave. Nashville

WITNESS:

Carrie M. Dooley

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



### GENERAL PROXY

STATE OF TENNESSEE }  
Washington County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, R. F. Brewer  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of        shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute Geo. J. Wooley  
of Johnson City, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a annual meeting of the stockholders of the Johnson  
City Mills to be held at The Office of  
the Corporation in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 22 day of October, 1918, at 1:30 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 19th day  
of Oct, 1918.

Signature R. F. Brewer

Address Johnson City Tenn

WITNESS:

Wm. H. [unclear]

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



### GENERAL PROXY

STATE OF TENNESSEE  
Knox County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Dora Doolley for R.R. Hoole  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 27 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute T. F. Doolley  
of Johnson City Tenn my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a regular meeting of the stockholders of the Johnson  
City Mills, to be held at the office  
of the Corporation, in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 22nd day of October, 1918, at 1:30 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 18th day  
of October, 1918.

Signature Dora Doolley for R.R. Hoole  
Address 2538 Va Ave Knoxville Tenn

WITNESS:  
Carrie R. Doolley

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



### GENERAL PROXY

STATE OF <sup>ky</sup> TENNESSEE  
Horton County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Wm. M. Garrison  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 15 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute Ben A. Norton  
of Knob Hill Tenn my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Special meeting of the stockholders of the  
Johnson City Mills, to be held at  
Johnson City, in the city of Johnson City  
County of Washington, State of Tenn, on Wed. Tuesday  
the 22 day of October, 1918, at 12 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 17 day  
of October, 1918.

Signature Wm. M. Garrison  
Address Horton Ky

WITNESS:  
W. C. Garrison

## DIRECTORS MEETING.

Minutes of regular meeting of the Board of Directors of the Johnson City Mills, a Tennessee Corporation, held at the offices of said Corporation in Johnson City, Tennessee, at two o'clock P.M. on Tuesday, the 22nd day of October, 1918, in accordance with the By-laws of the Corporation: and at which meeting the following business was transacted and ordered spread of record on the permanent records of the Corporation.

Upon proper motion, duly made and seconded and unanimously carried, Mr. Ben. A. Morton was elected temporary chairman and Mr. T. F. Dooley elected temporary secretary.

Upon a roll call it was ascertained that the following Directors were present.

Ben A. Morton.

J. P. Roddy.

Fred J. Moses.

C. L. Dooley.

George T. Wofford.

G. H. Gallaher.

T. F. Dooley.

It appearing from the roll call and the secretary's report that all of the Directors of the Corporation were present the Chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

At this stage, the president explained in detail to the meeting that, in January, 1918, based upon a conversation and understanding he had had with a majority of the members of the board of directors, he reached an understanding with Mr T F Dooley, the secretary-treasurer and general manager, to the effect that, by reason of the splendid showing and bright prospects of the business, largely due to the energu, ability and foresight of the said T F Dooley, his salary was to be increased from \$2,400 to \$3,000 per annum, being an increase of \$600 for the year, from October, 1917, to October, 1918: and that, commencing with the salary for the month of January,

1918, said officer should draw from the funds of the company an additional \$25 per month, to the end of the company's fiscal year ending October, 1918; and that at the October, 1918, meeting, a bonus would be voted to him, of such an amount as, in connection with the \$25 per month extra from January to October, would equal the \$600 increase; and in such a way as that the increase should be retroactive, to the extent of taking effect from October, 1917.

This matter was discussed and thoroughly understood by the directors; as a result of which it was moved by J. P. Reddy and seconded by Fred J. Moses that the action of the president, in promising said officer an increase of \$600 per year for the year ending October, 1918, be in all things ratified and approved, and that the amount specified be allowed and paid to said officer.

Which motion was unanimously carried; all the directors present voting therefor.

The question of said Dooley's salary for the year from October, 1918, to October, 1919, was next discussed; and, in view of the continued splendid showing and bright prospects of the business, it was moved by Geo. T. Wofford and seconded by C. L. Dooley that said T F Dooley's salary for said year be increased from \$3,000 to \$3,600, payable at the rate of \$300 per month:

Which motion was unanimously carried, all the directors present voting therefor.

It was next moved by J. P. Reddy and seconded by G. H. Gallaher that, as a special mark of appreciation and as a special recognition of the valuable services of said Dooley to the company, in putting the business upon such a splendid financial basis in so short a period of time, a bonus of \$400 be allowed and paid to said officer, between October, 1918, and January 1, 1919; with the result that, for the year October, 1918, to October, 1919, said officer should receive the aggregate sum of \$4,000; but payable at the rate of \$300 per month, plus said bonus of \$400 paid by January 1, 1918; after which, the balance of the said sum of \$4,000 should be payable at the rate of \$300 per month.

This motion was unanimously carried, all the directors present voting therefor.

Upon proper motion, seconded and unanimously voted salaries of Officers, excepting that of Sec'y-Treas. & Mgr. were fixed as follows

President no salary.

Vice-President no salary.

The next business before the meeting being the election of officers to serve for the ensuing year, the polls were opened and the following Directors were elected

President Ben A. Morton.

Vice-President J. P. Roddy.

Sec'y-Treas. & Gen. Mgr. T. F. Dooley.

After a general discussion of the affairs of the Corporation, there being no further business the meeting adjourned.

*Ben A. Morton*

Chairman.

*T. F. Dooley*

Secretary.

Directors Meeting.

Minutes of Regular meeting of Board of Directors of Johnson City Mills held at the Offices of the Corporation in Johnson City, Tenn., Friday, April 25th., 1919. This meeting being an adjournment of meeting called to order April 22nd., 1919 in accordance with By-laws which failed for want of a Quorum.

Meeting called to order and upon proper motion, duly made and seconded Mr. J. P. Roddy was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Present

J. F. Moses.

J. P. Roddy.

T. F. Dooley.

G. H. Gallaher.

C. L. Dooley.

Absent

B. A. Morton.

Geo. T. Wofford.

The minutes of the previous meeting were read and approved. At this stage Sec.-Treas. & Manager T. F. Dooley read to the Board a statement of the condition of the affairs of the Corporation at the close of business March 31st., 1919. After a discussion of this statement it was moved by Mr. G. H. Gallaher and seconded by Mr. C. L. Dooley that the Secretary be directed to incorporate the above statement in the minutes of this meeting. This motion was unanimously carried.

There being no further business the meeting adjourned.

*J. P. Roddy*

Vice-President.

*T. F. Dooley*

Secretary.

## Statement of Condition Of Johnson City Mills

at Close of Business March 31, 1919.  
RESOURCES

Buildings & Grounds.	\$27,737.82
Furniture & Fixtures	1,470.00
Machinery & Equipment	41,525.27
Material & Stock (Inventory)	42,421.06
Power, Light & Fuel ( " )	211.20
Accounts Receivable	19,403.82
Cash in Bank ( Unaka Nat'l. )	7,262.91
Investments (Preferred stock C. Walker Jones, Inc.)	1,500.00
Household Furniture	330.54
U.S. Government Securities.	7,282.60
	<u>\$149,145.22</u>

## LIABILITIES.

Capital Stock	\$75,000.00
Bills Payable	25,000.00
Accounts Payable	168.66
Undivided Profits	41,076.56
Reserve For Depreciation	7,900.00
	<u>\$149,145.22</u>

Note Paid Federal taxes for 1918 \$5,000.00

## DIRECTORS MEETING.

Minutes of a called meeting of the Board of Directors of the Johnson City Mills held at office of the W. T. Hackney Co. Johnson City, Tenn. June 6th, 1919 at 3 o'clock P. M.

## Present.

Ben A. Morton	President	Presiding
T. F. Dooley	Secretary	
Geo. T. Wofford		
Fred J. Moses		

## Absent

G. H. Gallaher  
C. L. Dooley  
J. P. Roddy

It appearing from the report of the Secretary that a quorum was present the President declared the meeting open for business.

By consent of those present reading of the Minutes of the previous meeting was dispensed with.

The Secy-Treas. & Mgr., T. F. Dooley reported to the Board the result of his conferences with the Internal Revenue Department as regards the Corporations Excess and War Profits Tax.

Upon proper motion which was duly seconded and unanimously voted the Secretary was requested to reduce this report to writing and instructed to place same in the minutes of this meeting as a part of the permanent records of the Corporation.

At this stage Mr. Geo. T. Wofford read to the meeting and moved the adoption of the following resolution.

Be it resolved by the Board of Directors of the Johnson City Mills that in view of the report of the Secy. & Treas. and also in view of the volume of business done and services rendered, the salaries of officers of the Corporation for the year 1918 be fixed as follows:

President	\$3500.00
Vice-President	1000.00
Secy. Treas. Mgr.	3800.00

additional salary which with the \$3700.00 drawn would make \$7500.00 for the year and that the Secy. & Treas. is hereby instructed to place said salaries to the credit of said officers on the books of the company and to pay same on demand thereby reducing the net earnings for the year 1918.

This resolution was seconded by Mr. Fred J. Moses and was unanimously carried all the directors present voting in the affirmative.

Next Mr. Geo. T. Wofford presented, read to the meeting and moved the adoption on the following resolution.

Be it resolved by the Board of Directors of the Johnson City Mills that salaries of officers for the year 1919 be fixed as follows: nine months from Jan. 1st, 1919 to Sept 30, 1919 be fixed at the following rates per annum:

President	\$3500.00
Vice-President	1000.00
Secy. Treas. & Mgr.	7500.00

And that the Secy-Treas. be directed to credit the proportional part of said salaries to said officers on the books of the Company at the close of the first six months of the year 1919 and at the close of each quarter thereafter and to pay same on demand of said officers. Mr. Fred J. Moses seconded this resolution and it was unanimously carried.



There being no further business the meeting adjourned.

President.

Secretary.

J. P. RODDY, Vice-President  
KNOXVILLE, TENN.

T. F. DOOLEY, Sec'y & Treas.  
JOHNSON CITY, TENN.

JOHNSON CITY MILLS  
MANUFACTURERS OF  
CHILDREN'S HIGH GRADE HOSIERY

JOHNSON CITY, TENN., June 7th. 19.

Board of Directors of Johnson City Mills,  
Johnson City, Tenn.

Gentlemen:-

At the request of the Board I beg to submit the following report of my trips to Washington when I interviewed the Income and War Profits division officials of the Internal Revenue Department.

My first visit to Washington April 17th. 1919 when I had a lengthy conference with two officials whose names I do not re-call, I put the case of the Johnson City Mills before these officials, particularly as regards the low salary account which was not commensurate with the volume of business done for services rendered by the officers of the corporation. It was the opinion of these officials that we could undoubtedly hold a meeting and increase the salaries for the year 1918 to a figure which would more nearly represent the true value of the officers to the corporation, but owing to the fact that the time for final tax report had been extended to June 15th and that some new rulings were expected as regards abatement claims and inventory losses it was suggested that I take this matter up further with the Department when they would have more definite rulings.

Consequently the writer went to Washington June 2nd. when he held another conference with Messrs. G. J. Weale and L. B. Kagan of the Income and War Profits tax division of the Internal Revenue Department and discussed the matter of salaries for officers fully as well as the matter of abatement claims.

It was the opinion of these officials that the volume of business and profits earned indicated services rendered by officers which would justify salaries as follows for the year 1918.

President \$3500.00, Vice-President \$1000.00 and Sec'y & Treasurer & General Mgr. \$7500.00.

I was also advised by these gentlemen that it would be entirely proper for said salaries to be voted by the Directors of the corporation and that they could either be paid or placed to the credit of said officers on the books of the Company thereby becoming a charge against the 1918 operating expenses and reducing undivided profits account.

After discussion of the corporations claims for abatement because of loss on sale of merchandise the conference closed.

Yours truly,

*T. F. Dooley*

Sec'y & Treas.

Knoxville, Tenn. *June 7th* 1919.

I, the undersigned, being a director in the Johnson City Mills, hereby waive notice of meeting of directors held June 6, 1919 at 3 P. M. at office of the H. T. Hackney Co. Johnson City, Tenn., and having been advised of all business transacted, hereby ratify and approve same.

*J. P. Roddy*

Knoxville, Tenn. *June 9* 1919.

I, the undersigned, being a director in the Johnson City Mills, hereby waive notice of meeting of directors held June 6, 1919 at 3 P. M. at office of the H. T. Hackney Co. Johnson City, Tenn., and having been advised of all business transacted, hereby ratify and approve same.

*J. P. Roddy*

Knoxville, Tenn. *June 14* 1919.

I, the undersigned, being a director in the Johnson City Mills, hereby waive notice of meeting of directors held June 6, 1919 at 3 P. M. at office of the H. T. Hackney Co. Johnson City, Tenn., and having been advised of all business transacted, hereby ratify and approve same.

*T. F. Dooley*

## Directors Meeting.

Minutes of called meeting of the Board of Directors of the Johnson City Mills held at the office of H. T. Hackney Company Tuesday, ~~August~~ <sup>October</sup> 19th, at 3 P. M. Present C. L. Dooley, F. J. Moses, B. A. Morton and T. F. Dooley - Absent Geo. T. Wofford, G. H. Gallihar and J. P. Roddy.

President B. A. Morton presided and Secretary T. F. Dooley acted in that capacity.

Upon roll call Secretary reported a quorum was present and the President stated the meeting was open for business.

Upon proper motion moved and seconded and unanimously carried reading of the minutes of the preceding meeting was dispensed with.

The president stated that he and Secretary and Treasurer & Manager after discussion with the other Directors had deemed it wise to enter into contracts for new equipment and to establish a branch knitting plant at the town of Elizabethton, Tenn. in Carter County eleven miles from Johnson City.

He suggested that the Board of Directors ratify the action of its officers whereby Mr. Geo. T. Wofford read to the meeting and moved the adoption of the following resolution; Be it resolved ~~by~~ the Directors of the Johnson City Mills that we hereby approve the action of the Officers of the Corporation in placing contracts for new knitting machinery and undertaking to open a branch knitting plant at Elizabethton, Tenn.

It is understood that the total expenses necessary for investment in equipment and improvements is not to exceed the sum of \$20,000 without further appropriation from this board.

This motion was seconded by Mr. F. J. Moses and unanimously carried, all the Directors present voting in the affirmative.

There being no further business to come before the meeting it adjourned.

*F. J. Dooley*  
Secretary & Treas.

*B. A. Morton*  
President

## Stockholders Meeting.

Minutes of Stockholders Meeting of Johnson City Mills held at the office of the Company at Johnson City, Tenn. at 1-30 P. M. Tuesday, October 28th, 1919, this being the regular annual stockholders meeting as designated in the By-laws.

Upon proper motion duly seconded and unanimously voted Mr. Ben A. Morton was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented.

Present in person		
Ben A. Morton	holder and owner of	
J. P. Roddy	" " " "	215 shares
G. H. Gallaher	" " " "	213 "
George T. Wofford	" " " "	75 "
C. L. Dooley	" " " "	12 "
T. F. Dooley	" " " "	38 "
		90 "
		643 "
Represented by proxy, which proxies are		
R. R. Dooley	represented by T. F. Dooley	37 shares
R. F. Brewer	" " Geo. T. Wofford	15 "
C. Powell Smith	" " Ben A. Morton	37 "
R. E. McNew	" " Ben A. Morton	15 "
		104 "
Total shares present and represented		747

It appearing from the roll call, and the report of the Secretary that 747 out of 750 shares of stock issued and outstanding, were present in person or properly represented by proxy, the Chairman announced that the meeting was open for business.

The minutes of the previous meeting were read and approved.

The Secretary-Treasurer & Manager read a statement of condition of the affairs of the corporation at the close of business September 30th., 1919 with comparative figures for September 1918. After a discussion of this statement it was moved by Mr. George T. Wofford and seconded by Mr. C. L. Dooley that the report of the Secretary & Treasurer be accepted and that the Secretary be directed to incorporate said statement in the minutes of this meeting to be spread upon the permanent records of the Corporation. This motion was unanimously carried, all of the stockholders present and represented by proxy voting in the affirmative.

At this stage the President stated that the officers of the Company with the approval of the Board of Directors had deemed it advisable to purchase additional knitting equipment, not to exceed \$20,000.00 in value, and to open up a branch knitting plant in the town of Elizabethton, Tenn. in Carter County eleven miles from Johnson City, and that buildings had been leased and equipment purchased for this purpose.

After hearing this statement Mr. J. P. Roddy presented, read to the meeting; and moved the adoption of the following resolutions;

"BE IT RESOLVED by the stockholders of the Johnson City Mills that the action of the Officers and Directors of the Corporation in purchasing equipment and leasing buildings for the operation of a branch knitting plant at Elizabethton, Tenn. is hereby confirmed and approved."

This motion was seconded by Mr. Geo. T. Wofford; and, upon a vote being taken, the same was unanimously carried; all of the stockholders present and represented, voting in the affirmative.

At this stage the President stated to the stockholders that according to the By-laws of the Corporation the annual meeting of the stockholders was now held on the Fourth Tuesday in Oct. of each year making the fiscal year of the Corporation end September 30th. He suggested that owing to the number of Government reports necessary at the close of the Calendar year that the stockholders consider the advisability of amending the By-laws so that the annual meeting

would come in January thereby making the fiscal year end with the calendar year.

After discussion of this Mr. George T. Wofford presented, read to the meeting and moved the adoption of the following resolutions:

" BE IT RESOLVED by the stockholders of the Johnson City Mills that Art. IV. Section I. of the By-laws of the Corporation which now reads as follows: "

" There shall be an annual stockholders meeting held at the Home Office of the Company on Fourth Tuesday in October of each year at which time and place may be transacted any and all business properly done by stockholders and at which time directors shall be elected for the ensuing year. "

Shall be changed to read as follows:

" There shall be an annual stockholders meeting held at the home office of the Company on Fourth Tuesday in January of each year at which time and place may be transacted any and all business properly done by stockholders and at which time directors shall be elected for the ensuing year. "

And that the meeting for the Fourth Tuesday in January 1920 be waived and the next annual meeting be held the Fourth Tuesday of January 1921. "

This motion seconded by Mr. C. L. Dooley and was unanimously voted; all the stockholders present and represented voting in the affirmative.

Mr. G. H. Gallaher then presented, read to the meeting, and moved the adoption of the following resolutions:

" BE IT RESOLVED by the stockholders of the Johnson City Mills that Art. II. Section IV. of the By-laws of the Corporation which now reads as follows: "

" Regular meetings of the Board of Directors shall be held on the Fourth Tuesday of October and April of each year: special meetings at such times as they may be called by the President, or in case of his absence or refusal, by a majority of the Board, upon five days notice to each member. Any business transacted at a special meeting duly called, as above provided, shall be valid as if transacted at a regular meeting, provided each member of the Board had had notice, as above provided, of said meeting. "

Shall be changed to read as follows:

" Regular meetings of the Board of Directors shall be held on the Fourth Tuesday of January and July of each year: special meetings at such times as they may be called by the President, or in case of his absence or refusal, by a majority of the Board upon five days notice to each member. Any business transacted at a special meeting duly called, as above provided, shall be valid as if transacted at a regular meeting, provided each member of the Board had had notice, as above provided, of said meeting. "

And that the meeting of January 1920 be waived and the next meeting of the Directors be held the Fourth Tuesday in July 1920. "

This motion was seconded by Mr. J. P. Roddy and being put to a vote, was unanimously carried all the stockholders present and represented voting in the affirmative.

The next business to come before the meeting being the election of Directors to serve for the fifteen months from September 30th 1919 to December 31st. 1920, the polls were opened for the election of said Directors and the following gentlemen were elected as Directors:

Ben A. Morton	George T. Wofford	T. F. Dooley
G. H. Gallaher	C. L. Dooley	
J. P. Roddy	C. Powell Smith	

There being no further business to come before the meeting it adjourned.

*T. F. Dooley*  
Secretary

*Ben A. Morton*  
Chairman

### STATEMENT OF CONDITION OF JOHNSON CITY MILLS

at close of business September 30th., 1919.

RESOURCES	Sept. 30th., 1918	Sept. 30th., 1919
Buildings & Grounds		\$27,401.50
Furniture & Fixtures (Johnson City)	\$27,737.82	1,470.00
" " " (Elizabethton)	1,476.75	
" " " (Elizabethton)	86.15	
Machinery & Equipment (Johnson City)	36,349.63	41,372.30
" " " (Elizabethton)	5,644.28	
Material & Stock (Inventory)	59,327.11	34,969.96
Power, Light & Fuel	353.00	881.46
Accounts Receivable	36,840.67	20,973.71
Cash in Bank (Unaka National)	870.48	322.42
Investments (Pref. Stk. C. Walker Jones, Inc.)	700.00	2,000.00
Household Furniture	117.52	540.74
U.S. Government Securities.	7,842.00	2,288.00
Gen. Ex. (Unearned Ins. Premiums)		295.82
	<u>\$177,345.41</u>	<u>\$132,515.91</u>
<b>LIABILITIES</b>		
Capital Stock	\$75,000.00	\$75,000.00
Bills Payable	15,000.00	4,000.00
Accounts Payable (Officers)	14,200.00	
" " (Current)	19,353.51	
Reserve for Depreciation	10,400.00	5,400.00
Undivided Profits	43,391.90	48,115.91
	<u>\$177,345.41</u>	<u>\$132,515.91</u>

#### Tax payments on 1918 earnings.

March 13, 1918	\$5000.00
June 13, 1918	6263.01
Sept. 13, 1918	5626.81
Total	<u>\$16889.82</u>

1918 Taxes unpaid \$5,626.81

LAW OFFICES OF MILLER & DEPEW JOHNSON CITY, TENN. LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF MILLER, SEILER & HUNTER ELIZABETHTON, TENN. LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE } ss. Washington County

KNOW ALL MEN BY THESE PRESENTS, That I, J. F. Doolley for R. R. Doolley the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 37 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute J. F. Doolley of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a regular meeting of the stockholders of the Johnson City Mills, to be held at the office of the Corporation, in the city of Johnson City, County of Washington, State of Tenn, on Tuesday the 28 day of October, 1919, at 1:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 28 day of October, 1919.

Signature J. F. Doolley for R. R. Doolley Address Johnson City, Tenn

WITNESS: Monte E. Hyder

LAW OFFICES OF MILLER & DEPEW JOHNSON CITY, TENN. LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF MILLER, SEILER & HUNTER ELIZABETHTON, TENN. LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE } ss. Harlan County

KNOW ALL MEN BY THESE PRESENTS, That I, R. R. Doolley the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 15 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute Burt Moran of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Annual meeting of the stockholders of the Johnson City Mills, to be held at Johnson City office, in the city of Johnson City, County of Washington, State of Tenn, on 28th day of October, 1919, at 1:30 o'clock P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 28 day of Oct, 1919.

Signature R. R. Doolley Address Harlan Ky

WITNESS: F. J. McNew

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



### GENERAL PROXY

STATE OF TENNESSEE  
*Washington* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I *N. F. Brewer*  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of *15* shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute *Geo. J. Wofford*  
of \_\_\_\_\_ my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a *regular* meeting of the stockholders of the  
*Johnson City Mills* Corporation, to be held at *Office of*  
*Johnson City* in the city of *Johnson City*  
County of *Washington*, State of *Tenn*, on *Tuesday*  
the *25th* day of *October*, 191*9*, at *1:30* o'clock, *P.* M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *27th* day  
of *October*, 191*9*.

Signature *N. F. Brewer*  
Address \_\_\_\_\_

WITNESS:  
*J. Frank Toney Jr.*  
FORM 101-1M-3-10-18

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



### GENERAL PROXY

STATE OF TENNESSEE  
*Knox* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *Louise Smith*  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of \_\_\_\_\_ shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute *Geo. A. Moton*  
of *Knoxville Tenn* my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a *regular* meeting of the stockholders of the *Johnson City Mills*  
Corporation, to be held at *Office of*  
*Johnson City* in the city of *Johnson City*  
County of *Washington*, State of *Tenn*, on *Tuesday*  
the *28th* day of *October*, 191*9*, at *1:30* o'clock, *P.M.*  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *25th* day  
of *October*, 191*9*.

Signature *Louise Smith*  
Address *Knoxville Tenn*

WITNESS:  
*Ida E. Severance*

## Directors Meeting.

Minutes of the regular meeting of the Board of Directors of the Johnson City Mills held at the office of the Company at Johnson City, Tenn. Tuesday October 28th, 1919 at 2-30 o'clock P. M. in accordance with the By-laws of the corporation. The meeting was called to order and upon proper motion duly made and seconded Mr. Ben A. Morton was elected temporary chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was found that the following Directors were present

Ben A. Morton  
G. H. Gallaher  
Geo. T. Wofford  
C. L. Dooley  
J. P. Roddy  
T. F. Dooley

Absent  
C. Powell Smith

It appearing from the Secretary's report that a quorum was present the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

The attention of the Directors was then called to the fact that a branch mill had been established in Elizabethton, Tenn. and that additional equipment was being purchased for that branch as well as the plant in Johnson City thereby considerably increasing the volume of business done by the Corporation and making the duties of the Officers of the Corporation heavier and the responsibility greater.

After further discussion in which it was brought out that the outlook for the future was uncertain and that no one could forecast business conditions very far ahead, Mr. Geo. T. Wofford presented, read to the meeting and moved the adoption of the following resolution:

"Be it resolved by the Board of Directors of the Johnson City Mills that the salaries of the Officers of the Corporation for the fifteen months beginning October 1st, 1919 and ending December 31st, 1920 shall be fixed at the following rates per annum, with the understanding that said salaries are to be subject to revision at any time during the period for which they are fixed if the Board shall deem such revision justified"

President	\$3,500.00
Vice-President	1,000.00
Sec.-Treas. & Manager	9,600.00

This motion was seconded by Mr. C. L. Dooley and upon a vote being taken was unanimously carried all the Directors present voting therefor.

The President here called the attention of the Directors to the fact that the Stockholders at a meeting held earlier in the day had amended the By-laws of the Corporation so as to bring the annual meeting of the stockholders on the Fourth Tuesday of January instead of the Fourth Tuesday of October each year, making the fiscal year of the Corporation end with the calendar year.

He stated that in as much as the Stockholders had elected the Directors to serve for fifteen months or until December 31st, 1920, it would be well for the Directors to elect Officers for the same period.

Following this statement upon proper motion duly made and seconded and unanimously voted the following Officers were elected to serve for fifteen months beginning October 1st, 1919 and ending December 31st, 1920.

Ben A. Morton	President
J. P. Roddy	Vice-President
T. F. Dooley	Secretary & Treasurer & Manager

The gentlemen elected being present signified their acceptance of the offices to which they had been elected.

Next the Secretary & Treasurer called attention to the fact that salaries of Officers for the year 1918 which had been credited to their respective accounts on the books of the Company had not been paid.

Whereupon it was moved by Mr. G. H. Gallaher seconded by Mr. Geo. T. Wofford that the Secretary & Treasurer be instructed to pay Officers said salaries for 1918 from the funds of the Corporation.

This motion being put to a vote was unanimously carried all the Directors present voting therefor.

There being no further business to come before the meeting it adjourned.

*T. F. Dooley*  
Secretary

*Ben A. Morton*  
Chairman

## Directors Meeting.

Minutes of regular meeting of meeting of Board of Directors of the Johnson City Mills held at the office of the Corporation in Johnson City, Tenn., Tuesday, July 27th., 1920 at 2 o'clock P.M.  
Meeting called to order and upon it being ascertained that a quorum was not present adjourned to meet at the same place Wednesday, August 4th., 1920 at 1 o'clock P.M.

*T.F. Dooley*  
Chairman

## Directors Meeting.

Minutes of an adjourned meeting of the Board of Directors of the Johnson City Mills held at the Office of the Corporation in Johnson City, Tenn., Wednesday, Aug. 4th., 1920. This meeting was an adjournment of the regular meeting called for Tuesday, July 27th., which failed for want of a Quorum.

Meeting called to order at 1 o'clock P.M. by President Ben. A. Morton, who presided, with Sec'y & Treas. T.F. Dooley acting in that capacity.

Upon roll call the following Directors were found to be present.

Ben A. Morton.  
J.P. Roddy.  
G.H. Galbher.  
Geo. T. Wofford.  
C.L. Dooley.  
T.F. Dooley.

Absent C. Powell Smith.

Minutes of previous meeting were read and approved.

Next the Sec'y-Treas. & Manager read to the meeting condition statements of the affairs of the Corporation for the Quarters ending March 31st., 1920, and June 30th., 1920.

After considerable discussion of these statements in which all of the Directors present took part, it was moved by Mr. C.L. Dooley that these statements be incorporated in the minutes of this meeting and made a part of the permanent records of the Corporation. This motion was seconded by Mr. G.H. Gallaher and upon being put to a vote was unanimously carried, all the directors present voting in the affirmative.

There being no further business the meeting adjourned.

*T.F. Dooley*  
Secretary.

*B.A. Morton*  
Chairman.

Statement of Condition of Johnson City Mills  
at close of Business March 31st., 1920.

Resources.	
Buildings & Grounds	\$27,737.82
Furniture & Fixtures (Johnson City)	1,476.75
Machinery & Equipment ( " )	48,596.62
Material & Stock (Inventory)	92,221.17
Power, Light & Fuel ( " Coal etc.)	221.00
Accounts Receivable	65,190.40
Cash in Bank (Unaka National)	464.92
U.S. Government Securities (War Savings Stps.)	848.00
Elizabethton Improvements (Warehouse)	347.00
Machinery & Equipment (Elizabethton)	13,605.64
Furniture & Fixtures ( " )	86.15
	<u>\$250,795.47</u>

## Liabilities

Capital Stock	\$75,000.00
Bills Payable (To Banks)	40,000.00
Bills Payable (To Officers)	7,000.00
Accounts Payable (Trade)	34,966.31
Accounts Payable (To Officers)	2,525.00
Undivided Profits	77,096.29
Reserve for Depreciation	14,207.87
	<u>\$ 250,795.47</u>

Federal Taxes for 1919 paid 2,004.01  
" " " " unpaid 6,012.03

Statement of Condition of Johnson City Mills  
at close of Business June 30th., 1920.

Resources.	
Buildings & Grounds	\$29,737.82
Furniture & Fixtures (Johnson City)	1,476.75
Machinery & Equipment ( " )	49,406.06
" (Elizabethton)	13,605.64
Furniture & Fixtures ( " )	86.15
Elizabethton Improvements (Warehouse)	347.00
Material & Stock (Inventory)	118,055.60
Power, Light & Fuel ( " Coal etc.)	797.50
Accounts Receivable	43,600.41
Cash in Bank (Unaka National)	1,615.02
U.S. Government Securities (War Savings Stamps)	836.00
	<u>\$259,563.95</u>

## Liabilities.

Capital Stock	\$75,000.00
Bills Payable (To Banks)	55,000.00
" " (To Officers)	7,000.00
Accounts Payable (Trade)	28,479.03
" " (To Officers)	5,050.00
Undivided Profits	73,055.14
Reserve for Depreciation	16,029.78
	<u>\$259,563.95</u>

1919 Federal taxes paid \$4,008.02  
1919 " " " unpaid 4,008.02

A called meeting of the Directors of Johnson City Mills was held at the office of Ben A. Morton, 1911 Holston Natl. Bank Bldg. Knoxville, Tenn. on Nov. 24, 1920. Upon roll call the following Directors were found to be present, T.F. Dooley, G.A. Callahan, J.P. Roddy and B.A. Morton. This being a majority of the Directors the meeting was declared legally open for business.

The minutes of the last Directors meeting were read and approved.

Mr. Dooley next submitted to the Directors an estimated statement of the condition of the business as of Oct. 30, 1920 and made the following statement in connection therewith:

First he called attention to the fact that the remaining Undivided Profits of the Company stood on Oct. 30th, 1920 at \$16,365.03. He also stated that the President Mr. Morton and himself, had a few days ago made a compromise settlement with Wiscasset Mills Co. whereby an undelivered yarn contract amounting to 42000 lbs. contracted for at \$1.35 per pound, had been cancelled for a consideration of \$20,000. cash, which has been paid. He stated that in effecting this settlement he felt that based on today's market a saving of approximately \$15,000. had been made. He called attention to the fact that there remained in finished and unfinished goods in stock, \$57,300. and yarns on hand of 15,400 lbs. on which the Company would no doubt have to suffer further losses.

After a full discussion of the statement made by Mr. Dooley, and an examination of the Oct. 30th statement referred to above, upon motion of G.A. Callahan seconded by J.P. Roddy and unanimously voted, the action of the President and Manager in effecting compromise settlement with Wiscasset Mills on the basis above mentioned, was approved.

Next Mr. Callahan brought up the question of salaries which had been voted to the officers in the Directors meeting held Oct. 28th, 1919 and to which reference is heremade. Mr. Callahan stated that the provisions under which the salaries were voted, were conditional and subject to revision and stated furthermore that in view of the heavy losses which had been sustained, that he felt that it was only fair and right to all stockholders, that some revision of the salaries be made.

Mr. Dooley called attention to the fact that the salaries as fixed was for a period of 15 months, or from Oct. 1, 1919 to Dec. 31st, 1920 inclusive and that the salaries for the last three months of 1919 had been paid to the officers, but that the salaries for 1920 to date, had not been paid but that he had placed to the credit of each officer, their salary up to Sept. 30, 1920 and that he had drawn out in cash against his own salary, \$3000. but neither the President or the V. Pres. had drawn anything against their salaries. After a full discussion of the matter and considering the fact that the Company had lost its entire profits and would probably lose a part of its capital, the interested officers stated that they were perfectly willing to some revision should be made and after due consideration the following action was taken.

On motion of Mr. Roddy seconded by Mr. Dooley and unanimously voted it was agreed that the salary of the President for the first nine months of 1920 which had already been set up and placed to his credit, be eliminated and thrown back into the undivided profits of the Company and that like action be taken with the salary of the V. Pres. and in the case of the Sec'y Treas & Manager, that the entire \$4200. standing to his credit as of Sept. 30th, 1920 be transferred back to the undivided profits account of the Company.

Upon motion made seconded and unanimously voted, it was agreed that the President and V. Pres. should serve until the end of the business year, that is to say from Sept. 30, 1920 to Dec. 31, 1920, without compensation and that the Sec'y Treas & Manager should be paid at the rate of \$4000. per annum from the same period, that is to say from Sept. 30th, 1920 to Dec. 31, 1920.

Mr. Dooley at this time submitted to the Directors a statement of the condition of the business as of Dec. 31, 1919 and after due consideration of that statement and the statement of Oct. 30, 1920, upon motion duly seconded and unanimously voted, these statements were incorporated in these minutes and follow same. Attention is called to the fact that as of Dec. 31, 1919, the Company had undivided profits of \$49,296.23 and as per statement of Oct. 30, 1920 taken in connection with the statement of Mr. Dooley as made and recorded in this minute, it will be seen that this entire Undivided Profits has been lost and a considerable amount, indeterminate at this time in addition. Mr. Dooley also stated that he had only been able to operate the mill approximately 30 days since July 1st, and saw no hope of resumption at this time and even with the revised salaries, the dead overhead expense of the mill not in operation, would exceed \$2000. per month.

Mr. Dooley then called the attention of the meeting to the statement of the condition of the business on Mar. 31, 1920 as shown in the minutes of the last Directors meeting held Aug. 4, 1920 and showed that a comparison of this statement with the statement of Oct. 30, 1920 showed even a greater loss than shown above had been sustained as the undivided profits account of the Corporation stood at \$77,096.29 on Mar. 31, 1920.

Next the question was raised if it would not be fair and equitable, in view of the heavy losses sustained for the officers to pay back to the Corporation a part of the salaries paid them in the preceding year ending Dec. 31, 1919. After a full discussion the officers present stated that they did not think this course justified as the service had been rendered and paid for and the earnings of the Corporation had been satisfactory for that year. They stated further that both they and the Corporation had made tax returns based on the salaries as paid and that any change now would necessitate amended returns by all parties and they were not willing to enter in to such complications. The officers did state, however that in view of the financial condition of the Corporation's affairs they would not attempt to collect such funds as they had loaned to the Corporation until its financial condition was such that it would not be embarrassed by the payment thereof. They also stated that they would forego collecting interest on same until the principal was paid, but that they would expect interest at 6% compounded semi-annually to be paid with the principal.

There being no further business to come before the meeting it adjourned.

*J. P. Roddy*  
SECRETARY.

*B. A. Morton*  
PRESIDENT.



## Johnson City Mills.

Estimated Statement of Condition at Close of Business Oct. 30, 1920.

Resources.	
Buildings & Grounds.	\$32,921.82
Furniture & Fixtures (Johnson City)	1,476.75
" " (Elizabethton)	86.15
Machinery & Equipment (Johnson City)	44,956.06
" " (Elizabethton)	17,955.64
Elizabethton Improvements (Warehouse)	347.00
Material & Stock (Inventory)	73,500.00
Power, Light & Fuel. Coal	1,500.00
Accounts Receivable (Trade)	6,107.35
" " (Advance to Selling Agt)	1,000.00
Cash in Bank (Tennessee Natl)	4,676.36
U.S. Gov't Securities (War Savings Stamps)	836.00
	<u>\$185,363.13</u>

Liabilities	
Capital Stock	\$75,000.00
Bills Payable (To Banks)	56,000.00
" " (To Officers)	7,000.00
Accounts Payable (Trade)	3,000.00
" " (To Officers.)	7,575.00
" " Federal Tax for 1919	2,004.01
Reserve for Depreciation	18,469.09
Undivided Profits	16,315.03
	<u>\$185,363.13</u>

Statement of Condition of Johnson City Mills at Close of Business December 31st., 1919.

Resources.	
Buildings & Grounds	\$27,737.82
Furniture & Fixtures (Johnson City)	1,476.75
" " (Elizabethton)	86.15
Machinery & Equipment (Johnson City)	44,336.07
" " (Elizabethton)	13,605.64
Material & Stock (Inventory)	70,524.57
Power, Light & Fuel	405.00
Accounts Receivable	44,482.59
Cash in Bank (Univ. Natl)	3.32
U.S. Gov't Securities (War Savings Stamps)	926.00
	<u>\$203,585.91</u>

Liabilities	
Capital Stock	75,000.00
Bills Payable (To Banks)	30,000.00
" " (To Officers)	7,000.00
Accounts Payable	29,870.98
Reserve for Depreciation	12,418.70
Undivided Profits	49,296.23
	<u>\$203,585.91</u>

## Stockholders Meeting.

Minutes of stockholders meeting of Johnson City Mills held at the office of the Corporation at Johnson City, Tenn, at 1:30 o'clock P.M. Tuesday, January 25th, 1921, this being the regular annual stockholders meeting as designated in the By-laws of the corporation.

Upon proper motion duly seconded and unanimously voted Mr. B.A. Morton was elected temporary Chairman and T.F. Dooley temporary Secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented.

Present in person.		
Ben. A. Morton.	Holder and owner of	215 shares.
J.P. Roddy.	" " " "	213 "
G.H. Gallaher	" " " "	75 "
C.L. Dooley	" " " "	38 "
T.F. Dooley	" " " "	90 "
		<u>631</u> "

Represented by proxy, which proxies are made a part of this minute.		
R.R. Dooley	represented by T.F. Dooley	37 shares.
C. Powell Smith	" " B.A. Morton	37 "
R.E. McNew	" " B.A. Morton	15 "
Lee F. Miller	" " T.F. Dooley	3 "
		<u>92</u> "

Total shares present and represented 723

It appearing from the report of the Secretary that 723 out of 750 shares of stock issued and outstanding, were present in person or properly represented by proxy, the Chairman announced that the meeting was open for business.

The minutes of the previous meeting were read and approved.

The Secretary-Treasurer & Manager read a statement of the condition of the affairs of the Corporation at the close of business December 31st., 1920. After a full discussion of this statement it was moved by Mr. J.P. Roddy and seconded by Mr. C.L. Dooley that the report of the Secretary-Treasurer & Manager be accepted and that the Secretary be directed to incorporate said statement in the minutes of this meeting to be spread upon the permanent records of the Corporation. This motion was unanimously carried, all of the stockholders present and represented by proxy voting in the affirmative.

The next business to come before the meeting being the election of Directors for the ensuing year, the polls were opened for the election of said directors and the following gentlemen were elected as Directors:

Ben A. Morton.	Geo. T. Wofford.	T. F. Dooley.
G. H. Gallaher.	C. L. Dooley.	
J. P. Roddy.	C. Powell Smith.	

There being no further business to come before the meeting it adjourned.

*T. F. Dooley*  
Secretary.

*Ben A. Morton*  
Chairman.

Statement of Condition of Johnson City Mills at close of business December 31st., 1920.

RESOURCES

Buildings & Grounds.	\$32,921.82
Furniture & Fixtures (Johnson City)	1,476.75
Furniture & Fixtures (Elizabethton)	86.15
Machinery & Equipment (Johnson City)	44,956.06
Machinery & Equipment (Elizabethton)	17,955.64
Elizabethton Improvement a/c (Warehouse)	347.00
Material & Stock (Inventory)	84,563.95
Power, Light & Fuel	972.00
Accounts Receivable	329.69
Cash in Bank (Tennessee Natl.)	230.28
U.S. Government Securities (War Savings Stamps)	836.00
Unearned Insurance Premiums	371.50
Advance Interest Paid.	629.50
	<u>\$185,676.34</u>

LIABILITIES

Capital Stock	\$75,000.00
Bills Payable (To Banks)	65,000.00
Bills Payable (To Officers)	7,000.00
Accounts Payable (Trade)	1,618.23
Reserve For Depreciation	19,708.40
Undivided Profits	17,349.71
	<u>\$185,676.34</u>

Proxy

KNOW ALL MEN BY THESE PRESENTS, That I R. R. Wooley do hereby constitute and appoint J. H. Wooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills, called to meet at Office of Co. at Johnson City, Tenn Tuesday Jan 25, 1921 at 1:30 o'clock P.M. and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said J. H. Wooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint J. H. Wooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 24 day of Jan, 1921.

Witness J. H. Wooley Signed R. R. Wooley for R. R. Wooley

GENERAL PROXY

STATE OF TENNESSEE Washington County } ss.



KNOW ALL MEN BY THESE PRESENTS, That I Lee J. Miller the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 3 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute J. H. Wooley of Johnson City, Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at an Annual meeting of the stockholders of the Johnson City Mills, to be held at Johnson City, Tenn in the city of Washington County of Washington, State of Tennessee, on the 25 day of Jan, 1921, at 1:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 20 day of Jan, 1921.

Signature Lee J. Miller  
Address \_\_\_\_\_

WITNESS: J. H. Wooley

FORM 101-1M-3-10-18

Proxy

KNOW ALL MEN BY THESE PRESENTS, That I R. R. Wooley do hereby constitute and appoint Blair Morton to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills, called to meet at Johnson City, Tenn Jan 20th 1921 and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said Blair Morton be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint J. H. Wooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 19th day of Jan, 1921.

Witness N. C. Garrison Signed R. R. Wooley

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DOLANET DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON H.



GENERAL PROXY

STATE OF TENNESSEE

*Mad* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *Paul D. Minn*  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of \_\_\_\_\_ shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute *Ben A. Morton*  
of *Johnson City* my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a \_\_\_\_\_ meeting of the stockholders of the *Johnson City*  
*Mills*, to be held at *The Office of*  
*The Johnson City Mills*, in the city of *Johnson City*  
County of \_\_\_\_\_, State of *Tenn*, on  
the *25<sup>th</sup>* day of *January*, 19*22*, at *1:30* o'clock, *P*. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *27<sup>th</sup>* day  
of *January*, 19*22*.

Signature *Paul D. Minn*  
Address \_\_\_\_\_

WITNESS:  
*Richard G. Johnson*

Directors Meeting.

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the Corporation at Johnson City, Tenn., Tuesday, January 25th, 1921 at 2:30 o'clock P.M. This being the regular meeting as call for by the By-laws of the Corporation.

Upon proper motion duly seconded and unanimously voted Mr. Ben A. Morton was elected temporary Chairman and Mr. T.F. Dooley temporary Secretary.

Upon roll call it was found that the following directors were present.

- |                 |                  |
|-----------------|------------------|
| Ben A. Morton.  | Absent.          |
| J. P. Roddy.    | Geo. T. Wofford. |
| G. H. Gallaher. | C. Powell Smith. |
| C. L. Dooley.   |                  |
| T. F. Dooley.   |                  |

It appearing from the secretary's report that a quorum was present the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Next the question of salaries of officers was taken up. It was brought out that, while the services of the President and the Vice-President and the fact that they had consistently endorsed the Corporation's paper really entitled them to salaries, the losses suffered by the Corporation had been so heavy that it surplus was practically wiped out and the future business outlook was so uncertain, that the Corporation was really not financially able to pay any salaries to its President and Vice-President. It was further stated that, inasmuch as the present President and Vice-president had drawn salaries for the years 1918 and 1919 when the Corporation was making profits and had agreed to serve without salaries in the year 1920 on account of the heavy losses of the Company, that they be requested to accept these offices without salary for the ensuing year with the understanding that if business improved to a sufficient extent as to justify such action the question of salaries for them would be taken up at a called meeting for that purpose.

Next it was stated that for the reasons stated above the Secretary-Treasurer & Manager's salary should be fixed at as a low a figure as possible.

After the above discussion upon proper motion duly seconded the salaries for officer were fixed as follows with the understanding that they would be reconsidered at a called meeting of the Board if business conditions and the progress of the Corporation justified such action later in the year.

- |                                |                      |
|--------------------------------|----------------------|
| President                      | None                 |
| Vice-President                 | None                 |
| Secretary-Treasurer & Manager. | \$4,000.00 per year. |

The next business being the election of Officers for the ensuing year the polls were opened and the following officers were unanimously elected.

- |                                |                |
|--------------------------------|----------------|
| President                      | Ben A. Morton. |
| Vice-President                 | J. P. Roddy.   |
| Secretary-Treasurer & Manager. | T. F. Dooley.  |

There being no further business to come before the meeting it adjourned.

*T. F. Dooley*  
Secretary.

*Ben A. Morton*  
Chairman.

## Directors Meeting.

Minutes of Regular meeting of Board of Directors of Johnson City Mills held at office of the Corporation in Johnson City, Tenn., Tuesday, July 26th., 1921 at 2 o'clock P.M.

Meeting called to order and upon its being ascertained that a quorum was not present it adjourned to meet at the office of The H.T. Hackney Co., Holston National Bank Building, Knoxville, Tenn. Friday, July 29th at 5 o'clock P.M.

*T.F. Dooley*  
Chairman.

## Directors Meeting.

Minutes of meeting of Board of Directors of Johnson City Mills held at office of H.T. Hackney Co., Holston National Bank Bldg, Knoxville, Tenn. at 5 o'clock P.M. This meeting was an adjournment of meeting called for Tuesday, July 26th., 1921 which failed for want of a quorum.

Meeting called to order by President Ben.A. Morton who presided. with Secretary & Treasurer T.F. Dooley acting as Secretary.

Upon roll call the following directors were found to be present.

Ben A. Morton.	Absent.
J.P. Roddy.	C.L. Dooley.
G.H. Gallaher.	C. Powell Smith.
T.F. Dooley.	Geo. T. Wofford.

The Secretary reported a quorum present so the meeting was declared open for business.

The minutes of the last meeting were read and approved.

Next the Secretary-Treas & Manager read to the meeting statement of condition of the affairs of the Corporation at the close of business June 30th., 1921.

After a discussion of this statement and the general affairs of the Corporation in which all of the directors present took part it was moved by Mr. G.H. Gallaher that this statement be incorporated in the minutes of this meeting and be made a part of the permanent records of the Corporation. This motion was seconded by Mr. J.P. Roddy and was unanimously carried.

There being no further business to come before the meeting it adjourned.

*T.F. Dooley*  
Secretary.

*Ben A. Morton*  
Chairman.

## Statement of Condition of Johnson City Mills at close of business June 30th., 1921.

## Resources.

Buildings & Grounds.	\$33,763.97
Furniture & Fixtures (Johnson City)	1,476.75
" " (Elizabethton)	86.15
Machinery & Equipment (Johnson City)	50,506.06
" " (Elizabethton)	12,305.64
Elizabethton Improvements (Warehouse)	347.00
Material & Stock (Inventory)	44,384.62
Power, Light & Fuel. ( " Coal)	839.25
Accounts Receivable	13,215.88
Interest paid in advance	492.00
Insurance paid in advance	229.02
Cash in Bank (Tenn. National)	133.54
<b>Total</b>	<b>\$157,779.87</b>
Net Loss	12,578.17
	<b>\$170,358.04</b>

## Liabilities.

Capital Stock.	\$75,000.00
Bills Payable (To Banks)	57,000.00
" " (To Officers)	7,000.00
Accounts Payable (Trade)	7,960.94
Reserve for Depreciation	23,397.10
	<b>\$170,358.04</b>

## Analysis of Inventory.

Stock	Style	Dozens	Price Basis	Dozens Sold	Price.
1st.	280	7151	\$1.60/7 R&F 7 1/2 Fin.	2200	\$1.70/7 R&F 7 1/2
1st.	333	2441	\$2.60/7 R&F 10 Fin.	1200	\$2.75/7 R&F 10
1st.	224	5619	\$1.50/7 R&F 5 1/2 Fin.	1000	\$1.60/7 R&F 5 1/2
2nd.	280/1	5276	\$1.10 all sizes Fin.	1200	\$1.20 all sizes.
2nd.	333/1	2590	\$1.65 all sizes Fin.	400	\$1.75 all sizes.
<b>Total</b>		<b>23077</b>	<b>Value \$36,240.81.</b>	<b>6000</b>	

Yarn on Hand. 7673# \$4,010.76 Taken at cost or Market whichever is lower.

Coal on hand 839.25

Supplies on Hand 4,133.04  
Total. \$45,223.86

Yarn Contracts undelivered.					
50/2	C.P. Mercerized	10000#	at 95¢	market	95¢
50/2	" "	2000#	" 93¢	"	95¢
50/2	" "	5000#	" 90¢	"	95¢
30/2	" "	1000#	" 73¢	"	75¢
30/2	" "	2000#	" 65¢	"	75¢

## Directors Meeting.

Minutes of a called meeting of the Directors of Johnson City Mills held at office of the H.T. Hackney Co. Holston National Bank Building, Knoxville, Tenn. Wednesday, Nov. 23rd 1921 at 2:30 o'clock P.M.

President B.A. Morton presided and Sec'y-Treas, T.F. Dooley acted in that capacity.

Present	Absent.
B.A. Morton.	C. Powell Smith.
J.P. Roddy.	Geo. T. Wofford.
G.H. Gallaher.	
C.L. Dooley.	
T.F. Dooley.	

The President stated that he had called the meeting at the request of the Sec'y-Treas & Manager who desired to outline to the Board certain changes contemplated in the selling arrangements of the Corporation and to recommend purchase of some new equipment to enable the Corporation to manufacture new styles made necessary by changes in market conditions.

After hearing the report of the Manager it was moved by Mr. G.H. Gallaher and seconded by Mr. C.L. Dooley that the Manager be authorized to purchase the equipment he recommended at a cost of approximately \$5,000.00. This motion was unanimously carried. It was next moved and seconded and unanimously voted that the changes in the Selling arrangements of the Company be left to the judgement of the President and Manager to work out as they deemed advisable.

There being no further business to come before the meeting it adjourned.

*B.A. Morton*  
President.

*T.F. Dooley*  
Secretary.

## Stockholders Meeting.

The regular Annual meeting of Stockholders of Johnson City Mills was called to order at one thirty o'clock P.M. Tuesday, January 24th., 1922 in accordance with the by laws, but meeting failed for want of quorum.

*T.F. Dooley*  
Secretary.

## Directors Meeting.

The regular directors meeting of Johnson City Mills called for in the by laws to be held the fourth Tuesday in January was called to order on Tuesday, January 24th., 1922 at 2 o'clock P.M. by T.F. Dooley, but meeting failed for want of a quorum there being no other directors present.

*T.F. Dooley*  
Secretary.

## Directors Meeting.

The Regular directors meeting of Johnson City Mills called for by the by laws to be held the fourth Tuesday in July was called to order on Tuesday, July 25th., 1922 by T.F. Dooley but failed for want of a quorum there being no other director present.

*T.F. Dooley*  
Secretary.

STOCKHOLDERS MEETING

A called meeting of stockholders of the Johnson City Mills was held in the office of Ben A. Morton, 1011 Holston Natl. Bank Bldg. Knoxville, Tenn. on Thursday April 6th, 1922 all stockholders having been duly notified of the time and place of said meeting and the purposes for which said meeting was called and which are as follows:

First, to consider and determine whether or not the Company would sell to Mr. Joseph Bossong of New York City 100 shares of stock in the Company at par for which Mr. Bossong would pay \$5000. in cash and give a note due Jan. 1st, 1923 bearing interest at 6% per annum and the entire issue of stock to be retained as collateral for the remainder of the purchase price.

Second, if it was thought advisable to make the sale to instruct the Directors to make application to the State of Tennessee for an amendment to the Charter of the Company so as to have the authorized capital \$100,000. instead of \$75,000. as it now stands.

The president Ben A. Morton presided and in the absence of Mr. T.F. Dooley, Sec'y, G.H. Gallaher was elected temporary Secretary.

Upon roll call the following stock was found to be present in person.

G.H. Gallaher	75 shares
B.A. Morton	215 shares
total	290 shares represented

in person.

The following was represented by proxy.

R.E. McNew	15 shares	by B.A. Morton, proxy
T.F. Dooley	90 "	" " " " " "
R.R. Dooley	37 "	" T.F. Dooley, Attorney in fact by B.A. Morton, proxy.
Powell Smith	37 "	by B.A. Morton, proxy.
Lee F. Miller	3 "	by B.A. Morton, proxy
Geo. A. Wofford	12 "	by B.A. Morton, proxy.
194 shares represented by proxy.		

This being a majority of the total outstanding common stock and all stockholders having been duly notified of the time and place of this meeting, the Chairman declared the meeting legally open for business. Mr. Gallaher then read to the stockholders the call for the special meeting which call set forth the purposes for which the meeting was called and which are stated above.

After a full discussion it was duly voted, that the Directors of the Company be instructed to at once make application to the State of Tennessee for amendment to the charter of the Company increasing the authorized capital stock from \$75,000. to \$100,000. next, on motion duly passed the officers of the Company were instructed when as and if the amount above referred to had been secured, that they immediately proceed to issue and sell to Joseph Bossong, New York City, 100 shares of the stock of the Company for the sum of \$10,000. of which amount they are to collect \$5000. in cash and accept a note from said Bossong for a like amount bearing interest at 6% per annum to Jan. 1st, 1923 and secured by the 100 shares of stock issued to said Bossong, to be retained as collateral security.

There being no further business to come before the meeting it adjourned.

G.H. Gallaher  
SECRETARY.

B.A. Morton  
CHAIRMAN.

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE }  
Washington County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Lee F. Miller, the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 3 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute Ben A. Morton of Knoxville, Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a called meeting of the stockholders of the Johnson City Mills, to be held at Office of Ben A. Morton 1011 Holston Natl Bank Bldg, in the city of Knoxville County of Knox, State of Tenn, on Thursday, the 6 day of April, 1922, at 3 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 4th day of April, 1922

Signature Lee F. Miller

Address

WITNESS: Clarence H. Miller

## Stock Holders Meeting.

Minutes of regular Annual meeting of Stockholders of Johnson City Mills called to order Tuesday, Jan. 23rd at the Office of the Corporation in Johnson City, Tenn, at 1 o'clock P.M. Upon its being ascertained that a quorum was not present the meeting adjourned to meet at the same hour and place on Saturday, Jan. 27th., 1923

*T. F. Dooley*  
Secretary.

## Directors Meeting.

Minutes of regular meeting of Board of Directors of Johnson City Mills called to order Tuesday, January 23rd., 1923 at the office of the Corporation in Johnson City, Tenn at 2 o'clock P.M. There was not a quorum present so the meeting adjourned to meet at the same our and place on Saturday, Jan. 27th., 1923.

*T. F. Dooley*  
Secretary.

## Stockholders Meeting.

Minutes of Stockholders meeting of Johnson City Mills held at the office of the Company at Johnson City, Tenn at 1 o'clock P.M. Saturday, January 27th., 1923, this being an adjournment of the regular annual stockholders meeting held Tuesday Jan. 23, 1923 which failed for want of a quorum.

Upon proper motion duly made and seconded and unanimously voted Mr. Geo. T. Wofford was elected Temporary Chairman and T. F. Dooley Temporary Secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented.

Present in Person.				
Ben A. Morton	Holder and owner of			215 shares
J. P. Roddy	" " " "			213 "
G. H. Gallaher	" " " "			75 "
Geo. T. Wofford	" " " "			12 "
T. F. Dooley	" " " "			90 "
				<u>605</u> "

Represented by proxy which proxies are made a part of the minutes of this meeting.

R. E. McNew	Represented by	B. A. Morton.	15 shares
C. Powell Smith	" " "	" " "	37 "
J. C. Bossong	" " "	T. F. Dooley	100 "
Lee F. Miller	" " "	" " "	3 "
C. L. Dooley	" " "	" " "	38 "
R. R. Dooley	" " "	" " "	37 "
			<u>230</u> "

It appearing from the report of the Secretary that 835 shares out of the 850 shares of stock issued and outstanding were either present in person or represented by proxies the chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Upon Motion of Ben. A. Morton, seconded by J. P. Roddy and unanimously carried the following gentlemen were elected directors to serve for the ensuing year; Ben. A. Morton, J. P. Roddy, G. H. Gallaher, C. L. Dooley C. Powell Smith, Geo. T. Wofford and T. F. Dooley.

The Secretary-Treasurer read a report of the condition of the affairs of the Company at the close of business Dec. 30th., 1922. After a thorough discussion of this statement it was moved by Mr. B. A. Morton and Seconded by Mr. G. H. Gallaher that the report be accepted and the Secretary instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

Next the report of the Company's Auditor, Dahlberg & Co. was presented to the meeting by the Sec'y-Treas. and after a thorough discussion, upon motion of Ben A. Morton, seconded by J. P. Roddy and unanimously voted, was ordered filed in the records of the Corporation.

There being no further business to come before the meeting upon motion of Ben A. Morton, Seconded by T. F. Dooley and unanimously voted, the meeting adjourned.

*T. F. Dooley*  
Secretary.

*Geo. T. Wofford*  
Chairman

**Proxy**

KNOW ALL MEN BY THESE PRESENTS, That I Joseph L. Broony  
do hereby constitute and appoint T. Floyd Druley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of Johnson City Mills  
called to meet at Johnson City, Tenn January 23 1923

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 13 day of Jan 1923.  
Witness H. L. Shryver Signed Joseph L. Broony



any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at an Annual meeting of the stockholders of the Johnson City Mills, to be held at Office of  
Johnson City, in the city of Johnson City,  
County of Washington, State of Tenn, on Tuesday  
the 23 day of January, 1923, at 1 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 20 day of January, 1923.

Signature T. F. Druley Attorney in

Address fact for R.R. Druley

WITNESS:



Statement of Condition of Johnson City Mills  
at Close of business ~~September~~ September 30th, 1922.  
December

**Assets.**

Cash in Tenn. National Bank.....	5,267.41
Pay Roll a/c.....	99.76
Accounts Receivable.....	25,943.09
Reciprocal Insurance Deposit.....	449.13
Inventory.....	54,828.56
<b>Total</b>	<b>\$86,587.95</b>

**Fixed Assets**

Real Estate.....	5,000.00
Buildings (Johnson City).....	26,000.00
Building Equipment (Johnson City)....	7,931.26
Buildings (Elizabethton).....	347.00
Machinery & Equipment (Johnson City)...	59,852.68
Machinery & Equipment (Elizabethton)...	12,541.04
Furniture & Fixtures (Johnson City)...	1,645.37
Furniture & Fixtures (Elizabethton)...	94.26
<b>Total</b>	<b>\$113,411.61</b>
Less Reserve for Depreciation.....	35,316.52
<b>Total</b>	<b>78,095.09</b>

**Liabilities.**

Bills Payable.....	68,423.92
Accounts Payable.....	16,609.09
Reserve for Federal Taxes.....	950.00
<b>Total</b>	<b>85,983.01</b>
Capital Stock.....	85,000.00
Surplus (DEFICIT).....	6,229.97
<b>Total</b>	<b>78,700.03</b>
<b>Total Assets</b>	<b>\$164,683.04</b>

**Firsts Analysis of Hosiery Inventory.**

Style	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280	12,469	\$1.40/7	R7 1/2 P5	22,435	\$1.57 1/7	\$37,391.00
333	1,988	2.30/7	R15 P30	4,354	2.55/7	11,755.00
60	1,679	1.60	all sizes	2,238	1.90	4,252.00
50	5,480	1.25	" "	1,755	1.65	2,896.00
70	1,107	2.60	" "	81	3.00	243.00
300	316	5.00	" "	none	none	none
<b>Total</b>	<b>23,039</b>			<b>30,863</b>		<b>\$56,537.00</b>

Seconds	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280/1	3,030	\$1.05	all sizes	2,980	\$1.15	3,427.00
333/1	814	1.50	" "	660	1.65	1,089.00
60/1	855	1.35	" "	none	none	none
50/1	1,041	1.00	" "	205	1.10	225.00
70/1	85	1.50	" "	21	2.00	42.00
300/1	170	2.50	" "	none	none	none
<b>Total</b>	<b>5,995</b>			<b>3,866</b>		<b>\$4,783.00</b>
<b>Total</b>	<b>29,034</b>			<b>34,729</b>		<b>\$61,320.00</b>

Yarn on hand	Inv. Price	Pounds	Yarn on Contract	Price	Todays Market
24/1 D.K.P.	.42	1,576	13,519	.42	.50
30/1 K.P.	.45	3,900	none		.50
14/1 C.P.	.53	461	1,000	.53	.53
18/1 C.P.	.52	410	4,000	.52	.55
40/2 C.P.M.	.90	2,046	none		.96
30/2 C.P.M.	.80	2,402	none		.86
50/2 C.P.M.	1.05	849	285	1.05	1.05
36/2 C.P.M.	.92	97	341	1.02	1.02
40/1 C.P.M.	1.20	284	none		1.20
<b>Total</b>		<b>12,025</b>	<b>19,145</b>		



**Proxy**

KNOW ALL MEN BY THESE PRESENTS, That I Louise Smith  
do hereby constitute and appoint Ben A. Norton  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of Johnson City Mills  
called to meet at Johnson City, Tenn on Tuesday  
Jan 23, 1923  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted  
and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said Ben A. Norton  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint \_\_\_\_\_  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or  
adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 13 day of January, 1923  
Witness Richard J. Johnson Signed Louise Smith



any kind and character whatsoever, without exception or reservation, that may be connected with  
acted upon at an Annual meeting of the stockholders of the Johnson  
City Mills, to be held at Office of  
Ben A. Norton, in the city of Johnson City  
County of Washington, State of Tenn, on Tuesday  
the 23 day of January, 1923, at 1 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 20 day  
of January, 1923.

Signature T. F. Dudley Attorney in  
Address fact for R.R. Dudley

WITNESS:



Statement of Condition of Johnson City Mills  
at Close of business September 30th., 1922.  
December

**Assets.**

Cash in Tenn. National Bank.....	5,267.41
Pay Roll a/c.....	99.76
Accounts Receivable.....	25,943.09
Reciprocal Insurance Deposit.....	449.13
Inventory.....	54,828.56
	<u>\$86,587.95</u>

**Fixed Assets**

Real Estate.....	5,000.00
Buildings (Johnson City).....	26,000.00
Building Equipment (Johnson City)....	7,931.26
Buildings (Elizabethton).....	347.00
Machinery & Equipment (Johnson City).....	59,852.68
Machinery & Equipment (Elizabethton).....	12,541.04
Furniture & Fixtures (Johnson City).....	1,845.37
Furniture & Fixtures (Elizabethton).....	94.26
	<u>\$113,411.61</u>
Less Reserve for Depreciation.....	35,316.52
	<u>78,095.09</u>

**Liabilities.**

Bills Payable.....	68,423.92
Accounts Payable.....	16,609.09
Reserve for Federal Taxes.....	950.00
	<u>\$85,983.01</u>
Capital Stock.....	85,000.00
Surplus (DEPIC IT).....	6,299.97
	<u>78,700.03</u>
	<u>\$164,683.04</u>

**Firsts Analysis of Hosiery Inventory.**

Style	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280	12,469	\$1.40/7	R7 1/2 P5	22,435	\$1.57 1/7 R7 1/2 P5	\$37,391.00
333	1,988	2.30/7	R15 P30	4,354	2.55/7 R15 P10	11,755.00
60	1,679	1.60	all sizes	2,238	1.90 all sizes	4,252.00
50	5,480	1.25	" "	1,755	1.65 " "	2,896.00
70	1,107	2.60	" "	81	3.00 " "	243.00
300	316	5.00	" "	none	none	none
	<u>23,039</u>			<u>30,863</u>		<u>\$56,537.00</u>
<b>Seconds</b>						
280/1	3,030	\$1.05	all sizes	2,980	\$1.15 all sizes	3,427.00
333/1	814	1.50	" "	660	1.65 " "	1,089.00
60/1	855	1.35	" "	none	none	none
50/1	1,041	1.00	" "	205	1.10	225.00
70/1	85	1.50	" "	21	2.00	42.00
300/1	170	2.50	" "	none	none	none
	<u>5,995</u>			<u>3,866</u>		<u>\$4,783.00</u>
<b>Total</b>	<u>29,034</u>			<u>34,729</u>		<u>\$61,320.00</u>

Yarn on hand	Inv. Price	Pounds	Yarn on Contract	Price	Today's Mark
24/1 D.K.P.	.42	1,576	13,519	.42	.50
30/1 K.P.	.45	3,900	none		.50
14/1 C.P.	.53	461	1,000	.53	.53
18/1 C.P.	.52	410	4,000	.52	.55
40/2 C.P.M.	.90	2,046	none		.96
30/2 C.P.M.	.80	2,402	none		.86
50/2 C.P.M.	1.05	849	285	1.06	1.06
36/2 C.P.M.	.92	97	341	.92	1.06
40/1 C.P.M.	1.20	284	none		1.20
		<u>12,023</u>			
			<u>19,145</u>		

**Proxy**

KNOW ALL MEN BY THESE PRESENTS, That I

*R.E. McGrew*

do hereby constitute and appoint *Buell Montan* to be my attorney, substitute and proxy, for me and in my name and behalf to attend the *annual* meeting of stockholders of *Johnson City Mills*, called to meet at *Johnson City Tenn.*

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said *Buell Montan* be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint *T.H. Dooley* to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this *15th* day of *June*, 192*3*  
 Witness *Clara Mae Douglas* Signed *R.E. McGrew*



any kind and character whatsoever, without exception or reservation, that may be commenced and acted upon at an *annual* meeting of the stockholders of the *Johnson City Mills*, to be held at *Office of* in the city of *Johnson City*, County of *Washington*, State of *Tenn.*, on *Tuesday* the *23* day of *January*, 192*3*, at *1* o'clock, *P.* M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *20* day of *January*, 192*3*.

Signature *T.H. Dooley*  
 Address *fact for R.R. Dooley*

WITNESS:



Statement of Condition of Johnson City Mills at Close of business ~~September~~ *September* 30th., 1922.  
 December

Assets.			
Cash in Tenn. National Bank	.....	\$	5,267.41
" " " " Pay Roll a/c	.....		99.76
Accounts Receivable	.....		25,943.09
Reciprocal Insurance Deposit	.....		449.13
Inventory	.....		54,828.56
			<u>\$86,587.95</u>
<b>Fixed Assets</b>			
Real Estate	.....	\$	5,000.00
Buildings (Johnson City)	.....		26,000.00
Building Equipment (Johnson City)	.....		7,931.26
Buildings (Elizabethton)	.....		347.00
Machinery & Equipment (Johnson City)	.....		59,852.68
Machinery & Equipment (Elizabethton)	.....		12,841.04
Furniture & Fixtures (Johnson City)	.....		1,648.37
Furniture & Fixtures (Elizabethton)	.....		94.26
			<u>\$113,411.61</u>
Less Reserve for Depreciation	.....		35,316.52
			<u>78,095.09</u>
			<u>\$164,683.04</u>
<b>Liabilities.</b>			
Bills Payable	.....	\$	68,423.92
Accounts Payable	.....		16,609.09
Reserve for Federal Taxes	.....		950.00
			<u>85,983.01</u>
Capital Stock	.....	\$	85,000.00
Surplus (DEFICIT)	.....		6,299.97
			<u>78,700.03</u>
			<u>\$164,683.04</u>

Firsts Analysis of Hosiery Inventory.						
Style	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280	12,469	\$1.40/7 R7 P5		22,435	\$1.57 1/7 R7 P5	\$37,391.00
333	1,988	2.30/7 R15 P30		4,354	2.55/7 R15 P10	11,755.00
60	1,679	1.60 all sizes		2,238	1.90 all sizes	4,252.00
50	5,480	1.25 " "		1,755	1.65 " "	2,896.00
70	1,107	2.60 " "		81	3.00 " "	243.00
300	316	5.00 " "		none	none	none
	<u>23,039</u>			<u>30,863</u>		<u>\$56,537.00</u>
<b>Seconds</b>						
280/1	3,030	\$1.05 all sizes		2,980	\$1.15 all sizes	3,427.00
333/1	814	1.50 " "		660	1.65 " "	1,089.00
60/1	855	1.35 " "		none	none	none
50/1	1,041	1.00 " "		205	1.10	225.00
70/1	85	1.50 " "		21	2.00	42.00
300/1	170	2.50 " "		none	none	none
	<u>5,995</u>			<u>3,866</u>		<u>\$4,783.00</u>
<b>Total</b>	<b>29,034</b>			<b>34,729</b>		<b>\$61,320.00</b>

Yarn on hand	Inv. Price	Pounds	Yarn on Contract	Price	Today's Mark
24/1 D.K.P.	.42	1,576	13,519	.42	.50
30/1 K.P.	.45	3,900	none		.50
14/1 C.P.	.53	461	1,000	.53	.53
18/1 C.P.	.52	410	4,000	.52	.55
40/2 C.P.M.	.90	2,046	none		.96
30/2 C.P.M.	.80	2,402	none		.86
50/2 C.P.M.	1.05	849	285	1.05	1.05
36/2 C.P.M.	.92	97	341	.92	1.05
40/1 C.P.M.	1.20	284	none		1.20
		<u>12,025</u>		<u>19.15</u>	

**Proxy**

KNOW ALL MEN BY THESE PRESENTS, That I

do hereby constitute and appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at 1 P.M. at Office of Corporation, Johnson City, Tenn. on Tuesday Jan 23, 1923

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this Jan 18 1923

Witness Signed



any kind and character whatsoever, without exception or reservation, that may be connected with or acted upon at an Annual meeting of the stockholders of the Johnson City Mills

to be held at Office of Corporation, in the city of Johnson City

County of Washington, State of Tenn., on Tuesday the 23 day of January, 1923, at 1 o'clock, P. M.,

or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 20 day

of January, 1923.

Signature T. F. Dudley Attorney in

Address fact for R.R. Dudley

WITNESS:



Statement of Condition of Johnson City Mills at Close of business ~~September~~ 30th., 1922. December

Assets.

Cash in Tenn. National Bank.....	5,267.41
" " " " Pay Roll a/c.....	99.76
Accounts Receivable .....	25,943.09
Reciprocal Insurance Deposit.....	449.13
Inventory.....	54,828.56
	<u>\$86,587.95</u>

Fixed Assets

Real Estate .....	5,000.00
Buildings (Johnson City).....	26,000.00
Building Equipment (Johnson City)....	7,931.26
Buildings (Elizabethton).....	347.00
Machinery & Equipment (Johnson City).	59,852.68
Machinery & Equipment (Elizabethton).	12,541.04
Furniture & Fixtures (Johnson City).	1,645.37
Furniture & Fixtures (Elizabethton).	94.26
	<u>\$113,411.61</u>
Less Reserve for Depreciation.....	35,316.52
	<u>78,095.09</u>

Liabilities.

Bills Payable.....	68,423.92
Accounts Payable.....	16,609.09
Reserve for Federal Taxes.....	950.00
	<u>\$85,983.01</u>
Capital Stock.....	85,000.00
Surplus (DEPIC IT).....	6,299.97
	<u>78,700.03</u>

\$164,683.04

\$164,683.04

Firsts Analysis of Hosiery Inventory.

Style	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280	12,469	\$1.40	7 R7 1/2 P5	22,435	\$1.57 1/7 R7 1/2 P5	\$37,391.00
333	1,988	2.30	7 R15 P10	4,354	2.55 7 R15 P10	11,755.00
60	1,679	1.60	all sizes	2,238	1.90 all sizes	4,252.00
50	5,480	1.25	" "	1,755	1.65 " "	2,896.00
70	1,107	2.60	" "	81	3.00 " "	243.00
300	316	5.00	" "	none	none	none
	<u>23,039</u>			<u>30,863</u>		<u>\$56,537.00</u>

Seconds	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280/1	3,030	\$1.05	all sizes	2,980	\$1.15 all sizes	3,427.00
333/1	814	1.50	" "	660	1.65 " "	1,089.00
60/1	855	1.35	" "	none	none	none
50/1	1,041	1.00	" "	205	1.10	225.00
70/1	85	1.50	" "	21	2.00	42.00
300/1	170	2.50	" "	none	none	none
	<u>5,995</u>			<u>3,866</u>		<u>\$4,783.00</u>
Total	<u>29,034</u>			<u>34,729</u>		<u>\$61,320.00</u>

Yarn on hand	Inv. Price	Pounds	Yarn on Contract	Price	Today's Market
24/1 D.K.P.	.42	1,576	13,519	.42	.50
30/1 K.P.	.45	3,900	none		.50
14/1 C.P.	.53	461	1,000	.53	.53
18/1 C.P.	.52	410	4,000	.52	.55
40/2 C.P.M.	.90	2,046	none		.96
30/2 C.P.M.	.80	2,402	none		.86
50/2 C.P.M.	1.05	849	285	1.06	1.06
36/2 C.P.M.	.92	97	341	.92	1.02
40/1 C.P.M.	1.20	284	none		1.20
		<u>12,023</u>	<u>19,145</u>		

Statement of Condition of Johnson City Mills  
at Close of business ~~September~~ 30th., 1922.  
December

Assets.

Cash in Tenn. National Bank.....	5,267.41	
" " " " Pay Roll a/c.....	99.76	
Accounts Receivable .....	25,943.09	
Reciprocal Insurance Deposit.....	449.13	
Inventory.....	54,828.56	
	<u>\$86,587.95</u>	
Fixed Assets		
Real Estate .....	5,000.00	
Buildings (Johnson City).....	26,000.00	
Building Equipment (Johnson City)....	7,931.26	
Buildings (Elizabethton).....	347.00	
Machinery & Equipment (Johnson City).	59,852.68	
Machinery & Equipment (Elizabethton).	12,541.04	
Furniture & Fixtures (Johnson City).	1,645.37	
Furniture & Fixtures (Elizabethton).	94.26	
	<u>\$113,411.61</u>	
Less Reserve for Depreciation.....	35,316.52	78,095.09
		<u>\$164,683.04</u>

Liabilities.

Bills Payable.....	68,423.92	
Accounts Payable.....	16,609.09	
Reserve for Federal Taxes.....	950.00	\$ 85,983.01
Capital Stock.....	85,000.00	
Surplus (DEFICIT).....	6,299.97	78,700.03
		<u>\$164,683.04</u>

Firsts Analysis of Hosiery Inventory.

Style	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280	12,469	\$1.40/7	R7 1/2 P5	22,435	\$1.57 1/7 R7 1/2 P5	\$37,391.00
333	1,988	2.30/7	R15 P30	4,354	2.55/7 R15 P10	11,755.00
60	1,679	1.60	all sizes	2,238	1.90 all sizes	4,252.00
50	5,480	1.25	" "	1,755	1.65 " "	2,896.00
70	1,107	2.60	" "	81	3.00 " "	243.00
300	316	5.00	" "	none	none	none
	<u>23,039</u>			<u>30,863</u>		<u>\$56,537.00</u>
Seconds						
280/1	3,030	\$1.05	all sizes	2,980	\$1.15 all sizes	3,427.00
333/1	814	1.50	" "	660	1.65 " "	1,089.00
60/1	855	1.35	" "	none	none	none
50/1	1,041	1.00	" "	205	1.10	225.00
70/1	85	1.50	" "	21	2.00	42.00
300/1	170	2.50	" "	none	none	none
	<u>5,995</u>			<u>3,866</u>		<u>\$4,783.00</u>
Total	<u>29,034</u>			<u>34,729</u>		<u>\$61,320.00</u>

Yarn on hand	Inv. Price	Pounds	Yarn on Contract	Price	Today's Market
24/1 D.K.P.	.42	1,576	13,519	.42	.50
30/1 K.P.	.45	3,900	none		.50
14/1 C.P.	.53	461	1,000	.53	.53
18/1 C.P.	.58	410	4,000	.52	.55
40/2 C.P.M.	.90	2,046	none		.96
30/2 C.P.M.	.80	2,402	none		.86
50/2 C.P.M.	1.05	849	285	1.05	1.05
36/2 C.P.M.	.92	97	341	1.02	1.02
40/1 C.P.M.	1.20	284	none		1.20
		<u>12,028</u>	<u>19,145</u>		

GENERAL PROXY

STATE OF TENNESSEE }  
Washington County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, T. F. Worley for R. R. Worley  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 87 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute T. F. Worley  
of Johnson City, Tenn my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at an Annual meeting of the stockholders of the Johnson  
City Mills, to be held at Office of  
Co, in the city of Johnson City,  
County of Washington, State of Tenn, on Tuesday  
the 23 day of January, 1923, at 1 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 20 day  
of January, 1923.  
Signature T. F. Worley Attorney in  
Address fact for R. R. Worley

WITNESS:



## GENERAL PROXY

STATE OF TENNESSEE }  
Washington County } ss.

Lee F. Miller

KNOW ALL MEN BY THESE PRESENTS, That I, \_\_\_\_\_  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of \_\_\_\_\_ shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute \_\_\_\_\_  
of Johnson City, Tenn. \_\_\_\_\_ my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a annual meeting of the stockholders of the \_\_\_\_\_  
of Johnson City Mills, \_\_\_\_\_, to be held at \_\_\_\_\_  
\_\_\_\_\_ in the city of Johnson City  
County of Washington State of Tenn. on Tuesday  
the 23rd day of January, 1923 at \_\_\_\_\_ o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 11th day  
of January, 1923.

Signature: *Lee F. Miller*

Address: Johnson City, Tenn.

WITNESS:

Signature: *T. F. Donley*



### Statement of Condition of Johnson City Mills at Close of business ~~September~~ 30th., 1922. December

**Assets.**

Cash in Tenn. National Bank.....	\$ 5,267.41
Pay Roll a/c.....	99.76
Accounts Receivable .....	25,943.09
Reciprocal Insurance Deposit.....	449.13
Inventory.....	54,828.56
	\$86,587.93

**Fixed Assets**

Real Estate .....	\$ 5,000.00
Buildings (Johnson City).....	26,000.00
Building Equipment (Johnson City)....	7,931.26
Buildings (Elizabethton).....	347.00
Machinery & Equipment (Johnson City).	59,852.68
Machinery & Equipment (Elizabethton).	12,541.04
Furniture & Fixtures (Johnson City).	1,845.37
Furniture & Fixtures (Elizabethton).	94.26
	\$113,411.61
Less Reserve for Depreciation.....	35,316.52
	78,095.09

**Liabilities.**

Bills Payable.....	\$ 68,423.92
Accounts Payable.....	16,609.09
Reserve for Federal Taxes .....	950.00
	\$ 85,983.01
Capital Stock.....	\$ 85,000.00
Surplus (DEFICIT).....	6,299.97
	78,700.03

\$164,683.04

\$164,683.04

**Firsts Analysis of Hosiery Inventory.**

Style	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280	12,469	\$1.40	7 R 7 1/2 F5	22,435	\$1.57 1/2	7 R 7 1/2 F5 \$37,391.00
333	1,988	2.30	7 R 15 F20	4,354	2.55	7 R 15 F10 11,755.00
60	1,679	1.60	all sizes	2,238	1.90	all sizes 4,252.00
50	5,480	1.25	" "	1,755	1.65	" " 2,896.00
70	1,107	2.60	" "	81	3.00	" " 243.00
300	316	5.00	" "	none	none	none
	23,039			30,863		\$56,537.00

Seconds	Dozens	Inv. Price	Finished.	Dozens Sold	Average Price	Amount.
280/1	3,030	\$1.05	all sizes	2,980	\$1.15	all sizes 3,427.00
333/1	814	1.50	" "	660	1.65	" " 1,082.00
60/1	855	1.35	" "	none	none	none
50/1	1,041	1.00	" "	205	1.10	" " 225.00
70/1	85	1.50	" "	21	2.00	" " 42.00
300/1	170	2.50	" "	none	none	none
	5,995			3,866		\$4,783.00
<b>Total</b>	29,034			34,729		\$61,320.00

Yarn on hand	Inv. Price	Pounds	Yarn on Contract	Price	Today's Mark
24/1 D.K.P.	.42	1,576	13,519	.42	.50
30/1 K.P.	.45	3,900	none		.50
14/1 C.P.	.53	461	1,000	.53	.53
18/1 C.P.	.52	410	4,000	.52	.55
40/2 C.P.M.	.90	2,046	none		.96
30/2 C.P.M.	.80	2,402	none		.86
50/2 C.P.M.	1.05	849	285	1.05	1.05
36/2 C.P.M.	.92	97	341	.92	1.02
40/1 C.P.M.	1.20	284	none		1.20
		Total 12,025		Total 19,145	

Directors Meeting.

Minutes of Regular Meeting of Directors of Johnson City Mills held at office of Company at Johnson City, Tenn at 2 o'clock P.M. Saturday, Jan. 27th., 1923, this being an adjournment of regular meeting called for Tuesday, Jan. 23rd which meeting failed for want of a quorum.

The meeting was called to order and upon proper motion by B. A. Morton, seconded by G. H. Gallaher and unanimously voted Mr. Geo. T. Wofford was elected temporary Chairman. Upon Motion of J. P. Roddy, seconded by G. H. Gallaher and unanimously voted T. F. Dooley was elected temporary Secretary.

Upon roll call it was ascertained that the following directors were present.

- Ben A. Morton.
- J. P. Roddy.
- G. H. Gallaher.
- Geo. T. Wofford.
- T. F. Dooley.

It appearing from the secretary's report that a quorum was present the Chairman declared the meeting open for business. The minutes of the previous meeting were read and approved. Upon motion of Ben A. Morton, seconded by J. P. Roddy and unanimously voted salaries of officers were fixed as follows.

- President No salary.
- Vice-President No Salary.
- Sec'y-Treas. No Salary.

The next business being the election of officers for the ensuing year the polls were opened and the following offices were unanimously elected.

- President Ben A. Morton.
- Vice President J. P. Roddy.
- Sec'y-Treas. T. F. Dooley.

Next upon motion of Ben. A. Morton, seconded by J. P. Roddy and unanimously voted T. F. Dooley was elected manager of the corporation at a salary of \$4,000.00 per year payable monthly.

There being no further business upon proper motion the meeting adjourned.

T. F. Dooley  
Secretary.

G. H. Gallaher  
Chairman.

Directors Meeting

Minutes of Regular meeting of Board of Directors of Johnson City Mills called to order Tuesday, July 24th., 1923 at the office of the Company in Johnson City, Tenn at 2 o'clock P.M.. There was not a quorum present so the meeting adjourned to meet at the office of Ben. A. Morton in the Holston National Bank Building, Knoxville, Tenn on Friday, Aug. 17th., 1923 at 1:30 o'clock P.M.

T. F. Dooley  
1923

STATEMENT OF CONDITION OF JOHNSON CITY MILLS AT CLOSE OF BUSINESS, June 30th, 1923

Assets.

Cash in Tenn. National Bank.....	\$ 133.26
" " " " Pay Roll a/c.....	99.76
Accounts Receivable.....	\$41,023.79
Less Reserve for bad debts.....	910.00
Reciprocal Insurance Deposit.....	40,113.79
Inventory.....	307.04
Deferred charges (Interest & Insurance paid in advance.....)	45,644.31
	500.00
<b>Fixes Assets.....</b>	<b>\$114,339.11</b>
Less Reserve for Depreciation....	39,616.52
	74,722.59
	<b>\$161,660.75</b>

LIABILITIES.

Bills Payable.....	\$49,976.92
Accounts Payable.....	20,296.44
Reserve for Federal Taxes.....	950.00
" " State & County Taxes.....	810.00
	72,033.36
Capital Stock.....	\$85,000.00
Surplus.....	4,627.39
	89,627.39
	<b>\$161,660.75</b>

\*\*\*\*\* ANALYSIS OF HOSIERY INVENTORY AND ADVANCE SALES. \*\*\*\*\*

FIRSTS	Dozens	INV. Price Finished	Dozens sold	Average price.	Est. AMT
280	15,237	\$1.40/7, R. 7 1/2 - P. 5	68,995	\$1.65/7 - 8.7 1/2	\$119,000.00
333	1,338	2.25/1, 1.10 - P. 5	2,077	2.55/7 - 8.10	5,500.00
50	4,410	1.00	3,996	1.00 / P. 5	3,996.00
60	569	1.25	None		
70	362	2.00	None		
500	211	4.00	None		
	<b>22,127</b>		<b>75,068</b>		<b>\$128,496.00</b>
<b>Seconds</b>					
280/1	3,470	1.00	5,992	1.25	7,500.00
333/1	371	1.50	627	1.25	1,150.00
50/1	726	.75	None		
60/1	298	1.00	None		
70/1	134	1.50	None		
	<b>4,999</b>		<b>6,619</b>		<b>\$8,650.00</b>
					<b>\$137,146.00</b>
	<b>tal.. 27,126</b>		<b>81,687</b>		

## Directors Meeting.

Minutes of Regular meeting of Board of Directors of Johnson City Mills held at the office of Ben A. Morton, Holston National Bank Bldg. Knoxville, Tenn. Friday, August 17th., 1923 at 1:30 o'clock P.M., this being an adjournment of regular meeting called for Tuesday, July, 24th, which meeting failed for want of a quorum.

The meeting was called to order by Ben A. Morton, President who presided while Secy-Treas. T.F. Dooley acted as Secretary.

Upon Roll call it was ascertained that the following Directors were present.

Ben. A. Morton.  
J. P. Roddy.  
G. H. Gallaher.  
T. F. Dooley.

It appearing from the Secretary's report that a quorum was present the meeting was declared open for business.

The minutes of the last meeting were read and approved.

The Sec'y-Treas. read a statement of condition of the affairs of the Corporation at the close of business June 30th., 1923.

After a discussion upon motion of J. P. Roddy seconded by G. H. Gallaher and unanimously voted the Secretary was instructed to incorporate this statement in the minutes of this meeting as a part of the permanent records of the Corporation.

Next the Sec'y-Treas. called the attention of the Board to the fact that the Corporation was indebted to the Officers as follows

Ben. A. Morton, Pres. \$2,600.00  
J. P. Roddy Vice-Pres. 800.00  
T. F. Dooley Sec'y-Treas. 5,000.00  
\$7,000.00

He stated that these officers had agreed not to press collections of the notes which they held as evidence of this indebtedness until such time as the affairs of the Corporation were in condition to pay same without embarrassment. He further stated that in his opinion the Corporation would be in position to pay these notes provided the holders would waive interest on same. All of the note holders being present they agreed to accept payment anytime before Oct. 1st., 1923 without interest.

Upon Motion of G. H. Gallaher seconded by J. P. Roddy and unanimously voted, the Sec'y-Treas. was instructed to pay off the notes held by officers without interest any time before Oct. 1st., 1923 that the funds were available.

There being no further business the meeting adjourned.

Secretary.

*T. F. Dooley*

Chairman.

*B. A. Morton*

## Stockholders Meeting.

Minutes of regular Annual meeting of Stockholders meeting of Johnson City Mills called to order Tuesday, Jan. 22nd 1924 at the office of the Company in Johnson City, Tenn. at 1 o'clock P.M. Upon its being ascertained that a quorum was not present the meeting adjourned to meet at the same time and place Thursday, Jan. 24th., 1924.

*T. F. Dooley*  
Secretary.

## Directors Meeting.

Minutes of Regular meeting of Board of Directors of Johnson City Mills called to order Tuesday, Jan. 22th., 1924 at the office of the Company in Johnson City, Tenn at 2 o'clock P.M. There was not a quorum present so meeting adjourned to meet at the same hour and place Thursday, Jan. 24th., 1924.

*T. F. Dooley*  
Secretary.

## Stock Holders Meeting.

Minutes of ~~regular~~ meeting of stockholders of Johnson City Mills held at the office of Company in Johnson City Tenn at one o'clock P.M. on Thursday, Jan. 24th., 1924, this being an adjournment of the regular meeting held Tuesday, Jan. 22nd., 1924 which failed for want of a quorum.

Upon proper motion duly made and seconded and unanimously voted Mr. Geo. T. Wofford was elected temporary Chairman and T. F. Dooley Temporary Secretary.

Upon Roll call it was ascertained that the following stockholders were present or represented:

Present in Person.		
J. P. Roddy	Holder and owner of	213 shares
G. H. Gallaher	" " " "	75 "
C. L. Dooley	" " " "	38 "
T. F. Dooley	" " " "	140 "
G. T. Wofford	" " " "	12 "
		<u>478</u> "

Represented by proxy which proxies are made a part of the minutes of the meeting.

R. E. McNew	Represented by G. H. Gallaher	15 shares
B. A. Morton	" " " "	215 "
C. P. Smith	" " " "	37 "
R. F. Brewer	" " G. T. Wofford	15 "
J. C. Bossong	" " T. F. Dooley	50 "
R. R. Dooley	" " " "	37 "
Lee F. Miller	" " " "	3 "
		<u>372</u>

It appearing from the report of the Secretary that the entire 850 shares of stock issued and outstanding were present in person or represented by proxy, the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year; Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st.,1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimously voted the Sec'y was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meeting adjourned.

T. F. Dooley  
Secretary.

G. H. Gallaher  
Chairman.

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1923.

Assets.

Cash in Tenn. National Bank.....	1,402.66
Payroll a/c .....	102.24
Accounts Receivable .....	24,161.96
Reciprocal Insurance Deposit.....	397.04
Inventory.....	39,786.53
Deferred Charges ( Insurance Paid in Advance).....	100.00
<b>Total</b> .....	<b>65,049.23</b>
Fixed Assets.....	\$114,679.61
Less Depreciation Reserve..	43,999.14
<b>Total</b> .....	<b>70,680.47</b>
	<b>\$135,729.70</b>

Liabilities.

Bills Payable.....	13,000.00
Accounts Payable.....	15,543.51
Capital Stock.....	86,000.00
Surplus.....	22,172.19
<b>Total</b> .....	<b>136,715.70</b>
No reserve for income tax estimated at	\$3,000.00

Analysis of Inventory & Advance Sales.

Style	On Hand Dozens	Inv. Price	Firsts.		Dozens	Average Price	Estimated A
			Rise	Fall			
290	8,611	\$1.40/7	7 1/2	5	33,500	\$1.68 1/2 / 7 R 7 1/2 FS	\$57,000.00
333	1,204	2.30/7	10	5	3,046	2.30 / 7 R 10 FS	8,000.00
50	878	.90	All sizes		none		
60	454	1.00	" "		none		
70	492	1.75	" "		none		
300	203	3.00	" "		none		
	<b>11,642</b>				<b>36,546</b>		<b>\$65,000.00</b>
Seconds.							
290/1	8,282	.90	All sizes		11,542	\$1.30 all sizes	\$13,850.00
333/1	784	1.50	" "		none		
50/1	991	.75	" "		none		
60/1	313	.90	" "		none		
70/1	134	1.25	" "		none		
	<b>10,477</b>				<b>11,542</b>		<b>\$13,850.00</b>
<b>Total</b>	<b>22,333</b>				<b>48,148</b>		<b>\$78,850.00</b>

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE }  
County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, R. J. Morton  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 15 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute Ben A. Morton of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Regular meeting of the stockholders of the Johnson City Mills Corporation, to be held at Office of Johnson City Mills Corporation, in the city of Johnson City, Tenn County of Washington, State of Tenn, on Thursday the 24th day of January, 1924, at 1:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 22 day of January, 1924.

Signature R. J. Morton

Address Johnson City, Tenn

WITNESS:

Clara Mae Douglas



Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year: Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st.,1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimously voted the Sec'y was instructed to insert it in the minutes of this meet as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meeting adjourned.

*T.F. Dooley*  
Secretary.

*G.T. Wofford*  
Chairman.

Statement of Condition of Johnson City Mills at Close of Business December 31st., 1923.

<b>Assets.</b>	
Cash in Tenn. National Bank.....	\$ 1,492.66
Payroll a/c .....	102.24
Accounts Receivable .....	24,161.96
Reciprocal Insurance Deposit.....	397.04
Inventory.....	33,786.53
Deferred Charges ( Insurance Paid in Advance).....	100.00
	<u>\$ 65,040.23</u>
Fixed Assets.....	\$114,679.61
Less Depreciation Reserve..	43,999.14
	<u>\$ 70,680.47</u>
	<u>\$135,720.70</u>
<b>Liabilities.</b>	
Bills Payable.....	\$ 15,000.00
Accounts Payable.....	18,548.51
	<u>\$ 23,548.51</u>
Capital Stock.....	\$ 88,000.00
Surplus.....	22,172.19
	<u>107,172.19</u>
	<u>\$135,720.70</u>
No reserve for income tax estimated at	\$3,000.00

Analysis of Inventory & Advance Sales.

Style	On Hand. Dozens	Inv. Price	Firsts.		Dozens	Average Price	Estimated A
			Finished				
230	3,611	\$1.40/7	Rise 7 1/2	Fall 8	33,500	\$1.63 1/7 R 7 1/2 FS	\$57,000.00
333	1,204	2.30/7	" 10	" 8	3,046	2.30 /7 R 10 FS	8,000.00
80	878	.90	All sizes		none		
60	434	1.00	" "		none		
70	492	1.75	" "		none		
300	303	3.00	" "		none		
	<u>11,344</u>				<u>36,546</u>		<u>\$65,000.00</u>
<b>Seconds.</b>							
230/1	8,382	.90	All sizes		11,542	\$1.30 all sizes	\$13,850.00
333/1	784	1.50	" "		none		
60/1	991	.75	" "		none		
60/1	313	.90	" "		none		
70/1	134	1.25	" "		none		
	<u>10,379</u>				<u>11,542</u>		<u>\$13,850.00</u>
<b>Total</b>	<b>22,323</b>				<b>48,148</b>		<b>\$78,850.00</b>

GENERAL PROXY

STATE OF TENNESSEE  
County of Warren ss.

KNOW ALL MEN BY THESE PRESENTS, That Ben A. Morton the signed, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 2 1/2 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute G.H. Gallaher of Warrenton, Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Regular meeting of the stockholders of the Johnson City Mills Company, to be held at Office of in the city of Johnson City County of Washington, State of Tenn, on Thursday the 24 day of January, 1924 at 1:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 24 day of January, 1924.  
Signature Ben A. Morton  
Address .....

WITNESS:  
.....

Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimo-ly voted the following were elected as directors of the Corpora-tion to serve for the ensuing year; Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st., 1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimo-ly voted the Sec'y was instructed to insert it in the minutes of this meet. as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meet-ing adjourned.

T.F.Dooley  
Secretary.

Geo.T.Wofford  
Chairman.

Statement of Condition of Johnson City Mills  
at close of Business December 31st., 1923.

Assets.

Table listing assets: Cash in Tenn. National Bank, Accounts Receivable, Reciprocal Insurance Deposit, Inventory, etc. Total assets: \$135,720.70

Liabilities.

Table listing liabilities: Bills Payable, Accounts Payable, Capital Stock, Surplus, etc. Total liabilities: \$135,720.70

Analysis of Inventory & Advance Sales.

Main inventory table with columns: Style, Dozens, Inv. Price, Finished, Advance Sales, Average Price, Estimated A. Includes 'Firsts' and 'Seconds' sections.

GENERAL PROXY

STATE OF TENNESSEE }  
Knox County, ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Powell Smith the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 37 shares of the capital stock of the corporation named hereinaf-ter, do hereby nominate, appoint and constitute Ben A. Morton, G. H. Gallaher of Knoxville Tenn my attorney and agent (with power of substitu-tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at The annual meeting of the stockholders of the Johnson City Mills to be held at the office of the company, in the city of Johnson City, Tenn, State of Tenn, on Thursday, the 21st day of January, 1923, at 1:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 22nd day of January, 1923.

Signature Powell Smith

Address Knoxville Tenn

WITNESS:

Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year: Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st.,1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimously voted the Sec'y was instructed to insert it in the minutes of this meet. as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meeting adjourned.

*T.F.Dooley*  
Secretary.

*Geo.T.Wofford*  
Chairman.

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1923.

Assets.

Cash in Term. National Bank.....	\$ 1,492.66	
" " " " Payroll a/c .....	102.24	
Accounts Receivable .....	24,161.96	
Reciprocal Insurance Deposit.....	397.04	
Inventory.....	33,736.53	
Deferred Charges ( Insurance Paid in Advance).....	100.00	
	\$ 65,040.23	
Fixed Assets.....	\$114,679.01	
Less Depreciation Reserve..	43,999.14	\$ 70,680.47
		\$135,720.70

Liabilities.

Bills Payable.....	\$ 13,000.00	
Accounts Payable.....	15,543.51	\$ 28,543.51
Capital Stock .....	\$ 85,000.00	
Surplus.....	22,172.19	107,172.19
		\$135,720.70

No reserve for Income tax estimated at \$3,000.00

Analysis of Inventory & Advance Sales.

Firsts.

Style	On Hand. Dozens	Inv. Price	Finished	Dozens	Advance Sales. Average Price	Estimated A
230	8,611	\$1.40/7	Rise 7 1/2 Fall 5	33,500	\$1.62 1/2 R 7 1/2 FS	\$57,000.00
333	1,204	2.30/7	" 10 " 5	3,040	2.30 /7 R 10 FS	8,000.00
50	878 1/2	.90	All sizes	none		
60	454 1/2	1.00	" "	none		
70	492 1/2	1.75	" "	none		
300	303 1/2	3.00	" "	none		
	<u>11,644</u>			<u>36,540</u>		<u>\$65,000.00</u>

Seconds.

230/A	8,262	.90	All sizes	11,542	\$1.30 all sizes	\$15,850.00
333/1	794	1.50	" "	none		
50/1	991	.75	" "	none		
60/1	313	.90	" "	none		
70/1	134	1.25	" "	none		
	<u>10,479</u>			<u>11,542</u>		<u>\$15,850.00</u>

Total 22,323 48,142 \$70,850.00

GENERAL PROXY

STATE OF TENNESSEE }  
*Washington* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *R.F. Brewer* the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 15 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute *Geo. T. Wofford* of *Johnson City* my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at an annual meeting of the stockholders of the *Johnson City Mills*, to be held at *Johnson City*, in the city of \_\_\_\_\_ County of *Washington*, State of *Tenn.* on *January 21st*, the *21st* day of \_\_\_\_\_, 19*24*, at *1:30* o'clock, *P.* M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *22nd* day of *January*, 19*24*.

Signature *R.F. Brewer*

Address *724 Locust St. Johnson City*

WITNESS: *E. Boone*

Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year: Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st., 1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimously voted the Sec'y was instructed to insert it in the minutes of this meet. as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meeting adjourned.

*T.F. Dooley*  
Secretary.

*G.T. Wofford*  
Chairman.

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1923.

Assets.

Cash in Tenn. National Bank.....	\$ 1,402.66	
" " " " Payroll a/c .....	102.24	
Accounts Receivable .....	24,161.06	
Reciprocal Insurance Deposit.....	397.04	
Inventory.....	38,796.53	
Deferred Charges ( Insurance Paid in Advance).....	100.00	
	\$ 65,040.23	
Fixed Assets.....	\$114,679.61	
Less Depreciation Reserve..	43,999.14	\$ 70,680.47
		\$135,720.70

Liabilities.

Bills Payable.....	\$ 13,000.00	
Accounts Payable.....	15,548.51	\$ 28,548.51
Capital Stock.....	\$ 85,000.00	
Surplus.....	22,172.19	107,172.19
		\$135,720.70
No reserve for Income tax estimated at	\$3,000.00	

Analysis of Inventory & Advance Sales.

Firsts.

Style	On Hand. Dozens	Inv. Price	Finished	Dozens	Average Price	Estimated A
290	8,611	\$1.40/7	Size 7 1/2 Full S	33,500	\$1.63 1/7 R 7 1/2 FS	\$57,000.00
333	1,204	2.30/7	" 10 " S	3,046	2.50 /7 R 10 FS	8,000.00
50	678	.90	All sizes	none		
60	454	1.00	" "	none		
70	492	1.75	" "	none		
300	203	3.00	" "	none		
	<u>11,842</u>			<u>36,600</u>		<u>\$65,000.00</u>

Seconds.

290/A	8,282	.90	All sizes	11,542	\$1.30 all sizes	\$13,850.00
333/A	794	1.50	" "	none		
50/A	991	.75	" "	none		
60/A	313	.90	" "	none		
70/A	134	1.25	" "	none		
	<u>10,479</u>			<u>11,542</u>		<u>\$13,850.00</u>
Total	22,323			48,142		\$78,850.00

GENERAL PROXY

*New York*  
STATE OF TENNESSEE  
*New York* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *Joe C. Prange* the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of *50* shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute *T. F. Dooley* of *Johnson City, Tenn.* my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a *Regular* meeting of the stockholders of the *Johnson City Mills* Company, to be held at *Office of* in the city of *Johnson City* County of *Washington*, State of *Tenn.* on *Thursday* the *24<sup>th</sup>* day of *January*, 19*24*, at *1:30* o'clock, *P.* M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *22<sup>nd</sup>* day of *Jan*, 19*24*.

Signature *Joe C. Prange*  
Address .....

WITNESS:

Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year; Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st.,1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimously voted the Sec'y was instructed to insert it in the minutes of this meet as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meeting adjourned.

*T.F. Dooley*  
Secretary.

*G.H. Gallaher*  
Chairman.

Statement of Condition of Johnson City Mills at close of Business December 31st., 1923.

Assets.

Cash in Tenn.National Bank.....	1,492.66	
" " Payroll a/c .....	102.24	
Accounts Receivable .....	24,161.06	
Reciprocal Insurance Deposit.....	397.04	
Inventory.....	38,786.33	
Deferred Charges ( Insurance Paid in Advance).....	100.00	
	<u>65,040.23</u>	
Fixed Assets.....	\$114,679.61	
Less Depreciation Reserve..	43,999.14	\$ 70,680.47
		<u>\$135,720.70</u>

Liabilities.

Bills Payable.....	15,000.00	
Accounts Payable.....	18,548.61	\$ 23,548.61
Capital Stock .....	85,000.00	
Surplus.....	22,172.19	107,172.19
		<u>\$135,720.70</u>
No reserve for income tax estimated at	\$3,000.00	

Analysis of Inventory & Advance Sales.

Style	On Hand.		Firsts.		Advance Sales.		Estimated A
	Dozens	Inv. Price	Finished	Dozens	Average Price		
290	8,611	\$1.40/7	Rise 7 1/2 Fall 5	33,500	\$1.63 1/2 R 7 1/2 FS	\$57,000.00	
333	1,204	2.30/7	" 10 "	3,046	2.80 /7 R 10 FS	8,000.00	
50	878	.90	All sizes	none			
60	454	1.00	" "	none			
70	492	1.75	" "	none			
300	203	3.00	" "	none			
	<u>11,642</u>			<u>36,546</u>		<u>\$65,000.00</u>	
			Seconds.				
290/A	8,262	.90	All sizes	11,642	\$1.20 all sizes	\$13,850.00	
333/A	784	1.50	" "	none			
50/A	991	.75	" "	none			
60/A	319	.90	" "	none			
70/A	134	1.25	" "	none			
	<u>10,479</u>			<u>11,642</u>		<u>\$13,850.00</u>	
Total	22,323			48,148		\$78,850.00	

GENERAL PROXY

STATE OF TENNESSEE }  
*Washington* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *J.F. Dooley for R.R. Dooley* the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of *37* shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute *J.F. Dooley* of *Johnson City, Tenn.* my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a *Regular* meeting of the stockholders of the *Johnson City Mills* to be held at *Sanfang's office* in the city of *Johnson City* County of *Washington*, State of *Tenn.*, on *Thursday* the *24<sup>th</sup>* day of *January*, 19*24*, at *1:30* o'clock, *P.*M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *24* day of *Jan*, 19*24*.

Signature *J.F. Dooley for R.R. Dooley*

Address .....

WITNESS:

Upon Motion of C.L.Dooley seconded by G.H.Gallaher and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year: Ben.A.Morton, J.P.Roddy, G.H.Gallaher, C.Powell Smith, Geo.T.Wofford, C.L.Dooley and T.F.Dooley.

The Sec'y-Treas.next read a report of the condition of the affairs of the Corporation at the close of business Dec.31st., 1923. After a thorough discussion of this report upon motion of J.P.Roddy seconded by C.L.Dooley and unanimously voted the Sec'y was instructed to insert it in the minutes of this meet. as a part of the permanent records of the Corporation.

There being no further business upon proper motion the meeting adjourned.

*T. F. Dooley*  
Secretary.

*Geo. T. Wofford*  
Chairman.

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1923.

Assets.

Cash in Tenn. National Bank.....	\$ 1,492.00	
" " " " Payroll a/c .....	102.24	
Accounts Receivable .....	24,161.96	
Reciprocal Insurance Deposit.....	397.04	
Inventory.....	39,780.53	
Deferred Charges ( Insurance Paid in Advance).....	100.00	
	<u>\$ 65,040.23</u>	
Fixed Assets.....	\$114,670.61	
Less Depreciation Reserve..	43,999.14	\$ 70,671.47
		<u>\$135,720.70</u>

Liabilities.

Bills Payable.....	\$ 13,000.00	
Accounts Payable.....	15,548.51	\$ 28,548.51
Capital Stock.....	\$ 88,000.00	
Surplus.....	22,172.19	107,172.19
		<u>\$135,720.70</u>
No reserve for income tax estimated at	33,000.00	

Analysis of Inventory & Advance Sales.

Firsts.

Style	On Hand. Dozens	Inv. Price	Finished	Dozens	Average Price	Estimated A
290	8,611	\$1.40/7	Rise 7 1/2 Full S	33,500	\$1.62 1/7 R 7 1/2 PS	\$57,000.00
333	1,204	2.30/7	" 10 " S	3,046	2.30 /7 R 10 PS	8,000.00
50	873 1/2	.90	All sizes	none		
60	454 1/2	1.00	" "	none		
70	492 1/2	1.75	" "	none		
300	203 1/2	3.00	" "	none		
	<u>11,644</u>			<u>36,546</u>		<u>\$65,000.00</u>

Seconds.

290/1	8,362	.90	All sizes	11,542	\$1.30 all sizes	\$13,850.00
333/1	794	1.50	" "	none		
50/1	991	.75	" "	none		
60/1	313	.90	" "	none		
70/1	134	1.25	" "	none		
	<u>10,679</u>			<u>11,542</u>		<u>\$13,850.00</u>
Total	22,323			48,148		\$78,850.00

GENERAL PROXY



STATE OF TENNESSEE  
Washington..... County. } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Geo. F. Miller  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 5 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute T. F. Dooley of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a regular annual meeting of the stockholders of the Johnson City Mills to be held at the Company's office in the city of Johnson City, County of Washington, State of Tenn., on Thursday, the 24th day of January, 19124 at 1:30 o'clock, P. M. or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 22nd day of January, 19124.

Signature Geo. F. Miller

Address .....

WITNESS:

## Directors Meeting.

Minutes of meeting of Board of Directors of Johnson City Mills held at office of Company in Johnson City, Tenn., Thursday, Jan 24th, 1924 at 2 o'clock P.M., this being an adjournment of the regular meeting held Tuesday, Jan. 22nd., 1924 which failed for want of a quorum.

The meeting was called to order and upon proper motion duly made and seconded and unanimously voted Mr. Geo. T. Wofford was elected Temporary Chairman and T. F. Dooley Temporary Secretary.

Upon Roll call it was ascertained that the following directors were present;

J. P. Roddy.  
G. H. Gallaher.  
G. T. Wofford.  
C. L. Dooley.  
T. F. Dooley.

It appearing from the Sec'y's report that a quorum was present the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Upon motion of J. P. Roddy seconded by C. L. Dooley and unanimously voted salaries of officers were fixed as follows:

President No Salary.  
Vice-President No Salary.  
Sec'y-Treas. No Salary.

The next business being the election of officers for the ensuing year the polls were opened and the following officers were unanimously elected.

President Ben. A. Morton.  
Vice-President J. P. Roddy.  
Sec'y-Treas. T. F. Dooley.

Next upon motion of J. P. Roddy seconded by G. H. Gallaher and unanimously voted T. F. Dooley was elected General Manager of the Corporation at a salary of \$4,000.00 per year payable monthly.

Next the condition statement of the affairs of the Corporation at the close of business Dec. 31st. 1923 was discussed and upon motion of G. H. Gallaher seconded by C. L. Dooley a 15% cash dividend payable Feb. 1st., 1924 upon the issued and outstanding 850 shares of Common stock was declared. This motion was unanimously voted.

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary.

*Geo. T. Wofford*  
Chairman.

## Directors Meeting.

Minutes of Regular Meeting of Directors of Johnson City Mills called to order Tuesday, July 22nd., 1924 at the office of the Company in Johnson City, Tenn., at 1:30 o'clock P.M. There was not a quorum present so the meeting adjourned to meet at the same hour and place on Thursday, July 24th., 1924.

*T. F. Dooley*  
Secretary.

## Directors Meeting.

Minutes of meeting of Board of Directors of Johnson City Mills held at the office of the corporation in Johnson City, Tenn., Thursday, July 24th., 1924 at 1:30 o'clock P.M., this being an adjournment of the Regular meeting held Tuesday July 22nd which failed for want of a quorum.

In the absence of the President, Mr. J. P. Roddy, Vice-President called the meeting to order and presided. Secretary -Treas. T. F. Dooley acted as Secretary.

Upon roll call it was ascertained that the following Directors were present:

J. P. Roddy.  
G. H. Gallaher.  
Geo. T. Wofford.  
C. L. Dooley.  
T. F. Dooley.

It appearing from the Secretary's report that a quorum was present the Chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

The Sec'y-Treas. read to the meeting a report of the condition of the affairs of the Corporation at the close of business June 30th., 1924, and supplemented the report with his views as to the outlook for the last six months of the year.

After a discussion of the report upon motion of G. H. Gallaher seconded by C. L. Dooley and unanimously voted the Secretary was directed to incorporate this report in the minutes of this meeting as a part of the permanent records of the Corporation.

Next Mr. G. H. Gallaher moved that a dividend of 10% be declared upon the 850 issued and outstanding shares of Common stock. This motion was seconded by Mr. G. T. Wofford and after some discussion was unanimously voted.

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary.

*J. P. Roddy*  
Vice-President.

Statement of Condition of Johnson City Mills  
at close of business June 30th., 1924.

Assets.

Cash in Tenn. National Bank.....	\$	6,588.79	
" " " " " Pay Roll a/c.....		102.04	
Accounts Receivable.....		28,266.09	
Reciprocal Insurance Deposit.....		407.00	
Inventory.....		47,504.00	
Deferred Charges (Interest & Insurance paid ahead).		525.00	
	\$	<u>83,392.92</u>	
Fixed Assets.....	\$114,679.61		
Less Reserve for Depreciation. <u>48,087.24</u> ....		<u>66,592.37</u>	
			\$149,985.29

Liabilities.

Bills Payable.....	\$	20,000.00	
Accounts Payable.....		22,279.11	
Unpaid Wages Accrued.....		1,350.00	
Reserve for unclaimed wages.....		49.06	
" " State, County & City Taxes		800.00	
" " Federal Income Taxes...	<u>1,385.61</u> ....	\$	45,863.78
Capital Stock.....	\$	85,000.00	
Surplus.....	<u>19,121.51</u> ....	<u>104,121.51</u>	
			\$149,985.29

Profit for six months ending June 30th., 1924. \$9,699.32

Analysis of Inventory and Advance sales.

On Hand.		Firsts.		Advance Sales.		
Style	Dozens.	Inv. Price	Finished	Dozens	Average Price	Estimated Amt.
280	14,952	\$1.40/7	R & F 10¢	35,995	\$1.62 1/2/7	R 7 1/2¢ \$61,191.50
333	1,532	2.00/7	R & F 15¢	486	2.40/7	R 10¢ 1,215.00
	<u>16,484</u>			<u>36,481</u>		F 5¢ \$62,406.50
Seconds.						
280/1	9,324	.90	all sizes	3,321	1.15	all sizes 3,819.15
333/1	364	1.50	" "	180	1.80	" " 324.00
	<u>9,688</u>			<u>3,501</u>		<u>4,143.15</u>
	<u>26,172</u>			<u>39,982</u>		<u>66,549.65</u>

Stockholders Meeting

Minutes of regular Annual Meeting of Stockholders of Johnson City Mills called to order Tuesday, Jan. 27, 1925 at the office of the Company in Johnson City, Tenn., at 1 o'clock P. M. Upon its being ascertained that a quorum was not present the meeting adjourned to meet at 2 o'clock P. M. at the same place Thursday, Jan. 29, 1925.

*T. F. Dooley*  
Secretary.

Directors Meeting

Minutes of regular meeting of Board of Directors of the Johnson City Mills called to order Tuesday Jan. 27, 1925 at the office of the Company in Johnson City at 2 o'clock P. M. There was not a quorum present so the meeting adjourned to meet at 2:30 o'clock P. M. at the same place Thursday, Jan. 29, 1925.

*T. F. Dooley*  
Secretary.

Stockholders Meeting.

Minutes of the meeting of stockholders of Johnson City Mills held at the office of the Company in Johnson City at 2 o'clock P. M. on Thursday, Jan. 29, 1925, this being an adjournment of the regular meeting held Tuesday, Jan. 27, 1925 which failed for want of a quorum.

Upon proper motion duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary Chairman and T. F. Dooley temporary Secretary.

Upon roll call it was ascertained that the following stockholders were present or represented:

Present in Person:

Ben A. Morton, holder and owner of	215	shares
G. H. Gallaher " " " "	75	"
T. F. Dooley " " " "	140	"
C. L. Dooley " " " "	38	"
C. P. Smith " " " "	37	"
G. T. Wofford " " " "	12	"
	<u>517</u>	

Represented by proxy which proxies are made a part of the minutes of this meeting:

J. P. Roddy, represented by Ben A. Morton,	213	shares
R. R. Dooley, " " T. F. Dooley,	37	"
Lee F. Miller, " " " "	3	"
R. E. McNew, " " Ben A. Morton,	15	"
	<u>268</u>	

It appearing from the report of the Secretary that 785 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved. Upon motion of Ben A. Morton seconded by T. F. Dooley and unanimously voted the following were elected as directors of the Corporation to serve for the ensuing year. Ben A. Morton, J. P. Roddy, G. H. Gallaher, C. Powell Smith, George T. Wofford, C. L. Dooley and T. F. Dooley.

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business Dec. 31, 1924 and supplemented the report with his views as to the outlook for the coming year.

After a thorough discussion of this report, upon motion of Ben A. Morton, seconded by C. P. Smith and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation. There being no further business, upon proper motion the meeting adjourned.

*T. F. Dooley*  
Secretary.

*Geo. T. Wofford*  
Chairman.



Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1924.

Assets.

Cash in Tenn. National Bank.....	\$ 12,294.75
" " " Payroll a/c.....	101.96
Accounts Receivable.....	25,577.81
Reciprocal Insurance Deposit.....	407.00
Inventory.....	61,967.52
Deferred Charges (Interest and Insurance Pd.)	525.00
	<u>\$100,874.04</u>
Fixed Assets.....	\$115,741.37
Less Reserve for Depreciation.....	52,492.22
	<u>63,249.15</u>
	<u>\$164,123.19</u>

Liabilities.

Bills Payable.....	\$ 35,000.00
Accounts Payable.....	20,771.83
Reserve for Unclaimed wages	49.06
" Federal Taxes..	2,550.02
	<u>58,370.91</u>
Capital Stock.....	\$ 85,000.00
Surplus (Paid in).....	5,000.00
Undivided Profits.....	15,752.28
	<u>105,752.28</u>
	<u>\$164,123.19</u>

Net Profit for 1924 \$19,830.09

Analysis of Inventory & Advance Sales.

On Hand		Firsts.		Advance Sales.		
Style	Doz.	Inv. Price	Finished	Doz.	Average Price	Estimated Amt.
280	8,066	\$1.40/7	R & F 10¢	16,610	\$1.52 2/7	R7 1/2 F5¢ \$ 26,576.00
333	1,370	2.00/7	R & F 15¢	3,140	2.15/7	H10 F5 7,065.00
618	8,209	1.40/7	R & F 10¢	10,527	1.55/7	R7 1/2 F5 17,105.00
604	1,230	2.10/7	R & F 10¢	3,795	2.25/7	R10 F5¢ 8,918.00
502	582	1.70/7	R & F 10¢	2,689	1.95/7	R10 F5¢ 5,647.00
512-18	2,209	1.70/7	R & F 10¢	8,513	1.95/7	R10 F5¢ 17,877.00
528	796	1.70/7	R & F 10¢	2,974	1.95/7	R10 F5¢ 6,245.00
918	636	1.90	All sizes	4,999	2.05/7	All sizes 10,248.00
2370	1,002	.40	" "	8,000	.50	" " 4,000.00
2642	448	.35	" "	2,886	.45	" " 1,299.00
	<u>24,548</u>			<u>65,113</u>		<u>\$104,980.00</u>
Seconds						
280/1	1,704	.85	All sizes	10,179	1.10	All sizes \$11,197.00
333/1	356	1.45	" "	None		
618/1	1,902	.90	" "	891	1.20	1,069.00
604/1	328	1.50	" "	None		
502/1	544	1.30	" "	201	1.75	177.00
512-18/1						
	1,372	1.30	" "	None		
528/1	193	1.30	" "	None		
918/1	833	1.50	" "	None		
	<u>7,282</u>			<u>11,278</u>		<u>\$12,443.00</u>
	<u>31,830</u>			<u>76,391</u>		<u>117,423.00</u>

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE  
Knox County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, J. P. Roddy  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 213 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute Gen. A. Morton  
of Princeton, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Regular Annual meeting of the stockholders of the Johnson City  
Mills, to be held at the Office  
of the Company, in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 27 day of January, 1925, at 1 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 22nd day

January, 1925.

Signature J. P. Roddy

Address Princeton, Tenn.

WITNESS:

J. P. Roddy

M 101-1M-3-10-18

M 101-1M-3-10-18

1M 101-1M-3-10-18

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1924.

Assets.

Cash in Tenn. National Bank.....	\$ 12,294.75
" " " Payroll a/c.....	101.96
Accounts Receivable.....	25,577.81
Reciprocal Insurance Deposit.....	407.00
Inventory.....	61,967.52
Deferred Charges (Interest and Insurance Pd.)	525.00
	<u>\$100,874.04</u>
Fixed Assets.....	\$115,741.37
Less Reserve for Depreciation.....	52,492.22
	<u>63,249.15</u>
	\$164,123.19

Liabilities.

Bills Payable.....	\$ 35,000.00
Accounts Payable.....	20,771.83
Reserve for Unclaimed wages	49.06
" Federal Taxes..	2,550.02
	<u>58,370.91</u>
Capital Stock.....	\$ 85,000.00
Surplus (Paid in).....	5,000.00
Undivided Profits.....	15,752.28
	<u>105,752.28</u>
	\$164,123.19

Net Profit for 1924 \$19,836.09

Analysis of Inventory & Advance Sales.

On Hand		Firsts.		Advance Sales.		
Style	Doz.	Inv. Price	Finished	Doz.	Average Price	Estimated Amt.
280	8,066	\$1.40/7	R & F 10¢	16,610	\$1.52 2/7	R7 1/2 F5¢ \$ 26,576.00
333	1,370	2.00/7	R & F 15¢	3,140	2.15/7	R10 F5 7,065.00
618	8,209	1.40/7	R & F 10¢	10,527	1.55/7	R7 1/2 F5 17,105.00
604	1,230	2.10/7	R & F 10¢	3,795	2.25/7	R10 F5¢ 8,918.00
502	582	1.70/7	R & F 10¢	2,689	1.95/7	R10 F5¢ 5,647.00
512-18	2,209	1.70/7	R & F 10¢	8,513	1.95/7	R10 F5¢ 17,877.00
528	796	1.70/7	R & F 10¢	2,974	1.95/7	R10 F5¢ 6,245.00
918	636	1.90	All sizes	4,999	2.05/7	All Sizes 10,248.00
2370	1,002	.40	" "	8,000	.50	" " 4,000.00
2642	448	.35	" "	2,886	.45	" " 1,299.00
	<u>24,548</u>			<u>65,113</u>		<u>\$104,980.00</u>
		Seconds				
280/1	1,704	.85	All sizes	10,179	1.10	All sizes \$11,197.00
333/1	356	1.45	" "	None		
618/1	1,902	.90	" "	891	1.20	1,069.00
604/1	328	1.50	" "	None		
502/1	544	1.30	" "	201	1.75	1,177.00
512-18/1			" "	None		
528/1	1,372	1.30	" "	None		
918/1	193	1.30	" "	None		
	<u>7,282</u>			<u>11,278</u>		<u>\$12,443.00</u>
	<u>31,830</u>			<u>76,391</u>		<u>117,423.00</u>

MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE  
Washington County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, L. H. Wooley for R. H. Wooley  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 37 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute J. H. Wooley  
of Johnson City, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Regular Annual meeting of the stockholders of the Johnson  
City Mills to be held at Office of  
The Company in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 27 day of January, 1925, at 1 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 26 day  
of Jan, 1925.

Signature J. H. Wooley for R. H. Wooley  
Atty in fact  
Address \_\_\_\_\_

WITNESS:

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1924.

Assets.

Cash in Tenn. National Bank.....	\$ 12,294.75
" " " Payroll a/c.....	101.96
Accounts Receivable.....	25,577.81
Reciprocal Insurance Deposit.....	407.00
Inventory.....	61,967.52
Deferred Charges (Interest and Insurance Pd.)	525.00
	<u>\$100,874.04</u>
Fixed Assets.....	\$115,741.37
Less Reserve for Depreciation.....	52,492.22
	<u>63,249.15</u>
	\$164,123.19

Liabilities.

Bills Payable.....	\$ 35,000.00
Accounts Payable.....	20,771.83
Reserve for Unclaimed wages	49.06
" Federal Taxes..	2,550.02
	<u>58,370.91</u>
Capital Stock.....	\$ 85,000.00
Surplus (Paid in).....	5,000.00
Undivided Profits.....	15,752.28
	<u>105,752.28</u>
	\$164,123.19

Net Profit for 1924 \$19,836.09

Analysis of Inventory & Advance Sales.

On Hand		Firsts.		Advance Sales.		
Style	Doz.	Inv. Price	Finished	Doz.	Average Price	Estimated Amt.
280	8,066	\$1.40/7	R & F 10¢	16,610	\$1.52 1/2/7	R 7 1/2 F 5¢ \$ 26,576.00
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618	8,209	1.40/7	R & F 10¢	10,527	1.55/7	R 7 1/2 F 5¢ 17,105.00
604	1,230	2.10/7	R & F 10¢	3,795	2.25/7	R 10 F 5¢ 8,918.00
502	582	1.70/7	R & F 10¢	2,639	1.95/7	R 10 F 5¢ 5,647.00
512-18	2,209	1.70/7	R & F 10¢	8,513	1.95/7	R 10 F 5¢ 17,877.00
528	796	1.70/7	R & F 10¢	2,974	1.95/7	R 10 F 5¢ 6,245.00
918	636	1.90	All sizes	4,999	2.05/7	All Sizes 10,248.00
2370	1,002	.40	" "	8,000	.50	" " 4,000.00
2642	448	.35	" "	2,886	.45	" " 1,299.00
	<u>24,548</u>			<u>65,113</u>		<u>\$104,980.00</u>
		Seconds				
280/1	1,704	.85	All sizes	10,179	1.10	All sizes \$11,197.00
333/1	356	1.45	" "	None		
618/1	1,902	.90	" "	891	1.20	1,069.00
604/1	328	1.50	" "	None		
502/1	544	1.30	" "	201	1.75	177.00
512-18/1	1,372	1.30	" "	None		
528/1	193	1.30	" "	None		
918/1	883	1.50	" "	None		
	<u>7,282</u>			<u>11,278</u>		<u>\$12,443.00</u>
	<u>31,830</u>			<u>76,391</u>		<u>117,423.00</u>

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF TENNESSEE  
Washington County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Lee F. Miller  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 3 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute T. F. Poolley  
of Johnson City, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Regular Annual meeting of the stockholders of the Johnson City  
Mills, to be held at Office of  
The Company, in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 27 day of January, 1925, at 1 o'clock P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 27 day  
of January, 1925.

Signature Lee F. Miller

Address .....

WITNESS:

T. F. Poolley

Statement of Condition of Johnson City Mills  
at Close of Business December 31st., 1924.

Assets.

Cash in Tenn. National Bank.....	\$ 12,294.75
" " " " Payroll a/c.....	101.96
Accounts Receivable.....	25,577.81
Reciprocal Insurance Deposit.....	407.00
Inventory.....	61,967.52
Deferred Charges (Interest and Insurance Pd.)	525.00
	<u>\$100,874.04</u>
Fixed Assets.....	\$115,741.37
Less Reserve for Depreciation.....	52,492.22
	<u>63,249.15</u>
	\$164,123.19

Liabilities.

Bills Payable.....	\$ 35,000.00
Accounts Payable.....	20,771.83
Reserve for Unclaimed wages	49.06
" " Federal Taxes..	2,550.02
	<u>58,370.91</u>
Capital Stock.....	\$ 85,000.00
Surplus (Paid in).....	5,000.00
Undivided Profits.....	15,752.28
	<u>105,752.28</u>
	\$164,123.19

Net Profit for 1924 \$19,856.09

Analysis of Inventory & Advance Sales.

On Hand		Firsts.		Advance Sales.		
Style	Doz.	Inv. Price	Finished	Doz.	Average Price	Estimated Amt.
280	8,066	\$1.40/7	R & F 10¢	16,610	\$1.52 2/7	R 7 1/2 F 5¢ \$ 26,576.00
333	1,370	2.00/7	R & F 15¢	3,140	2.15/7	R 10 F 5 7,065.00
618	8,209	1.40/7	R & F 10¢	10,527	1.55/7	R 7 1/2 F 5 17,105.00
604	1,230	2.10/7	R & F 10¢	3,795	2.25/7	R 10 F 5¢ 8,918.00
502	582	1.70/7	R & F 10¢	2,689	1.95/7	R 10 F 5¢ 5,647.00
512-18	2,209	1.70/7	R & F 10¢	8,513	1.95/7	R 10 F 5¢ 17,377.00
528	796	1.70/7	R & F 10¢	2,974	1.95/7	R 10 F 5¢ 6,245.00
918	636	1.90	All sizes	4,999	2.05/7	All Sizes 10,248.00
2370	1,002	.40	" "	8,000	.50	" " 4,000.00
2642	448	.35	" "	2,886	.45	" " 1,299.00
	<u>24,548</u>			<u>65,113</u>		<u>\$104,980.00</u>
		Seconds				
280/1	1,704	.85	All sizes	10,179	1.10	All sizes \$11,197.00
333/1	356	1.45	" "	None		
618/1	1,902	.90	" "	891	1.20	1,069.00
604/1	328	1.50	" "	None		
502/1	544	1.30	" "	201	1.75	177.00
512-18/1						
	1,372	1.30	" "	None		
528/1	193	1.30	" "	None		
918/1	883	1.50	" "	None		
	<u>7,282</u>			<u>11,278</u>		<u>\$12,443.00</u>
	<u>31,830</u>			<u>76,391</u>		<u>117,423.00</u>

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER



GENERAL PROXY

STATE OF Kentucky  
TENNESSEE }  
Harlan County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, R. M. Seiler  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 15 shares of the capital stock of the corporation named hereinafter,  
do hereby nominate, appoint and constitute Paul A. Workman  
of Knoxville, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Regular Annual meeting of the stockholders of the Johnson City Mills  
Company, in the city of Johnson City  
County of Washington, State of Tennessee, on Tuesday  
the 27 day of January, 1925, at 1 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 21<sup>st</sup> day  
of Jan, 1925.

Signature R. M. Seiler

Address Harlan Ky.

WITNESS:

Clara M. Douglas

## Directors Meeting.

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tenn., Thursday, Jan. 29, 1925 at 2:30 o'clock P. M., this being an adjournment of the regular meeting held Jan. 27, 1925 which failed for the want of a quorum.

The meeting was called to order and upon proper motion duly made and seconded Mr. George T. Wofford was elected temporary Chairman and T. F. Dooley temporary Secretary.

Upon a roll call it was ascertained that the following Directors were present:

B. A. Morton  
G. H. Gallaher  
George T. Wofford  
C. L. Dooley  
C. P. Smith  
T. F. Dooley

It appearing from the Secretary's report that <sup>a</sup> quorum was present the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved. Upon motion of C. L. Dooley, seconded by G. H. Gallaher and unanimously voted, salaries of officers were fixed as follows:

President, \$100.00 per month payable monthly  
Vice-President No salary  
Secretary-Treasurer No salary.

The next business being the election of officers for the ensuing year the polls were opened and the following officers were unanimously elected:

President Ben A. Morton  
Vice-President J. P. Roddy  
Sec'y-Treas. T. F. Dooley

Next upon motion of Ben A. Morton seconded by C. P. Smith and unanimously voted T. F. Dooley was elected General Manager of the Corporation with the following salary at the rate of \$4,000.00 per year as follows: That he shall receive in addition to the above stated sum 10% of the good net profits of the Corporation in excess of 20% of the Capital Stock.

Next the condition statement of the affairs of the Corporation at the close of business Dec. 31, 1924 was discussed and upon motion of C. P. Smith seconded by B. A. Morton a cash dividend of 10% payable at once upon the issued and outstanding 850 shares of common stock was declared.

Next upon motion of B. A. Morton seconded by G. H. Gallaher and unanimously voted a directors fee of \$10.00 was fixed to be paid to directors for attendance at Directors Meetings.

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary.

*G. T. Wofford*  
Chairman.

## Director's Meeting

Minutes of the regular meeting of the Board of Directors of the Johnson City Mills called to order Tuesday, July 28, 1925, at the offices of the Company in Johnson City, Tennessee at 1:30 o'clock P.M., this being the regular mid-year meeting of the Board of Directors as called for by the by-laws of the Corporation.

There was not a quorum present so the meeting adjourned.

*T. F. Dooley*  
Secretary

## Stock Holders Meeting

Minutes of the regular annual meeting of Stock Holders of the Johnson City Mills called to order Tuesday, January 26, 1926 at 1:00 o'clock P.M. at the offices of the Company in Johnson City, Tennessee. Upon its being ascertained there was not a quorum present, the meeting adjourned to meet at the same hour and place on Monday, Feb. 1, 1926

*T. F. Dooley*  
Secretary

## Directors Meeting

Minutes of regular meeting of the Board of Directors of the Johnson City Mills called to order Tuesday, Jan. 26, 1926, at the offices of the Company in Johnson City, Tenn., at 2:00 o'clock P.M.. Upon its being ascertained that there was not a quorum present the meeting adjourned to meet at the same hour and place on Monday, Feb. 1, 1926.

*T. F. Dooley*  
Secretary

## Stock Holders Meeting

Minutes of the Meeting of Stock Holders of the Johnson City Mills:

Held at the offices of the Company in Johnson City, Tennessee at 1:00 o'clock P.M. on Monday, Feb. 1, 1926, this being an adjournment of the regular meeting held Tuesday, Jan. 26th, 1926 which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

On roll call it was ascertained that the following stock holders were present or represented:

## Present in person:

George T. Wofford, holder	and Owner of	12	shares
C. L. Dooley	" " "	38	"
T. F. Dooley	" " "	140	"
Total		190	

Represented by proxy ~~which~~ proxies ~~of our meeting~~ are <sup>made</sup> a part of the minutes of this meeting.

Lee F. Miller	represented by T. F. Dooley, holder	and Owner of	3	shares
J. V. Bossong	" " "	" " "	50	"
R. H. Dooley	" " "	" " "	37	"
Powell Smith	" " "	" " "	38	"
Ben A. Morton	C. L. Dooley, " " "	" " "	215	"
G. H. Gallaher	" " "	" " "	75	"
Total			418	

It appearing from the report of the secretary that 608 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year:

Ben A. Morton	J. P. Roddy
G. H. Gallaher	C. Powell Smith
George T. Wofford	C. L. Dooley
T. F. Dooley	

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business, Dec. 31, 1925 and gave the Stock Holders his views as to the outlook for the first half of the coming year.

After a discussion of the report, upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business, upon proper motion the meeting was adjourned.

*Geo T Wofford*  
Chairman

*T. F. Dooley*  
Secretary

## GENERAL PROXY

STATE OF TENNESSEE  
Washington County } ss.



KNOW ALL MEN BY THESE PRESENTS, That I, Lee F. Miller, the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 3 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute T. F. Dooley of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at an annual meeting of the stockholders of the Johnson City Mills Company, to be held at the offices of said Johnson City in the city of Johnson City County of Washington, State of Tenn., on Tuesday the 26th day of January, 1926, at One o'clock, P.M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 15th day of January, 1925.

Signature Lee F. Miller

Address Johnson City, Tenn.

WITNESS:

FORM 101-1M-3-10-18

FORM 101-1M-3-10-18

FORM 101-1M-3-10-18

Stock Holders Meeting

Minutes of the Meeting of Stock Holders of the Johnson City Mills:

Held at the offices of the Company in Johnson City, Tennessee at 1:00 o'clock P.M. on Monday, Feb. 1, 1926, this being an adjournment of the regular meeting held Tuesday, Jan. 26th, 1926 which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

On roll call it was ascertained that the following stock holders were present or represented:

Present in person:

George T. Wofford, holder	and Owner of	12 shares
C. L. Dooley	" " "	38 "
T. F. Dooley	" " "	140 "
Total		190

Represented by proxy ~~such~~ proxies of our meeting are <sup>made</sup> a part of the minutes of this meeting.

Lee F. Miller	represented by T. F. Dooley, holder	and Owner of	3 shares
J. V. Bossong	" " "	" " "	50 "
R. R. Dooley	" " "	" " "	37 "
Powell Smith	" " "	" " "	38 "
Ben A. Morton	C. L. Dooley, " " "	" " "	215 "
G. H. Gallaher	" " "	" " "	75 "
Total			418

It appearing from the report of the secretary that 608 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year:

Ben A. Morton	J. F. Roddy
G. H. Gallaher	C. Powell Smith
George T. Wofford	C. L. Dooley
T. F. Dooley	

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business, Dec. 31, 1925 and gave the Stock Holders his views as to the outlook for the first half of the coming year.

After a discussion of the report, upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business, upon proper motion the meeting was adjourned.

*Geo. T. Wofford*  
Chairman

*T. F. Dooley*  
Secretary

GENERAL PROXY

STATE OF TENNESSEE  
Washington County } ss.



KNOW ALL MEN BY THESE PRESENTS, That I, Joseph C. Boasong, the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 50 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute T. Floyd Dooley of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a annual meeting of the stockholders of the Johnson City Mills, Johnson City, Tenn. to be held at the office of Johnson City Mills, in the city of Johnson City, County of Washington, State of Tennessee, on Tuesday the 26th day of January, 1926, at 1.00 o'clock P.M. or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 18th day of January, 1926.

Signature *Joseph C. Boasong*  
Address \_\_\_\_\_

WITNESS:  
*T. F. Dooley*

FORM 101-1M-3-10-18

FORM 101-1M-3-10-18

*Emma M. Pleaslee*

FORM 101-1M-3-10-18

Stock Holders Meeting

Minutes of the meeting of Stock Holders of the Johnson City Mills:

Held at the offices of the Company in Johnson City, Tennessee at 1:00 o'clock P.M. on Monday, Feb. 1, 1926, this being an adjournment of the regular meeting held Tuesday, Jan. 26th, 1926 which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

On roll call it was ascertained that the following stock holders were present or represented:

Present in person:

George T. Wofford, holder	and Owner of	12 shares
C. L. Dooley	" " "	38 "
T. F. Dooley	" " "	140 "
Total		190

Represented by proxy ~~each~~ proxies of our meeting are, <sup>made</sup> a part of the minutes of this meeting.

Lee F. Miller	represented by T. F. Dooley, holder	and Owner of	3 shares
J. V. Bossong	" " "	" "	50 "
R. R. Dooley	" " "	" "	37 "
Powell Smith	" " "	" "	38 "
Ben A. Morton	C. L. Dooley, " "	" "	215 "
G. H. Gallaher	" " "	" "	75 "
Total			418

It appearing from the report of the secretary that 608 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year:

Ben A. Morton	J. F. Roddy
G. H. Gallaher	C. Powell Smith
George T. Wofford	C. L. Dooley
T. F. Dooley	

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business, Dec. 31, 1925 and gave the Stock Holders his views as to the outlook for the first half of the coming year.

After a discussion of the report, upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business, upon proper motion the meeting was adjourned.

George T. Wofford  
Chairman

T. F. Dooley  
Secretary

GENERAL PROXY



STATE OF TENNESSEE }  
 \_\_\_\_\_ County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, T. F. Dooley for R. R. Dooley the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 37 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute T. F. Dooley of Johnson City, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Regular meeting of the stockholders of the Johnson City Mills, to be held at the office of the Company in the city of Johnson City County of Washington, State of Tenn., on Tuesday the 26 day of January, 1926, at 1 o'clock P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 25 day of January, 1926.

Signature T. F. Dooley Attorney in fact

Address for R. R. Dooley

WITNESS:

FORM 101-1M-3-10-18

FORM 101-1M-3-10-18

Emma M. Pleaslee

FORM 101-1M-3-10-18



Stock Holders Meeting

Minutes of the Meeting of Stock Holders of the Johnson City Mills:

Held at the offices of the Company in Johnson City, Tennessee at 1:00 o'clock P.M. on Monday, Feb. 1, 1926, this being an adjournment of the regular meeting held Tuesday, Jan. 26th, 1926 which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

On roll call it was ascertained that the following stock holders were present or represented:

Present in person:

George T. Wofford, holder	and Owner of	12	shares
C. L. Dooley	" "	38	"
T. F. Dooley	" "	140	"
Total		190	

Represented by proxy ~~such~~ proxies of our meeting are, <sup>made</sup> a part of the minutes of this meeting.

Lee F. Miller	represented by T. F. Dooley, holder	and Owner of	3	shares
J. V. Bossong	" "	" "	50	"
R. R. Dooley	" "	" "	37	"
Powell Smith	" "	" "	38	"
Ben A. Morton	C. L. Dooley, "	" "	215	"
G. H. Gallaher	" "	" "	75	"
Total			418	

It appearing from the report of the secretary that 608 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year:

Ben A. Morton	J. F. Roddy
G. H. Gallaher	C. Powell Smith
George T. Wofford	C. L. Dooley
	T. F. Dooley

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business, Dec. 31, 1925 and gave the Stock Holders his views as to the outlook for the first half of the coming year.

After a discussion of the report, upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business, upon proper motion the meeting was adjourned.

Geo T Wofford  
Chairman

T. F. Dooley  
Secretary

GENERAL PROXY



STATE OF TENNESSEE }  
*Knox* County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, George Smith the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 38 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute T. F. Dooley of Johnson City, Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Regular meeting of the stockholders of the Johnson City Mills, to be held at Office of Co. in the city of Johnson City County of Washington, State of Tenn, on Tuesday the 26 day of Jan, 1926, at 1 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 15 day of January, 1926.

Signature George Smith

Address Knoxville Tenn

WITNESS:

FORM 101-1M-3-10-18

FORM 101-1M-3-10-18

Laura M. Kleelee

FORM 101-1M-3-10-18

Stock Holders Meeting

Minutes of the Meeting of Stock Holders of the Johnson City Mills:

Held at the offices of the Company in Johnson City, Tennessee at 1:00 o'clock P.M. on Monday, Feb. 1, 1926, this being an adjournment of the regular meeting held Tuesday, Jan. 26th, 1926 which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

On roll call it was ascertained that the following stock holders were present or represented:

Present in person:

George T. Wofford, holder	and Owner of	12	shares
C. L. Dooley	" " "	38	"
T. F. Dooley	" " "	140	"
Total		190	

Represented by proxy ~~which proxies of our meeting are~~ <sup>made</sup> a part of the minutes of this meeting.

Lee F. Miller	represented by T. F. Dooley, holder	and Owner of	3	shares
J. V. Bossong	" " "	" " "	50	"
B. R. Dooley	" " "	" " "	37	"
Powell Smith	" " "	" " "	38	"
Ben A. Morton	C. L. Dooley, " " "	" " "	215	"
G. H. Callaher	" " "	" " "	75	"
Total			418	

It appearing from the report of the secretary that 608 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year:

Ben A. Morton	J. F. Roddy
G. H. Callaher	C. Powell Smith
George T. Wofford	C. L. Dooley
T. F. Dooley	

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business, Dec. 31, 1925 and gave the Stock Holders his views as to the outlook for the first half of the coming year.

After a discussion of the report, upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business, upon proper motion the meeting was adjourned.

George T. Wofford  
Chairman

T. F. Dooley  
Secretary

GENERAL PROXY



STATE OF TENNESSEE }  
Knox County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Ben A. Morton the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 215 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute C. L. Dooley of Waxville Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a annual meeting of the stockholders of the Johnson City Mill to be held at Johnson City in the city of Johnson City County of Washington, State of Tenn, on the 26<sup>th</sup> day of Jan, 1926, at 11 o'clock A. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 16<sup>th</sup> day of Jan, 1926.

Signature Ben A. Morton  
Address Waxville Tenn

WITNESS:

FORM 101-1M-3-10-18

Laura M. Plumblee

FORM 101-1M-3-10-18

Stock Holders Meeting

Minutes of the Meeting of Stock Holders of the Johnson City Mills:

Held at the offices of the Company in Johnson City, Tennessee at 1:00 o'clock P.M. on Monday, Feb. 1, 1926, this being an adjournment of the regular meeting held Tuesday, Jan. 26th, 1926 which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

On roll call it was ascertained that the following stock holders were present or represented:

Present in person:

George T. Wofford, holder	and Owner of	12 shares
C. L. Dooley	" "	38 "
T. F. Dooley	" "	140 "
Total		190

Represented by proxy ~~such~~ proxies of our meeting are, <sup>made</sup> a part of the minutes of this meeting.

Lee F. Miller	represented by T. F. Dooley, holder	and Owner of	3 shares
J. V. Bossong	" "	" "	50 "
R. H. Dooley	" "	" "	37 "
Powell Smith	" "	" "	38 "
Ben A. Morton	C. L. Dooley, "	" "	215 "
G. H. Gallaher	" "	" "	75 "
Total			418

It appearing from the report of the secretary that 608 out of the 850 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year:

Ben A. Morton	J. F. Roddy
G. H. Gallaher	C. Powell Smith
George T. Wofford	C. L. Dooley
	T. F. Dooley

The Secretary-Treasurer next read a report of the condition of the affairs of the Corporation at the close of business, Dec. 31, 1925 and gave the Stock Holders his views as to the outlook for the first half of the coming year.

After a discussion of the report, upon motion of C. L. Dooley, seconded by T. F. Dooley, and unanimously voted, the Secretary-Treasurer's report was accepted and he was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business, upon proper motion the meeting was adjourned.

*Geo. T. Wofford*  
Chairman

*T. F. Dooley*  
Secretary

GENERAL PROXY



STATE OF TENNESSEE }  
Knox County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *G. H. Gallaher*  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of *75* shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute *Ben A. Morton C. L. Dooley* of *Knox* my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a *annual* meeting of the stockholders of the *Johnson City Mills* to be held at *Johnson City office* in the city of *Johnson City* County of *Washington*, State of *Tenn*, on the *26* day of *January*, 19*26*, at *11* o'clock, *AM*, or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the *16* day of *May*, 19*26*.

Signature *G. H. Gallaher*  
Address *Knoxville Tenn*

WITNESS:  
*Emma M. Pleulee*

Statement of Condition of Johnson City Mills  
at Close of Business Dec. 31, 1925.

Assets			
Cash in Tenn. Nat'l Bank	\$	1,172.68	
" " " " " Pay Roll Acct.		102.45	
Accounts Receivable		33,384.91	
Reciprocal Insurance Deposit		446.87	
Inventory		72,268.48	
Deferred Charges (Int. & Ins. paid in Adv.)		280.00	
		<u>\$107,955.39</u>	
Fixed Assets	\$141,393.67		
Less Res. Depreciation	62,620.79	78,772.88	\$186,728.27
Liabilities			
Bills Payable	\$55,000.00		
Accounts "	16,893.29		
Reserve Unpaid Wages	49.06		
" Income Tax	1,951.70	73,894.05	
Capital Stock	\$85,000.00		
Surplus paid in	5,000.00	112,884.22	\$186,728.27
Undivided Profits	22,834.22	112,884.22	
Profit for Month	570.82		
" " Year	15,581.94		
Dividend paid	8,500.00		

Analysis of Inventory & Advance Sales

On Hand		Firsts	Sold		
Style	Dozen	Inv. Price	Finished	Doz. Avg. Price	Estimated Amount
280	11,000	1.35/7	R. & F. 10¢	12,047	1.52 2/7 R. 7 1/2 F 5¢ - \$19,000.00
618	6,087	1.35/7	R. & F. 10¢	5,347	1.55/7 R. 7 1/2 F 5¢ - 8,700.00
333	1,357	1.90/7	R. & F. 10¢	None	
604	1,034	2.00/7	R. & F. 10¢	390	2.30/7 R 10 F 5¢ - 950.00
502	217	1.35/7	R. & F. 10¢	None	
528	48	.90	All Sizes	None	
718	6,523	1.60/7	R. 7 1/2 F. 5¢	29,416	2.10 All Sizes 61,775.00
918	160	1.75	All Sizes	60	2.10 " " 125.00
804	693	2.75	" "	480	3.35 " " 1,600.00
555	497	2.75	" "	690	3.25 " " 2,250.00
666	554	4.00	" "	None	
777	1,744	1.80	" "	2,183	2.20 " " 4,800.00
	<u>29,894</u>			<u>50,613</u>	<u>\$99,200.00</u>
		Seconds			
280/1	2,456	1.00	All Sizes	1,681	1.20 All Sizes 2,000.00
618/1	2,641	1.00	" "	2,252	1.20 " " 2,700.00
333/1	308	1.50	" "	None	
604/1	537	1.50	" "	None	
518/1	15	.90	" "	None	
528/1	360	.90	" "	100	1.00 All Sizes 100.00
718/1	1,232	1.50	" "	None	
918/1	900	1.35	" "	None	
804/1	991	1.85	" "	None	
555/1	336	1.85	" "	None	
666/1	80	3.00	" "	None	
777/1	770	1.50	" "	None	
	<u>16,626</u>			<u>4,033</u>	<u>\$ 4,800.00</u>
	<u>46,520</u>			<u>54,646</u>	<u>\$104,000.00</u>

Directors Meeting

Minutes of meeting of Board of Directors of the Johnson City Mills

Called to order on Monday, Feb. 1st, 1926 at the offices of the Company in Johnson City, Tennessee at 2:00 o'clock P.M. This was an adjournment of the regular meeting of the Board of Directors held Tuesday, Jan. 26, 1926 at the same place.

Upon its being ascertained there was not a quorum present, the meeting adjourned to meet at the same place at 1:00 o'clock P.M. Feb. 20, 1926.

*T. F. Dooley*  
Secretary

DIRECTOR'S MEETING.

Minutes of the meeting of the Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee Saturday, Feb. 20, 1926 at 2:00 o'clock P. M., this being an adjournment of the meeting called to order on Monday, Feb. 1, 1926 which failed for want of a quorum.

The meeting was called to order and upon proper motion duly seconded George T. Wofford was elected Temporary Chairman and T. F. Dooley Temporary Secretary.

Upon roll call it was ascertained that the following directors were present:

Ben A. Morton  
C. L. Dooley  
George T. Wofford  
T. F. Dooley.

It appearing from the Secretary's report that a quorum being present the Chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

On motion of C. L. Dooley seconded by Ben A. Morton, salaries of officers were fixed as follow:

President, \$100.00 per month payable monthly  
Vice-President No salary  
Secretary-Treasurer No salary.

The next business being the election of officers for the ensuing year, the polls were opened and the following officers were unanimously elected:

President, Ben A. Morton  
Vice-President, J. P. Roddy  
Secretary-Treasurer, T. F. Dooley.

Next on motion of Ben A. Morton seconded by C. L. Dooley and unanimously voted, T. F. Dooley was elected General Manager of the Corporation with a salary at the rate of \$4,000.00 per year payable monthly and with the provision that he shall receive in addition to the above stated sum 10% of the good net profits of the Corporation for the year 1926 in excess of 20% of the Capital Stock, this additional salary to be paid at the end of the year as soon as the Corporation earnings have been ascertained.

Next the condition of statement of affairs of the Corporation at the close of business Dec. 31, 1925 were read by the Manager and after thorough discussion of same, there being no further business to come before the meeting upon motion it adjourned.

*T. F. Dooley*  
Secretary

*J. P. Roddy*  
Chairman

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
AT CLOSE OF BUSINESS JUNE 30, 1926.

Assets			
Cash in Tenn. Nat'l Bank.....	\$ 1,911.46		
" " " Pay Roll Account.....	207.53		
" " Holston Nat'l Bank.....	530.73		
Accounts Receivable.....	29,026.82		
Inventory.....	46,481.65		
Deferred Charges (Insurance Paid in Advance...)	500.00		
	<u>\$77,658.19</u>		
Fixed Assets	\$140,919.74		
Less Reserve for Depreciation	<u>67,052.59</u>	<u>73,867.15</u>	\$151,525.34
Liabilities			
Bills Payable.....	\$ 7,000.00		
Accounts ".....	14,051.58		
Reserve for Unclaimed Wages....	189.20		
" State, Co. & City Taxes....	900.00		
" Income Tax, 1925.....	1,014.89		
" " 1926.....	<u>1,827.17</u>	<u>24,982.84</u>	
Capital Stock, .....	85,000.00		
Surplus Paid in,.....	5,000.00		
Undivided Profits,.....	<u>36,542.50</u>	<u>126,542.50</u>	\$151,525.34
Profit for Month, \$2,079.37			
" " Year, 13,708.23			
Dividends Paid	None		

Analysis of Inventory and Advance Sales

Style	On Hand Dozen	Firsts		Dozen	Average Price	Sole Price	Estimated Amt
		Inv. Price	Finished				
280	5,225	1.15/7	R & F 7 <sup>1</sup> / <sub>2</sub>	6,440	1.35/7	R & F 7 <sup>1</sup> / <sub>2</sub>	\$9,200.00
200	3,532	1.20/7	R & F 7 <sup>1</sup> / <sub>2</sub>	3,240	1.40/7	R & F 7 <sup>1</sup> / <sub>2</sub>	4,800.00
618	3,234	1.15/7	R & F 7 <sup>1</sup> / <sub>2</sub>	1,943	1.40/7	R & F 7 <sup>1</sup> / <sub>2</sub>	3,000.00
206	2,945	1.20/7	R & F 7 <sup>1</sup> / <sub>2</sub>	3,000	1.40/7	R & F 7 <sup>1</sup> / <sub>2</sub>	4,500.00
333	26	1.95	All Sizes	None			
604	573	1.80/7	R & F 10 <sup>1</sup> / <sub>2</sub>	None			
718-22-	9,530	1.45/7	R & F 7 <sup>1</sup> / <sub>2</sub>	13,884	2.00	All Sizes	27,768.00
918	889	.90	All Sizes	None			
904	63	1.85	" "	None			
777	1,245	1.50	" "	60	1.85	" "	111.00
666	89	2.95	" "	None			
877	451	1.35	" "	913	1.72 <sup>1</sup> / <sub>2</sub>	" "	1,575.00
556	30	1.85	" "	None			
667	11	2.50	" "	None			
	<u>27,043</u>			<u>29,480</u>			<u>\$40,954.00</u>
Seconds							
280/1	785	.80	All Sizes	1,266	1.10	All Sizes	1,400.00
200/1	402	.80	" "	None			
618/1	1,335	.80	" "	265	1.10	" "	290.00
206/1	334	.80	" "	None			
333/1	112	1.35	" "	None			
604/1	127	1.45	" "	None			
718/1	1,498	.95	" "	None			
777/1	2,102	1.05	" "	892	1.32 <sup>1</sup> / <sub>2</sub>	" "	1,186.00
877/1	175	.95	" "	None			
666/1	19	1.95	" "	None			
555/1	40	1.40	" "	None			
556/1	14	1.40	" "	None			
	<u>6,943</u>			<u>2,423</u>			<u>2,876.00</u>
	<u>33,986</u>			<u>31,903</u>			<u>\$53,830.00</u>

DIRECTOR'S MEETING

Minutes of the meeting of the Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee on Tuesday, July 27, 1926 at 1:30 o'clock P. M., this being the regular mid-year meeting of the Board of Directors as called for as by-laws of the corporation.

The meeting was called to order by President Ben A. Morton and Secretary and Treasurer T. F. Dooley acted as Secretary.

Upon roll call it was ascertained that the following directors were present:

C. L. Dooley  
Ben A. Morton  
George T. Wofford  
G. H. Gallaher  
T. F. Dooley

It appearing from the Secretary's report that a quorum was present the Chairman declared the meeting open for business.

Minutes of the previous meeting were read and approved.

Next the manager read a statement of condition of affairs of the business at the close of business June 30, 1926, and after some discussion, upon motion of G. H. Gallaher seconded by C. L. Dooley, and unanimously voted, the Secretary was instructed to incorporate this statement in the minutes of this meeting as a part of the permanent records of the Corporation.

Next upon motion of G. H. Gallaher seconded by C. L. Dooley, unanimously voted, a cash dividend of 15%, payable at once upon the issued and outstanding 850 shares of common stock, was declared.

Then the Manager presented some ideas as to purchase of new equipment, and after discussion of the matter, upon motion of C. L. Dooley, seconded by G. H. Gallaher, and unanimously voted, the President and Manager were instructed to use their judgment as to the purchase of new equipment, being given full power by the Board of Directors to act in the matter.

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*Ben A. Morton*  
Chairman

## DIRECTORS' MEETING

Minutes of the regular meeting of Board of Directors of the Johnson City Mills called to order Tuesday, January 25, 1927 at 1:30 o'clock P. M. at the office of the Company at Johnson City, Tennessee, this being the regular meeting of Board of Directors as called for in the bi-laws of the Corporation.

There was not a quorum present so the meeting adjourned and met at the same hour and place on Wednesday, February 2, 1927.

T. F. Dooley  
Secretary.

## STOCKHOLDERS' MEETING

Minutes of the regular annual meeting of stockholders of Johnson City Mills called to order Jan. 27, 1927 at 2:00 o'clock P. M. at the office of the Company in Johnson City, Tennessee.

There was not a quorum present, so the meeting adjourned to meet at the same hour and place on Wednesday, Feb. 2, 1927.

T. F. Dooley  
Secretary.

## DIRECTORS' MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee on Wednesday, February 2, at 1:30 o'clock P. M., this being an adjournment of the meeting called to order Tuesday, January 25, which failed for want of a quorum.

President, Ben A. Morton, presided, Secretary T. F. Dooley acted in that capacity. On roll call it was ascertained the following directors were present: Ben A. Morton, C. L. Dooley, George T. Wofford and T. F. Dooley.

It appearing from the Secretary's report that a quorum was present, the Chairman declared the meeting open for business. Minutes of previous meeting were read and approved.

Next the manager read a statement of the affairs of the Corporation at close of business December 31, 1926, and after some discussion, upon motion of Ben A. Morton, seconded by C. L. Dooley, the report was accepted and the President was instructed to present this report to the stockholders at their annual meeting.

Upon motion of George T. Wofford, seconded by C. L. Dooley, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, upon proper motion, it adjourned sine die.

T. F. Dooley  
Secretary

Ben A. Morton  
Chairman

## STOCKHOLDERS MEETING

Minutes of meeting of stockholders of the Johnson City Mills at the office of the Company in Johnson City, Tennessee, 2:00 o'clock P. M. Wednesday, Feb. 2, 1927, this being adjournment of the regular meeting held Tuesday, January 25, 1927 which failed for want of a quorum.

Upon proper motion duly made and seconded and unanimously voted, George T. Wofford was elected temporary chairman and T. F. Dooley temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented.

## Present in Person:

George T. Wofford holder and owner of	12	shares
C.L. Dooley, " " " "	38	"
Ben A. Morton, " " " "	215	"
T. F. Dooley, " " " "	140	"
Total -	405	"

Represented by proxy which proxies are made a part of the minutes of this meeting:

R. R. Dooley, represented by T. F. Dooley, holder and owner of	37	shares
R. E. McNew, represented by Ben A. Morton, holder and owner of	15	"
Powell Smith, represented by Ben A. Morton, holder and owner of	37	"
G. H. Gallaher, represented by Ben A. Morton, holder and owner of	75	"
J. C. Bossong, represented by T. F. Dooley, holder and owner of	50	"
Total	214	"

It appearing from the report of the Secretary that 619 out of 850 shares of stock of the Corporation issued and outstanding were present in person or represented by proxy, the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Upon motion of C. L. Dooley, seconded by Ben A. Morton, and unanimously voted, the following were elected as directors of the Corporation to serve for the ensuing year: Ben A. Morton, G. H. Gallaher, George T. Wofford, C. Powell Smith, C. L. Dooley, J. P. Roddy and T. F. Dooley.

Next the President stated he had been instructed by the Board of Directors to present to the stockholders a report of the condition of the affairs of the Corporation at the close of business December 31, 1926. President Ben A. Morton then presented this report and after discussion upon motion of C. L. Dooley, seconded by T. F. Dooley, the report was accepted and the Secretary was instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

There being no further business to come before the meeting, upon proper motion, it adjourned.

T. F. Dooley  
Secretary

George T. Wofford  
Chairman

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
LEE F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER

GENERAL PROXY

STATE OF TENNESSEE }  
County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, G. H. Gallacher

the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 7.5 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute A. A. Morton

of Knoxville my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a meeting of the stockholders of the Johnson City Mills

, to be held at Johnson City, in the city of Johnson City

County of Washington, State of Tenn, on Wednesday the 2<sup>nd</sup> day of July, 1917, at            o'clock,            M.,

or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 3<sup>rd</sup> day of July, 1917.

Signature G. H. Gallacher

Address Knoxville

WITNESS:

Emma M. Plouffe



Condition of Johnson City Mills at  
Close of Business Dec. 31, 1926

Assets			
Cash in Tenn. Nat'l Bank			
" " " " " Pay Roll Account		776.08	
" " " " " "		207.53	
Accounts Receivable		530.63	
Inventory		43,542.78	
Deferred Charges, Insurance paid in Advance and Office Supplies		49,347.15	
		650.00	
Fixed Assets	\$152,159.86	\$95,054.17	
Less Reserve for Deprecia.	72,531.83		
		79,628.03	\$174,682.20
Liabilities			
Bills Payable	17,000.00		
Accounts Payable	20,000.29		
Reserve for Unclaimed Checks	184.91		
Reserve Income Tax 1926	5,061.26		
		42,246.46	
Capital Stock	85,000.00		
Surplus Paid in	5,000.00		
Undivided Profits	42,435.74		
		132,435.74	174,682.20
Profit for the Year	\$32,429.59		
Dividends Paid	12,750.00		

Analysis of Inventory & Advance Sales

Style	Dozen	Inv. Price	Finished	On Hand		Firsts		Sold	
				Dozen	Ave. Price	Dozen	Ave. Price	Dozen	Ave. Price
280	1,051	1.05/7	R. & F. 7 1/2			632	1.35/7	R. & F. 7 1/2	900.00
200	2,928	1.10/7	R. & F. 7 1/2			226	1.35/7	R. & F. 7 1/2	325.00
618	1,184	.80	All Sizes			38	1.25	All Sizes	47.50
206	3,468	1.15/7	R. & F. 7 1/2			11,589	1.35/7	R. & F. 7 1/2	16,500.00
333	2,655	1.40/7	R. & F. 7 1/2			1,062	1.75/7	R. & F. 7 1/2	1,965.00
400	1,761	1.30/7	R. & F. 7 1/2			7,878	1.52 1/2	R. & F. 7 1/2	12,600.00
512	3,124	1.50/7	R. & F. 7 1/2			5,627	1.75/7	R. & F. 7 1/2	10,430.00
406	979	1.30/7	R. & F. 7 1/2			6,000	1.52 1/2	R. & F. 7 1/2	9,600.00
710	4,231	1.70/7	R. & F. 5			5,034	2.10	All Sizes	10,575.00
718	105	.50	All Sizes			None			
360	2,434	1.75	" "			15,715	2.10	" "	33,001.50
777	1,150	1.40	" "			None			
	25,120					53,811			\$95,944.00
				Seconds					
300/1	409	.80	All Sizes			650	1.15	All Sizes	747.50
618/1	180	.80	" "			None			
206/1	345	.80	" "			2,188	1.15	" "	2,516.20
333/1	264	1.23	" "			213	1.50	" "	319.50
512/1	336	1.25	" "			540	1.50	" "	810.00
400/1	168	1.05	" "			600	1.30	" "	780.00
406/1	116	1.05	" "			600	1.30	" "	780.00
710/1	534	1.25	" "			None			
718/1	1,580	.90	" "			None			
528/1	49	.25	" "			772	1.75	" "	1,351.00
360/1	424	1.40	" "			None			
777/1	141	1.00	" "			None			
	4,546					5,563			7,303.70
	29,666					59,374			103,247.70

Condition of Johnson City Mills at  
Close of Business Dec. 31, 1927

Assets			
Cash in Tenn. Nat'l Bank		776.08	
" " " " Pay Roll Account		207.53	
" " Holston " "		530.63	
Accounts Receivable		43,542.78	
Inventory		49,347.15	
Deferred Charges, Insurance paid in Advance and Office Supplies		650.00	
Fixed Assets	\$152,159.86	\$95,054.17	
Less Reserve for Deprecia.	72,531.83		
		79,628.03	\$174,682.20
Liabilities			
Bills Payable	17,000.00		
Accounts Payable	20,000.29		
Reserve for Unclaimed Checks	184.91		
Reserve Income Tax 1926	5,061.26	42,246.46	
Capital Stock	85,000.00		
Surplus Paid in	5,000.00		
Undivided Profits	42,435.74	132,435.74	174,682.20
Profit for the Year	\$32,429.59		
Dividends Paid	12,750.00		

Analysis of Inventory & Advance Sales

Style	Dozen	Inv. Price	Finished	On Hand		Firsts		Sold	
				Dozen	Ave. Price	Dozen	Ave. Price	Dozen	Ave. Price
280	1,051	1.05/7	R. & F. 7 1/2	632	1.35/7	R. & F. 7 1/2	-	900.00	
200	2,928	1.10/7	R. & F. 7 1/2	226	1.35/7	R. & F. 7 1/2	-	325.00	
618	1,184	.80	All Sizes	38	1.25	All Sizes	-	47.50	
206	3,468	1.15/7	R. & F. 7 1/2	11,589	1.35/7	R. & F. 7 1/2	-	26,500.00	
333	2,655	1.40/7	R. & F. 7 1/2	1,062	1.75/7	R. & F. 7 1/2	-	1,965.00	
400	1,761	1.30/7	R. & F. 7 1/2	7,878	1.52 1/2	R. & F. 7 1/2	-	12,600.00	
522	3,124	1.50/7	R. & F. 7 1/2	5,627	1.75/7	R. & F. 7 1/2	-	10,430.00	
406	979	1.30/7	R. & F. 7 1/2	6,000	1.52 1/2	R. & F. 7 1/2	-	9,600.00	
710	4,281	1.70/7	R. & F. 5	5,034	2.10	All Sizes	-	10,575.00	
718	105	.50	All Sizes	None					
360	2,434	1.75	" "	15,715	2.10	" "	-	33,001.50	
777	1,150	1.40	" "	None					
	25,120			53,811				\$95,944.00	
				Seconds					
300/1	409	.80	All Sizes	650	1.15	All Sizes	-	747.50	
618/1	180	.80	" "	None					
206/1	345	.80	" "	2,188	1.15	" "	-	2,516.20	
333/1	264	1.23	" "	213	1.50	" "	-	319.50	
512/1	336	1.25	" "	540	1.50	" "	-	810.00	
400/1	168	1.05	" "	600	1.30	" "	-	780.00	
406/1	116	1.05	" "	600	1.30	" "	-	780.00	
710/1	534	1.25	" "	None					
718/1	1,580	.90	" "	None					
528/1	49	.25	" "	772	1.75	" "	-	1,351.00	
360/1	424	1.40	" "	None					
777/1	141	1.00	" "	None					
	4,546			5,563				7,303.70	
	29,666			59,374				103,247.70	

GENERAL PROXY

STATE OF TENNESSEE  
Knox County ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Powell Smith  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 37 shares of the capital stock of the corporation named hereinafter,  
do hereby nominate, appoint and constitute Ben A. Morton  
of Knoxville Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a meeting of the stockholders of the Johnson City Mills, to be held at 12:30 P.M. Feb 2, 1927  
The office of Johnson City Mills, in the city of Johnson City  
County of Tenn, State of Tenn, on Wednesday  
the 2nd day of February, 1927, at 1:30 o'clock, P M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this 24th day  
of January, 1927.

Signature Powell Smith  
Address Knoxville Tenn

WITNESS:  
H. E. D. Marcus





Condition of Johnson City Mills at  
Close of Business Dec. 31, 1927

Assets	
Cash in Tenn. Nat'l Bank	776.08
" " " " Pay Roll Account	207.53
" " Holston " "	530.63
Accounts Receivable	43,542.78
Inventory	49,347.15
Deferred Charges, Insurance paid in Advance and Office Supplies	650.00
Fixed Assets	\$152,159.86
Less Reserve for Deprecia.	72,531.83
	<u>79,628.03</u>
	\$174,682.20
Liabilities	
Bills Payable	17,000.00
Accounts Payable	20,000.29
Reserve for Unclaimed Checks	184.91
Reserve Income Tax 1926	5,061.26
	<u>42,246.46</u>
Capital Stock	85,000.00
Surplus Paid in	5,000.00
Undivided Profits	42,435.74
	<u>132,435.74</u>
Profit for the Year	\$32,429.59
Dividends Paid	12,750.00
	<u>174,682.20</u>

Analysis of Inventory & Advance Sales

Style	Dozen	Inv. Price	Finished	On Hand		Firsts		Sold	
				Dozen	Ave. Price	Dozen	Ave. Price	Dozen	Ave. Price
280	1,051	1.05/7	R. & F. 7 1/2	632	1.35/7	R. & F. 7 1/2	-	900.00	
200	2,928	1.10/7	R. & F. 7 1/2	226	1.35/7	R. & F. 7 1/2	-	325.00	
618	1,184	.80	All Sizes	38	1.25	All Sizes	-	47.50	
206	3,468	1.15/7	R. & F. 7 1/2	11,589	1.35/7	R. & F. 7 1/2	16,500.00		
333	2,655	1.40/7	R. & F. 7 1/2	1,062	1.75/7	R. & F. 7 1/2	1,965.00		
400	1,761	1.30/7	R. & F. 7 1/2	7,878	1.52 1/2	R. & F. 7 1/2	12,600.00		
528	3,124	1.50/7	R. & F. 7 1/2	5,627	1.75/7	R. & F. 7 1/2	10,430.00		
406	979	1.30/7	R. & F. 7 1/2	6,000	1.52 1/2	R. & F. 7 1/2	9,600.00		
710	4,281	1.70/7	R. & F. 5	5,034	2.10	All Sizes	10,575.00		
718	105	.50	All Sizes	None					
360	2,434	1.75	" "	15,715	2.10	" "	33,001.50		
777	1,150	1.40	" "	None					
	<u>25,120</u>			<u>53,811</u>			<u>\$95,944.00</u>		
Seconds									
300/1	409	.80	All Sizes	650	1.15	All Sizes	747.50		
618/1	180	.80	" "	None					
206/1	345	.80	" "	2,188	1.15	" "	2,516.20		
333/1	264	1.23	" "	213	1.50	" "	319.50		
512/1	336	1.25	" "	540	1.50	" "	810.00		
400/1	168	1.05	" "	600	1.30	" "	780.00		
406/1	116	1.05	" "	600	1.30	" "	780.00		
710/1	534	1.25	" "	None					
718/1	1,580	.90	" "	None					
528/1	49	.25	" "	772	1.75	" "	1,351.00		
360/1	424	1.40	" "	None					
777/1	141	1.00	" "	None					
	<u>4,546</u>			<u>5,563</u>			<u>7,303.70</u>		
	<u>29,666</u>			<u>59,374</u>			<u>103,247.70</u>		

STATE OF TENNESSEE }  
County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, *R. E. Spencer*

the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 15 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute *Ben A. Monton* of Knoxville, Tenn. my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Annual meeting of the stockholders of the Johnson City Mills, to be held at Offices of Dr. Johnson

in the city of Johnson City, County of Washington, State of Tenn., on Feb 2, 1927, the 30 day of Feb, 1917, at 1:30 o'clock, P. M.,

or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 24th day

of January, 1927.

Signature *R. E. Spencer*

Address Knoxville, Tenn.

WITNESS: *Guy R. ...*



Condition of Johnson City Mills at  
Close of Business Dec. 31, 1926

Assets			
Cash in Tenn. Nat'l Bank		776.08	
" " " " " Pay Roll Account		207.53	
" " Holston " "		530.63	
Accounts Receivable		43,542.78	
Inventory		49,347.15	
Deferred Charges, Insurance paid in Advance and Office Supplies		650.00	
Fixed Assets	\$152,159.86	\$95,054.17	
Less Reserve for Deprecia.	72,531.83		
		79,628.03	\$174,682.20
Liabilities			
Bills Payable	17,000.00		
Accounts Payable	20,000.29		
Reserve for Unclaimed Checks	184.91		
Reserve Income Tax 1926	5,061.26	42,246.46	
Capital Stock	85,000.00		
Surplus Paid in	5,000.00		
Undivided Profits	42,435.74	132,435.74	174,682.20
Profit for the Year	\$32,429.59		
Dividends Paid	12,750.00		

Analysis of Inventory & Advance Sales

On Hand		Firsts	Sold	
Style	Dozen	Inv. Price Finished	Dozen Ave. Price	Est. Amount
280	1,051	1.05/7 R. & F. 7 1/2	632 1.35/7 R. & F. 7 1/2	900.00
200	2,928	1.10/7 R. & F. 7 1/2	226 1.35/7 R. & F. 7 1/2	325.00
618	1,184	.80 All Sizes	38 1.25 All Sizes	47.50
206	3,468	1.15/7 R. & F. 7 1/2	11,589 1.35/7 R. & F. 7 1/2	16,500.00
333	2,655	1.40/7 R. & F. 7 1/2	1,062 1.75/7 R. & F. 7 1/2	1,965.00
400	1,761	1.30/7 R. & F. 7 1/2	7,878 1.52 1/2 R. & F. 7 1/2	12,600.00
528	3,124	1.50/7 R. & F. 7 1/2	5,627 1.75/7 R. & F. 7 1/2	10,430.00
406	979	1.30/7 R. & F. 7 1/2	6,000 1.52 1/2 R. & F. 7 1/2	9,600.00
710	4,281	1.70/7 R. & F. 5	5,034 2.10 All Sizes	10,575.00
718	105	.50 All Sizes	None	
360	2,434	1.75 " "	15,715 2.10 " "	33,001.50
777	1,150	1.40 " "	None	
	25,120		53,811	\$95,944.00
		Seconds		
300/1	409	.80 All Sizes	650 1.15 All Sizes	747.50
618/1	180	.80 " "	None	
206/1	345	.80 " "	2,188 1.15 " "	2,516.20
333/1	264	1.23 " "	213 1.50 " "	319.50
512/1	336	1.25 " "	540 1.50 " "	810.00
400/1	168	1.05 " "	600 1.30 " "	780.00
406/1	116	1.05 " "	600 1.30 " "	780.00
710/1	534	1.25 " "	None	
718/1	1,580	.90 " "	None	
528/1	49	.25 " "	772 1.75 " "	1,351.00
360/1	424	1.40 " "	None	
777/1	141	1.00 " "	None	
	4,546		5,563	7,303.70
	29,666		59,374	103,247.70

STATE OF TENNESSEE

County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, R. P. Dooley  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 37 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute R. P. Dooley  
of Johnson City, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Annual meeting of the stockholders of the Johnson  
City Mills to be held at The offices of  
above Company in the city of Johnson City, Tenn.  
County of Tenn. State of Tenn. on Feb 1st 1927 Wed.  
the 2nd day of February, 1927, at 1 30 o'clock, P M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 25th day  
of January, 1927.

Signature R. P. Dooley

Address Chicago, Ill.

WITNESS:  
M. M. Waring



Condition of Johnson City Mills at  
Close of Business Dec. 31, 1927

Assets			
Cash in Tenn. Nat'l Bank		776.08	
" " " " Pay Roll Account		207.53	
" " Holston " "		530.63	
Accounts Receivable		43,542.78	
Inventory		49,347.15	
Deferred Charges, Insurance paid in Advance and Office Supplies		650.00	
Fixed Assets	\$152,159.86	\$95,054.17	
Less Reserve for Deprecia.	72,531.83		
		79,628.03	\$174,682.20
Liabilities			
Bills Payable	17,000.00		
Accounts Payable	20,000.29		
Reserve for Unclaimed Checks	184.91		
Reserve Income Tax 1926	5,061.26	42,246.46	
Capital Stock	85,000.00		
Surplus Paid in	5,000.00		
Undivided Profits	42,435.74	132,435.74	174,682.20
Profit for the Year	\$32,429.59		
Dividends Paid	12,750.00		

Analysis of Inventory & Advance Sales

Style	Dozen	Inv. Price	Finished	On Hand		Firsts		Sold		Est. Amount
				Dozen	Ave. Price	Dozen	Ave. Price	Dozen	Ave. Price	
280	1,051	1.05/7	R. & F. 7 1/2			632	1.35/7	R. & F. 7 1/2	900.00	
200	2,928	1.10/7	R. & F. 7 1/2			226	1.35/7	R. & F. 7 1/2	325.00	
618	1,184	.80	All Sizes			38	1.25	All Sizes	47.50	
206	3,468	1.15/7	R. & F. 7 1/2			11,589	1.35/7	R. & F. 7 1/2	16,500.00	
333	2,655	1.40/7	R. & F. 7 1/2			1,062	1.75/7	R. & F. 7 1/2	1,965.00	
400	1,761	1.30/7	R. & F. 7 1/2			7,878	1.52 1/2	R. & F. 7 1/2	12,600.00	
528	3,124	1.50/7	R. & F. 7 1/2			5,627	1.75/7	R. & F. 7 1/2	10,430.00	
406	979	1.30/7	R. & F. 7 1/2			6,000	1.52 1/2	R. & F. 7 1/2	9,600.00	
710	4,281	1.70/7	R. & F. 5			5,034	2.10	All Sizes	10,575.00	
718	105	.50	All Sizes			None				
360	2,434	1.75	" "			15,715	2.10	" "	33,001.50	
777	1,150	1.40	" "			None				
	25,120					53,811			\$95,944.00	
				Seconds						
300/1	409	.80	All Sizes			650	1.15	All Sizes	747.50	
618/1	180	.80	" "			None				
206/1	345	.80	" "			2,188	1.15	" "	2,516.20	
333/1	264	1.23	" "			213	1.50	" "	319.50	
512/1	336	1.25	" "			540	1.50	" "	810.00	
400/1	168	1.05	" "			600	1.30	" "	780.00	
406/1	116	1.05	" "			600	1.30	" "	780.00	
710/1	534	1.25	" "			None				
718/1	1,580	.90	" "			None				
528/1	49	.25	" "			772	1.75	" "	1,351.00	
360/1	424	1.40	" "			None				
777/1	141	1.00	" "			None				
	4,546					5,563			7,303.70	
	29,666					59,374			103,247.70	

STATE OF TENNESSEE }  
Washington County } ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Joseph C. Bossong, the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 50 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute J. F. Dooley of Johnson City, Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Annual meeting of the stockholders of the Johnson City Mills, to be held at the office of the Johnson City Mills, in the city of Johnson City, County of Washington, State of Tenn, on Wednesday the 2nd day of February, 1927, at 1:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 24th day of January, 1927.

Signature Joseph C. Bossong  
Address 88 Franklin St  
Nyc

WITNESS:  
Joseph Ebeling



DIRECTORS' MEETING.

Minutes of meeting of the Board of Directors of the Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 2:30 o'clock P. M. on Wednesday, February 2, 1927.

Meeting was called to order and upon proper motion duly made and seconded George T. Wofford was elected temporary Chairman and T. F. Dooley elected temporary Secretary.

Upon roll call it was ascertained that the following directors were present: Ben A. Morton, C. L. Dooley, George T. Wofford and T. F. Dooley.

It appearing from the Secretary's report that a quorum was present, the Chairman declared the meeting open for business.

Upon motion of C. L. Dooley, seconded by Ben A. Morton, salaries of officers were fixed as follows:

President at ~~the~~ rate of \$1200.00 per year, payable monthly.

Vice-President no salary  
Secretary-Treasurer no salary.

The next business being the election of officers for the ensuing year, the polls were opened and the following officers were unanimously elected:

President, Ben A. Morton  
Vice-President, J. P. Roddy  
Secretary-Treasurer, T. F. Dooley.

Next upon motion of C. L. Dooley, seconded by Ben A. Morton, T. F. Dooley was elected General Manager of the Corporation with the salary at the rate of \$4000.00 per year, payable monthly, and with the provision that in addition to this salary he shall receive 10% of the good net profits of the Corporation for the year 1927 in excess of 20% of the Capital Stock issued at par value up to 40% of said Capital Stock, and that he shall receive 20% of the good profits of the Corporation in excess of 40% of the Capital Stock, this additional salary or bonus to be paid at the end of the year as soon as the Corporation's earnings have been ascertained. Provided further that should said T. F. Dooley's services in the Corporation terminate at any time during the year he or his estate shall receive proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Next upon motion of C. L. Dooley, seconded by Ben A. Morton, and unanimously voted, a cash dividend of 15% payable at once, on the issued and outstanding 850 shares of common stock was declared.

Then the Manager presented some plans for purchase of additional equipment, and after some discussion, upon motion of C. L. Dooley, Seconded by Ben A. Morton, the Manager was empowered to purchase additional equipment to the extent of \$8000.00.

There being no further business to come before the meeting, upon proper motion, it adjourned.

*T. F. Dooley*  
Secretary

*George T. Wofford*  
Chairman

DIRECTORS MEETING

Minutes of Meeting of Board of Directors of Johnson City Mills

Called to order Tuesday, July 26, 1927 at 1:30 o'clock P. M. at the office of the company at Johnson City, Tennessee, this being the regular meeting of the Board of Directors as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned

*J. F. Wofford*  
Secretary

DIRECTORS' MEETING

Minutes of meeting of Board of Directors of the Johnson City Mills called to order at the office of the Company in Johnson City, Tennessee, Tuesday, January 24, 1928 at 1:30 o'clock P. M., being the regular annual meeting of the Board of Directors.

Upon roll call it was ascertained that there was not a quorum present, so after an informal discussion of the affairs of the Company by directors Ben A. Morton, C. L. Dooley and T. F. Dooley the meeting adjourned.

*T. F. Dooley*  
Secretary

\_\_\_\_\_  
President

STOCKHOLDERS' MEETING

Minutes of meeting of the stockholders of the Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 1:45 o'clock P. M., January 24, 1928, this being the regular annual meeting of stockholders.

Upon proper motion duly made and seconded and unanimously voted, C. L. Dooley was elected temporary chairman and T. F. Dooley temporary Secretary.

Upon roll call it was ascertained that the following stockholders were present in person or represented by proxies:

Present in person:

Ben A. Morton	holder and owner of	215	shares
C. L. Dooley	" " " "	38	"
T. F. Dooley	" " " "	140	"
		<u>393</u>	"

Represented by proxy which proxies are made a part of the minutes of this meeting:

G. H. Gallaher	represented by Ben A. Morton	holder and owner of	75	shares
R. E. McNew	represented by Ben A. Morton	holder and owner of	15	"
Lee F. Miller	represented by T. F. Dooley	holder and owner of	3	"
J. C. Bossong	represented by T. F. Dooley	holder and owner of	50	"
R. R. Dooley	represented by T. F. Dooley	holder and owner of	37	"
			<u>180</u>	"

It appearing from the report of the Secretary that 573 out of 850 shares of stock of the Corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Next the Secretary & Treasurer called to the stockholders' attention the fact that the Board of Directors for the past year had not held a meeting because there was never a quorum present. He suggested that it might be well for the stockholders to consider the advisability of reducing the number of the Board of Directors from seven to five members so that regular meetings could be held; and also called attention to the fact that if this was done Article 2, Section 5 of the by-laws of the Corporation should be amended so that the majority of the Board of Directors would constitute a quorum instead of four members as the by-law reads at the present time.

Then Mr. Ben A. Morton presented and moved the adoption of the following motion: "Be it resolved by the stockholders of the Johnson City Mills that Article 2, Section 5 of the by-laws of the Corporation should be amended to read: A majority of the members of the Board of Directors shall constitute a quorum of the Board for the transaction of business. A majority of these shall be necessary to pass any measure, and no business shall be transacted in the absence of a quorum."

This motion was seconded by Mr. T. F. Dooley and was unanimously voted.

At this time President Ben A. Morton advised the stockholders that in July of 1927 when the regular Directors' Meeting failed for want of a quorum that after informal discussion with the members of the Board the officers had declared and paid a 15% cash dividend upon the 850 shares of common stock of the Corporation issued and outstanding. He also stated that after informal discussion with the directors that the officers had started the expenditure of a sum not to exceed \$20,000 for the purpose of building an addition to the mill buildings at Johnson City and for the purpose of purchasing additional equipment.

He asked that the stockholders formally approve the action of the officers of the Company both as to the payment of the 15% dividend in July 1927 and as to the expenditure of the sum not to exceed \$20,000 for additions to building and equipment.

Mr. T. F. Dooley then moved that the action of the officers of the Company with regard to the payment of a 15% cash dividend and the expenditure of the sum not to exceed \$20,000 for additions to building and equipment be approved. This motion was seconded by Mr. Ben A. Morton and was unanimously voted.

The Secretary-Treasurer and Manager then presented to the meeting a statement of the condition of the affairs of the Corporation at the close of business December 31, 1927, and also presented a statement as of the same date from the National Audit Company who had just completed an audit of the business of the Company. These statements were compared and found that the statement of the Secretary-Treasurer coincided in every particular with that of the audit company. At this point Mr. Ben A. Morton called attention to the fact that the Company had had regular annual audits of its business every year since 1920, and that the Secretary & Treasurer's statements, which are filed as parts of the minutes of the Corporation, had each year coincided with the auditor's statement, showing that the books of accounts were properly kept and that each year the condition of the Company had been checked by an independent audit.

Then Mr. Ben A. Morton moved that the statements of the Secretary-Treasurer be accepted and that the secretary be instructed to insert it in the minutes of this meeting as a part of the permanent records of the Corporation.

Next the polls were opened and the following gentlemen were unanimously elected to serve as directors in the ensuing year:

- Ben A. Morton
- J. P. Roddy
- George Wofford
- C.L. Dooley
- T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*Ben A. Morton*  
Chairman

Statement of Condition of Johnson City Mills at Close of Business December 31, 1927.

Assets			
Cash in Tenn. National Bank.....	\$	3,484.16	
" " " " " Pay Roll Account.....		285.26	
" " " " " "			
Accounts Receivable.....		541.83	
Inventory.....		45,327.03	
Deferred Charges.....		60,001.91	
		435.00	
		<u>\$110,075.19</u>	
Fixed Assets.....	\$165,008.66		
Less Reserve for Depreciation.....	83,188.79		
		<u>81,819.87</u>	\$191,895.06
Liabilities			
Bills Payable.....	\$	17,000.00	
Accounts ".....		14,400.03	
Reserve for Unclaimed Checks..		262.64	
" " Federal Taxes.....		7,610.45	
		<u>39,273.12</u>	
Capital Stock.....	\$	85,000.00	
Surplus Paid in.....		5,000.00	
Undivided Profits.....		62,621.94	
		<u>152,621.94</u>	\$191,895.06
Profit for Year.....	\$	48,763.25	
Dividends Paid.....		25,500.00	
1923 Income Tax Paid....		3,132.05	

Note: Tax reserve is set up at 13 1/2% - any lowering of rate by present Congress will increase profit.

Analysis of Inventory and Advance Sales

On Hand		Price Finished		Dozen Ave.		Sold		Est. Amount
Style	Dozen	Inv.				Price		
200	1,962	1.20	on 7 R & F. 7 1/2	- 1,630	1.40	7 R & F 7 1/2		\$ 2,400.00
206	11,745	1.20	" 7 R & F. 7 1/2	- 5,020	1.40	7 R & F 7 1/2		7,400.00
512	2,068	1.45	" 7 R & F. 7 1/2	- 2,400	1.80	7 R & F 7 1/2		4,500.00
500	3,344	1.30	" 7 R & F. 7 1/2	- 8,040	1.55	7 R & F 7 1/2		13,100.00
506	2,837	1.30	" 7 R & F. 7 1/2	- 9,900	1.55	7 R & F 7 1/2		16,100.00
710	2,591	1.70	" 7 R & F. 5 1/2	- 2,930	2.15	All Sizes		6,300.00
618	None			-18,000	1.70	" "		30,600.00
360	1,559	1.85	All Sizes	- 1,930	2.20	" "		4,300.00
777	1,113	1.45	" "	- 2,270	1.77 1/2	" "		4,000.00
630	1,765	1.65	" "	- 3,560	2.05	" "		7,300.00
	<u>28,984</u>			<u>55,680</u>				<u>\$96,000.00</u>
				Seconds				
200/1	223	.80	All Sizes	300	1.15	All Sizes		345.00
206/1	817	.80	" "	1,800	1.20	" "		2,160.00
512/1	112	1.10	" "	None				
500/1	490	1.00	" "	None				
506/1	274	1.00	" "	None				
710/1	906	.90	" "	180	1.25	All Sizes		225.00
310/1	214	1.50	" "	None				
360/1	79	1.50	" "	900	1.80	" "		1,620.00
777/1	190	1.00	" "					
630/1	145	1.40	" "					
	<u>3,450</u>			<u>3,180</u>				<u>\$ 4,350.00</u>
	<u>32,434</u>			<u>58,860</u>				<u>\$100,350.00</u>

Total Knit for Year	325,115 Dozen	
" Shipped " "	319,460 " "	\$558,943.55
" Returns " "	1,940 " "	3,607.40
	<u>317,520</u>	<u>\$555,336.15</u>
Percentage Net Profit on Sales	8.83%	
Net Profit per dozen	.1535 cents	
Percentage Earning on Investment	35.1%	

LAW OFFICES OF  
MILLER & DEPEW  
JOHNSON CITY, TENN.  
F. MILLER J. DULANEY DEPEW

LAW OFFICES OF  
MILLER, SEILER & HUNTER  
ELIZABETHTON, TENN.  
LEE F. MILLER J. FRANK SEILER DAYTON HUNTER

## GENERAL PROXY

STATE OF Tennessee )  
Washington County, ) ss.

KNOW ALL MEN BY THESE PRESENTS, That I, Joseph C. Brassong  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as  
the holder and owner of 50 shares of the capital stock of the corporation named hereinaf-  
ter, do hereby nominate, appoint and constitute T. F. Dooley  
of Johnson City, Tenn. my attorney and agent (with power of substitu-  
tion for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a  
Board of Directors, and upon all other matters, questions, resolutions, motions and business, of  
any kind and character whatsoever, without exception or reservation, that may be considered and  
acted upon at a Regular meeting of the stockholders of the Johnson  
City Mills, to be held at Office  
of the Johnson City Mills, in the city of Johnson City  
County of Washington, State of Tenn., on Tuesday  
the 24<sup>th</sup> day of January, 1928, at 1:45 o'clock, P. M.,  
or at any adjournment or adjournments thereof, according to the number of votes that I would be  
entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all  
former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of  
my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 13<sup>th</sup> day  
of January, 1928.

Signature Joseph C. Brassong

Address 88 Franklin St  
N.Y. City

WITNESS:

FORM 101-1W-3-10-18



## DIRECTORS' MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held  
at the office of the Company in Johnson City, Tennessee at 2:30 o'clock  
P. M. on Tuesday, January 24, 1928, this being the regular annual meeting  
of the Board of Directors:

Meeting was called to order and upon proper motion duly made and seconded,  
C. D. Dooley was elected temporary chairman and T. F. Dooley, temporary  
Secretary.

Upon roll call it was ascertained that the following directors were present:

Ben A. Morton  
C. L. Dooley  
T. F. Dooley

It appearing from the Secretary's report that a quorum was present, the  
chairman declared the meeting open for business. Upon the motion of  
T. F. Dooley, seconded by Ben A. Morton, salaries of officers were fixed  
as follows:

President at the rate of \$1200.00 a year, payable monthly  
Vice-President, no salary  
Secretary-Treasurer, no salary

The next business being the election of officers, the polls were opened  
and the following officers were unanimously elected:

President, Ben A. Morton  
Vice-President, J. P. Roddy  
Secretary-Treasurer, T. F. Dooley

Next upon motion of Ben A. Morton, seconded by C. L. Dooley, T. F. Dooley  
was elected General Manager of the Corporation with a salary at the rate  
of \$5000.00 per year, payable monthly, with the provision that in addition  
to this salary he shall receive 11 1/2% of the good net profits of the Cor-  
poration for the year 1928 in excess of 20% of the Capital Stock issued  
at par plus the average surplus and undivided profits for the year. In  
other words, this means that the average net worth of the Corporation  
shall be taken as a basis for figuring the bonus of the General Manager;  
and it is further provided that for this purpose the regular monthly  
financial statement of the Corporation be used. After a sum equal to  
30% of the average net worth of the Corporation has been earned the General  
Manager shall receive 23% of the good net profits of the Corporation in  
excess of a sum equal to 30% of the average net worth for the year. It  
is explicitly understood that this bonus shall be figured before United  
States Income Tax is deducted. This additional salary or bonus shall be  
paid at the end of the year as soon as the Corporation's earnings have  
been ascertained. Provided further that should said T. F. Dooley's  
services in the Corporation terminate at any time during the year he, or  
his estate shall receive the proportionate part of the bonus earned for  
the year that the actual time employed would entitle him to.

Next upon motion of T. F. Dooley, seconded by Ben A. Morton and unani-  
mously voted, a cash dividend of 15% payable at once on the issued and  
outstanding 850 shares of common stock was declared.

There being no further business to come before the meeting, upon motion  
it was adjourned.

T. F. Dooley  
Secretary

C. D. Dooley  
Chairman

DIRECTORS' MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 2:30 o'clock P. M. on Tuesday, January 24, 1928, this being the regular annual meeting of the Board of Directors:

Meeting was called to order and upon proper motion duly made and seconded, C. D. Dooley was elected temporary chairman and T. F. Dooley, temporary Secretary.

Upon roll call it was ascertained that the following directors were present:

- Ben A. Morton
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report that a quorum was present, the chairman declared the meeting open for business. Upon the motion of T. F. Dooley, seconded by Ben A. Morton, salaries of officers were fixed as follows:

- President at the rate of \$1200.00 a year, payable monthly
- Vice-President, no salary
- Secretary-Treasurer, no salary

The next business being the election of officers, the polls were opened and the following officers were unanimously elected:

- President, Ben A. Morton
- Vice-President, J. P. Roddy
- Secretary-Treasurer, T. F. Dooley

Next upon motion of Ben A. Morton, seconded by C. L. Dooley, T. F. Dooley was elected General Manager of the Corporation with a salary at the rate of \$5000.00 per year, payable monthly, with the provision that in addition to this salary he shall receive 11 1/2% of the good net profits of the Corporation for the year 1928 in excess of 20% of the Capital Stock issued at par plus the average surplus and undivided profits for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the bonus of the General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation has been earned the General Manager shall receive 23% of the good net profits of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation's earnings have been ascertained. Provided further that should said T. F. Dooley's services in the Corporation terminate at any time during the year he, or his estate shall receive the proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Next upon motion of T. F. Dooley, seconded by Ben A. Morton and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares of common stock was declared.

There being no further business to come before the meeting, upon motion it was adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

LAW OFFICES  
MILLER, DEPEW & LEE  
ROOMS 308-309-310  
TENNESSEE NATIONAL BANK BUILDING  
JOHNSON CITY, TENN.

GENERAL PROXY

STATE OF TENNESSEE. }  
Washington } ss.  
COUNTY.

KNOW ALL MEN BY THESE PRESENTS, That I, (or we), Lee F. Miller

the undersigned, for and in behalf of my (or our) heirs, executors, administrators, successors, assigns, etc., as the holder and/or owner of 3 shares of the capital stock of the Johnson City Mills

do hereby nominate, appoint and constitute Floyd Dooley, of Johnson City, Tenn. (and, in the event the said

is not present in person at said meeting, then the secretary, or the secretary pro tem, of said corporation is hereby designated, nominated and appointed by me in lieu of the first named), as my proxy, attorney and agent, with full power of substitution for me, and in my name, place and stead, to represent and vote for me as my proxy, for the election of a Board of Directors, and/or upon any and all other matters, questions, resolutions, motions and business, of any and every kind, character and description whatsoever, without exception or reservation, that may be considered and acted upon at a regular meeting of the stockholders of said above named corporation, to be (REGULAR OR CALLED)

held in the offices of said corporation, in the their Building, on New Street, in the city of Johnson City, County of Washington, State of Tenn, on the 24 day of January 1928, at 2:30 O'clock P. M. or at any adjournment or adjournments thereof, according to the number of shares and votes that I own and would be entitled to vote if I were personally present and voting at said meeting myself; hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said proxy, agent and attorney, in so representing me and in so voting all of the shares of my stock at said meeting, or at any adjournment or adjournments thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 12th day of

January 23, 1928

Witness: [Signature] (Signature) Lee F. Miller (TO BE SIGNED IN INK)

Address: (Address)



MILLER, DEPEW & LEE  
ROOMS 308-309-310  
TENNESSEE NATIONAL BANK BUILDING  
JOHNSON CITY, TENN.

GENERAL PROXY

*Kentucky*  
STATE OF TENNESSEE. } ss.  
*Harlan* COUNTY. }

KNOW ALL MEN BY THESE PRESENTS, That I, (or we), *R. E. Deane*

the undersigned, for and in behalf of my (or our) heirs, executors, administrators, successors, assigns, etc., as the holder and/or owner of 15 shares of the capital stock of the *Johnson City Mills*

do hereby nominate, appoint and constitute *Ben A. Morton*, of *Harlan* (and, in the event the said *B. A. Morton*

is not present in person at said meeting, then the secretary, or the secretary pro tem, of said corporation is hereby designated, nominated and appointed by me in lieu of the first named), as my proxy, attorney and agent, with full power of substitution for me, and in my name, place and stead, to represent and vote for me as my proxy, for the election of a Board of Directors, and/or upon any and all other matters, questions, resolutions, motions and business, of any and every kind, character and description whatsoever, without exception or reservation, that may be considered and acted upon at a Annual meeting of the stockholders of said above named corporation, to be

(REGULAR OR CALLED)

held in the offices of said corporation, in the Third Building, on Third Street, in the city of Johnson City, County of Washington, State of Tenn, on the 24th day of Jan - 1928, at 1:45 O'clock P M, or at any adjournment or adjournments thereof, according to the number of shares and votes that I own and would be entitled to vote if I were personally present and voting at said meeting myself; hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said proxy, agent and attorney, in so representing me and in so voting all of the shares of my stock at said meeting, or at any adjournment or adjournments thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 14th day of

January, 1928.  
Witness: *C. M. Deafas* (Signature) *R. E. Deane* (TO BE SIGNED IN INK)

Address: Harlan, Ky (Address) Harlan, Ky



DIRECTORS' MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 2:30 o'clock P. M. on Tuesday, January 24, 1928, this being the regular annual meeting of the Board of Directors:

Meeting was called to order and upon proper motion duly made and seconded, C. D. Dooley was elected temporary chairman and T. F. Dooley, temporary Secretary.

Upon roll call it was ascertained that the following directors were present:

- Ben A. Morton
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report that a quorum was present, the chairman declared the meeting open for business. Upon the motion of T. F. Dooley, seconded by Ben A. Morton, salaries of officers were fixed as follows:

- President at the rate of \$1200.00 a year, payable monthly
- Vice-President, no salary
- Secretary-Treasurer, no salary

The next business being the election of officers, the polls were opened and the following officers were unanimously elected:

- President, Ben A. Morton
- Vice-President, J. P. Roddy
- Secretary-Treasurer, T. F. Dooley

Next upon motion of Ben A. Morton, seconded by C. L. Dooley, T. F. Dooley was elected General Manager of the Corporation with a salary at the rate of \$5000.00 per year, payable monthly, with the provision that in addition to this salary he shall receive 11 1/2% of the good net profits of the Corporation for the year 1928 in excess of 20% of the Capital Stock issued at par plus the average surplus and undivided profits for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the bonus of the General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation has been earned the General Manager shall receive 23% of the good net profits of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation's earnings have been ascertained. Provided further that should said T. F. Dooley's services in the Corporation terminate at any time during the year he, or his estate shall receive the proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Next upon motion of T. F. Dooley, seconded by Ben A. Morton and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares of common stock was declared.

There being no further business to come before the meeting, upon motion it was adjourned.

*T. F. Dooley*  
Secretary

*J. P. Roddy*  
Chairman



DIRECTORS' MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 2:30 o'clock P. M. on Tuesday, January 24, 1928, this being the regular annual meeting of the Board of Directors:

Meeting was called to order and upon proper motion duly made and seconded, C. D. Dooley was elected temporary chairman and T. F. Dooley, temporary Secretary.

Upon roll call it was ascertained that the following directors were present:

- Ben A. Morton
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report that a quorum was present, the chairman declared the meeting open for business. Upon the motion of T. F. Dooley, seconded by Ben A. Morton, salaries of officers were fixed as follows:

- President at the rate of \$1200.00 a year, payable monthly
- Vice-President, no salary
- Secretary-Treasurer, no salary

The next business being the election of officers, the polls were opened and the following officers were unanimously elected:

- President, Ben A. Morton
- Vice-President, J. P. Roddy
- Secretary-Treasurer, T. F. Dooley

Next upon motion of Ben A. Morton, seconded by C. L. Dooley, T. F. Dooley was elected General Manager of the Corporation with a salary at the rate of \$5000.00 per year, payable monthly, with the provision that in addition to this salary he shall receive 11 1/2% of the good net profits of the Corporation for the year 1928 in excess of 20% of the Capital Stock issued at par plus the average surplus and undivided profits for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the bonus of the General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation has been earned the General Manager shall receive 23% of the good net profits of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation's earnings have been ascertained. Provided further that should said T. F. Dooley's services in the Corporation terminate at any time during the year he, or his estate shall receive the proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Next upon motion of T. F. Dooley, seconded by Ben A. Morton and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares of common stock was declared.

There being no further business to come before the meeting, upon motion it was adjourned.

T. F. Dooley  
Secretary

C. L. Dooley  
Chairman

GENERAL PROXY

STATE OF TENNESSEE  
Knox County

KNOW ALL MEN BY THESE PRESENTS, That I, G. H. Gallahan the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 7 1/2 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute B. A. Morton of Knoxville my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at a Regular Annual meeting of the stockholders of the Johnson City Mills Johnson City to be held at Johnson City Mills office in the city of Johnson City County of Sumner State of Tennessee on Tuesday the 24 day of January, 1928, at 2:30 o'clock, P. M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 20 day of January, 1928.

Signature G. H. Gallahan  
Address Knoxville

WITNESS:  
H. A. Johnson



## DIRECTORS' MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 2:30 o'clock P. M. on Tuesday, January 24, 1928, this being the regular annual meeting of the Board of Directors:

Meeting was called to order and upon proper motion duly made and seconded, C. D. Dooley was elected temporary chairman and T. F. Dooley, temporary Secretary.

Upon roll call it was ascertained that the following directors were present:

Ben A. Morton  
C. L. Dooley  
T. F. Dooley

It appearing from the Secretary's report that a quorum was present, the chairman declared the meeting open for business. Upon the motion of T. F. Dooley, seconded by Ben A. Morton, salaries of officers were fixed as follows:

President at the rate of \$1200.00 a year, payable monthly  
Vice-President, no salary  
Secretary-Treasurer, no salary

The next business being the election of officers, the polls were opened and the following officers were unanimously elected:

President, Ben A. Morton  
Vice-President, J. P. Roddy  
Secretary-Treasurer, T. F. Dooley

Next upon motion of Ben A. Morton, seconded by C. L. Dooley, T. F. Dooley was elected General Manager of the Corporation with a salary at the rate of \$5000.00 per year, payable monthly, with the provision that in addition to this salary he shall receive 11% of the good net profits of the Corporation for the year 1928 in excess of 20% of the Capital Stock issued at par plus the average surplus and undivided profits for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the bonus of the General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation has been earned the General Manager shall receive 23% of the good net profits of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation's earnings have been ascertained. Provided further that should said T. F. Dooley's services in the Corporation terminate at any time during the year he, or his estate shall receive the proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Next upon motion of T. F. Dooley, seconded by Ben A. Morton and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares of common stock was declared.

There being no further business to come before the meeting, upon motion it was adjourned.

T. F. Dooley  
Secretary

C. D. Dooley  
Chairman

## GENERAL PROXY

STATE OF <sup>Illinois</sup> ~~Tennessee~~ } ss.  
Cook County

KNOW ALL MEN BY THESE PRESENTS, That I, Robert A. Dooley  
the undersigned, for and in behalf of myself, my heirs, executors, administrators, assigns, etc., as the holder and owner of 37 shares of the capital stock of the corporation named hereinafter, do hereby nominate, appoint and constitute T. F. Dooley  
of Johnson City, Tenn my attorney and agent (with power of substitution for me, and in my name, place and stead,) to vote for me as my proxy, for the election of a Board of Directors, and upon all other matters, questions, resolutions, motions and business, of any kind and character whatsoever, without exception or reservation, that may be considered and acted upon at an Annual meeting of the stockholders of the Johnson City Mills to be held at office of the Johnson City Mills in the city of Johnson City County of Washington State of Tenn on January 24 Tuesday the 24 day of January 1928, at 2:45 o'clock, P M., or at any adjournment or adjournments thereof, according to the number of votes that I would be entitled to vote if I were personally present and voting at said meeting myself, hereby revoking all former proxies by me made and given; and I hereby ratify and confirm in advance, all the acts of my said agent and attorney, in so representing me and in voting my said stock at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this the 16<sup>th</sup> day of January, 1928.

Signature Robert A. Dooley

Address 5803 Kimbark Ave.  
Chicago, Ill.

WITNESS:

Raymond Potier





Statement of Condition of Johnson City Mills  
at Close of Business December 31, 1928

1927		1928	
		Assets	
\$ 3,484.16	Cash in Tenn. Nat'l Bank Gen. A/C	\$3,778.91	
285.26	" " " " "P/R A/C	285.28	
541.83	" " Houston " "P/R A/C	530.13	
45,327.03	Accounts Receivable	46,563.14	
None	Bills	6,680.00	
60,001.91	Inventory	74,189.63	
438.00	Deferred Charges	260.73	
<u>110,076.19</u>		<u>132,287.64</u>	
\$165,003.66	Fixed Assets	\$196,149.48	
<u>88,188.72</u>	Less Reserve for Depreciation	<u>94,126.01</u>	
<u>81,819.97</u>		<u>102,033.47</u>	
<u>\$191,898.06</u>		<u>\$234,321.31</u>	
		Liabilities	
17,000.00	Bills Payable	21,000.00	
14,400.03	Accounts Payable	21,448.98	
262.64	Reserve for Unpaid Wages	262.64	
7,610.45	" " Tax-s	7,738.53	
<u>39,273.12</u>		<u>50,450.15</u>	
85,000.00	Capital Stock	85,000.00	
8,000.00	Surplus Paid in	8,000.00	
<u>62,621.94</u>	Undivided Profits	<u>95,871.16</u>	
<u>182,691.94</u>		<u>183,871.16</u>	
<u>\$191,898.06</u>		<u>\$234,321.31</u>	
		Profit for the Month	
48,763.25	" " " Year	6,294.71	
28,500.00	Dividends Paid	56,749.23	
3,132.08	1928 Income Tax Paid	25,500.00	

Analysis of Inventory & Advance Sales

Style	Dozen	On Hand	Firsts		Sold	
			Inventory Price	Finished	Dozen	Average Price
200	975	\$1.10/7 R & P 7 1/2	2,188	1.30/7 R 7 1/2 P 5 1/2	3,000.00	
206	2,437	1.10/7 R & P 7 1/2	3,395	1.30/7 R 7 1/2 P 5 1/2	4,000.00	
312	1,951	1.40/7 R & P 7 1/2	1,670	1.67 1/2/7 R 7 1/2 P 5 1/2	2,800.00	
400	2,459	1.20/7 R & P 7 1/2	31,167	1.50/7 R 7 1/2 P 7 1/2	49,200.00	
406	3,635	1.20/7 R & P 7 1/2	36,374	1.50/7 R 7 1/2 P 7 1/2	57,800.00	
240	153	1.40/7 R & P 7 1/2	None			
710	4,224	1.65/7 R & P 5 1/2	3,039	2.10 All Sizes	6,400.00	
618	849	1.30/7 R & P 5 1/2	1,392	1.65 " "	2,300.00	
811	1,724	1.90/7 R & P 10 1/2	2,551	3.05 " "	7,800.00	
821	3,336	1.90/7 R & P 10 1/2	4,107	3.10 " "	12,700.00	
111	499	2.00/7 R & P 10 1/2	60	3.25 " "	200.00	
118	1,727	2.00/7 R & P 10 1/2	357	3.25 " "	1,200.00	
121	339	2.00/7 R & P 10 1/2	500	3.20 " "	1,600.00	
360	2,388	1.45 All Sizes	1,423	1.60 " "	2,500.00	
877	1,375	1.10 " "	68	1.46 " "	100.00	
	<u>27,775</u>		<u>88,291</u>		<u>152,300.00</u>	
		Seconds				
200/1	53	.80 All Sizes	203	1.15 " "	235.00	
206/1	86	.80 " "	583	1.15 " "	670.00	
312/1	127	1.00 " "	31	1.35 " "	42.00	
400/1	405	.90 " "	None			
406/1	425	.90 " "	967	1.25	1,205.00	
240/1	10	1.00 " "	None			
710/1	785	1.00 " "	None			
618/1	22	.90 " "	None			
811X	363	1.75 " "	None			
821X	471	1.75 " "	None			
111X	65	1.75 " "	53	2.40	127.00	
118X	779	1.75 " "	None			
121X	82	1.75 " "	None			
360/1	455	1.40 " "	None			
877/1	171	.90 " "	None			
	<u>3,879</u>		<u>58</u>	1.25	73.00	
	<u>32,065</u>		<u>1895</u>		<u>2,330.00</u>	
			<u>90,186</u>		<u>\$154,630.00</u>	

Total Knit for Year	341,704 Dozen	\$620,816.59	
" Shipped	339,425. "	3,692.95	\$617,123.64
" Returns	1,965 "		
Percentage Net Profit on Sales	9.2%		
Net Profit per dozen	.1672		
Percentage earning on investment	35.98%		

DIRECTOR'S MEETING

Minutes of the regular meeting of the Board of Directors of the Johnson City Mills ~~was~~ held at the office of the Company at Johnson City, Tennessee, Tuesday, January 22, 1929 at 1:30 o'clock.

The President, Mr. B. A. Morton, called the meeting to order and the Secretary, Mr. T. F. Dooley, acted as Secretary

Upon roll call it was ascertained the following members were present:

Ben. A. Morton	C. L. Dooley
George T. Wofford	T. F. Dooley

It appeared from the Secretary's report a quorum was present and the Chairman declared the meeting open for business.

Minutes of the last meeting were read and approved.

The Secretary-Treasurer read to the meeting a report of the condition of the affairs of the Corporation at the close of business Dec. 31, 1928 and also presented to the board the report of the Company's Auditors, R. J. Beaman & Company, covering the operations for the year 1928.

An examination of the Secretary-Treasurer's Condition Report and that of the report from R. J. Beaman & Company showed that they were in accord in every particular. After a discussion of the report upon the motion of Mr. Geo. T. Wofford, seconded by Mr. C. L. Dooley and unanimously voted, the report of the Secretary was accepted and he was directed to incorporate same in the minutes of this meeting. The Secretary was instructed to file the report of R. J. Beaman & Company with the valuable papers of the Corporation.

Upon motion of Mr. C. L. Dooley, seconded by Mr. Geo. T. Wofford, and unanimously voted, the President was directed to present to the annual meeting of stock holders, to be held on this date, the report of the Secretary and also the report of the Auditing company which two reports were to be tendered as report of this Board of Directors to the Stock Holders of the Corporation.

Upon motion of Mr. Geo. T. Wofford and seconded by Mr. C. L. Dooley, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting upon proper motion it adjourned SINE DIE.

Secretary *T. F. Dooley*

Chairman *B. A. Morton*

## STOCK HOLDER'S MEETING

Minutes of the Meeting of Stock Holders of the Johnson City Mills held at the office of the Company in Johnson City, Tennessee at 2:00 o'clock P. M., Tuesday, January 22, 1929, this being the regular annual meeting of the Stock Holders.

Upon proper motion duly made and seconded, C. L. Dooley was elected temporary Chairman and T. F. Dooley temporary Secretary.

Upon roll call it was ascertained that the following stock holders were present in person or represented by proxy:

## Present in Person:

B. A. Morton- Holder and owner of 215 shares

T. F. Dooley- Holder and owner of 140 shares

C. L. Dooley- Holder and owner of 38 shares

Geo. T. Wofford- Holder and owner of 12 shares

Totaling 405 shares

Represented by Proxy- which proxies are made a part of the minutes of this meeting:

G. H. Gallaher- represented by B. A. Morton- Holder and owner of 75 shares

R. E. McNew - represented by B. A. Morton- Holder and owner of 15 shares

Powell C. Smith- represented by B. A. Morton- Holder and owner of 37 shares

J. C. Bossong - represented by T. F. Dooley- Holder and owner of 50 shares

R. R. Dooley - represented by T. F. Dooley- Holder and owner of 37 shares

Lee F. Miller - represented by T. F. Dooley- Holder and owner of 3 shares

Totaling 207 shares

It appeared from the report that 612 out of the 850 shares of stock of the Corporation issued and outstanding were present in person or represented by proxy and the Chairman declared the meeting open for business. The minutes of the previous meeting were read and approved.

Next, on the motion of Mr. Ben. A. Morton, seconded by Mr. Geo. T. Wofford the Secretary was instructed to read to the Stock Holders the minutes of the meeting of the Board of Directors held July 24, 1928. Particular attention was called to the paragraph relating to the expenditure of \$12,000.00 for new equipment by the officers of the Corporation and to the action of the officers of the Corporation in cancelling the lease of the Corporation with the Barnes-Boring Hardware Company of Elizabethton, Tennessee, and the making of a lease with Albert C. Tipton for a new building to be occupied by the company's Elizabethton plant and the loaning of a sum not exceeding \$6500.00- the first mortgage to Albert C. Tipton.

After the reading of these minutes upon motion of Mr. Geo. T. Wofford seconded by Mr. Ben. A. Morton, the action of the officers, both as regards the purchase of \$12,000.00 of new equipment and the cancellation of the lease with Barnes-Boring Hardware Company of Elizabethton, Tennessee and the making of a lease with Albert C. Tipton for a building to be occupied by the company of the Elizabethton plant and the loaning of the sum not exceeding \$6500.00 for a period of five years secured by first mortgage on the property occupied by the Elizabethton plant was approved.

Next, upon the motion of Mr. B. A. Morton, seconded by Mr. Geo. T. Wofford, the by-laws of the Corporation were amended as follows:

## Article 3-Section 1, which reads:

"The officers of the company shall be a President, Vice President, a Secretary & Treasurer, all of whom shall be elected by the Board of Directors and shall serve for one year and until their successors are elected and qualified or during the pleasure of the Board of Directors. One person may be elected to two or more offices" was amended to read:

"The officers of the Corporation shall be a President, Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors to serve and shall serve for one year and until their successors are elected and qualified or during the pleasure of the Board of Directors. One person may be elected to two or more offices."

## Article 3- Section 4 now reads:

"The Secretary and Treasurer of the Company shall keep a true and correct account of all the proceedings of the Board of Directors and Stock Holders meetings. He shall also attest all contracts and conveyances of the Corporation; he shall have charge of the stock books and shall sign all certificates of stock and attend to the transfer of the same. He shall have charge of the books of the Corporation and shall make statement of all transactions and affairs of the Corporation whenever called for by the board of directors.

As Treasurer, he shall receive and keep the Cash, Notes, Accounts, Contracts, and other valuable papers of the company". was amended to read:

"The Secretary of the Company shall keep a true and correct account of all the proceedings of the Board of Directors and Stock Holders meetings. He shall also attest all contracts and conveyances of the Corporation; he shall have charge of the stock books and shall sign all certificates of stock and attend to the transfer of the same. He shall have charge of the books of the Corporation and shall make statement of all transactions and affairs of the Corporation whenever called for by the Board of Directors.

The Treasurer shall receive and keep the Cash, Notes, Accounts, Contracts, and other valuable papers of the Company"

Next, the President stated he had been instructed by the Board of Directors to present to the Stock Holders the Secretary & Treasurer's report of the condition of the Corporation at the close of business, Dec. 31, 1928 and also to present the report of R. J. Beaman and Company, the auditing firm who had completed an audit of the operation of the Corporation for the year 1928. President, Ben. A. Morton then presented these two reports and after a discussion on motion of Mr. George T. Wofford, seconded by Mr. T. F. Dooley and unanimously voted, the report was accepted and the Secretary was instructed to insert the Secretary & Treasurer's condition report in the minutes of this meeting as a part of the permanent records of the Corporation and to file the report of the auditing firm, R. J. Beaman & Company with the valuable papers of the Corporation

The next being the election of the Board of Directors to serve for the ensuing year, Mr. Ben. A. Morton stated that since the records of the Corporation showed that Mr. J. P. Roddy who had been a member of the Board of Directors since the organization of the Corporation had not attended a Directors meeting since July 24, 1924 which is more than four years, it seemed wise that a more active Director be elected in his place.

Following this statement the polls were opened and the following gentlemen were unanimously elected to serve as Directors for the ensuing year:

George T. Wofford

Ben. A. Morton

G. H. Gallaher

C. L. Dooley

T. F. Dooley

There being no further business to come before the meeting on proper motion it adjourned.

Secretary

T. F. Dooley

Chairman

G. T. Wofford

**PROXY**

Know All Men by these Presents: That I

Robert R. Dooley

do hereby constitute and appoint

R. R. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the

Regular Annual

meeting of stockholders of

Johnson City Mills

called to meet at Office of Dooley at Johnson City, Tenn. on

Tuesday, Jan. 22, 1929 at 1:30 P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said

R. R. Dooley

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

B. A. Morton

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1929.

Witness M. M. Waring

Signed Robert R. Dooley

Witness Wm. H. Waring

Signed Wm. H. Waring

Witness Wm. H. Waring

Signed Wm. H. Waring

Witness Wm. H. Waring

Signed Wm. H. Waring

DIRECTOR'S MEETING

Minutes of the Meeting of the Board of Directors held at the office of the Company at Johnson City, Tennessee at 2:30 o'clock P.M. Tuesday, January, 22, 1929, this being the regular annual meeting of the Board of Directors.

Meeting was called to order and upon proper motion duly made and seconded. Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

Ben. A. Morton

George T. Wofford

C. L. Dooley

T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

Upon motion of Mr. George T. Wofford, seconded by Mr. Ben. A. Morton salaries of officers were fixed as follows:

President- at the rate of \$1200.00 per year, payable monthly.  
Vice President-Treasurer & General Manager- at the rate of \$6,000.00 per year payable monthly with the provision that in addition to the salary he shall receive 10% of the good net profit of the Corporation for the year 1929 in excess of 20% of the capital stock issued at par plus the average surplus and undivided profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the Bonus of the Vice President, Treasurer, & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation for the year has been earned, the Vice President, Treasurer & General Manager shall receive 20% of the good net profit of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this Bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. Provide further that should T. F. Dooley's services with the Corporation terminate at any time during the year, he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.  
Secretary- no salary.

The next business being the election of officers, the poles were opened and the following officers unanimously elected:

President- Ben. A. Morton

Vice President-Treasurer & General Manager T. F. Dooley

Secretary- Eugene Herrin

Next, on motion of Mr. Ben A. Morton, seconded by Mr. T. F. Dooley, and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares was declared.

There being no further business to come before the meeting, on proper motion it adjourned.

Secretary:

T. F. Dooley

Chairman

G. T. Wofford

George T. Wofford

PROXY

Know All Men by these Presents: That I Joseph C. Bossong do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Johnson City, Tenn Jan 22, 1929

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke

proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act

der, then, and in that event only, I appoint W. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 15 day of Jan 1929

Witness Henry Meas Signed Joseph C. Bossong

Witness [Signature] Signed [Signature]

Witness [Signature] Signed [Signature]



DIRECTOR'S MEETING

Minutes of the Meeting of the Board of Directors held at the office of the Company at Johnson City, Tennessee at 2:30 o'clock P.M. Tuesday, January, 22, 1929, this being the regular annual meeting of the Board of Directors.

Meeting was called to order and upon proper motion duly made and seconded, Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

- Ben. A. Morton George T. Wofford
C. L. Dooley T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

Upon motion of Mr. George T. Wofford, seconded by Mr. Ben. A. Morton salaries of officers were fixed as follows: President- at the rate of \$1200.00 per year, payable monthly. Vice President-Treasurer & General Manager- at the rate of \$6,000.00 per year payable monthly with the provision that in addition to the salary he shall receive 10% of the good net profit of the Corporation for the year 1929 in excess of 20% of the capital stock issued at par plus the average surplus and undivided profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the Bonus of the Vice President, Treasurer, & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation for the year has been earned, the Vice President, Treasurer & General Manager shall receive 20% of the good net profit of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this Bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. Provide further that should T. F. Dooley's services with the Corporation terminate at any time during the year, he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to. Secretary- no salary.

The next business being the election of officers, the polls were opened and the following officers unanimously elected:

- President- Ben. A. Morton
Vice President-Treasurer & General Manager T. F. Dooley
Secretary- Eugene Herrin

Next, on motion of Mr. Ben A. Morton, seconded by Mr. T. F. Dooley, and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares was declared.

There being no further business to come before the meeting, on proper motion it adjourned.

Secretary: T. F. Dooley Chairman: C. L. Dooley

George T. Wofford

PROXY

Know All Men by these Presents: That I Dwight Smith do hereby constitute and appoint

Ben A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of

Johnson City Mills called to meet at Johnson City, Tenn Jan 22, 1929

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said Ben A. Morton be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 18 day of Jan 1929

Witness [Signature] Signed Dwight Smith

Witness [Signature] Signed [Signature]

DIRECTOR'S MEETING

Minutes of the Meeting of the Board of Directors held at the office of the Company at Johnson City, Tennessee at 2:30 o'clock P.M. Tuesday, January, 22, 1929, this being the regular annual meeting of the Board of Directors.

Meeting was called to order and upon proper motion duly made and seconded, Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

- Ben. A. Morton
- George T. Wofford
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

Upon motion of Mr. George T. Wofford, seconded by Mr. Ben. A. Morton salaries of officers were fixed as follows: President- at the rate of \$1200.00 per year, payable monthly. Vice President-Treasurer & General Manager- at the rate of \$6,000.00 per year payable monthly with the provision that in addition to the salary he shall receive 10% of the good net profit of the Corporation for the year 1929 in excess of 20% of the capital stock issued at par plus the average surplus and undivided profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the Bonus of the Vice President, Treasurer, & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation for the year has been earned, the Vice President, Treasurer & General Manager shall receive 20% of the good net profit of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this Bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. Provide further that should T. F. Dooley's services with the Corporation terminate at any time during the year, he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to. Secretary- no salary.

The next business being the election of officers, the polls were opened and the following officers unanimously elected:

- President- Ben. A. Morton
- Vice President-Treasurer & General Manager T. F. Dooley
- Secretary- Eugene Herrin

Next, on motion of Mr. Ben A. Morton, seconded by Mr. T. F. Dooley, and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares was declared.

There being no further business to come before the meeting, on proper motion it adjourned.

Secretary: T. F. Dooley Chairman [Signature]



George T. Wofford

PROXY

Know All Men by these Presents: That I B. A. Morton  
do hereby constitute and appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
called to meet at Johnson City Tenn  
Jan 22, 1929  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16 day of Jan 1929

Witness Lucy Ward Signed B. A. Morton

Witness Marjorie Signed [Signature]

DIRECTOR'S MEETING

Minutes of the Meeting of the Board of Directors held at the office of the Company at Johnson City, Tennessee at 2:30 o'clock P.M. Tuesday, January, 22, 1929, this being the regular annual meeting of the Board of Directors.

Meeting was called to order and upon proper motion duly made and seconded. Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

- Ben. A. Morton
- George T. Wofford
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

Upon motion of Mr. George T. Wofford, seconded by Mr. Ben. A. Morton salaries of officers were fixed as follows:  
President- at the rate of \$1200.00 per year, payable monthly.  
Vice President-Treasurer & General Manager- at the rate of \$6,000.00 per year payable monthly with the provision that in addition to the salary he shall receive 10% of the good net profit of the Corporation for the year 1929 in excess of 20% of the capital stock issued at par plus the average surplus and ~~undivided~~ profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the Bonus of the Vice President, Treasurer, & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation for the year has been earned, the Vice President, Treasurer & General Manager shall receive 20% of the good net profit of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this Bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. Provide further that should T. F. Dooley's services with the Corporation terminate at any time during the year, he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to. Secretary- no salary.

The next business being the election of officers, the polls were opened and the following officers unanimously elected:

- President- Ben. A. Morton
- Vice President-Treasurer & General Manager T. F. Dooley
- Secretary- Eugene Herrin

Next, on motion of Mr. Ben A. Morton, seconded by Mr. T. F. Dooley, and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares was declared.

There being no further business to come before the meeting, on proper motion it adjourned.

Secretary: T. F. Dooley Chairman C. L. Dooley

George T. Wofford

**PROXY**

Know All Men by these Presents: That I A. A. Morton do hereby constitute and appoint A. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to attend the meeting of stockholders of Johnson City, Tenn called to meet at Johnson City, Tenn Jan 29, 1929 and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke proxy heretofore given by me; and should the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act here, then, and in that event only, I appoint J. H. Galloway to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 19 day of Jan 1929

Witness Emma M. Plumlee Signed J. H. Galloway



DIRECTOR'S MEETING

Minutes of the Meeting of the Board of Directors held at the office of the Company at Johnson City, Tennessee at 2:30 o'clock P.M. Tuesday, January, 22, 1929, this being the regular annual meeting of the Board of Directors.

Meeting was called to order and upon proper motion duly made and seconded, Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

- Ben. A. Morton
- George T. Wofford
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

Upon motion of Mr. George T. Wofford, seconded by Mr. Ben. A. Morton salaries of officers were fixed as follows:

President- at the rate of \$1200.00 per year, payable monthly.

Vice President-Treasurer & General Manager- at the rate of \$6,000.00 per year payable monthly with the provision that in addition to the salary he shall receive 10% of the good net profits of the Corporation for the year 1929 in excess of 20% of the capital stock issued at par plus the average surplus and ~~undivided~~ profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the Bonus of the Vice President, Treasurer, & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation for the year has been earned, the Vice President, Treasurer & General Manager shall receive 20% of the good net profit of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this Bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. Provide further that should T. F. Dooley's services with the Corporation terminate at any time during the year, he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary- no salary.

The next business being the election of officers, the polls were opened and the following officers unanimously elected:

- President- Ben. A. Morton
- Vice President-Treasurer & General Manager T. F. Dooley
- Secretary- Eugene Herrin

Next, on motion of Mr. Ben A. Morton, seconded by Mr. T. F. Dooley, and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares was declared.

There being no further business to come before the meeting, on proper motion it adjourned.

Secretary: T. F. Dooley Chairman C. L. Dooley

George T. Wofford

**PROXY**

Know All Men by these Presents: That I, Lee F. Miller  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
called to meet at Johnson City, Tenn  
Jan 22, 1929  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke  
proxy heretofore given by me; and should the said T. F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act he-  
re, then, and in that event only, I appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 1929

Witness T. F. Dooley Signed Lee F. Miller



DIRECTOR'S MEETING

Minutes of the Meeting of the Board of Directors held at the office of the Company at Johnson City, Tennessee at 2:30 o'clock P.M. Tuesday, January, 22, 1929, this being the regular annual meeting of the Board of Directors.

Meeting was called to order and upon proper motion duly made and seconded, Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

- Ben. A. Morton
- George T. Wofford
- C. L. Dooley
- T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

Upon motion of Mr. George T. Wofford, seconded by Mr. Ben. A. Morton salaries of officers were fixed as follows:  
President- at the rate of \$1200.00 per year, payable monthly.  
Vice President-Treasurer & General Manager- at the rate of \$6,000.00 per year payable monthly with the provision that in addition to the salary he shall receive 10% of the good net profit of the Corporation for the year 1929 in excess of 20% of the capital stock issued at par plus the average surplus and ~~undivided~~ profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the Bonus of the Vice President, Treasurer, & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 30% of the average net worth of the Corporation for the year has been earned, the Vice President, Treasurer & General Manager shall receive 20% of the good net profit of the Corporation in excess of a sum equal to 30% of the average net worth for the year. It is explicitly understood that this Bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. Provide further that should T. F. Dooley's services with the Corporation terminate at any time during the year, he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.  
Secretary- no salary.

The next business being the election of officers, the polls were opened and the following officers unanimously elected:

- President- Ben. A. Morton
- Vice President-Treasurer & General Manager T. F. Dooley
- Secretary- Eugene Herrin

Next, on motion of Mr. Ben A. Morton, seconded by Mr. T. F. Dooley, and unanimously voted, a cash dividend of 15% payable at once on the issued and outstanding 850 shares was declared.

There being no further business to come before the meeting, on proper motion it adjourned.

Secretary: T. F. Dooley Chairman B. A. Morton

Statement of Condition of Johnson City Mills at Close of Business December 31, 1928

1927		Assets		1928	
\$ 3,484.16	Cash in Tenn. Nat'l Bank Gen.A/C	\$3,778.91			
285.26	" " " " "P/R A/C	285.28			
541.83	" " Ho's ton "	530.13			
45,327.03	Accounts Receivable	46,563.14			
None	Bills	6,680.00			
60,001.91	Inventory	74,189.63			
435.00	Deferred Charges	260.75			
\$110,075.19		\$132,287.84			
\$165,008.66	Fixed Assets		\$196,149.48		
88,188.79	Less Reserve for Depreciation		94,126.01		
81,819.87		102,033.47			
\$191,895.06		\$234,321.31			
	<b>Liabilities</b>				
17,000.00	Bills Payable	21,000.00			
14,400.03	Accounts Payable	21,448.98			
262.64	Reserve for Unpaid Wages	262.64			
7,610.45	" " Taxes	7,738.53			
\$39,273.12		\$50,450.15			
85,000.00	Capital Stock		85,000.00		
5,000.00	Surplus Paid in		5,000.00		
62,621.94	Undivided Profits		93,871.16		
152,621.94		183,871.16			
\$191,895.06		\$234,321.31			
48,763.25	Profit for the Month	6,294.71			
25,500.00	" " " Year	56,749.22			
3,132.05	Dividends Paid	25,500.00			
	1923 Income Tax Paid				

Analysis of Inventory & Advance Sales

On Hand		Firsts		Sold		
Style	Dozen	Inventory Price	Finished	Dozen	Average Price	Estimated Amt.
200	975	\$1.10/7 R & F 7 <sup>3</sup> / <sub>4</sub> d	2,188	2,188	1.30/7 R7 <sup>3</sup> / <sub>4</sub> F 5d	3,000.00
206	2,437	1.10/7 R & F 7 <sup>3</sup> / <sub>4</sub> d	3,395	3,395	1.30/7 R 7 <sup>3</sup> / <sub>4</sub> F 5d	4,600.00
512	1,951	1.40/7 R & F 7 <sup>3</sup> / <sub>4</sub> d	1,670	1,670	1.87 <sup>3</sup> / <sub>4</sub> /7 R 7 <sup>3</sup> / <sub>4</sub> F 5d	2,900.00
400	2,459	1.20/7 R & F 7 <sup>3</sup> / <sub>4</sub> d	31,167	31,167	1.50/7 R 7 <sup>3</sup> / <sub>4</sub> F 7 <sup>3</sup> / <sub>4</sub> d	49,200.00
406	3,635	1.20/7 R & F 7 <sup>3</sup> / <sub>4</sub> d	36,374	36,374	1.50/7 R 7 <sup>3</sup> / <sub>4</sub> F 7 <sup>3</sup> / <sub>4</sub> d	57,800.00
240	158	1.40/7 R & F 7 <sup>3</sup> / <sub>4</sub> d	None			
710	4,224	1.65/7 R & F 5d	3,039	3,039	2.10 All Sizes	6,400.00
618	549	1.30/7 R & F 5d	1,392	1,392	1.65 " "	2,300.00
811	1,724	1.90/7 R & F 10d	2,551	2,551	3.05 " "	7,800.00
821	3,336	1.90/7 R & F 10d	4,107	4,107	3.10 " "	12,700.00
111	499	2.00/7 R & F 10d	60	60	3.25 " "	200.00
118	1,727	2.00/7 R & F 10d	357	357	3.25 " "	1,200.00
121	339	2.00/7 R & F 10d	500	500	3.20 " "	1,600.00
360	2,388	1.45 All Sizes	1,423	1,423	1.80 " "	2,500.00
877	1,375	1.10 " "	68	68	1.46 " "	100.00
	27,776		88,291			\$152,300.00
200/1	53	.80 All Sizes	203	203	1.15 " "	233.00
206/1	66	.90 " "	583	583	1.15 " "	670.00
512/1	127	1.00 " "	31	31	1.35	42.00
400/1	405	.90 " "	None			
406/1	425	.90 " "	967	967	1.25	1,205.00
240/1	10	1.00 " "	None			
710/1	785	1.00 " "	None			
618/1	22	.90 " "	None			
811X	363	1.75 " "	None			
821X	471	1.75 " "	None			
111X	65	1.75 " "	53	53	2.40	127.00
118X	779	1.75 " "	None			
121X	82	1.75 " "	None			
360/1	455	1.40 " "	None			
877/1	171	.90 " "	None			
	4279		58	58	1.25	73.00
	32,055		1895			2,350.00
			90,186			\$154,650.00
Total Knit for Year			341,704 Dozen			
" Shipped			339,425. "			
" Returns			1,965 "			
Percentage Net Profit on Sales			9.2%	\$620,816.59		\$617,123.64
Percentage Net Profit per dozen			.1672	3,692.95		
Percentage earning on investment			35.98%			

DIRECTORS MEETING

The meeting of the Board of Directors of the Johnson City Mills was called to order at the Office of the Company in Johnson City, Tennessee, Tuesday, July 23rd, 1929, at 1:30 O'Clock P. M., this being the regular meeting held by the Directors as called for in the bylaws of the Company.

There was not a quorum present so the meeting was adjourned.

Signed J. F. Dooley Vice President

DIRECTORS' MEETING

Minutes of the regular meeting of the Board of Directors of the Johnson City Mills held at the office of the Company at Johnson City, Tennessee, Tuesday, January 28, 1930 at 1:30 o'clock P. M.

The meeting was called to order and upon roll call was ascertained that there was not a quorum present, so the meeting adjourned to meet at the same hour and place Wednesday, January 29nd.

J. F. Dooley Vice Pres.

DIRECTORS' MEETING

Minutes of meeting of the Board of Directors of the Johnson City Mills held at the office of the Company at Johnson City, Tennessee, Wednesday, January 29, 1930 at 1:30 o'clock P. M., this being an adjournment of the regular meeting scheduled in the by-laws for Tuesday, January 28, 1930, which meeting failed for want of a quorum.

The President of the Corporation, Mr. Ben A. Morton, called the meeting to order, and in the absence of Mr. Eugene Herrin, Secretary, Mr. T. F. Dooley acted as Secretary. Upon roll call it was ascertained that the following directors were present:

Ben A. Morton C. L. Dooley G. H. Gallaher T. F. Dooley

It appearing from the Secretary's report a quorum was present, the Chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

The Treasurer read to the meeting a report of the condition of the affairs of the Corporation at the close of business December, 31, 1929, and also presented to the Board the report of the Company's auditors, Dahlberg & Company, covering the operations for the year 1929.

An examination of the Treasurer's Condition Report and that of the report from Dahlberg & Company showed that they were in accord in every particular. After a discussion of the report, upon motion of Mr. C. L. Dooley, seconded by Mr. G. H. Gallaher, unanimously voted, the report of the Secretary was accepted and he was directed to incorporate same in the minutes of this meeting. The Secretary was instructed to file the report of Dahlberg & Company with the valuable papers of the Corporation.

Upon motion of Mr. C. L. Dooley, Seconded by Mr. G. H. Gallaher and unanimously voted, the President was directed to present to the annual meeting of stock holders to be held on this date report of the Treasurer and also report of the auditing company, which two reports were to be tendered as report of this Board of Directors to the stock holders of the Corporation.

Next the President stated that the regular meeting of the Board of Directors scheduled for the fourth Tuesday in July, 1929 had failed for want of a quorum, but that the officers of the Company had paid a 15% cash dividend in July out of the earnings of the Corporation.

He further stated that the officers of the Corporation had deemed it necessary to make an expenditure of approximately \$6000.00 to build a new boiler room for the Plant and install a new boiler in same, since the old boiler was insufficient to take care of the needs of the Plant.

Upon motion of G. H. Gallaher, seconded by C. L. Dooley and unanimously voted, the action of the officers both as to the declaring of the above mentioned dividend and to the expenditure of approximately \$6000.00 for the new boiler and boiler room was approved.

Next upon motion of Mr. C. L. Dooley seconded by Mr. G. H. Gallaher, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting upon proper motion it adjourned SINE DIE.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

#### STOCK HOLDERS' MEETING

The minutes of the regular meeting of Stock Holders of the Johnson City Mills called to order at the office of the Company in Johnson City, Tennessee at 2:00 o'clock P. M., Tuesday, January 28, 1930, this being the regular annual meeting of Stock Holders.

Upon roll call it was ascertained that there was not a quorum present, and the meeting adjourned to meet at the same hour and place on Wednesday, January 29, 1930.

*T. F. Dooley*  
Vice Pres.

#### STOCK HOLDERS' MEETING

The minutes of the meeting of Stock Holders of Johnson City Mills held at the office of the Company in Johnson City, Tennessee, Wednesday, January 29, 1930 at 2:00 o'clock P. M., this being an adjournment of the regular annual meeting scheduled for Tuesday, January 28, 1930, which meeting failed for want of a quorum.

Upon proper motion duly made and seconded Mr. C. L. Dooley was elected temporary chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained that the following stock holders were present in person or represented by proxy:

#### Present in Person:

B. A. Morton - Holder and owner of 215 shares	
J. P. Roddy - Holder and owner of 213 shares	
T. F. Dooley - Holder and owner of 170 shares	
C. L. Dooley - Holder and owner of 38 shares	
G. H. Gallaher - Holder and owner of 45 shares	

Totaling - 681 shares

#### Represented by Proxy:

R. E. McNew - Represented by Ben A. Morton Holder and owner of	15 shares
Lee F. Miller - Represented by T. F. Dooley Holder and owner of	3 shares
R. R. Dooley - Represented by T. F. Dooley Holder and owner of	37 shares
J. C. Bossong - Represented by T. F. Dooley Holder and owner of	50 shares
George T. Wofford - Represented by T. F. Dooley Holder and owner of	12 shares

Totaling - 117 shares

It appeared from the report that 798 out of 850 shares of the stock of the Corporation issued and outstanding were present in person or represented by proxy, so the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Next upon motion of Mr. Ben A. Morton seconded by Mr. G. H. Gallaher, the Secretary was instructed to read to the stock holders the minutes of the meeting of Board of Directors held January 29, 1930. Particular attention was called to the paragraph relating to the payment of a 15% cash dividend of the officers of the Corporation in July 1929, and the expenditure of approximately \$6000.00 by the officers of the Corporation for a new boiler room and a new boiler.

After reading these minutes upon motion of Mr. G. H. Gallaher seconded by Mr. Ben A. Morton and unanimously voted the action of the officers with regard to the payment of the above mentioned dividend and the expenditure of the sum of approximately \$6000.00 for a new boiler room and a new boiler was approved.

Next the President stated that he had been instructed by the Board of Directors to present to the stock holders the Treasurer's report of the condition of the Corporation at the close of business December 31, 1929, and also present the report of Dahlberg & Company, the auditing firm who had completed an audit of the Corporation for the year 1929. President Ben A. Morton presented these two reports and after discussion, upon motion of G. H. Gallaher, seconded by T. F. Dooley, and unanimously voted, the report was accepted and the Secretary was instructed to insert the Treasurer's condition report in the minutes of this meeting as a part of the permanent record of the Corporation, and to file the report of the auditing firm, Dahlberg & Co. with the valuable papers of the Corporation.

Next being the election of Board of Directors to serve for the ensuing year, the polls were opened and the following gentlemen were unanimously elected to serve as directors during the ensuing year:

Ben A. Morton	J. P. Roddy
C. L. Dooley	T. F. Dooley
G. H. Gallaher	

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

## PROXY



Knows All Men by these Presents: That I

Geo T. Wofford

do hereby constitute and appoint

T. H. Woolley

to be my attorney, substitute and proxy, for me and in my name

and behalf to attend the

Annual

meeting of stockholders of

called to meet at

Johnson City Mills

Johnson City, Tenn

April 29, 1930

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke

any proxy heretofore given by me; and should the said

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-

der, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 14 day of January 1930

Witness Vivian Moore

Signed Geo T. Wofford

Witness Joseph E. Ebling

Signed Joseph E. Ebling

Witness Sarah D. Morgan

Signed W. H. Hooley

Witness T. H. Woolley

Signed T. H. Woolley

### Statement of Condition of Johnson City Mills at Close of Business December 31, 1929

#### Assets

3,778.91	Cash in Tenn. Nat'l Bank	\$ 20,035.03
285.28	Cash in Tenn. Nat'l Bank PR A/C	359.40
530.13	Cash in Holston Nat'l Bank	568.63
46,563.14	Accounts Receivable	35,401.93
6,680.00	Bills Receivable	6,680.00
74,189.63	Inventory	64,547.92
260.75	Deferred Charges	556.71
<u>\$132,287.84</u>		<u>\$128,149.62</u>

\$196,149.48  
94,116.01

Fixed Assets  
Less Reserve for Deprecia

\$200,224.96  
106,365.80

102,033.47  
\$234,321.31

93,859.18  
\$222,008.80

#### Liabilities

21,000.00	Bills Payable	11,500.00
21,448.98	Accounts Payable	None
262.64	Reserve for Unclaimed Checks	319.30
7,738.53	Reserve for Income Taxes	5,700.02
<u>\$ 50,450.15</u>		<u>\$ 17,519.32</u>

\$ 85,000.00  
5,000.00  
93,871.15

Capital Stock  
Surplus Paid in  
Undivided Profits

\$ 85,000.00  
5,000.00  
114,489.48

183,871.16  
\$234,321.31

NET WORTH

204,489.48  
\$ 222,008.80

\$ 6,294.71  
56,749.22  
25,500.00

Profit for the Month  
Profit for the Year  
Dividends Paid

\$ 6,484.91  
46,118.32  
25,500.00

341,704 Dozen

Total Knit for Year

287,546 Doz

337,460 \$617,123.64

Net Shipments for Year - \$513,788.49

287,761 "

9.2%

Percentage Profit on Sales

9.0%

.1672

Net Profit per dozen

.1742

35.98%

Percentage Earning on Investment

24.86%

**PROXY**

Know All Men by these Presents: That I, Joseph C. Boasong  
do hereby constitute and appoint T. F. Woolley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the Annual meeting of stock  
Johnson City Mills  
called to meet at Johnson City, Tenn  
Jan 29, 1930  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.



In Witness Whereof, I have hereunto set my hand; this 17 day of Jan 1930

Witness Joseph C. Boasong Signed Joseph C. Boasong

Witness Sarah D. Morgan Signed W. F. Woolley

Witness T. F. Woolley Signed T. F. Woolley

Statement of Condition of Johnson City Mills  
at Close of Business December 31, 1929

Assets

3,778.91	Cash in Tenn. Nat'l Bank	\$ 20,035.03
285.28	Cash in Tenn. Nat'l Bank PR A/C	359.40
530.13	Cash in Holston Nat'l Bank	568.63
46,563.14	Accounts Receivable	35,401.93
6,680.00	Bills Receivable	6,680.00
74,189.63	Inventory	64,547.92
260.75	Deferred Charges	556.71
<u>\$132,287.84</u>		<u>\$128,149.62</u>

\$196,149.48  
94,116.01

Fixed Assets  
Less Reserve for Deprecia

102,033.47  
\$234,321.31

93,859.18  
\$222,008.80

\$200,224.98  
106,365.80

Liabilities

21,000.00	Bills Payable	11,500.00
21,448.98	Accounts Payable	None
262.64	Reserve for Unclaimed Checks	319.30
7,738.53	Reserve for Income Taxes	5,700.02
<u>\$ 50,450.15</u>		<u>\$ 17,519.32</u>

\$ 85,000.00  
5,000.00  
93,871.15

Capital Stock  
Surplus Paid in  
Undivided Profits

\$ 85,000.00  
5,000.00  
114,489.48

183,871.16 NET WORTH  
\$234,321.31

204,489.48  
\$ 222,008.80

\$ 6,294.71  
56,749.22  
25,500.00

Profit for the Month  
Profit for the Year  
Dividends Paid

\$ 6,484.91  
46,118.32  
25,500.00

341,704 Dozen	Total Knit for Year	287,546 Doz
337,460	Net Shipments for Year - \$513,788.49	287,761 "
9.2%	Percentage Profit on Sales	9.0%
.1672	Net Profit per dozen	.1742
35.98%	Percentage Earning on Investment	24.86%

### PROXY

Know All Men by these Presents: That I, P. R. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of

Johnson City Mills called to meet at Johnson City, Jan. 29, 1930 at 1:30 P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint C. L. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 23 day of January 1930

Witness Sarah D. Morgan

Signed

P. R. Dooley

Witness T. F. Dooley

Signed

T. F. Dooley

### Statement of Condition of Johnson City Mills at Close of Business December 31, 1929

#### Assets

3,778.91	Cash in Tenn. Nat'l Bank	\$ 20,035.03
285.28	Cash in Tenn. Nat'l Bank FR A/C	359.40
530.13	Cash in Holston Nat'l Bank	568.63
46,563.14	Accounts Receivable	35,401.93
6,680.00	Bills Receivable	6,680.00
74,189.63	Inventory	64,547.92
260.75	Deferred Charges	556.71
<u>\$132,287.84</u>		<u>\$128,149.82</u>

\$196,149.48  
94,116.01

Fixed Assets  
Less Reserve for Deprecia

102,033.47  
\$234,321.31

93,859.18  
\$222,008.80

\$200,224.98  
106,365.80

#### Liabilities

21,000.00	Bills Payable	11,500.00
21,448.98	Accounts Payable	None
262.64	Reserve for Unclaimed Checks	319.30
7,738.53	Reserve for Income Taxes	5,700.02
<u>\$ 50,450.15</u>		<u>\$ 17,519.32</u>

\$ 85,000.00  
5,000.00  
93,871.16

Capital Stock  
Surplus Paid in  
Undivided Profits

\$ 85,000.00  
5,000.00  
114,489.48

183,871.16  
\$234,321.31

NET WORTH

204,489.48  
\$ 222,008.80

\$ 6,294.71  
56,749.22  
25,500.00

Profit for the Month  
Profit for the Year  
Dividends Paid

\$ 6,484.91  
46,118.32  
25,500.00

341,704 Dozen

Total Knit for Year

287,546 Doz

337,460 \*\$617,123.64

Net Shipments for Year - \$513,788.49

287,761 \*

9.2%

Percentage Profit on Sales

9.0%

.1672

Net Profit per dozen

.1742

35.98%

Percentage Earning on Investment

24.86%



**PROXY**

Know All Men by these Presents: That I, Lee J. Miller

do hereby constitute and appoint J. J. Dooly

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Johnson City, Tenn on Jan 29, 1930

and any and all adjournments thereof, and to vote on any and all business of the said company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke

any proxy heretofore given by me; and should the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 14 day of January 1929

Witness J. J. Dooly

Signed Lee J. Miller



Statement of Condition of Johnson City Mills  
at Close of Business December 31, 1929

Assets

3,778.91	Cash in Tenn. Nat'l Bank	\$ 20,035.03
285.28	Cash in Tenn. Nat'l Bank PR A/C	359.40
530.13	Cash in Holston Nat'l Bank	568.63
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6,680.00	Bills Receivable	6,680.00
74,189.63	Inventory	64,547.92
260.75	Deferred Charges	556.71
<u>\$132,287.84</u>		<u>\$128,149.62</u>

\$196,149.48  
94,116.01

Fixed Assets  
Less Reserve for Deprecia

\$200,224.98  
106,365.80

102,033.47  
\$234,321.31

93,859.18  
\$222,008.80

Liabilities

21,000.00	Bills Payable	11,500.00
21,448.98	Accounts Payable	None
262.64	Reserve for Unclaimed Checks	319.30
7,738.53	Reserve for Income Taxes	5,700.02
<u>\$ 50,450.15</u>		<u>\$ 17,519.32</u>

\$ 85,000.00  
5,000.00  
93,871.16

Capital Stock  
Surplus Paid in  
Undivided Profits

\$ 85,000.00  
5,000.00  
114,489.48

183,871.16  
\$234,321.31

NET WORTH

204,489.48  
\$ 222,008.80

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56,749.22  
25,500.00

Profit for the Month  
Profit for the Year  
Dividends Paid

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46,118.32  
25,500.00

341,704 Dozen

Total Knit for Year

287,546 Doz

337,460 \$617,123.64

Net Shipments for Year - \$513,788.49

287,761 "

9.2%

Percentage Profit on Sales

9.0%

.1672

Net Profit per dozen

.1742

35.98%

Percentage Earning on Investment

24.86%

### PROXY

Know All Men by these Presents: That I Robert E. Johnson  
Robert E. Johnson do hereby constitute and appoint  
Ben A. Monton to be my attorney, substitute and proxy, for me and in my name  
 and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
 called to meet at Johnson City, Tenn.  
July 27, 1930  
 and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
 mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke  
 any proxy heretofore given by me; and should the said \_\_\_\_\_  
 be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
 der, then, and in that event only, I appoint \_\_\_\_\_  
 to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
 or adjournments, as fully as I could were I personally present.  
 In Witness Whereof, I have hereunto set my hand; this 15th day of Jan 1930  
 Witness Margaret Walker Signed Robert E. Johnson

### Statement of Condition of Johnson City Mills at Close of Business December 31, 1929

#### Assets

3,778.91	Cash in Tenn. Nat'l Bank	\$ 20,035.03
285.28	Cash in Tenn. Nat'l Bank PR A/C	359.40
530.13	Cash in Holston Nat'l Bank	568.63
46,563.14	Accounts Receivable	35,401.93
6,680.00	Bills Receivable	6,680.00
74,189.63	Inventory	64,547.92
260.75	Deferred Charges	556.71
<u>\$132,287.84</u>		<u>\$128,149.62</u>

\$196,149.48  
 94,116.01

Fixed Assets  
 Less Reserve for Deprecia

\$200,224.90  
 106,365.80

102,033.47  
\$234,321.31

93,859.18  
\$222,008.80

#### Liabilities

21,000.00	Bills Payable	11,500.00
21,448.98	Accounts Payable	None
262.64	Reserve for Unclaimed Checks	319.30
7,738.53	Reserve for Income Taxes	5,700.02
<u>\$ 50,450.15</u>		<u>\$ 17,519.32</u>

\$ 85,000.00  
 5,000.00  
93,871.15

Capital Stock  
 Surplus Paid in  
 Undivided Profits

\$ 85,000.00  
 5,000.00  
114,489.48

183,871.16 NET WORTH  
\$234,321.31

204,489.48  
\$ 222,008.80

\$ 6,294.71  
 56,749.22  
 25,500.00

Profit for the Month  
 Profit for the Year  
 Dividends Paid

\$ 6,484.91  
 46,118.32  
 25,500.00

341,704 Dozen

Total Knit for Year

287,546 Doz

337,460 \$617,123.64

Net Shipments for Year - \$513,788.49

287,761 "

9.2%

Percentage Profit on Sales

9.0%

.1672

Net Profit per dozen

.1742

35.98%

Percentage Earning on Investment

24.86%

DIRECTORS' MEETING

Minutes of meeting of Board of Directors of Johnson City Mills held at the office of the Company at Johnson City, Tennessee at 2:00 o'clock P. M., Wednesday, January 29, 1930, this being the regular annual meeting of the directors elected by the stock holders at their annual meeting on this date.

The meeting was called to order. Upon proper motion duly made and seconded, Mr. C. L. Dooley was elected temporary Chairman and Mr. T. F. Dooley temporary Secretary.

Upon roll call it was ascertained the following members were present:

	Ben A. Morton	
C. L. Dooley		T. F. Dooley
J. P. Roddy		G. H. Gallaher

It appearing from the Secretary's report a quorum was present the Chairman declared the meeting open for business.

Upon motion of G. H. Gallaher seconded by J. P. Roddy, salaries of officers were fixed as follows:

The President at the rate of \$1200.00 per year, payable monthly.

Vice-President, Treasurer & General Manager at the rate of \$6000.00 per year, payable monthly, with a provision that in addition to this salary he shall receive 10% of the good net profits of the Corporation for the year 1930 in excess of 10% of the Capital Stock issued at par plus the average surplus and undivided profit for the year. In other words, this means that the average net worth of the Corporation shall be taken as a basis for figuring the bonus of the Vice-President, Treasurer & General Manager; and it is further provided that for this purpose the regular monthly financial statement of the Corporation be used. After a sum equal to 20% of the average net worth of the Corporation for the year has been earned the Vice-President, Treasurer & General Manager shall receive 20% of the good net profits of the Corporation, in excess of a sum equal to 20% of the average net worth of the year. It is explicitly understood that this bonus shall be figured before United States Income Tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the Corporation earnings have been ascertained. It is provided further that should the Vice-President, Treasurer & General Manager's services with the Corporation terminate at any time during the year he or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary

The next business being election of officers the polls were opened and the following officers unanimously elected:

President - Ben A. Morton

Vice-President, Treasurer & General Manager - T. F. Dooley

Secretary - Eugene Herrin

Next upon motion of Mr. G. H. Gallaher seconded by Mr. J. P. Roddy and unanimously voted a cash dividend of 15% payable at once was declared.

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

Meeting of the Board of Directors of the Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday July 22nd, 1930, at 2:00 P.M., this being the regular meeting of the Directors as called for by the-by-laws of the Company.

There was not a quorum present so the meeting adjourned.

DIRECTORS MEETING.

*T. F. Dooley*  
Vice-President.

Minutes of the meeting of the Board of Directors of the Johnson City Mills held at the office of the company, Johnson City, Tenn., Tuesday January 27th, 1931, at 1:30 o'clock P.M., this being the regular meeting as scheduled in the by-laws of the Corporation.

The President of the Corporation, Mr. B. A. Morton, called the meeting to order and in the absence of Mr. Eugene Herrin, Secretary, Mr. T. F. Dooley acted as Secretary.

Upon roll call it was ascertained that the following Directors were present:

B. A. Morton	J. P. Roddy	T. F. Dooley
G. H. Gallaher	C. L. Dooley	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

The Treasurer read to the meeting a report of the condition of the affairs of the corporation at the close of business December 31st, 1930, and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operations for the year 1930.

An examination of the Treasurer's condition report and that of the report from Dahlberg & Company showed that they were in accord in every particular. After a discussion of the report, upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley and unanimously voted the report of the Treasurer was accepted and he was directed to incorporate same in the minutes of this meeting. The Treasurer was then instructed to file the report of Dahlberg & Company with the valuable papers of the Corporation.

Upon motion of Mr. C. L. Dooley, seconded by Mr. G. H. Gallaher and unanimously voted, the President was directed to present to the annual meeting of Stockholders to be held on this date report of the Treasurer and also report of the auditing company, which two reports were to be tendered as the report of this Board of Directors to the stockholders of the corporation.

Next the President stated that the officers of the Corporation had paid a cash dividend of 15% on December 31st, 1930, since the condition of the Corporation seemed to warrant such action.

Upon motion of Mr. G. H. Gallaher, seconded by Mr. J. P. Roddy and unanimously voted, the action of the officers in paying the above mentioned dividend was approved.

Next upon motion of Mr. C. L. Dooley, seconded by Mr. G. H. Gallaher and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting upon proper motion it adjourned SINE DIE.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

## JOHNSON CITY MILLS

Condition Statement at Close of Business December 31, 1930

## ASSETS

1929		1930
\$ 20,035.03	Cash in Tenn. Nat'l Bank	\$ 4,150.15
359.40	Cash in Tenn. Nat'l Bank PR	354.89
568.63	Cash in Holston Nat'l Bank	592.89
35,401.93	Accounts Receivable	29,225.25
6,680.00	Bills Receivable	41,680.00
64,547.92	Inventory	41,008.71
556.71	Deferred Charges	449.80
<u>\$128,149.62</u>		<u>\$117,461.69</u>

\$200,224.98	Fixed Assets	\$203,236.00
<u>106,365.80</u>	Less Reserve for Deprecia.	<u>115,598.45</u>
93,859.18		87,637.55
<u>\$222,008.80</u>		<u>\$205,099.24</u>

## LIABILITIES

None	Accounts Payable	9,042.87
11,500.00	Bills Payable	4,500.00
319.30	Reserve for Unclaimed Checks	319.30
5,700.02	Reserve for Income Taxes	1,109.71
<u>\$17,519.32</u>		<u>\$14,971.88</u>

\$ 85,000.00	Capital Stock	\$ 85,000.00
5,000.00	Surplus Paid in	5,000.00
<u>114,489.48</u>	Undivided Profits	<u>100,127.36</u>
204,489.48		190,127.36
<u>\$222,008.80</u>		<u>\$205,099.24</u>

6,484.91	Profit for the Month	\$ 3,220.58
46,118.32	Profit for the Year	11,137.88
25,500.00	Dividends Paid	25,500.00

287,546 Dozen	Total Knit for the Year	255,837
287,761 - \$513,788.49	Net Shipments for Year	\$426,385.16
9.0%	Percentage Profit on Sales	2.61%
.1742	Net Profit per Dozen	10432
24.86%	Percentage Earnings on Investment	5.64

## PROXY

Know All Men by these Presents: That I R. E. McNew

do hereby constitute and appoint J. F. Dooley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual  
Johnson City Mills meeting of stockholders of  
called to meet at Office of Company at Johnson City, Tenn  
at 1.30 P.M. Jan 27, 1931  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said J. F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 19th day of Jan 1931Witness Margaret Waser Signed R. E. McNew

der, then, and in that event only, I appoint Lee James  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16 day of Jan 1931Witness \_\_\_\_\_ Signed Lee James

der, then, and in that event only, I appoint C. L. Dooley  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 22 day of January 1931Witness Engerie Dooley Signed R. E. Dooley

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 1931Witness \_\_\_\_\_ Signed Joseph B. Bosong

Witness Louisa Dressing Signed Joe H. H. H.

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1931Witness Grant H. Pickle Signed Paul Smith

JOHNSON CITY MILLS

Condition Statement at Close of Business December 31, 1930

ASSETS

1929		1930
\$ 20,035.03	Cash in Tenn. Nat'l Bank	\$ 4,150.15
359.40	Cash in Tenn. Nat'l Bank PR	354.89
568.63	Cash in Holston Nat'l Bank	592.89
35,401.93	Accounts Receivable	29,225.25
6,680.00	Bills Receivable	41,680.00
64,547.92	Inventory	41,008.71
556.71	Deferred Charges	449.80
<u>\$128,149.62</u>		<u>\$117,461.69</u>

\$200,224.98	Fixed Assets	\$203,236.00
<u>106,365.80</u>	Less Reserve for Deprecia.	<u>87,637.55</u>
93,859.18		115,598.45
<u>\$222,008.80</u>		<u>\$205,099.24</u>

LIABILITIES

None	Accounts Payable	9,042.87
11,500.00	Bills Payable	4,500.00
319.30	Reserve for Unclaimed Checks	319.30
5,700.02	Reserve for Income Taxes	1,109.71
<u>\$17,519.32</u>		<u>\$14,971.88</u>

\$ 85,000.00	Capital Stock	\$ 85,000.00
5,000.00	Surplus Paid in	5,000.00
<u>114,489.48</u>	Undivided Profits	<u>100,127.36</u>
204,489.48		190,127.36
<u>\$222,008.80</u>		<u>\$205,099.24</u>

6,484.91	Profit for the Month	\$ 3,220.58
46,118.32	Profit for the Year	11,137.88
25,500.00	Dividends Paid	25,500.00

287,546 Dozen	Total Knit for the Year	255,837
287,761 - \$513,788.49	Net Shipments for Year	\$426,385.16
9.0%	Percentage Profit on Sales	2.61%
.1742	Net Profit per Dozen	10432
24.86%	Percentage Earnings on Investment	5.64



I know All Men by these Presents: That I Lee James  
do hereby constitute and appoint C. L. Dooley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
called to meet at Office of Company, Johnson City, Tenn  
at 4:30 P.M. Jan 27, 1931  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint Secretary  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16 day of Jan 1931  
Witness \_\_\_\_\_ Signed Lee James

der, then, and in that event only, I appoint C. L. Dooley  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 22 day of January 1931  
Witness Eugene Dooley Signed C. L. Dooley

be absent from the said meeting or any and an adjournments thereat, or to be unable to act hereun-  
der, then, and in that event only, I appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 1931  
itness \_\_\_\_\_ Signed Joseph B. Brown



Witness Grace H. Pickle Signed Grace H. Pickle

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1931  
Witness Grace H. Pickle Signed Paula Smith



## JOHNSON CITY MILLS

Condition Statement at Close of Business December 31, 1930

## ASSETS

1929		1930
\$ 20,035.03	Cash in Tenn. Nat'l Bank	\$ 4,150.15
359.40	Cash in Tenn. Nat'l Bank PR	354.89
568.63	Cash in Holston Nat'l Bank	592.89
35,401.93	Accounts Receivable	29,225.25
6,680.00	Bills Receivable	41,680.00
64,547.92	Inventory	41,003.71
556.71	Deferred Charges	449.80
<u>\$128,149.62</u>		<u>\$117,461.69</u>

\$200,224.98	Fixed Assets	\$203,236.00
<u>106,365.80</u>	Less Reserve for Deprecia.	<u>115,598.45</u>
93,859.18		87,637.55
<u>\$222,008.80</u>		<u>\$205,099.24</u>

## LIABILITIES

None	Accounts Payable	9,042.87
11,500.00	Bills Payable	4,500.00
319.30	Reserve for Unclaimed Checks	319.30
5,700.02	Reserve for Income Taxes	1,109.71
<u>\$17,519.32</u>		<u>\$14,971.88</u>

\$ 85,000.00	Capital Stock	\$ 85,000.00
5,000.00	Surplus Paid in	5,000.00
<u>114,489.48</u>	Undivided Profits	<u>100,127.36</u>
204,489.48		190,127.36
<u>\$222,008.80</u>		<u>\$205,099.24</u>

6,484.91	Profit for the Month	\$ 3,220.58
46,118.32	Profit for the Year	11,137.88
25,500.00	Dividends Paid	25,500.00

287,546 Dozen	Total Knit for the Year	255,837
287,761 - \$513,788.49	Net Shipments for Year \$426,385.16	258,754
9.0%	Percentage Profit on Sales	2.61%
.1742	Net Profit per Dozen	10432
24.86%	Percentage Earnings on Investment	5.64

## PROXY

Know All Men by these Presents: That I, Robert R. Dooley  
do hereby constitute and appoint T.F. Dooley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the annual  
Johnson City Mills meeting of stockholders of

called to meet at the office of the Company, Johnson City, Tenn  
at 1:30 P.M. January, 27, 1931  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T.F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint C.L. Dooley  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 22 day of January 1931.

Witness Eugene Dooley Signed R.R. Dooley

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint B.A. Morten  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 1931.

Witness \_\_\_\_\_ Signed Joseph B. Brossing

Witness Grace J. ... Signed ...

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1931.

Witness Grace H. Pickle Signed Paula Smith

## JOHNSON CITY MILLS

Condition Statement at Close of Business December 31, 1930

ASSETS

1929		1930	
\$ 20,035.03	Cash in Tenn. Nat'l Bank	\$ 4,150.15	
359.40	Cash in Tenn. Nat'l Bank PR	354.89	
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6,680.00	Bills Receivable	41,680.00	
64,547.92	Inventory	41,008.71	
556.71	Deferred Charges	449.80	
<u>\$128,149.62</u>		<u>\$117,461.69</u>	
	<b>Fixed Assets</b>		
\$200,224.98			\$203,236.00
<u>106,365.80</u>	Less Reserve for Deprecia.	<u>87,637.55</u>	<u>115,598.45</u>
<u>\$222,008.80</u>		<u>\$205,099.24</u>	

LIABILITIES

None	Accounts Payable	9,042.87	
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5,700.02	Reserve for Income Taxes	1,109.71	
<u>\$17,519.32</u>		<u>\$14,971.88</u>	
	<b>Capital Stock</b>		
\$ 85,000.00		\$ 85,000.00	
5,000.00	Surplus Paid in	5,000.00	
<u>114,489.48</u>	Undivided Profits	<u>100,127.36</u>	
<u>204,489.48</u>		<u>190,127.36</u>	
<u>\$222,008.80</u>		<u>\$205,099.24</u>	
	<b>Profit for the Month</b>		
6,484.91		\$ 3,220.58	
46,118.32	<b>Profit for the Year</b>	11,137.88	
25,500.00	<b>Dividends Paid</b>	25,500.00	
	<b>Total Knit for the Year</b>	255,837	
287,546 Dozen	<b>Net Shipments for Year</b>	\$426,385.16	258,754
287,761 - \$513,788.49	<b>Percentage Profit on Sales</b>		2.61%
9.0%	<b>Net Profit per Dozen</b>		10432
.1742	<b>Percentage Earnings on Investment</b>		5.64
24.86%			

**PROXY**Know All Men by these Presents: That I, Joseph C. Brossing

do hereby constitute and appoint

T. Floyd Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders ofJohnson City Mills called to meet at Office of Company, Johnson City, Tenn 1.30 P.M. Tuesday Jan 27, 1931 and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke anyproxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or be unable to act hereunder, then, and in that event only, I appoint B. A. Martin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 192\_\_\_\_

Witness \_\_\_\_\_

Signed Joseph C. Brossing

Witness \_\_\_\_\_

Signed Clara BrossingIn Witness Whereof, I have hereunto set my hand; this 16 day of January 1931Witness Grace H. PickleSigned Paula Smith

JOHNSON CITY MILLS

Condition Statement at Close of Business December 31, 1930

ASSETS

1929		1930
\$ 20,035.03	Cash in Tenn. Nat'l Bank	\$ 4,150.15
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<u>\$128,149.62</u>		<u>\$117,461.69</u>

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<u>106,365.80</u>	Less Reserve for Deprecia.	<u>115,598.45</u>
93,859.18		87,637.55
<u>\$222,008.80</u>		<u>\$205,099.24</u>

LIABILITIES

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5,700.02	Reserve for Income Taxes	1,109.71
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\$ 85,000.00	Capital Stock	\$ 85,000.00
5,000.00	Surplus Paid in	5,000.00
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204,489.48		190,127.36
<u>\$222,008.80</u>		<u>\$205,099.24</u>

6,484.91	Profit for the Month	\$ 3,220.58
46,118.32	Profit for the Year	11,137.88
25,500.00	Dividends Paid	25,500.00

287,546 Dozen	Total Knit for the Year	255,837
287,761 - \$513,788.49	Net Shipments for Year	\$426,385.16
9.0%	Percentage Profit on Sales	2.61%
.1742	Net Profit per Dozen	10432
24.86%	Percentage Earnings on Investment	5.64

**PROXY**

Know All Men by these Presents: That I Geo. D. Doolley  
do hereby constitute and appoint  
T. F. Doolley to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
called to meet at Office of Company Johnson City Tenn  
at 1.30 P.M. Jan 27, 1931  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said T. F. Doolley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint B. A. Werten  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1931



Witness Grace H. Pickle Signed Geo. D. Doolley

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1931

Witness Grace H. Pickle Signed Paula Smith





## JOHNSON CITY MILLS

Condition Statement at Close of Business December 31, 1930

ASSETS

1929		1930	
\$ 20,035.03	Cash in Tenn. Nat'l Bank	\$ 4,150.15	
359.40	Cash in Tenn. Nat'l Bank PR	354.89	
568.63	Cash in Holston Nat'l Bank	592.89	
35,401.93	Accounts Receivable	29,225.25	
6,680.00	Bills Receivable	41,680.00	
64,547.92	Inventory	41,008.71	
556.71	Deferred Charges	449.80	
<u>\$128,149.62</u>		<u>\$117,461.69</u>	
<u>\$200,224.98</u>	Fixed Assets		<u>\$203,236.00</u>
<u>106,365.80</u>	Less Reserve for Deprecia.	<u>87,637.55</u>	<u>115,598.45</u>
<u>\$222,008.80</u>		<u>\$205,099.24</u>	

LIABILITIES

None	Accounts Payable	9,042.87	
11,500.00	Bills Payable	4,500.00	
319.30	Reserve for Unclaimed Checks	319.30	
5,700.02	Reserve for Income Taxes	1,109.71	
<u>\$17,519.32</u>		<u>\$14,971.88</u>	
<u>\$ 85,000.00</u>	Capital Stock		<u>\$ 85,000.00</u>
5,000.00	Surplus Paid in		5,000.00
<u>114,489.48</u>	Undivided Profits		<u>100,127.36</u>
<u>204,489.48</u>		<u>190,127.36</u>	<u>\$205,099.24</u>
<u>\$222,008.80</u>			

6,484.91	Profit for the Month	\$ 3,220.58
46,118.32	Profit for the Year	11,137.88
25,500.00	Dividends Paid	25,500.00
287,546 Dozen	Total Knit for the Year	255,837
287,761 - \$513,788.49	Net Shipments for Year	\$426,385.16
9.0%	Percentage Profit on Sales	2.61%
.1742	Net Profit per Dozen	10432
24.86%	Percentage Earnings on Investment	5.64

PROXY

Know All Men by these Presents: That I, Paul Smith  
do hereby constitute and appoint J. F. Proal  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
called to meet at Office of Company Johnson City, Tenn  
at 1.30 o'clock P.M. Jan 27, 1931  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said J. F. Proal  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint P. B. Weston  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16 day of January 1931  
Witness Grace H. Pickle Signed Paul Smith

STOCKHOLDERS MEETING.

Minutes of meeting of Stockholders of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday January 27th, 1931, at 2:00 O'clock P.M., this being the regular annual meeting of stockholders as scheduled in the by-laws of the Corporation.

Upon proper motion duly made and seconded, Mr. C. L. Dooley was elected temporary chairman and Mr. T. F. Dooley was elected temporary Secretary.

On roll call it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

B. A. Morton, holder and owner of 215 shares.	
J. P. Roddy " " " " 213 "	
T. F. Dooley " " " " 170 "	
C. L. Dooley " " " " 38 "	
G. H. Callaher " " " " 45 "	
	681

## Represented by proxy:

R. E. McNew, holder and owner of 15 shares.	
Lee P. Miller " " " " 3 "	
R. R. Dooley " " " " 37 "	
J. C. Bossong " " " " 50 "	
Geo. T. Wofford " " " " 12 "	
Powell Smith " " " " 37 "	
	154

All of the above stockholders being represented by Mr. T. F. Dooley and the proxies are incorporated with the minutes of this meeting.

It appearing from the report of the Secretary that 835 out of 850 shares of stock of the Corporation issued and outstanding were present in person or represented by proxies, the Chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Next the President stated that he had been instructed by the Board of Directors to present to the stockholders the Treasurer's report of the condition of the Corporation at the close of business December 31st, 1930, and also to present the report of Dahlberg & Company, the auditing firm, who had completed an audit of the Corporation for the year 1930.

The President, Mr. B. A. Morton, presented these two reports and after discussion on motion of Mr. G. H. Callaher, seconded by Mr. J. P. Roddy and unanimously voted, the report was accepted and the Secretary was instructed to insert the Treasurer's condition report in the minutes of this meeting as a part of the permanent records of the Corporation, and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the Corporation.

The next business being the election of the Board of Directors to serve for the ensuing year, the polls were opened and the following gentlemen were unanimously elected to serve as directors during the ensuing year:

B. A. Morton	G. H. Callaher	T. F. Dooley
C. L. Dooley	J. P. Roddy	

There being no further business to come before the meeting upon proper motion it adjourned.

T. F. Dooley  
Secretary

T. F. Dooley  
Chairman

DIRECTORS' MEETING

Minutes of meeting of Board of Directors of Johnson City Mills held at the office of the company Tuesday January 27th, 1931, at 2:30 o'clock P.M., this being the regular annual meeting of directors elected by the stockholders at their annual meeting on this date.

The meeting was called to order and upon proper motion duly made and seconded Mr. C. L. Dooley was elected temporary chairman and T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following members were present:

B. A. Morton	J. P. Roddy	T. F. Dooley
C. L. Dooley	G. H. Callaher	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. G. H. Callaher, seconded by Mr. J. P. Roddy, salaries of officers were fixed as follows:

President At the rate of \$1200.00 per year payable monthly.  
Vice-President, Treasurer and Manager At the rate of \$6000.00 per year payable monthly, with a provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1931 in excess of 10% of the capital stock issued at par plus the average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken as a basis for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After a sum equal to 20% of the net worth of the corporation for the year has been earned the Vice-President, Treasurer and Manager shall receive 20% of the good net profits of the corporation in excess of a sum equal to 20% of the average net worth for the year. It is explicitly understood that this bonus shall be figured before the United States income tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Secretary No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton  
Vice-President, Treasurer & General Manager - T. F. Dooley.  
Secretary - Eugene Herrin.

Next upon motion of Mr. J. P. Roddy and seconded by Mr. B. A. Morton and unanimously voted, a cash dividend of 15% payable at once was declared.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

## DIRECTORS MEETING.

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City Tuesday, July 28th, 1931, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the Corporation.

There was not a quorum present so the meeting adjourned.

*T. F. Dooley*  
Vice-President.

## DIRECTORS MEETING.

Minutes of the meeting of the Board of Directors of Johnson City Mills held at the office of the president, Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., Tuesday Jan. 26th, 1932, at ten o'clock A.M., this being the regular meeting as scheduled in the by-laws of the Corporation.

The president of the Corporation, Mr. B. A. Morton, called the meeting to order and in the absence of Mr. Eugene Herrin, T. F. Dooley acted as secretary.

Upon roll call it was ascertained the following directors were present:

B. A. Morton                      J. P. Roddy                      T. F. Dooley  
C. L. Dooley                      G. H. Gallaher

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

The treasurer read to the meeting a report of the condition of the affairs of the Corporation at the close of the year 1931 and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operations for the year 1931.

An examination of the treasurer's condition report and that of Dahlberg & Company showed that they were in accord in every particular. After a discussion of the report upon motion of Mr. C. L. Dooley, seconded by Mr. J. P. Roddy and unanimously voted the report of the treasurer was accepted and he was directed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg & Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Gallaher, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the annual meeting of stockholders to be held on this date the report of the treasurer and also the report of the auditing company, which two reports were to be tendered as the report of this Board of Directors to the stockholders of the corporation.

Next the president stated that the officers of the corporation had paid a cash dividend of 5% on July 27th, 1931, since the condition of the Corporation seemed to warrant such action.

Upon motion of Mr. C. L. Dooley, seconded by Mr. G. H. Gallaher and unanimously voted, the action of the officers in paying the above mentioned dividend was approved.

Next upon motion of Mr. C. L. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned.  
SINE DIE.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

Statement of Condition of Johnson City Mills  
at Close of Business December 31st, 1931.

1930		ASSETS	1931	
\$ 4,150.15	Cash in Tenn Natl. Bank		\$ 4,779.93	
354.89	" " " " " " Gen. A/c.		367.89	
592.89	" " " " " " P.R.A/c.		178.59	
29,225.25	Accounts Receivable		18,761.89	
41,680.00	Bills Receivable		38,880.00	
41,008.71	Inventory		42,680.66	
449.80	Deferred Charges		367.73	
<u>117,461.69</u>			<u>106,016.69</u>	
\$203,236.00	Fixed Assets			\$205,560.00
<u>115,598.45</u>	Less Reserve for Depreciation			<u>121,591.52</u>
	87,637.55		83,968.48	
	<u>205,099.24</u>		<u>189,985.17</u>	

		LIABILITIES		
	9,042.87	Accounts Payable		5,599.36
	4,500.00	Bills Payable		5,000.00
	319.30	Reserve for Unclaimed Checks		321.96
1930 -	1,109.71	Reserve for Income Tax		None
	<u>14,971.88</u>			<u>10,921.32</u>
\$ 85,000.00	Capital Stock			85,000.00
5,000.00	Surplus Paid In			5,000.00
<u>100,127.36</u>	Undivided Profits			<u>89,063.85</u>
	190,127.36		179,063.85	
	<u>205,099.24</u>		<u>189,985.17</u>	

3,220.58	Profit for Month		1,760.06
11,137.88	Profit for Year		2,992.18
25,500.00	Dividends Paid		17,000.00
	Depreciation Account for 1929 & 1930 lowered by Government		3,212.54
	Additional Income Tax paid for 1929		268.23
255,837 Dozen	Total Knit for Year		173,586 Dozen
258.754	Net Shipments for Year	\$248,013.25	164,887 "
2.61%	Percentage Profit on Sales		1.21%
.0432	Net Profit per dozen		.0179
4.64%	Percentage Earning on Investment		1.67%

Analysis of Inventory & Advance Sales. <i>Dec 31, 1931</i>						
Style	Doz.	On Hand	Price Finished	Doz.	Average Price.	Estimated Amount
		Inv.				
200	535	.85 on 7 R&F 5¢				
206	421	.85 do		560	.82½ All Sizes	\$ 453.75
224		.65 do		5,634	.82½ do	4,648.05
227	1,986	.65 do		72	1.37½ do	99.00
333	572	1.15 on 7 R&F 7½¢		1,045	1.37½ do	1,436.85
512	784	1.15 do		6,303	1.30 on 7 R&F 5¢	8,509.00
400	8,910	1.00 on 7 R&F 5¢		10,377	1.30 on 7 R&F 5¢	14,009.00
406	6,762	1.00 do				
241	310	1.50 on 7 R&F 10¢		125	2.12½ All Sizes	265.65
210	339	1.75 do				
204	179	1.40 do		1,742	1.20 do	2,090.40
244	2,823	1.00 on 7 R&F 5¢		1,300	1.55 do	2,015.00
334	1,057	1.20 on 7 R&F 7½¢		60	1.20 do	72.00
500	1,683	1.00 on 7 R&F 5¢				
506	639	1.00 do		180	1.50 do	270.00
840	63	1.15 on 7 R&F 7½¢		6	1.50 do	9.00
841	171	1.00 do				
140	98	1.00 do				
142	20	.60 All Sizes		30	1.55 do	46.50
150	65	1.00 on 7 R&F 7½¢		28	1.50 do	42.00
152A	120	1.10 do		260	.90 do	234.00
156	254	1.00 do				
821	139	.80 on 7 R&F 5¢		318	1.15 do	365.70
822	240	.65 do		617	1.15 do	709.60
830	329	.65 do				
923	133	.65 do				
924	40	.80 do				
926	248	.80 do				
929	48	.80 do				
360	135	1.40 All Sizes		30	1.20 do	36.00
877	108	.80 do		75	1.50 do	112.50
365	112	1.75 do				
371	117	1.50 do				
385	117	1.10 do				
266	72	.80 on 7 R&F 7½¢				
29,629				28,762		35,424.00
<b>SECONDS</b>						
200/1	144	.60 All Sizes				
206/1	24	.60 do				
227/1	238	.60 do				
333/1	526	.75 do				
512/1	431	.75 do				
400/1	200	.65 do				
406/1	232	.65 do				
241/1	442	.75 do				
210/1	375	1.00 do				
204/1	159	.75 do				
244/1	398	.65 do				
334/1	92	.75 do				
500/1	151	.65 do				
506/1	35	.65 do				
840/1	28	.70 do				
841/1	228	.75 do				
140/1	39	.75 do				
150/1	33	.75 do				
152/1	164	.75 do				
156/1	31	.75 do				
821/1	34	.65 do				
822/1	26	.60 do				
823/1	8	.65 do				
824/1	2	.65 do				
926/1	22	.65 do				
929/1	7	.65 do				
360/1	14	.80 do				
877/1	21	.60 do				
365/1	90	1.00 do		36	1.30 All Sizes	47.00
371/1	78	.80 do				
385/1	92	.65 do				
266/1	11	.50 do				
4,448				36		47.00
34,077				28,798		35,471.00

STOCK HOLDERS' MEETING

Minutes of the meeting of stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, President, Fidelity Bankers Trust Building, Knoxville, Tenn., at ten thirty o'clock A.M. Tuesday, January 26th, 1932, this being the regular annual meeting of stockholders as scheduled in the by-laws of the Corporation.

Upon proper motion duly made and seconded G. L. Dooley was elected temporary chairman and T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in Person:

- B. A. Morton, - Holder and owner of 215 shares
- J. P. Roddy - Holder and owner of 213 shares
- T. F. Dooley - Holder and owner of 170 shares
- C. L. Dooley - Holder and owner of 38 shares
- G. H. Gallaher - Holder and owner of 45 shares
- Geo. T. Wofford - Holder and owner of 12 shares

Totaling - 693 shares

Represented by Proxy; which proxies are incorporated with the minutes of this meeting:

- R. E. McNew - Holder and owner of 15 shares
- Lee F. Miller - Holder and owner of 3 shares

Totaling - 18 shares

It appearing from the report of the secretary that 711 out of 850 shares of the stock of the corporation issued and outstanding were present in person or represented by proxies, the chairman declared the meeting open for business.

The minutes of the previous meeting were ready and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report of the condition of the Corporation at the close of business December 31st, 1931, and also to present the report of Dahlberg & Company, the auditing firm who had completed an audit of the Corporation for the year 1931.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. Geo. T. Wofford, seconded by Mr. G. H. Gallaher and unanimously voted, the report was accepted and the secretary was instructed to insert the Treasurer's condition report in the minutes of this meeting as a part of the permanent records of the Corporation, and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the Corporation.

The next business being the election of the Board of Directors to serve for the ensuing year, the polls were opened and the following gentlemen were unanimously elected to serve as directors during the ensuing year:

- B. A. Morton
- G. L. Dooley
- G. H. Gallaher
- J. P. Roddy
- T. F. Dooley

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*G. L. Dooley*  
Chairman

## PROXY



Know All Men by these Presents: That I R. E. McMur  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the Annual meeting of stockholders of  
Johnson City Mills  
called to meet at Office of B. A. Morton, President  
Knoxville, Tenn.  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said T. F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 27 day of Jan - 1932

Witness W. H. Deere Signed R. E. McMur

## PROXY



Know All Men by these Presents: That I Lee F. Miller,  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my  
name and behalf to attend the annual meeting of stockholders of  
Johnson City Mills  
called to meet at Knoxville, Tenn. office of B. A. Morton, President  
in the Fidelity Bankers Trust Building Tuesday, Jan. 26, 1932  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any  
proxy heretofore given by me; and should the said T. F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 26 day of Jan 1932

Witness W. H. Deere Signed Lee F. Miller

**DIRECTORS' MEETING**

Minutes of meeting of Board of Directors of Johnson City Mills held  
at the office of Mr. B. A. Morton, President, Fidelity Bankers Trust  
Building, Knoxville, Tenn., Tuesday January 26th, 1932, at eleven o'clock  
A.M., this being the regular annual meeting directors elected by the  
stockholders at their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and  
seconded, Mr. C. L. Dooley was elected temporary chairman and Mr. T. F.  
Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following members were  
present:

B. A. Horton  
C. L. Dooley

J. P. Roddy  
G. H. Gallaher

T. F. Dooley

It appearing from the secretary's report a quorum was present the  
chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Gallaher and  
unanimously voted, salaries of officers were fixed as follows:

President - No Salary.

Vice-President, Treasurer and Manager at the rate of \$6,000.00 per year  
payable monthly, with a provision that in addition to this salary he shall  
receive 10% of the good net profits of the corporation for the year 1932 in  
excess of 10% of the capital stock issued at par plus the average surplus  
and undivided profit for the year. In other words, this means that the  
average net worth of the corporation shall be taken as a basis for figuring  
the bonus of the Vice-President, Treasurer and General Manager; and it is  
further provided that for this purpose the regular monthly financial state-  
ment of the corporation be used. After a sum equal to 20% of the net  
worth of the corporation for the year has been earned the Vice-President,  
Treasurer and Manager shall receive 20% of the good net profits of the  
corporation in excess of a sum equal to 20% of the average net worth for the  
year. It is explicitly understood that this bonus shall be figured before  
the United States income tax is deducted. This additional salary of bonus  
shall be paid at the end of the year as soon as the corporation's earnings  
have been ascertained. It is further provided that should the Vice-  
President, Treasurer and General Manager's services with the corporation  
terminate at any time during the year he, or his estate, shall receive the  
proportionate part of the bonus earned for the year that the actual time  
employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were  
opened and the following officers were unanimously elected;

President - B. A. Morton.  
Vice-President, Treasurer & General Manager - T. F. Dooley  
Secretary - Eugene Herrin.

Next the treasurer brought up a question that had been raised by  
Dahlberg & Company, the company's auditors, as to whether an additional  
bonus was due him for the year 1929 on account of change in depreciation  
rate by the Federal Government for that year thereby increasing the  
corporation's profit. After a general discussion it was unanimously agreed  
that no action be taken on this matter at this time.

Next the Vice-President, Treasurer and General Manager reported to  
the directors certain discussions which he had had with business interests  
in the cities of Greeneville and Erwin relative to the starting of a new  
plant in one of these two cities. He explained in detail the proposition  
he had in mind as regards starting a full fashioned hosiery plant provided  
a favorable purchase of equipment could be made and a favorable contract  
for a building and other inducements be secured from one of the two cities  
mentioned.

After a general discussion of this matter it was decided that no final  
action would be taken at this meeting, but the manager was directed to  
continue his negotiations and if he secured figures which he and the  
president deemed worthy of consideration to present them to a call meeting  
when these figures were available.

There being no further business to come before the meeting, upon proper  
motion it adjourned.

T. F. Dooley  
Secretary

T. F. Dooley  
Chairman

### DIRECTORS MEETING.

The regular meeting of the Board of Directors of Johnson City Mills  
was called to order at the office of the company in Johnson City  
Tuesday, July 26th, 1932, at two o'clock P.M., this being the regular  
meeting as called for in the by-laws of the Corporation.

There was not a quorum present so the meeting adjourned.

T. F. Dooley  
Vice-President.

Minutes of the meeting of the Directors of Johnson City Mills held at the office of Mr. B. A. Morton at the Fidelity Bankers Trust Bldg., Knoxville, Tenn., January 24th, 1933, at ten thirty o'clock A.M., this being the regular annual meeting as scheduled in the by-laws of the Corporation.

The president of the Corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary.

Upon roll call it was ascertained the following directors were present:

B. A. Morton	J. P. Roddy	
C. L. Dooley	G. H. Gallaher	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

The treasurer and manager read to the meeting a report of the condition of the affairs of the corporation at the close of business for the year 1932 and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operations for the year 1932.

An examination of the treasurer's condition report and that of Dahlberg & Company showed that they were in accord in every particular. After a discussion of the report upon motion of Mr. G. H. Gallaher, seconded by C. L. Dooley and unanimously voted the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg & Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Gallaher, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the annual meeting of stockholders to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as the report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. C. L. Dooley, seconded by Mr. G. H. Gallaher and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned SINE DIE.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

### PROXY

Know All Men by these Presents: That I, Lee F. Miller,

do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the annual meeting of stockholders of

called to meet at Knoxville, Tenn. Tuesday, January 24, 1933, at 10:30 a.m.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 20th day of January 1933

Witness [Signature]

Signed Lee F. Miller

Signed \_\_\_\_\_

### STOCKHOLDERS' MEETING

Minutes of the meeting of stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, President, Fidelity Bankers Trust Building, Knoxville, Tenn., at ten forty-five A.M. Tuesday, 24th, 1933, this being the regular annual meeting of stockholders as scheduled in the by-laws of the corporation.

Upon proper motion, duly made and seconded, Mr. Powell Smith was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

B. A. Morton,	- Holder and owner of 215 shares.
J. P. Roddy	- Holder and owner of 213 shares.
T. F. Dooley	- Holder and owner of 170 shares.
C. L. Dooley	- Holder and owner of 38 shares.
G. H. Gallaher	- Holder and owner of 45 shares.
Powell Smith	- Holder and owner of 37 shares.

Totaling - 718 shares.

Represented by proxy, which proxies are incorporated with the minutes of this meeting:

Lee F. Miller	- Holder and owner of 3 shares, Represented by T.F. Dooley
J. C. Bossong	- Holder and owner of 50 shares, Represented by T.F. Dooley
Eugene Herrin	- Holder and owner of 10 shares, Represented by T.F. Dooley
R. E. McNew	- Holder and owner of 15 shares, Represented by B.A. Morton

Totaling - 78 shares

It appearing from the report of the secretary that 796 out of 850 shares of the stock of the corporation issued and outstanding were present in person or represented by proxies, the chairman declared the meeting open for business.

The minutes of the previous meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report of the condition of the corporation at the close of business December 31st, 1932, and also to present the report of Dahlberg & Company, the auditing firm who had completed an audit of the corporation for the year 1932.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. G. H. Gallaher, seconded by Mr. C. L. Dooley and unanimously voted, the report was accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation, and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were open and the following gentlemen were unanimously elected to serve as directors during the ensuing year:

B. A. Morton	G. H. Gallaher	T. F. Dooley
C. L. Dooley	J. P. Roddy	

There being no further business to come before the meeting upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*Powell Smith*  
Chairman

Minutes of the meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, President, Fidelity Bankers Trust Building, Knoxville, Tenn., Tuesday January 24th, 1933, at eleven o'clock A.M., this being the regular annual meeting of the new Board of Directors elected by the stockholders at their annual meeting on this date.

The meeting was called to order and upon proper motion duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following members were present:

B. A. Morton	G. H. Gallaher	T. F. Dooley
C. L. Dooley	J. P. Roddy	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, salaries of officers were fixed as follows:

President - No Salary.

Vice-President, Treasurer and Manager at the rate of \$5,000.00 per year payable monthly, with a provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1933 in excess of 10% of the capital stock issued at par plus the average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken as a basis for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After a sum equal to 20% of the net worth of the corporation for the year has been earned the Vice-President, Treasurer and Manager shall receive 20% of the good net profits of the corporation in excess of a sum equal to 20% of the average net worth for the year. It is explicitly understood that this bonus shall be figured before the United States income tax is deducted. This additional salary of bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that the actual time employed would entitle him to.

Secretary - No Salary.

The next business being the election of officers the polls were open and the following officers were unanimously elected:

President - B. A. Morton  
Vice-President, Treasurer and General Manager - T. F. Dooley.  
Secretary - Eugene Herrin

Next there was a general discussion of the affairs of the corporation and the treasurer and manager discussed in detail the operations of the company's business for the previous year which showed a net loss of \$18,316.41, making the statement that \$7,800.00 of this loss was sustained through inventory decline and further stating to the Directors that certain wage reductions as well as salary reductions had been put in effect January 16th, 1933, which would reduce operating costs about \$12,000.00 per year if the company secured the same volume of business as last year.

The Manager further explained to the Directors the status of his indebtedness to the corporation and also the financial statement of the corporation so that all directors present would be fully advised in detail as regards these matters.

There being no further business to come before the meeting upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

## DIRECTORS MEETING.

Minutes of meeting of the directors of Johnson City Mills held at the office of Mr. B. A. Morton at the Fidelity Bankers Trust Building, Knoxville, Tenn., on Wednesday May 31st, 1933, at ten o'clock A.M., this being a special call meeting of the Board.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and Mr. T. F. Dooley acted as secretary.

Upon roll call it was ascertained that the following directors were present:

B. A. Morton	J. P. Roddy
C. L. Dooley	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The chairman requested the treasurer and general manager to state the reason for the meeting whereupon Mr. T. F. Dooley stated that due to the fact that it had been deemed wise to abandon the corporation's plant at Elizabethton and move the equipment to Johnson City, Tenn., it was necessary that additional floor space be provided at the Johnson City plant so this equipment could be run. He stated that he had had plans drawn and secured bids on such a building extension and submitted the bids to the directors. After considerable discussion of the condition of the business and the necessity of this building it was moved by Mr. B. A. Morton, seconded by Mr. J. P. Roddy, that the bid of the Emory Construction Company amounting to \$5613.38 be accepted for the building of an extension fifty by sixty feet to the present mill building in accordance with the plans and specifications prepared by Coile and Cardwell, architects.

Upon motion being put it was unanimously carried, all the directors present voting in the affirmative.

There being no further business to come before the meeting upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

## DIRECTORS MEETING.

Regular meeting of the Board of Directors of Johnson City Mills called to order at the office of the company at Johnson City, Tenn., Tuesday, July 25th, 1933, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation. There was not a quorum present so the meeting adjourned.

T. F. Dooley  
Vice-President.

*This statement is part of Minutes of  
Stockholders meeting held Jan. 24, 1933  
see page 137 this book.*

STATEMENT OF CONDITION OF JOHNSON CITY MILLS

At close of business December 31st, 1932.

ASSETS

Cash in Hamilton Nat'l Bank - Gen A/c	\$	225.71	
" " " " " P.R.A/c		373.18	
" " First Nat'l. Bank (Closed)		178.59	
Accounts Receivable		32,641.71	
Bills Receivable		32,280.00	
Inventory		42,138.94	
Deferred Charges		645.30	
		<u>\$108,483.43</u>	
Fixed Assets			\$208,982.58
Less Reserve for Depreciation			<u>130,423.60</u>
		<u>78,558.98</u>	
		<u>\$187,042.41</u>	

LIABILITIES

Accounts Payable	\$	13,949.27	
Bills Payable		12,000.00	
Reserve for Unclaimed Checks		345.70	
		<u>\$ 26,294.97</u>	
CAPITAL STOCK			
Surplus Paid in	\$	85,000.00	
Undivided Profits		5,000.00	
NET WORTH		<u>70,747.44</u>	
		<u>160,747.44</u>	
		<u>\$ 187,042.41</u>	

Deficit for the Month			
Profit for the Month	\$1,429.55		
Deficit for the Year	None		
Profit for the Year	18,316.41		
Dividends Paid	None		
	None		

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, January 23rd, 1934, at 1:30 o'clock P.M.

There was not a quorum present so the meeting adjourned to meet at the same hour and place Tuesday, January 30th, 1934.

*T. F. Dooley*  
Vice-President

STOCKHOLDERS MEETING

The regular annual meeting of the stockholders of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., on Tuesday, January 23rd, 1934, at 2:00 o'clock P.M.

There was not a quorum present so the meeting adjourned to meet at the same place and hour on Tuesday, January 30th, 1934.

DIRECTORS MEETING.

Minutes of meeting of directors of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 1:30 P.M., this being an adjournment of the regular annual meeting held Tuesday, January 23rd, 1934, which meeting failed for a quorum.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Herrin, Mr. T. F. Dooley acted as secretary.

Upon roll call it was ascertained the following directors were present:

B. A. Morton	G. H. Gallaher
C. L. Dooley	T. F. Dooley
J. P. Roddy	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business. The minutes of the last annual meeting of the Board of Directors were read and approved, and also the minutes of a special call meeting held at the office of Mr. B. A. Morton on Wednesday, May 31st, 1933., were read and approved.

The treasurer and manager read to the meeting a report of the condition of the affairs of the corporation at the close of business for the year 1933, and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operation for the year 1933.

An examination of the treasurer's condition report and that of Dahlberg & Company showed that they were in accord in every particular.

After a discussion of the report, upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Gallaher, and unanimously voted, the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg & Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Gallaher, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the annual meeting of stockholders to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as the report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

*T. F. Dooley*

*B. A. Morton*  
Chairman



Minutes of meeting of stockholders of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 3:00 o'clock PM, this being an adjournment from the regular annual stockholders meeting held at the same place and hour Tuesday, January 23rd, 1934, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy.

Present in person:

B. A. Morton, holder and owner of	215 shares
J. P. Roddy, " " " "	213 "
T. F. Dooley " " " "	170 "
G. H. Gallaher " " " "	45 "
C. L. Dooley " " " "	38 "
Total	
	681

Represented by proxy, which proxies are incorporated with the minutes of this meeting:

Lee F. Miller, holder and owner of 3 shares, represented by T.F. Dooley	
J. C. Bossong, " " " " 50 " " " "	
Eugene Herrin, " " " " 10 " " " "	
Geo. T. Wofford, " " " " 2 " " " "	
R. E. McNew, " " " " 15 " " " "	
Total	
	80 " B.A. Morton

It appearing from the report of the secretary that 761 out of 850 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the previous meeting were read and upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously carried, they were approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1933, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1933.

The president, Mr. B. A. Morton, presented these two reports and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

At this time the president stated that the Board of Directors in a special call meeting held on May 31st, 1933, had authorized the officers to accept a bid of \$5813.38 for the building of an extension 50' x 60' to the present mill buildings in Johnson City. The reason for this extension was that the officers had deemed it wise to abandon the corporation's plant at Elizabethton, Tenn., as a matter of economy in operation and the new floor space was needed to accommodate the equipment formerly operated at Elizabethton.

After some discussion, upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, the action of the Board of Directors was approved.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

- |                |              |
|----------------|--------------|
| B. A. Morton   | J. P. Roddy  |
| C. L. Dooley   | T. F. Dooley |
| G. H. Gallaher |              |

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*J. P. Roddy*

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
AT CLOSE OF BUSINESS DECEMBER 30, 1933

1932	ASSETS	1933
\$ 225.71	Cash in Hamilton Nat'l Bank	\$ 1,080.94
373.18	Cash in Hamilton " " PR A/C	375.18
178.59	Cash in Nat'l Bank (Closed)	166.09
32,641.71	Accounts Receivable	17,621.19
32,280.00	Bills Receivable	25,500.00
42,138.94	Inventory	99,140.79
645.30	Deferred Assets	515.02
<u>\$108,483.43</u>		<u>\$144,399.21</u>
\$208,982.58	Fixed Assets	\$222,412.94
<u>130,423.60</u>	Less Reserve for Depreciation	<u>136,412.57</u>
78,558.98		86,000.37
<u>\$187,042.41</u>		<u>\$230,399.58</u>
	LIABILITIES	
\$ 13,949.27	Accounts Payable	\$ 7,320.21
12,000.00	Bills Payable	34,300.00
345.70	Reserve for Unclaimed Checks	345.70
None	Reserve for Income Taxes	3,806.85
<u>\$26,294.97</u>		<u>\$45,772.76</u>
\$85,000.00	Capital Stack	\$ 85,000.00
5,000.00	Surplus Paid in	5,000.00
<u>70,747.44</u>	Undivided Profits	<u>94,626.82</u>
160,747.44	NET WORTH	184,626.82
<u>\$187,042.41</u>		<u>\$230,399.58</u>
None	Profit for the Month	\$ 4,698.44
None	Profit for the Year	23,879.38
\$ 1,429.55	Deficit for the Month	None
18,316.41	Deficit for the Year	None
	Dividends Paid	None
181,521 Dozen	Total Knit for the Year	316,009 Dozen
180,320 "	Net Shipments for Year	\$230,266.82-268,348 "
(9.63%) loss	Percentage Profit on Sales	10.37%
(.1016) loss	Net Profit per dozen	.089
\$172,631.43	Average Investment for Year	\$164,494.16
(10.54%) loss	Percentage Earning on Investment	14.52%

## PROXY

Know All Men by these Presents: That I, Joseph L. Brassey  
do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the Annual meeting of stockholders of

Johnson City Mills  
called to meet at Johnson City, Tenn. at 1:30 P.M. Tuesday

Jan 29, 1934  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any

proxy heretofore given by me; and should the said  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 24 day of Jan 1934

Witness T. F. Dooley Signed Joseph L. Brassey

In Witness Whereof, I have hereunto set my hand; this 30 day of Jan 1934

Witness T. F. Dooley Signed Eugene Herrin

Witness J. P. Roddy Signed W. H. Johnson

Witness J. P. Roddy Signed J. P. Roddy

Witness T. F. Dooley Signed T. F. Dooley

Witness T. F. Dooley Signed T. F. Dooley

### DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of  
the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 2:30  
o'clock P.M., this being the first meeting of the new directorate elected by  
the stockholders of the corporation in their annual meeting on this date.

The meeting was called together and upon proper motion, duly made and seconded,  
Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected  
temporary secretary. Upon rollcall it was ascertained that the following  
directors were present:

J. P. Roddy	B. A. Morton	T. F. Dooley
G. H. Gallaher	C. L. Dooley	

It appearing from the secretary's report a quorum was present the chairman  
declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously  
voted, the salaries of the officers were fixed as follows:

President - No salary.  
Vice-President, Treasurer and General Manager at the rate of  
\$6,000 per year payable monthly, with the provision that in addition to this  
salary he shall receive 10% of the good net profits of the corporation for  
the year 1934 or 10% of the capital stock issued at par plus an average  
surplus and undivided profit for the year. In other words this means that  
the average net worth of the corporation shall be taken for figuring the  
bonus of the Vice-President, Treasurer and General Manager; and it is further  
provided that for this purpose the regular monthly financial statement of the  
corporation be used. After the sum equal to 20% of the average net worth  
of the corporation for the year has been earned the Vice-President, Treasurer  
and General Manager shall receive 20% of the good net profits of the corpora-  
tion. It is explicitly understood that this bonus shall be figured before any  
United States income tax or excess profits tax is deducted. This additional  
salary or bonus shall be paid at the end of the year as soon as the corpora-  
tion's earnings have been ascertained. It is further provided that should  
the Vice-President, Treasurer and General Manager's services with the corpora-  
tion terminate at any time during the year he, or his estate, shall receive  
the proportionate part of the bonus earned for the year that actual time  
employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were opened and the  
following officers were unanimously elected:

President - B. A. Morton  
Vice-President, Treasurer and General Manager - T. F. Dooley  
Secretary - Eugene Herrin

Next there was a general discussion of the affairs of the corporation and the  
manager stated that the profit for the past year had been to a large extent  
due to depreciation of inventory value due to the plant going on the N.R.A.  
code, but even before they went on the code the plant had actually been on an  
earning basis for the months of April, May, June and July and had earned in  
those four months \$3178.60 in excess of the sum of \$4302.63 which had been lost  
in the first quarter of the year.

He further stated that while the corporation had a very large inventory at the  
close of the year it was conservatively taken as to value and that orders were  
on hand for the excess of 90,000 dozen goods and that prospects for operation  
at a profit for the first six months of the year 1934 were excellent.

He further stated that he was being urged by buyers to quote prices for goods  
for fall delivery which could not be made up for some three or four months  
and expressed the opinion that it would be unwise to accept such business  
unless these orders were covered by a clause fully protecting the company  
against any advance in cost due to Federal legislation or regulations within  
the industry itself.

He further stated that business was being booked by competitors at prices which  
he could not meet and show a profit and that in view of the improved outlook  
for business he felt it unwise to book business unless it could be booked at  
a price which would show a profit and in addition to this have the protection  
as to increased costs, as stated above.

The directors unanimously concurred in this opinion.

Next the manager told the directors of the status of the company's loan to him  
in the amount of \$23,000 which was not changed and the directors were fully  
advised on this matter and accepted the manager's statement that he hoped to  
curtail the loan to a considerable extent through his portion of the antici-  
pated profits for the year 1934. There was no objection from any director  
present regarding this matter.

Next the manager discussed some figures regarding the corporation's history  
since its beginning, showing that for the seventeen year period since the  
corporation had been organized, that including the value of the stock today,  
according to the books of the company, each original investor had earned an  
average of 20% per year for the entire seventeen years and that they had  
received 12% per year for the entire seventeen years in actual cash dividends.

There being no further business to come before the meeting, upon proper  
motion it adjourned.

J. P. Roddy Chairman

T. F. Dooley Secretary.

## PROXY

Know All Men by these Presents: That I, Eugene Herrin  
do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the Annual meeting of stockholders of

Johnson City Mills  
called to meet at Johnson City, Tenn. Tuesday Jan  
30, 1934 at 1:30 o'clock P.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any

proxy heretofore given by me; and should the said  
absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-

then, and in that event only, I appoint  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 30 day of Jan 1934

Witness T. F. Dooley Signed Eugene Herrin

Witness J. P. Roddy Signed J. P. Roddy

Witness G. H. Gallaher Signed G. H. Gallaher

Witness B. A. Morton Signed B. A. Morton

## DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 2:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called together and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following directors were present:

J. P. Roddy	B. A. Morton	T. F. Dooley
G. H. Gallaher	C. L. Dooley	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, the salaries of the officers were fixed as follows:

President - No salary.  
Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1934 <sup>in excess of</sup> 10% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 20% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton  
Vice-President, Treasurer and General Manager - T. F. Dooley  
Secretary - Eugene Herrin

Next there was a general discussion of the affairs of the corporation and the manager stated that the profit for the past year had been to a large extent due to depreciation of inventory value due to the plant going on the N.R.A. code, but even before they went on the code the plant had actually been on an earning basis for the months of April, May, June and July and had earned in those four months \$3178.60 in excess of the sum of \$4302.63 which had been lost in the first quarter of the year.

He further stated that while the corporation had a very large inventory at the close of the year it was conservatively taken as to value and that orders were on hand for the excess of 90,000 dozen goods and that prospects for operation at a profit for the first six months of the year 1934 were excellent.

He further stated that he was being urged by buyers to quote prices for goods for fall delivery which could not be made up for some three or four months and expressed the opinion that it would be unwise to accept such business unless these orders were covered by a clause fully protecting the company against any advance in cost due to Federal legislation or regulations within the industry itself.

He further stated that business was being booked by competitors at prices which he could not meet and show a profit and that in view of the improved outlook for business he felt it unwise to book business unless it could be booked at a price which would show a profit and in addition to this have the protection as to increased costs, as stated above.

The directors unanimously concurred in this opinion.

Next the manager told the directors of the status of the company's loan to him in the amount of \$23,000 which was not changed and the directors were fully advised on this matter and accepted the manager's statement that he hoped to curtail the loan to a considerable extent through his portion of the anticipated profits for the year 1934. There was no objection from any director present regarding this matter.

Next the manager discussed some figures regarding the corporation's history since its beginning, showing that for the seventeen year period since the corporation had been organized, that including the value of the stock today, according to the books of the company, each original investor had earned an average of 20% per year for the entire seventeen years and that they had received 12% per year for the entire seventeen years in actual cash dividends.

There being no further business to come before the meeting, upon proper motion it adjourned.

J. P. Roddy  
Chairman

T. F. Dooley  
Secretary.

President - No salary.  
 Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1934 ~~and 10%~~ 10% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 20% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton  
 Vice-President, Treasurer and General Manager - T. F. Dooley  
 Secretary - Eugene Herrin

Next there was a general discussion of the affairs of the corporation and the manager stated that the profit for the past year had been to a large extent due to depreciation of inventory value due to the plant going on the N.R.A. code, but even before they went on the code the plant had actually been on an earning basis for the months of April, May, June and July and had earned in those four months \$3178.60 in excess of the sum of \$4302.63 which had been lost in the first quarter of the year.

He further stated that while the corporation had a very large inventory at the close of the year it was conservatively taken as to value and that orders were on hand for the excess of 90,000 dozen goods and that prospects for operation at a profit for the first six months of the year 1934 were excellent.

He further stated that he was being urged by buyers to quote prices for goods for fall delivery which could not be made up for some three or four months and expressed the opinion that it would be unwise to accept such business unless these orders were covered by a clause fully protecting the company against any advance in cost due to Federal legislation or regulations within the industry itself.

He further stated that business was being booked by competitors at prices which he could not meet and show a profit and that in view of the improved outlook for business he felt it unwise to book business unless it could be booked at a price which would show a profit and in addition to this have the protection as to increased costs, as stated above.

The directors unanimously concurred in this opinion.

Next the manager told the directors of the status of the company's loan to him in the amount of \$23,000 which was not changed and the directors were fully advised on this matter and accepted the manager's statement that he hoped to curtail the loan to a considerable extent through his portion of the anticipated profits for the year 1934. There was no objection from any director present regarding this matter.

Next the manager discussed some figures regarding the corporation's history since its beginning, showing that for the seventeen year period since the corporation had been organized, that including the value of the stock today, according to the books of the company, each original investor had earned an average of 20% per year for the entire seventeen years and that they had received 12% per year for the entire seventeen years in actual cash dividends.

There being no further business to come before the meeting, upon proper motion it adjourned.

J. P. Roddy  
 Chairman

T. F. Dooley  
 Secretary.

### PROXY

Know All Men by these Presents: That I, T. F. Dooley  
 do hereby constitute and appoint \_\_\_\_\_

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the annual meeting of stockholders of

Johnson City Mills called to meet at Johnson City, Tenn. Tuesday Jan 30, 1934  
at 1:30 P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 24 day of Jan 1934  
T. F. Dooley Signed T. F. Dooley

Witness [Signature] Signed [Signature]

Witness [Signature] Signed [Signature]

### DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 2:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called together and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rolloall it was ascertained that the following directors were present:

J. P. Roddy      B. A. Morton      T. F. Dooley  
 G. H. Gallaher      C. L. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, the salaries of the officers were fixed as follows:

**PROXY**

Know All Men by these Presents: That I, Lee P. Miller

do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the annual meeting of stockholders of

Johnson City Mills  
called to meet at Johnson City, Tenn. at 1:30 p.m., Tuesday,  
January 30th, 1934

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any

proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting and adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 24th day of January 1924

Witness [Signature] Signed [Signature]

Witness [Signature] Signed [Signature]

**DIRECTORS MEETING**

Minutes of meeting of Directors of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 2:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called together and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following directors were present:

J. P. Roddy	B. A. Morton	T. F. Dooley
G. H. Gallaher	C. L. Dooley	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, the salaries of the officers were fixed as follows:

President - No salary.  
Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1934 of 10% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 20% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton  
Vice-President, Treasurer and General Manager - T. F. Dooley  
Secretary - Eugene Herrin

Next there was a general discussion of the affairs of the corporation and the manager stated that the profit for the past year had been to a large extent due to depreciation of inventory value due to the plant going on the N.R.A. code, but even before they went on the code the plant had actually been on an earning basis for the months of April, May, June and July and had earned in those four months \$3178.60 in excess of the sum of \$4302.63 which had been lost in the first quarter of the year.

He further stated that while the corporation had a very large inventory at the close of the year it was conservatively taken as to value and that orders were on hand for the excess of 90,000 dozen goods and that prospects for operation at a profit for the first six months of the year 1934 were excellent.

He further stated that he was being urged by buyers to quote prices for goods for fall delivery which could not be made up for some three or four months and expressed the opinion that it would be unwise to accept such business unless these orders were covered by a clause fully protecting the company against any advance in cost due to Federal legislation or regulations within the industry itself.

He further stated that business was being booked by competitors at prices which he could not meet and show a profit and that in view of the improved outlook for business he felt it unwise to book business unless it could be booked at a price which would show a profit and in addition to this have the protection as to increased costs, as stated above.

The directors unanimously concurred in this opinion.

Next the manager told the directors of the status of the company's loan to him in the amount of \$23,000 which was not changed and the directors were fully advised on this matter and accepted the manager's statement that he hoped to curtail the loan to a considerable extent through his portion of the anticipated profits for the year 1934. There was no objection from any director present regarding this matter.

Next the manager discussed some figures regarding the corporation's history since its beginning, showing that for the seventeen year period since the corporation had been organized, that including the value of the stock today, according to the books of the company, each original investor had earned an average of 20% per year for the entire seventeen years and that they had received 12% per year for the entire seventeen years in actual cash dividends.

There being no further business to come before the meeting, upon proper motion it adjourned.

J. P. Roddy Chairman

T. F. Dooley Secretary.

President - No salary.  
 Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1934 or 10% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 20% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton  
 Vice-President, Treasurer and General Manager - T. F. Dooley  
 Secretary - Eugene Herrin

Next there was a general discussion of the affairs of the corporation and the manager stated that the profit for the past year had been to a large extent due to depreciation of inventory value due to the plant going on the N.R.A. code, but even before they went on the code the plant had actually been on an earning basis for the months of April, May, June and July and had earned in those four months \$3178.60 in excess of the sum of \$4302.63 which had been lost in the first quarter of the year.

He further stated that while the corporation had a very large inventory at the close of the year it was conservatively taken as to value and that orders were on hand for the excess of 90,000 dozen goods and that prospects for operation at a profit for the first six months of the year 1934 were excellent.

He further stated that he was being urged by buyers to quote prices for goods for fall delivery which could not be made up for some three or four months and expressed the opinion that it would be unwise to accept such business unless these orders were covered by a clause fully protecting the company against any advance in cost due to Federal legislation or regulations within the industry itself.

He further stated that business was being booked by competitors at prices which he could not meet and show a profit and that in view of the improved outlook for business he felt it unwise to book business unless it could be booked at a price which would show a profit and in addition to this have the protection as to increased costs, as stated above.

The directors unanimously concurred in this opinion.

Next the manager told the directors of the status of the company's loan to him in the amount of \$23,000 which was not changed and the directors were fully advised on this matter and accepted the manager's statement that he hoped to curtail the loan to a considerable extent through his portion of the anticipated profits for the year 1934. There was no objection from any director present regarding this matter.

Next the manager discussed some figures regarding the corporation's history since its beginning, showing that for the seventeen year period since the corporation had been organized, that including the value of the stock today, according to the books of the company, each original investor had earned an average of 20% per year for the entire seventeen years and that they had received 12% per year for the entire seventeen years in actual cash dividends.

There being no further business to come before the meeting, upon proper motion it adjourned.

*J. P. Roddy*  
 Chairman

*T. F. Dooley*  
 Secretary.

### PROXI

Know All Men by these Presents: That I, *R. E. McNamee*  
 do hereby constitute and appoint *B. A. Morton*

to be my attorney, substitute and proxy, for me and in my name  
 and behalf to attend the *Annual* meeting of stockholders of

called to meet at *Johnson City, Tenn. at 1:30 P.M. Tuesday*

*Jan 30, 1934*  
 and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any

heretofore given by me; and should the said *Annual* meeting be adjourned, or to be unable to act hereun-

der, and in that event only, I appoint *B. A. Morton*  
 my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
 adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this *25* day of *Jan* 1934

Witness *M. W. ...* Signed *R. E. McNamee*

### DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, January 30th, 1934, at 2:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called together and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following directors were present:

J. P. Roddy	B. A. Morton	T. F. Dooley
G. H. Gallaher	C. L. Dooley	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Gallaher and unanimously voted, the salaries of the officers were fixed as follows:

DIRECTORS MEETING

Minutes of the regular meeting of the Board of Directors of the Johnson City Mills held at the office of the company at Johnson City, Tenn., Tuesday, July 24th, 1934, at one thirty o'clock P.M.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and Mr. T. F. Dooley acted as secretary.

Upon roll call it was ascertained that the following directors were present:

B. A. Morton	G. H. Callahan
J. P. Roddy	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the previous meeting were read and, without objection, approved.

Next the manager presented a report of the condition of the corporation at the close of business June 30th, 1934. After a discussion of this statement, upon motion of Mr. G. H. Callahan, seconded by Mr. J. P. Roddy, and unanimously voted, the secretary was ordered to insert this condition statement in the minutes of this meeting as a part of the permanent records of the corporation.

Next Mr. G. H. Callahan moved that the corporation pay a ten percent cash dividend payable at once. This motion was seconded by Mr. T. F. Dooley and was unanimously carried.

After further general discussion of the affairs of the corporation and the general condition of business and prospects for the ensuing six months upon proper motion the meeting adjourned.

B. A. Morton  
Chairman

T. F. Dooley  
Secretary

MINUTES OF SPECIAL MEETING OF

BOARD OF DIRECTORS OF

JOHNSON CITY MILLS

On this the 12<sup>th</sup> day of November, 1934, pursuant to the call of the President, upon five days notice given in accordance with the by-laws of this corporation to each member of the Board of Directors of Johnson City Mills, a special meeting of the Board of Directors of Johnson City Mills was held at 502 S. Gay St. (here insert name of office and street number) in Knoxville, Tennessee. The following members of the Board were present, to-wit:

G. H. Callahan  
T. F. Dooley  
B. A. Morton  
J. P. Roddy

The meeting was called to order by B. A. Morton President of the Board of Directors, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

On motion of Mr. J. P. Roddy, seconded by Mr. G. H. Callahan the following resolution was adopted:

"BE IT RESOLVED that the Board of Directors of Johnson City Mills propose to the stockholders of said corporation that said stockholders authorize an amendment to the charter of this corporation increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each; and that this Board hereby declares the advisability of such an amendment and hereby calls a special meeting of the stockholders of record entitled to vote for the consideration thereof, such meeting to be held in the office of the Johnson City Mills, in Johnson City, Tennessee, on the 24<sup>th</sup> day of November, 1934, at the hour of 10 o'clock, a M., and that notice of said special meeting shall be given all stockholders of record in accordance with the provisions of the statute of Tennessee."

There being no further business to come before the meeting, the meeting was, on motion duly made and seconded, adjourned sine die.

B. A. Morton  
President

ATTEST:

T. F. Dooley  
Secretary.

TO THE MEMBERS OF THE BOARD OF DIRECTORS OF JOHNSON CITY MILLS:

You and each of you are hereby notified that a special meeting of the Board of Directors of Johnson City Mills is hereby called to meet at 502 S. Gay Street (here insert name of office and street number) in Knoxville, Tennessee, at 8:30 o'clock a M., on the 12<sup>th</sup> day of November, 1934, for the purpose of adopting a resolution setting forth a proposed amendment to the charter of this corporation, increasing its authorized capital stock from its present capitalization of \$100,000.00 to an authorized capitalization of \$250,000.00, divided into shares of \$100.00 each, declaring the advisability of such amendment and calling a meeting of the stockholders of record entitled to vote for the consideration thereof.

This meeting is called pursuant to the authority vested in the undersigned President of Johnson City Mills by section 4, article II, of the by-laws of said corporation.

This the 7<sup>th</sup> day of November, 1934.

B. A. Morton  
President of Johnson City Mills

*in office of B. A. Morton*

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
"	Eugene Herrin	10 "
Represented by proxy	R. R. Dooley,	37 "
"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallsher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter, of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each.

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

T. F. Dooley  
Vice-President.

ATTEST: Eugene Herrin  
Secretary.

PROXY

Know All Men by these Presents: That I, T. F. Dooley  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the special meeting of stockholders of

called to meet at office of Johnson City Mills, Johnson City, Tenn.,  
Monday, Nov. 26th, 1934, at ten o'clock, A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 20 day of Nov. 1934  
Witness Mary E. Sweet Signed T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 16th day of Nov 1934  
Witness Wadysa Russell Signed [Signature]

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 15 day of Nov 1934  
Witness \_\_\_\_\_ Signed Joseph C. Bossong

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 15th day of Nov 1934  
Witness Josephine Fletcher Signed J. H. Gallsher

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 16th day of Nov 1934  
Witness Ralph Cate Signed J. P. Roddy

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 15th day of Nov 1934  
Witness T. F. Dooley Signed Clinton L. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 14 day of November 1934  
Witness Ida E. Severance Signed E. Powell Smith

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
Witness Nathaniel Roberts Signed Ben A. Morton

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
Witness \_\_\_\_\_ Signed \_\_\_\_\_



MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
"	Eugene Herrin	10 "
Represented by proxy	R. R. Dooley,	37 "
"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallaher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each.

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

T. F. Dooley  
Vice-President.

ATTEST: Eugene Herrin  
Secretary.

PROXY

Know All Men by these Presents: That I R. E. McNew do hereby constitute and appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the special meeting of stockholders of

called to meet at office of Johnson City Mills, Johnson City, Tenn., Monday November 26th, 1934, at ten o'clock, A.M. and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16th day of Nov 1934  
Witness Stacy Russell Signed R. E. McNew

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 15 day of Nov 1934  
Witness \_\_\_\_\_ Signed Joseph C. Bossong

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 15th day of Nov 1934  
Witness Josephine Fletcher Signed G. H. Gallaher

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 16th day of Nov 1934  
Witness Ralph Cate Signed J. P. Roddy

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 17th day of Nov 1934  
Witness T. F. Dooley Signed Clinton L. Dooley

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 14 day of November 1934  
Witness Ida E. Severance Signed E. Powell Smith

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
Witness Nathaniel Roberts Signed Ben A. Morton

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
	Eugene Herron	10 "
Represented by proxy	R. R. Dooley,	37 "
"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallaher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each.

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

T. F. Dooley  
Vice-President.

ATTEST:

Eugene Herrin  
Secretary.

PROXY

Know All Men by these Presents: That I, Joseph C. Bossong  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the special meeting of stockholders of

called to meet at office of Johnson City Mills, Johnson City, Tenn.,  
Monday, Nov. 26th, 1934, at ten o'clock, A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 15 day of Nov 1934  
Witness J. C. M. Signed Joseph C. Bossong

or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 15<sup>th</sup> day of Nov 1934  
Witness J. C. M. Signed G. H. Gallaher

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 16<sup>th</sup> day of Nov 1934  
Witness J. C. M. Signed J. P. Roddy

In Witness Whereof, I have hereunto set my hand; this 15<sup>th</sup> day of Nov 1934  
Witness J. C. M. Signed Clinton L. Dooley

In Witness Whereof, I have hereunto set my hand; this 14 day of November 1934  
Witness J. C. M. Signed E. Powell Smith

In Witness Whereof, I have hereunto set my hand; this 15<sup>th</sup> day of Nov 1934  
Witness J. C. M. Signed Ben A. Morton

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
"	Eugene Herrin	10 "
Represented by proxy	R. R. Dooley,	37 "
"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallaher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	C. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each."

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

T. F. Dooley  
Vice-President.

ATTEST: Eugene Herrin  
Secretary.

PROXY

Know All Men by these Presents: That I, D. H. Gallaher  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the special meeting of stockholders of  
called to meet at Office of Johnson City Mills, Johnson City, Tenn.,  
Monday, November 26th, 1934, at ten o'clock, A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.



In Witness Whereof, I have hereunto set my hand; this 15<sup>th</sup> day of Nov 1934  
In Witness Whereof, I have hereunto set my hand; this 15<sup>th</sup> day of Nov 1934  
ness Josephine Fletcher Signed J. P. Gallaher



In Witness Whereof, I have hereunto set my hand; this 16<sup>th</sup> day of Nov 1934  
ness Ralph Cate Signed J. P. Roddy



In Witness Whereof, I have hereunto set my hand; this 17<sup>th</sup> day of Nov 1934  
ness T. F. Dooley Signed Eugene Herrin



In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
ness Ida E. Severance Signed C. Powell Smith



In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
ness Nathaniel P. Smith Signed Ben A. Morton

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
"	Eugene Herrin	10 "
Represented by proxy	R. R. Dooley,	37 "
"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallaher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each."

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

T. F. Dooley  
Vice-President.

ATTEST: Eugene Herrin  
Secretary.

PROXY

Know All Men by these Presents: That I, J. P. Roddy  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name and behalf to attend the special meeting of stockholders of  
called to meet at office of Johnson City Mills, Johnson City, Tenn.  
Monday, November 26th, 1934, at ten o'clock, A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 16<sup>th</sup> day of Nov, 1934  
ness Ralph Cate Signed J. P. Roddy

In Witness Whereof, I have hereunto set my hand; this 16<sup>th</sup> day of Nov, 1934  
itness T. F. Dooley Signed Clinton L. Dooley

In Witness Whereof, I have hereunto set my hand; this 16<sup>th</sup> day of November, 1934  
ness Ada E. Severance Signed E. Powell Smith

In Witness Whereof, I have hereunto set my hand; this 16<sup>th</sup> day of Nov, 1934  
ness Nathan A. Roberts Signed Ben A. Morton

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
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"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Galleher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each."

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

T. F. Dooley  
Vice-President.

ATTEST: Eugene Herrin  
Secretary.

*[Faint, mostly illegible text from the reverse side of the page, appearing as bleed-through or ghosting.]*

PROXY

Know All Men by these Presents: That I T. F. Dooley  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the special meeting of stockholders of  
called to meet at office of Johnson City Mills, Johnson City, Tenn.,  
Monday November 26th, 1934, at ten o'clock, A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
Witness T. F. Dooley Signed T. F. Dooley

In Witness Whereof, I have hereunto set my hand; this 14 day of November 1934  
Witness Ida E. Severance Signed E. Powell Smith

In Witness Whereof, I have hereunto set my hand; this 14 day of Nov 1934  
Witness Nathaniel A. Roberts Signed Ben A. Morton

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
	Eugene Herrin	10 "
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"	R. E. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallaher	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each."

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

*T. F. Dooley*  
Vice-President.

ATTEST:

*Eugene Herrin*  
Secretary.

PROXY

Know All Men by these Presents: That I, *C. Powell Smith*  
do hereby constitute and appoint *T. F. Dooley*  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the special meeting of stockholders of  
called to meet at office of Johnson City Mills, Johnson City, Tenn.,  
Monday November 26th, 1934, at ten o'clock, A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said *T. F. Dooley* be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint *Eugene Herrin* to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting (adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 1st day of November 1934  
ness *Ada E. Severance* Signed *C. Powell Smith*

In Witness Whereof, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 1934  
ness *Katie A. Roberts* Signed *Ben A. Morton*

MINUTES OF SPECIAL MEETING OF  
STOCKHOLDERS OF JOHNSON CITY MILLS.

On this the 26th day of November, 1934, a special meeting of the stockholders of the Johnson City Mills was held at the office of said corporation in Johnson City, Tennessee, at the hour of ten o'clock, A.M., pursuant to call of the President, made in accordance with the statutes of Tennessee, a copy of which call is filed as a part of these minutes.

The following stockholders, holding the number of shares listed opposite their names, and owning a majority of the capital stock of said corporation, were present in person or represented by proxy:

Present in Person	T. F. Dooley	173 shares,
	Eugene Herrin	10 "
Represented by proxy	R. R. Dooley,	37 "
"	R. B. McNew	15 "
"	Joseph C. Bossong	50 "
"	G. H. Gallaheer	45 "
"	J. P. Roddy	213 "
"	Clinton L. Dooley	38 "
"	E. Powell Smith	37 "
"	Ben A. Morton	217 "
	Total	835

The meeting was called to order by T. F. Dooley, Vice-President of the corporation, who stated the purpose of the meeting, which purpose had been previously stated in the call of said meeting, a copy of which call is made a part of these minutes.

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

BE IT RESOLVED, that the Board of Directors of this corporation be and they are hereby directed to cause the proper officers of this corporation to apply to the State of Tennessee for an amendment to the charter of this corporation, increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each.

There being no further business to come before the meeting the same was, on motion duly made and seconded, adjourned sine die.

*T. F. Dooley*  
Vice-President.

ATTEST:

*Eugene Herrin*  
Secretary.

**PROXY**

Know All Men by these Presents: That I Ben A. Morton  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the special meeting of stockholders of  
called to meet at office of Johnson City Mills, Johnson City, Tenn.,  
Monday, November 26th, 1934, at ten o'clock, A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 14<sup>th</sup> day of Nov, 1934  
Signed Ben A. Morton



## TO THE STOCKHOLDERS OF JOHNSON CITY MILLS:

You are hereby notified that at a special meeting of the Board of Directors of Johnson City Mills, held on the 12<sup>th</sup> day of November, 1934, at 502 S. Gay Street (here insert name of office and street number) in Knoxville, Tennessee, the following resolution was unanimously adopted; to-wit:

"BE IT RESOLVED that the Board of Directors of Johnson City Mills propose to the stockholders of said corporation that said stockholders authorize an amendment to the charter of this corporation increasing its present authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock, divided into shares of \$100.00 each; and that this Board hereby declares the advisability of such an amendment and hereby calls a special meeting of the stockholders of record entitled to vote for the consideration thereof, such meeting to be held in the office of the Johnson City Mills, in Johnson City, Tennessee, on the 26<sup>th</sup> day of November, 1934, at the hour of 10 o'clock, a M., and that notice of said special meeting shall be given all stockholders of record in accordance with the provisions of the statute of Tennessee."

Pursuant to said resolution a special meeting of the stockholders of Johnson City Mills is hereby called to meet at the offices of this corporation in Johnson City, Tennessee, on the 26<sup>th</sup> day of November, 1934, at 10 o'clock, a M., for the consideration of the amendment to the charter of the corporation proposed by the Board of Directors in the foregoing resolution.

This the 12<sup>th</sup> day of November, 1934.

Ben A. Morton  
President, Johnson City Mills

## TO THE MEMBERS OF THE BOARD OF DIRECTORS OF JOHNSON CITY MILLS.

You and each of you are hereby notified that a special meeting of the Board of Directors of Johnson City Mills is hereby called to meet at the office of Ben A. Morton, 502 South Gay Street, Knoxville, Tenn., at 8:30 o'clock a M., on the 17<sup>th</sup> day of December, 1934, for the purpose of declaring a 70% stock dividend to be paid in common stock of the corporation.

This meeting is called pursuant to the authority vested in the undersigned President of Johnson City Mills by section 4, article 2, of the by-laws of said corporation.

This the 11<sup>th</sup> day of December, 1934.

Ben A. Morton  
President of Johnson City Mills

## DIRECTORS MEETING

A call meeting of the Board of Directors of Johnson City Mills was held in the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tennessee, on Monday, December the 17th at eight thirty A.M. pursuant to the call of the president, copy of which call is filed as a part of the minutes of this meeting.

The following members of the Board were present:

B. A. Morton	C. L. Dooley
J. P. Roddy	G. H. Gallaher

The meeting was called to order by Mr. B. A. Morton, President of the Board, who stated that the undivided profits of the corporation warranted the payment of a 70% stock dividend to the stockholders and that the meeting had been called for the purpose of declaring such dividend as stated in the call.

He also called the attention of the directors to the fact that a stockholders meeting had been held on the 26th day of November, 1934, at which time the stockholders had by resolution ordered the Board of Directors and the officers of the corporation to apply to the State of Tennessee for an amendment to the charter of the corporation increasing the authorized capital stock of \$100,000.00 to an authorized capital stock of \$250,000.00 of common stock divided into shares of \$100.00 per value each, which amendment had been granted. He further stated that since the present paid in capital stock of the corporation was \$85,000.00 that the 70% stock dividend would increase this \$59,500.00 thereby making the outstanding capital stock \$144,500.00.

Upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Gallaher, a 70% stock dividend was ordered paid to the stockholders of the corporation in common stock par value of \$100.00 per share. This motion was carried unanimously.

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

ATTEST:

J. P. Roddy  
Secretary.

Ben A. Morton  
President.

## STOCKHOLDERS MEETING

The regular meeting of the stockholders of Johnson City Mills which, according to the by-laws, is held on the fourth Tuesday of January each year, was called to order Tuesday, January 22nd, 1935, at one o'clock P.M., at the office of the company in Johnson City, Tenn.

Upon roll-call it was found there was not a quorum present so the meeting adjourned to meet at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., at two-thirty o'clock P.M. Thursday, Jan 24<sup>th</sup>, 1935

J. P. Roddy  
Secretary

T. F. Dooley  
Vice-President

## DIRECTORS MEETING

Regular meeting of the Board of Directors of Johnson City Mills which, according to the by-laws of the corporation is held on the fourth Tuesday of January each year, was called to order Tuesday January 22nd, 1935, at 2:00 o'clock P.M. at the office of the company in Johnson City, Tenn.

Upon rollcall it was found there was not a quorum present so the meeting adjourned to meet at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., at 2:30 o'clock P.M. Thursday, January 24th, 1935.

J. P. Roddy  
Secretary

T. F. Dooley  
Vice-President.



## DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 2:30 o'clock P.M.; this being an adjournment of the regular annual meeting held Tuesday, January 22nd, 1935, which meeting failed for want of a quorum.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary. Upon rollcall it was ascertained the following directors were present:

B. A. Morton	J. P. Roddy	T. F. Dooley
C. L. Dooley	G. H. Callaheer	

If appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last regular meeting of the Board of Directors and of two called meetings of the Board of Directors were read and approved.

The treasurer and manager read to the meeting a report of the condition of the affairs of the corporation at the close of business for the year 1934 and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operation for the year 1934.

An examination of the treasurer's condition report and that of Dahlberg and Company showed that they were in accord in every particular.

After discussion of the report upon motion of G. H. Callaheer seconded by Mr. C. L. Dooley, and unanimously voted, the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg and Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Callaheer, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. C. L. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned  
Sine Die.

T. F. Dooley  
Secretary

B. A. Morton  
President.

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 3:00 P.M., this being an adjournment from the regular annual stockholders meeting held at the office of the company Tuesday, January 22nd, 1935, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in Person:

B. A. Morton, holder and owner of	368-9/10 shares
J. P. Roddy " " " "	362-1/10 "
C. L. Dooley " " " "	64-6/10 "
G. H. Callaheer " " " "	76-5/10 "
T. F. Dooley " " " "	294-1/10 "
	1166-2/10 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. C. Bossong, holder and owner of 85 shares	
R. E. McNew " " " " 25-5/10 "	
Eugene Herrin " " " " 17 "	
	117-5/10 shares Total 1283-7/10 shares

It appearing from the report of the secretary that 1283-7/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the last annual meeting and also the minutes of a called meeting held November 26th, 1934, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1934, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1934.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Callaheer and unanimously voted, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy	T. F. Dooley
C. L. Dooley	G. H. Callaheer	

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

## PROXY

Know All Men by these Presents: That I J. C. Bossong  
do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of

Johnson City Mills,  
called to meet at Office of Company Johnson City, Tenn  
Tuesday, Jan 22, 1935 at 1 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 19 day of Jan 1935

Witness \_\_\_\_\_ Signed Joseph C. Bossong

DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 2:30 o'clock P.M.; this being an adjournment of the regular annual meeting held Tuesday, January 22nd, 1935, which meeting failed for want of a quorum.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary. Upon rollcall it was ascertained the following directors were present:

B. A. Morton	J. P. Roddy	T. F. Dooley
C. L. Dooley	G. H. Callaher	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last regular meeting of the Board of Directors and of two called meetings of the Board of Directors were read and approved.

The treasurer and manager read to the meeting a report of the condition of the affairs of the corporation at the close of business for the year 1934 and also presented to the Board the report of the company's auditors, Dehlberg & Company, covering the operation for the year 1934.

An examination of the treasurer's condition report and that of Dehlberg and Company showed that they were in accord in every particular.

After discussion of the report upon motion of G. H. Callaher seconded by Mr. C. L. Dooley, and unanimously voted, the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dehlberg and Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Callaher, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. C. L. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned.  
Sine Die.

*C. L. Dooley*  
Secretary

*B. A. Morton*  
President.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 3:00 P.M., this being an adjournment from the regular annual stockholders meeting held at the office of the company Tuesday, January 22nd, 1935, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in Person:

B. A. Morton, holder and owner of	368-9/10 shares
J. P. Roddy " " " "	362-1/10 "
C. L. Dooley " " " "	64-6/10 "
G. H. Callaher " " " "	76-5/10 "
T. F. Dooley " " " "	294-1/10 "
	1166-2/10 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. C. Bossong, holder and owner of 85 shares	
R. E. McNew " " " " 25-5/10 "	
Eugene Herrin " " " " 17 "	
	117-5/10 shares Total 1283-7/10 shares

It appearing from the report of the secretary that 1283-7/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the last annual meeting and also the minutes of a called meeting held November 26th, 1934, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1934, and also to present the report of Dehlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1934.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of

*[Faint, illegible text from a document, possibly a proxy or minutes, with some handwritten notes.]*

**PROXY**

Know All Men by these Presents: That I, *R. E. McNew* do hereby constitute and appoint *B. A. Morton*

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the *Annual* meeting of stockholders of

*Johnson City Mills*

called to meet at *Office of Company Johnson City, Tenn* Tuesday Jan. 22nd, 1935 at *17* o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Companymitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke

proxy heretofore given by me; and should the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act he

der, then, and in that event only, I appoint to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this *21* day of *Jan* 19*35*

Witness *R. L. Jones* Signed *R. E. McNew*

*12735*  
*JCM*

DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 2:30 o'clock P.M.; this being an adjournment of the regular annual meeting held Tuesday, January 22nd, 1935, which meeting failed for want of a quorum.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary. Upon rollcall it was ascertained the following directors were present:

B. A. Morton	J. P. Roddy	T. F. Dooley
C. L. Dooley	G. H. Callaher	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last regular meeting of the Board of Directors and of two called meetings of the Board of Directors were read and approved.

The treasurer and manager read to the meeting a report of the condition of the affairs of the corporation at the close of business for the year 1934 and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operation for the year 1934.

An examination of the treasurer's condition report and that of Dahlberg and Company showed that they were in accord in every particular.

After discussion of the report upon motion of G. H. Callaher seconded by Mr. C. L. Dooley, and unanimously voted, the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg and Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Callaher, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. C. L. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned sine die.

T. F. Dooley Secretary  
B. A. Morton President.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 3:00 P.M., this being an adjournment from the regular annual stockholders meeting held at the office of the company Tuesday, January 22nd, 1935, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in Person:

B. A. Morton, holder and owner of	368-9/10 shares
J. P. Roddy " " "	362-1/10 "
C. L. Dooley " " "	64-6/10 "
G. H. Callaher " " "	76-5/10 "
T. F. Dooley " " "	294-1/10 "
	1166-2/10 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

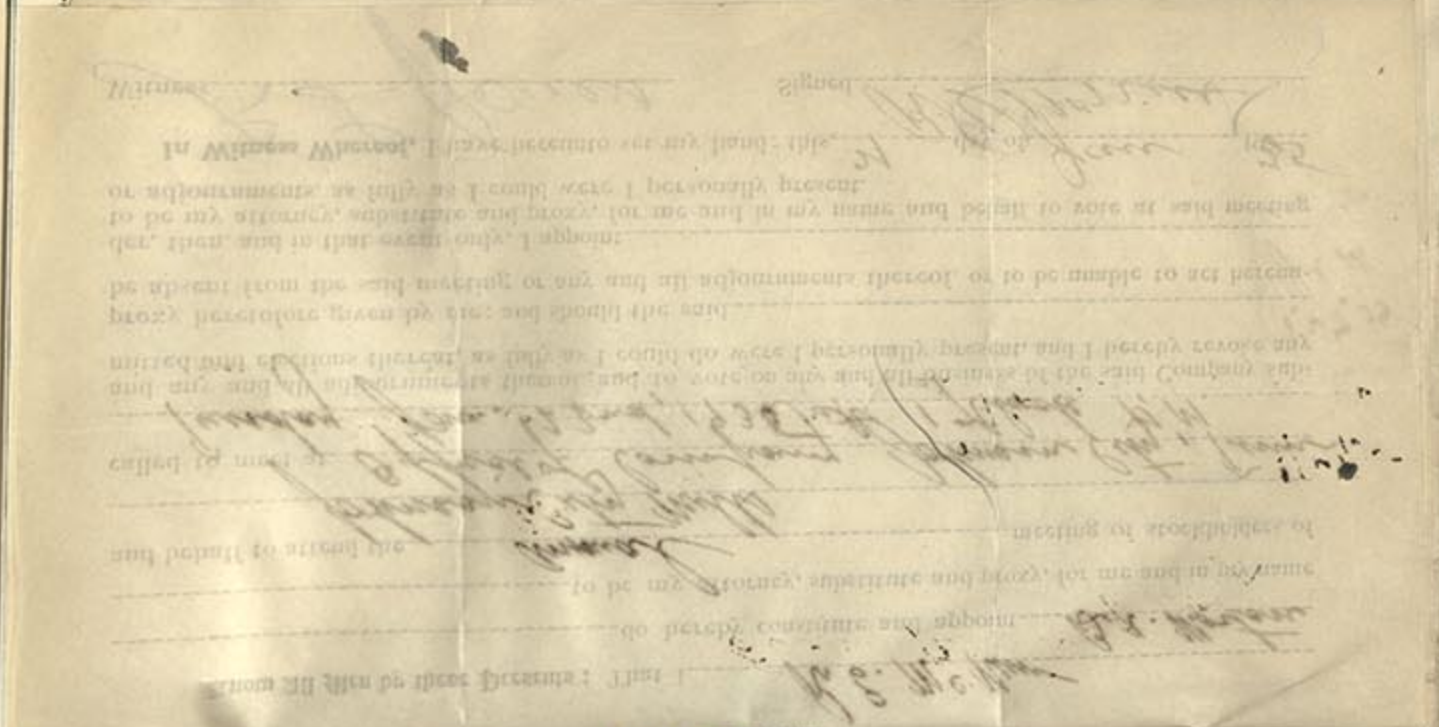
J. C. Bossong, holder and owner of 85 shares	
R. E. McNew " " " 25-5/10 "	
Eugene Herrin " " " 17 "	
	117-5/10 shares
	Total 1283-7/10 shares

It appearing from the report of the secretary that 1283-7/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the last annual meeting and also the minutes of a called meeting held November 26th, 1934, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1934, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1934.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. C. L. Dooley, seconded by Mr. J. P. Roddy, and unanimously voted, the reports were accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the reports with the valuable papers of the corporation.



**PROXY**

Know All Men by these Presents: That I, Eugene Herrin, do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of

called to meet at Johnson City Mills Office of Company Johnson City, Tenn Tuesday, Jan 24, 1935 at 1 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company and any and all elections thereat, as fully as I could do were I personally present, and I hereby revoke any

proxy heretofore given by me; and should the said meeting be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 24th day of January, 1935.

Witness \_\_\_\_\_ Signed Eugene Herrin

1/24/35  
JCM

## DIRECTORS MEETING

Minutes of Meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Thursday, January 24th, 1935, at 3:30 P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following directors were present:

B. A. Morton	J. P. Roddy	T. F. Dooley
C. L. Dooley	G. H. Callahan	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon action of Mr. B. A. Morton, seconded by Mr. G. H. Callahan and unanimously voted, the salaries of the officers were fixed as follows:

President - No salary  
 Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1935 in excess of 6% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 16% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton
Vice-President, Treasurer & General Manager - T. F. Dooley
Secretary - Eugene Herrin.

Next there was a general discussion of the affairs of the corporation and the manager explained the status of the corporation as regards the very large inventory they were carrying by explaining that unfilled orders were at the highest point ever reached by the corporation, but that delivery dates were just starting which would reduce this inventory heavily in the next six months.

The manager also went into detail in explaining to the directors some of the changes which had developed in the character of hosiery produced by the company due to changing style trends and to the very best of his ability attempted to familiarize the directors with every phase of the company's operations.

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
 Secretary

*J. P. Roddy*  
 Chairman

## DIRECTORS MEETING.

Regular meeting of the Board of Directors of Johnson City Mills called to order at the office of the company at Johnson City, Tenn., Tuesday, July 23rd, 1935 at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present, so the meeting adjourned.

*T. F. Dooley*  
 Vice-President

## STOCKHOLDERS MEETING

The regular meeting of the stockholders of the Johnson City Mills which, according to the by-laws, is held on the fourth Tuesday of January each year, was called to order at the office of the company in Johnson City, Tenn., Tuesday, January 28th, 1936, at one thirty P.M.

There was not a quorum present, so the meeting adjourned to meet the following day at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Wednesday, January 29th, 1936, at two thirty PM.

*Eugene Herrin*  
 Secretary.

*T. F. Dooley*  
 Vice-President.

## DIRECTOR'S MEETING

The regular meeting of the Board of Directors of Johnson City Mills, which according to the by-laws, is held on the fourth Tuesday of January each year, was called to order at the office of the company in Johnson City, Tenn., Tuesday, January 28th, 1936, at two o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet the following day at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Wednesday, January 29th, 1936, at three o'clock PM.

*Eugene Herrin*  
 Secretary

*T. F. Dooley*  
 Vice-President.

## DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., Wednesday, January 29th, 1936, at two thirty P.M., this being adjournment of the regular annual meeting held Tuesday, January 28th, 1936, which failed for want of a quorum.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary. Upon rollcall it was ascertained the following directors were present:

B. A. Morton	C. L. Dooley
J. P. Roddy	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last meeting of the Board of Directors were read and approved.

Next the Treasurer and Manager read to the meeting the report of the condition of the affairs of the corporation at the close of business for the year 1935, and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operation for the year 1935. An examination of the treasurer's condition report and that of Dahlberg and Company showed that they were in accord in every particular.

After discussion of the report, upon motion of C. L. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the report of the treasurer, and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg and Company with the valuable papers of the corporation.

Upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, the action of the officers of the corporation in spending a little over \$10,000 for new equipment in the year 1935 was approved ~~xxx~~ unanimously.

Next upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy, and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned sine die.

T. F. Dooley  
Secretary

B. A. Morton  
President.

#### STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of B. A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., Wednesday January 29th, 1936, at three o'clock P.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 28th, 1936, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

#### Present in person:

B. A. Morton, holder and owner of	400-4/10 shares.
J. P. Roddy, " " " "	362-1/10 "
C. L. Dooley, " " " "	64-6/10 "
T. F. Dooley, " " " "	294-1/10 "
	<u>1121-2/10</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith, holder and owner of	62-9/10 Shares
H. T. McNew, " " " "	25-5/10 "
Eugene Herrin, " " " "	17 " Total 105-4/10

It appearing from the report of the secretary that 1226-6/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1935, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1935.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy
C. L. Dooley	G. H. Gallaher
	T. F. Dooley

At this time Mr. J. C. Bessong, one of the stockholders who is also head of the company which acts as selling agent for the corporation, commented upon the fact that this was the first stockholders meeting which he had ever attended, and upon request of the president he discussed the present situation of the hosiery industry, particularly as it effects this corporation.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

1/29/36  
J.P.M.

### PROXY

Know All Men by these Presents: That I R. E. McNew  
do hereby constitute and appoint B. A. Morton

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of

Johnson City Mills  
called to meet at the office of the company in Johnson City, Tenn  
Tuesday Jan 29, 1936 at 3 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 23 day of Jan 1936

Witness Gladys Russell Signed R. E. McNew

ss. W. O. Beverance Signed W. O. Beverance

J.P.M.

In Witness Whereof, I have hereunto set my hand; this 25 day of Jan 1936

Witness T. F. Dooley Signed Eugene Herrin

#### DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Wednesday January 29th, 1936, at three thirty o'clock, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following directors were present:

B. A. Morton	J. P. Roddy
C. L. Dooley	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the salaries of the officers were fixed as follows:

\*President - No salary.  
Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1936 in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 18% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.  
\*The next business being the election of officers the polls were opened and the following officers were unanimously elected:

Next upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, the action of the officers of the corporation in spending a little over \$10,000 for new equipment in the year 1935 was approved ~~xxx~~ unanimously.

Next upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy, and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

T. F. Dooley  
Secretary

B. A. Morton  
President.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of B. A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., Wednesday January 29th, 1936, at three o'clock P.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 28th, 1936, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollocall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

B. A. Morton, holder and owner of	400-4/10 shares.
J. P. Roddy, " " " "	362-1/10 "
C. L. Dooley, " " " "	64-6/10 "
T. F. Dooley, " " " "	294-1/10 "
	<u>1121-2/10</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith, holder and owner of	62-9/10 Shares
R. W. McNew, " " " "	25-5/10 "
Eugene Herrin, " " " "	17 " Total 105-4/10

It appearing from the report of the secretary that 1226-6/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1935, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1935.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy
C. L. Dooley	G. H. Gallaher T. F. Dooley

At this time Mr. J. C. Bossong, one of the stockholders who is also head of the company which acts as selling agent for the corporation, commented upon the fact that this was the first stockholders meeting which he had ever attended, and upon request of the president he discussed the present situation of the hosiery industry, particularly as it effects this corporation.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

Know All Men by these Presents: That I, C. Powell Smith  
do hereby constitute and appoint B. A. Morton  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the annual  
Johnson City Mills  
meeting of stockholders of

called to meet at the office of the company in Johnson City  
Tenn, Tuesday Jan 28, 1936 at one o'clock P. M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
and elections thereat, as fully as I could do were I personally present, and I hereby revoke any

1/29/36  
J.P.M.

heretofore given by me; and should the said  
sent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-

then, and in that event only, I appoint  
my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
ournments, as fully as I could were I personally present.

1/29/36  
J.P.M.

Witness Whereof, I have hereunto set my hand; this 23 day of January 1936  
ss. John E. Severance Signed C. Powell Smith

J.P.M.

Witness Whereof, I have hereunto set my hand; this 25 day of Jan 1936  
Witness J. P. Roddy Signed J. P. Roddy

DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Wednesday January 29th, 1936, at three thirty o'clock, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollocall it was ascertained that the following directors were present:

B. A. Morton	J. P. Roddy
C. L. Dooley	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the salaries of the officers were fixed as follows:

- \*President - No salary.
- Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1936 in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 18% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.
- Secretary - No salary.

+ The next business being the election of officers the polls were opened and the following officers were unanimously elected:

Next upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, the action of the officers of the corporation in spending a little over \$10,000 for new equipment in the year 1935 was approved ~~and~~ unanimously.

Next upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy, and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned  
Sine Die.

T. F. Dooley  
Secretary

B. A. Morton  
President.

#### STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of B. A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., Wednesday January 29th, 1936, at three o'clock P.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 28th, 1936, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

##### Present in person:

B. A. Morton, holder and owner of	400-4/10 shares.
J. P. Roddy, " " " "	362-1/10 "
C. L. Dooley, " " " "	64-6/10 "
T. F. Dooley, " " " "	294-1/10 "
	<u>1121-2/16</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith, holder and owner of	62-9/10 Shares
R. T. McNew, " " " "	25-5/10 "
Eugene Herrin, " " " "	17 " Total 105-4/10

It appearing from the report of the secretary that 1226-6/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1935, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1935.

The president, Mr. B. A. Morton, presented these two reports and after discussion upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy
C. L. Dooley	G. H. Gallaher
	T. F. Dooley

At this time Mr. J. C. Bossong, one of the stockholders who is also head of the company which acts as selling agent for the corporation, commented upon the fact that this was the first stockholders meeting which he had ever attended, and upon request of the president he discussed the present situation of the hosiery industry, particularly as it effects this corporation.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

## PROXY

Know All Men by these Presents: That I, Eugene Herrin  
do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the Annual meeting of stockholders of

Johnson City Mills  
called to meet at the office of the company in Johnson City, Tenn  
Tuesday, Jan 28, 1936 at One o'clock P.M.

and all adjournments thereof, and to vote on any and all business of the said Company sub-  
and elections thereat, as fully as I could do were I personally present, and I hereby revoke any

heretofore given by me; and should the said \_\_\_\_\_  
ent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-

ten, and in that event only, I appoint \_\_\_\_\_  
my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
ournments, as fully as I could were I personally present.

Witness Whereof, I have hereunto set my hand; this 25 day of Jan 1936

Witness T. F. Dooley Signed Eugene Herrin

#### DIRECTORS MEETING

Minutes of meeting of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Wednesday January 29th, 1936, at three thirty o'clock, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary. Upon rollcall it was ascertained that the following directors were present:

B. A. Morton	J. P. Roddy
C. L. Dooley	T. F. Dooley

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the salaries of the officers were fixed as follows:

\* President - No salary.

Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1936 in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 18% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No salary.

\* The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton.  
 Vice-President, Treasurer & General Manager - T. F. Dooley  
 Secretary - Eugene Herrin.

Next there was a general discussion of the affairs of the corporation and the manager explained the status of the corporation as regards the cotton processing tax which had just been declared unconstitutional by Supreme Court of the United States and he also went into detail regarding the situation the corporation was facing after having suffered a heavy loss for the last year.

He stated that a fair volume of business was on the books for delivery within the next three months and that steps had been taken as of the first of January, 1936, to materially reduce operating costs of the corporation, which, he asserted, would result in profitable operation for the first quarter of 1936, which was as far ahead as he could see.

After this, considerable discussion was held regarding the sale of certain items of full length hosiery which had been carried in inventory for two years and Mr. J. C. Bossong, selling agent who was present, was asked for his opinion on this. It was finally decided that the matter of the sale of the goods in question should be left to the discretion of the manager of the corporation.

Next the manager reported that he was considering the advisability and recommending the sale of certain R. I. equipment being used for the manufacture of half hose, and after some discussion this matter was also left to the discretion of the manager.

Next the manager stated to the directors that he had not been able to meet the interest for the year 1935 on his note for \$23,000 which the corporation held and that Mr. Eugene Herrin had not paid the interest on his note for \$1300.00 which the corporation holds.

He stated that he would endeavor to make payment of this interest during the year 1936 and that if the corporation could return to an earning basis he would be able to do this.

There was some discussion of this matter, but no action was taken by the directors.

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
 Secretary

*J. P. Roddy*  
 Chairman

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
 at close of business December 31st, 1935.

1934	ASSETS	1935
\$ 2,800.77	Cash in Hamilton Natl. Bank Gen. A/c	\$ 111.56
375.18	Cash in Hamilton Natl. Bank P.R.A/c	381.68
166.09	Cash in First Natl. Bank (Closed)	148.24
9,848.90	Accounts Receivable	15,205.83
None	Interest Receivable Accrued	1,458.00
25,080.00	Bills Receivable	25,080.00
127,510.55	Inventory	83,603.95
675.62	Deferred Charges	644.02
<u>\$224,792.94</u>		<u>\$126,633.28</u>
145,358.06	Fixed Assets	\$235,355.24
	Less Reserve for Depreciation	147,298.67
		<u>88,056.57</u>
		<u>\$214,689.85</u>
	79,434.88	
	<u>\$245,891.99</u>	
	<u>LIABILITIES</u>	
\$ 16,762.41	Accounts Payable	\$ 18,960.16
30,300.00	Bills Payable	22,300.00
345.70	Reserve for Unclaimed Checks	352.20
3,074.10	Reserve for Income Taxes	None
None	Accrued Capital Stock Tax	448.00
<u>\$ 59,482.21</u>		<u>\$ 42,060.36</u>
\$ 81,000.00	Capital Stock—Paid in	\$ 81,000.00
63,500.00	Capital Stock—Earned	63,500.00
5,000.00	Surplus—Paid in	5,000.00
45,909.78	Undivided Profits	23,129.49
	Net Worth	<u>172,629.49</u>
		<u>\$214,689.85</u>
\$ 1,861.92	Profit for month	None
None	Deficit for Month	\$ 2,419.04
19,282.96	Profit for Year	None
None	Deficit for Year	26,734.56
8,500.00	Dividends Paid	None
325,225 doz.	Total Knit for the Year	228,424 doz.
\$278,409.60	Net Shipments for Year	267,413 " \$252,285.27
6.93%	Percentage Profit on Sales	10.59%
	Percentage Loss on Sales	
.069	Net Profit per doz.	.10
	Net Loss per doz.	
\$194,058.74	Average Investment for year	\$188,356.49
9.93%	Percentage earning on Investment	14.19%
	Percentage Loss on Investment	

Adjustment Undivided Profit Account for change in Depreciation years 1933 and 1934, Additional Income Tax for 1933, loss from Sale of Capital Assets and setting up 1934 Capital Stock Tax - Net Addition \$3,954.27



DIRECTORS MEETING

Regular meeting of the Board of Directors of Johnson City Mills called to order at the office of the company at Johnson City, Tenn., Tuesday, July 23rd, 1936, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present, so the meeting adjourned.

T. F. Dooley  
Vice-President.

STOCKHOLDERS MEETING

The regular meeting of the stockholders of the Johnson City Mills which, according to the by-laws, is held on the fourth Tuesday of January each year, was called to order at the office of the company Tuesday, January 26th, 1937, at one thirty o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet at the office of Mrs. Ben A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., Saturday, February 6th, 1937, at ten o'clock A.M.

T. F. Dooley  
Vice-President.

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills which, according to the by-laws, is held on the fourth Tuesday of January each year was called to order at the office of the company at Johnson City, Tennessee, Tuesday, January 26th, 1937, at two o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet Saturday, February 6th, 1937, at the office of Mr. Ben A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., at ten thirty A.M.

Eugene Herrin  
Secretary

T. F. Dooley  
Vice-President.

DIRECTORS MEETING

Minutes of the Board of Directors of Johnson City Mills held at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Saturday February 6th, 1937, at ten o'clock A.M., this being an adjournment of the regular annual meeting held Tuesday, January 26th, 1937, which failed for want of a quorum.

The president of the corporation, Mr. B. A. Morton, called the meeting to order and in the absence of the secretary, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary. Upon roll call it was ascertained that the following directors were present:

B. A. Morton	C. L. Dooley	T. F. Dooley
J. P. Roddy	G. H. Callaher	

It appearing from the secretary's report a quorum was present the chairman declared the meeting open for business.

The minutes of the last meeting of the Board of Directors were read and approved.

Next the treasurer and manager read to the meeting the report of the condition of the affairs of the corporation at the close of business for the year 1936 and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operation for the year 1936.

An examination of the treasurer's condition report and that of Dahlberg & Company showed that they were in accord in every particular.

After discussion of the report, upon motion of Mr. J. P. Roddy, seconded by C. L. Dooley, and unanimously voted, the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of Dahlberg & Company with the valuable papers of the corporation.

Upon motion of Mr. G. H. Callaher, seconded by Mr. J. P. Roddy and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Callaher and unanimously voted, the action of the officers of the corporation in spending approximately \$14,000 for new equipment in the year 1936 was approved.

Next, upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned sine die.

T. F. Dooley  
Secretary

B. A. Morton  
President

STOCKHOLDERS MEETING

Feb 6, 1937

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., at ten o'clock A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 26th, 1937., which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton,	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
C. L. Dooley	" " " "	64-6/10 "
G. H. Callaher	" " " "	45 "
T. F. Dooley	" " " "	294-1/10 "
		<u>1166-2/10 "</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith	holder and owner of	62-9/10 shares
H. E. McNew	" " " "	25-5/10 "
Est. of R.F. Brewer	" " " "	25-5/10 "
H. R. Dooley	" " " "	62-9/10 "
		<u>176-8/10 "</u>

It appearing from the secretary's report that 1344 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1936, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1936.

The president, Mr. B. A. Morton, presented these two reports and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy	
C. L. Dooley	G. H. Callaher	T. F. Dooley

After this a general discussion of the affairs of the corporation was held, with the treasurer and manager presenting his views as to the outlook for the business for the ensuing year.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

**PROXY**

Know All Men by these Presents: That I, C. Powell Smith

do hereby constitute and appoint

\_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name

and behalf to attend the Annual meeting of stockholders of

Johnson City Mills

called to meet at office of Ben A. Morton Fidelity Bankers Trust Co. Knoxville Tenn Feb 6<sup>th</sup> 1937 at 10 AM

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke

any proxy heretofore given by me; and should the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint \_\_\_\_\_

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 20 day of January 1937

Witness Mrs. Glenn Johnson

Signed C. Powell Smith

Witness Gladys A. Laws

Signed [Signature]

Witness Mrs. Paul E. Divine

Signed Mrs. R. F. Brewer

Executive

Estate of R. F. Brewer

Witness T. F. Dooley

Signed R. F. Dooley

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Callaher and unanimously voted, the action of the officers of the corporation in spending approximately \$14,000 for new equipment in the year 1936 was approved.

Next, upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned *Sine Die*.

T. F. Dooley  
Secretary

B. A. Morton  
President

#### STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held <sup>Feb 6, 1937</sup> at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., at ten o'clock A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 26th, 1937., which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present or represented by proxy:

##### Present in person:

B. A. Morton,	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
C. L. Dooley	" " " "	64-6/10 "
G. H. Callaher	" " " "	45 "
T. F. Dooley	" " " "	294-1/10 "
		<u>1166-2/10 "</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith	holder and owner of	62-9/10 shares
R. E. McNew	" " " "	25-5/10 "
Est. of R.F. Brewer	" " " "	25-5/10 "
R. H. Dooley	" " " "	62-9/10 "
		<u>176-8/10 "</u>

It appearing from the secretary's report that 1344 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1936, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1936.

The president, Mr. B. A. Morton, presented these two reports and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy	
C. L. Dooley	G. H. Callaher	T. F. Dooley

After this a general discussion of the affairs of the corporation was held, with the treasurer and manager presenting his views as to the outlook for the business for the ensuing year.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

Know All Men by these Presents: That I

do hereby constitute and appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the

meeting of stockholders of

called to meet at

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 24 day of Jan 1937

Witness Gladys K. Lucas

Signed

Witness Mrs. Paul E. Divine

Signed

Mrs. P. F. Brewer

Executive

Estate of R. F. Brewer

Witness

T. F. Dooley

Signed

R. F. Dooley

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Callaheer and unanimously voted, the action of the officers of the corporation in spending approximately \$14,000 for new equipment in the year 1936 was approved.

Next, upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned sine die.

T. F. Dooley  
Secretary

B. A. Morton  
President

### STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held <sup>Feb 6, 1937</sup> at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., at ten o'clock A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 26th, 1937., which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present or represented by proxy:

#### Present in person:

B. A. Morton,	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
C. L. Dooley	" " " "	64-6/10 "
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T. F. Dooley	" " " "	294-1/10 "
		<u>1166-2/10 "</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith	holder and owner of	62-9/10 shares
E. E. McNew	" " " "	25-5/10 "
Est. of R.F. Brewer	" " " "	25-5/10 "
E. H. Dooley	" " " "	62-9/10 "
		<u>176-8/10 "</u>

It appearing from the secretary's report that 1344 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1936, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1936.

The president, Mr. B. A. Morton, presented these two reports and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy	
C. L. Dooley	G. H. Callaheer	T. F. Dooley

After this a general discussion of the affairs of the corporation was held, with the treasurer and manager presenting his views as to the outlook for the business for the ensuing year.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

### PROXY

Know All Men by these Presents: That I Mr. R. F. Brewer  
do hereby constitute and appoint Mr. T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the \_\_\_\_\_ meeting of stockholders of

Johnson City Mills  
called to meet at Knoxville, Tenn.  
Feb 6th 1937 10 o'clock A.M.  
and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said Mr. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Mr. Ben A. Morton, Knoxville, Tenn. to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 4th day of Feb 1937

Witness Mrs. Paul E. Divine Signed Mr. R. F. Brewer  
Executive  
Estate of R. F. Brewer

Witness T. F. Dooley Signed R. F. Dooley

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. G. H. Callaher and unanimously voted, the action of the officers of the corporation in spending approximately \$14,000 for new equipment in the year 1936 was approved.

Next, upon motion of Mr. T. F. Dooley, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

T. F. Dooley  
Secretary

B. A. Morton  
President

#### STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held <sup>Feb 6, 1937</sup> at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., at ten o'clock A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 26th, 1937., which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present or represented by proxy:

#### Present in person:

B. A. Morton,	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
C. L. Dooley	" " " "	64-6/10 "
G. H. Callaher	" " " "	45 "
T. F. Dooley	" " " "	294-1/10 "
		1166-2/10 "

#### Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

C. Powell Smith	holder and owner of	62-9/10 shares
R. E. McNew	" " " "	25-5/10 "
Est. of R.F. Brewer	" " " "	25-5/10 "
R. E. Dooley	" " " "	62-9/10 "
		176-8/10 "

It appearing from the secretary's report that 1344 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the treasurer's report at the close of business December 31st, 1936, and also to present the report of Dahlberg & Company, the auditing firm who had completed the audit of the corporation for the year 1936.

The president, Mr. B. A. Morton, presented these two reports and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously, the reports were accepted and the secretary was instructed to insert the treasurer's condition report in the minutes of this meeting as a part of the permanent records of the corporation and to file the report of the auditing firm, Dahlberg & Company, with the valuable papers of the corporation.

The next business being the election of directors to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	J. P. Roddy	
C. L. Dooley	G. H. Callaher	T. F. Dooley

After this a general discussion of the affairs of the corporation was held, with the treasurer and manager presenting his views as to the outlook for the business for the ensuing year.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

#### PROXY

Know All Men by these Presents: That I R. R. Dooley

do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name

and behalf to attend the annual meeting of stockholders

called to meet at Knoxville, Tennessee 10 A.M.

Feb. 6, 1937

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin

to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 25 day of January 1937

Witness T. F. Dooley

Signed R. R. Dooley

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business December 31st, 1936.

## ASSETS

\$ 111.06	Cash in Hamilton Natl. Bank - Gen. A/c	\$ 6,279.15	
381.68	Cash in Hamilton Natl. Bank - P.R. A/c	381.68	
148.24	Cash in First Natl. Bank (Closed)	148.24	
15,205.83	Accounts Receivable	21,919.49	
25,080.00	Bills Receivable	24,500.00	
1,458.00	Interest Receivable Accrued	2,636.00	
25,603.95	Inventory	81,490.38	
644.22	Deferred Charges	820.36	
<u>\$126,633.28</u>		<u>\$138,175.30</u>	
\$222,255.24	Fixed Assets		\$249,876.48
147,272.27	Less Reserve for Depreciation		<u>155,402.73</u>
<u>\$80,056.27</u>		<u>94,473.75</u>	
<u>\$214,689.85</u>		<u>\$232,649.05</u>	

## LIABILITIES

\$ 18,360.16	Accounts Payable	\$ 23,346.98	
22,300.00	Bills Payable	35,000.00	
352.20	Reserve for Unclaimed Checks	352.20	
448.00	Reserve for Capital Stock Tax	320.00	
None	Accrued Taxes Payable - Social Security	1,361.92	
None	Accrued Compensation Insurance Due	70.95	
<u>\$ 42,060.36</u>		<u>\$ 60,452.05</u>	
\$ 21,000.00	Capital Stock - Paid in		\$81,000.00
43,500.00	Capital Stock - Earned		63,500.00
5,000.00	Surplus - Paid in		5,000.00
<u>\$2,122.42</u>	Undivided Profits		<u>22,697.00</u>
<u>\$172,622.42</u>	NET WORTH	<u>172,197.00</u>	
<u>\$214,689.85</u>		<u>\$232,649.05</u>	
None	Profit for Month	\$ 4,060.49	
\$ 2,419.04	Deficit for Month	None	
None	Profit for Year	None	
26,734.56	Deficit for Year	10.43	
None	Dividends Paid	None	
1934	Income Tax paid	\$315.53	
1934	Depreciation adjusted to R.A.R.	106.53	
		<u>\$422.06</u>	

\$222,255.27	222,424 doz.	Total Knit for the Year	330,696 doz.
	267,413 "	Net shipments for Year	344,806 "
	10.99%	Percentage Loss on Sales	None
	.10	Net loss per doz.	None
\$188,356.49		Average Investment for Year	\$169,842.22
	14.19%	Percentage Loss on Investment	None

December 31st, 1936.

## DIRECTORS MEETING

Minutes of the meeting of Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Saturday, February 6th, 1937, at eleven o'clock A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following directors were present:

B. A. Morton	G. H. Callaher	T. F. Dooley
C. L. Dooley	J. P. Roddy	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Callaher and unanimously voted, the salaries of the officers were fixed as follows:

President - No salary.

Vice-President, Treasurer and General Manager at the rate of \$6,000 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1937 in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be taken for figuring the bonus of the Vice-President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 18% of the average net worth of the corporation for the year has been earned the Vice-President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the Vice-President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Secretary - No Salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President - B. A. Morton
Vice-President, Treasurer and General Manager - T. F. Dooley
Secretary - Eugene Herrin.

Next there was a general discussion of the affairs of the corporation and the outlook for the ensuing year was discussed by the manager.

He stated that a fair volume of business was booked and he was well covered on raw materials, but that the hosiery industry was in a depressed state and he could not predict a very bright prospect for the first six months of the year. Also that he was not in position to predict it as to the last six months.

The manager told the Board of Directors that he had not been able to pay the interest due on his obligation to the company for the year 1936 and had paid only \$280.00 on interest which had accrued for the year 1935, leaving a net accrual to his account of \$2480.00.

He also stated that Mr. Eugene Herrin had not paid any interest for the year 1936, but an effort on the part of both of them would be made to pay the interest for the current year and some of the arrears.

No action was taken on this matter by the directors.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. G. H. Callaher and unanimously voted, the following resolution was passed:

RESOLVED: That President, Vice President or Secretary Treasurer, singly, be and they hereby are, authorized to borrow money from time to time on behalf of this corporation, from the HAMILTON NATIONAL BANK of Johnson City, at its office in Johnson City, Tennessee, and with or without security, executing in connection therewith such documents or notes as may be necessary to procure the same.

There being no further business to come before the meeting, upon proper motion it adjourned

*T. F. Dooley*  
Secretary

*J. P. Roddy*  
Chairman

DIRECTORS' MEETING.

Minutes of a called meeting of the Board of Directors of Johnson City Mills held in the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., on Tuesday, March 30th, 1937, at 4:30 o'clock P.M., pursuant to the call of the president.

The following members of the Board were present: Mr. B. A. Morton, Mr. J. P. Roddy, Mr. T. F. Dooley, Mr. C. L. Dooley, Mr. G. H. Callaher.

It appearing from the rollcall that all the directors were present, the president, Mr. B. A. Morton requested Mr. C. L. Dooley to preside at the meeting. In the absence of the secretary of the corporation, Mr. Eugene Herrin, Mr. T. F. Dooley acted as secretary. There being no objection upon the part of any director, Mr. C. L. Dooley presided.

Next Mr. B. A. Morton presented his resignation as president of the corporation and Mr. T. F. Dooley presented his resignation as vice-president of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, the resignations of these two gentlemen from the offices as stated above were accepted.

Next upon proper motion, duly made and seconded and unanimously voted, Mr. T. F. Dooley was elected president of the corporation. Then upon proper motion, duly made and seconded and unanimously voted, Mr. Eugene Herrin was elected vice-president of the corporation.

Next Mr. B. A. Morton presented his resignation as a member of the Board of Directors of the corporation.

The remaining directors present, namely, Mr. J. P. Roddy, Mr. T. F. Dooley, Mr. C. L. Dooley and Mr. G. H. Callaher, upon proper motion, duly made and seconded and unanimously voted, accepted the resignation of Mr. B. A. Morton as a director and Mr. D. B. Lothrop was elected to the directorship left vacant by the resignation of Mr. Morton.

At this time Mr. Lothrop, who had just been elected a director, was called into the meeting and accepted a place on the Board of Directors.

Next Mr. G. H. Callaher tendered his resignation as a director of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, the remaining directors present, namely, Mr. C. L. Dooley, Mr. T. F. Dooley, Mr. J. P. Roddy and Mr. D. B. Lothrop, accepted the resignation of Mr. Callaher as director and elected Mr. Eugene Herrin as a director to fill the vacancy on the Board of Directors left by the resignation of Mr. Callaher.

Next Mr. J. P. Roddy tendered his resignation as a member of the Board of Directors of the corporation. Upon proper motion, duly made and seconded and unanimously voted, the remaining directors present, namely, Mr. C. L. Dooley, Mr. T. F. Dooley and Mr. D. B. Lothrop, accepted the resignation of Mr. J. P. Roddy and elected Mr. R. R. Dooley as a director to fill the vacancy on the Board of Directors left by the resignation of Mr. Roddy.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
Chairman

DIRECTORS MEETING

Regular meeting of the Board of Directors of Johnson City Mills called to order at the office of the company at Johnson City, Tenn., Tuesday, July 27th, 1937, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present, so the meeting adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President

STOCKHOLDERS MEETING

The regular meeting of the stockholders of the Johnson City Mills which, according to the by-laws, is held on the fourth Tuesday of January each year, was called to order at the office of the company Tuesday, January 25th, 1938, at one thirty o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Bldg., Knoxville, Tenn., Tuesday, February 8th, 1938, at ten o'clock A.M.

Eugene Herrin  
Secretary

T. F. Dooley  
President

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills which, according to the by-laws, is held on the fourth Tuesday of January each year was called to order at the office of the company at Johnson City, Tennessee, Tuesday, January 25th, 1938, at two o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet Tuesday, February 8th, 1938, at the office of Mr. Ben A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., at ten thirty A.M.

Eugene Herrin  
Secretary

T. F. Dooley  
President

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, Tuesday, February 8th, 1938, at ten o'clock A.M., this being an adjournment of the regular annual meeting held Tuesday, January 25th, 1938, which failed for want of a quorum.

The president of the corporation, Mr. T. F. Dooley, called the meeting to order and the secretary of the corporation, Mr. Eugene Herrin, acted as secretary. Upon roll call it was ascertained that the following directors were present:

T. F. Dooley	C. L. Dooley
Eugene Herrin	D. B. Lothrop

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business. The minutes of the last annual meeting of the Board of Directors were read and approved, and also the minutes of a call meeting of the Board of Directors held Tuesday, March 30th, 1937, were read and approved.

Next the treasurer and manager read to the meeting the report of the affairs of the corporation at the close of business for the year 1937 and also presented to the Board the report of the company's auditors, Dahlberg & Company, covering the operations for the year 1937.

An examination of the treasurer's condition report and that of Dahlberg & Company showed that they were in accord in every particular.

After discussion of the report, upon motion of Mr. C. L. Dooley, seconded by Mr. D. B. Lothrop and unanimously voted, the report of the treasurer was accepted and he was instructed to incorporate same in the minutes of this meeting and was instructed to file the report of the company's auditors, Dahlberg & Company, with the valuable papers of the corporation.

Upon motion of Mr. D. B. Lothrop, seconded by Mr. C. L. Dooley and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the treasurer's report and also the report of the auditing company, which two reports were to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next, upon motion of Mr. Eugene Herrin, seconded by Mr. D. B. Lothrop and unanimously voted, the minutes of this meeting were reduced to writing and were approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

Eugene Herrin  
Secretary

T. F. Dooley  
President





163M  
1/2/38

## PROXY

Know All Men by these Presents: That I, Joseph C. Bossong  
do hereby constitute and appoint T. F. Dooley

to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the Annual meeting of stockholders of

Johnson City Mills  
called to meet at Office of D. B. Lothrop, Knoxville, Tenn  
Jan 25, 1938

and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said meeting be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this 10 day of Jan 1938

Witness: T. F. Dooley

Signed: Joseph C. Bossong

Witness: Mad. Edna M. Dooley

Signed: Edna M. Dooley

1/2/38  
I have hereunto set my hand, this 11 day of Jan 1938

Witness: Edna M. Dooley

Signed: Edna M. Dooley

the meeting open for business.

Upon motion of Mr. D. B. Lothrop, seconded by Eugene Herrin and unanimously voted, the salaries of officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$5400.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1938 in excess of 8% of the capital stock issued at at par plus an average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken for figuring the bonus of the President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 10% of the average net worth of the corporation for the year has been earned the President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley.

Vice-President and Secretary - Eugene Herrin.

Next there was a discussion of the affairs of the corporation and the outlook for the ensuing year was discussed by the manager.

He stated the outlook was not bright due to the general business recession and especially due to the generally depressed condition of the hosiery industry.

He did tell the directors that all salaries, wages and commissions had been reduced ten percent effective January 1st, 1938, and that he was hopeful this reduction would enable the corporation to meet competition and continue operations without loss, but that he could see no possibility of a profit for the immediate future.

Next the president told the Board of Directors that he had not been able to pay the interest due on his obligation to the company for the year 1937 and with the reduction of salary he did not see how he could pay any for the year 1938 unless the corporation returned to an earning basis.

He suggested to the Board that since he was in arrears on interest to the corporation in the amount of \$3860.00 he would like to secure this sum, insofar as possible, by having executed deeds of trust to the corporation on two small houses which he owned, free and unencumbered, and one tract of approximately thirteen acres with one small house, the purchase price of these properties to him being \$4500.00.

After considerable discussion the directors agreed that it would be proper for the corporation to accept these deeds of trust.

He also stated that Mr. Eugene Herrin had not paid any interest for the year 1937 and was in arrears \$234.00 interest on his obligations to the corporation.

The president told the directors that the obligation of Robert R. Dooley, deceased, of \$200.00 to the corporation would be taken up with interest in full as soon as the estate of the deceased was settled.

There being no further business to come before the meeting, upon proper motion at adjourned.

T. F. Dooley  
Secretary.

Edna M. Dooley  
Chairman

### DIRECTORS MEETING

Minutes of a called meeting of the Board of Directors of the Johnson City Mills held in the office of Mr. D. B. Lothrop, Knoxville, Tenn., on Friday, June 3rd, 1938, at eleven o'clock A.M., pursuant to the call of the president.

The following members of the Board were present: Mr. C. L. Dooley, Mr. T. F. Dooley, Mr. D. B. Lothrop and Mr. Eugene Herrin.

It appearing from the roll call that there was a quorum present the president, Mr. T. F. Dooley, who presided, declared the meeting open for business. The secretary, Mr. Eugene Herrin, acted as secretary.

First the president presented to the Board a letter he had received from Mr. J. C. Bossong in which he declined to accept a position on the Board of Directors to which he had been elected at the annual meeting of the Stockholders held February 8th, 1938.

This letter of declination is filed as a part of the minutes of this meeting.

The president stated that this left a vacancy on the Board of Directors and on motion of Mr. Eugene Herrin, seconded by Mr. D. B. Lothrop and unanimously voted, Mrs. Edna M. Dooley was elected a director.

Next the president stated that it was his recommendation to the Directors that the corporation borrow a sum of money not to exceed One Hundred and Twenty-five Thousand Dollars from the Reconstruction Finance Corporation to be used for the purpose of buying new, modern equipment for the manufacture of ladies full-fashioned silk hosiery, which equipment is to be installed in the corporation's building at Johnson City, Tenn.

He stated that by discarding approximately one hundred and eighty machines, which are now obsolete and which could not be run without considerable loss, there would be ample room for the installation of this full-fashioned equipment and also to continue the operation of the seamless equipment which had been modernized and could be operated at no loss and possibly a small profit at times.

The president stated that he visited the Reconstruction Finance Corporation's office in Nashville and had gone over the proposition with them and secured application blanks.

After a thorough discussion of this recommendation, in which all the Directors took part, Mr. Eugene Herrin moved the adoption of the following resolutions:

**PROXY**

Know All Men by these Presents: That I, Powell Smith

do hereby constitute and appoint B.A. Norton  
to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the Johnson City Mills meeting of stockholders of

called to meet at office of Mr. Ben. A. Norton Knoxville Tenn  
Jan 25, 1938

and any and all adjournments thereof, and to vote on any and all business of the said Company sub-  
mitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke  
any proxy heretofore given by me; and should the said

be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereun-  
der, then, and in that event only, I appoint

as my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
adjournments, as fully as I could were I personally present.  
In Witness Whereof, I have hereunto set my hand; this 17 day of January, 1938

Witness Mad. Eleanor Johnson Signed Powell Smith

Witness Gladys K. Laws Signed B.A. Norton

the meeting open for business.

Upon motion of Mr. D. B. Lothrop, seconded by Eugene Herrin and unanimously voted, the salaries of officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$5400.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1938 in excess of 8% of the capital stock issued at at par plus an average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken for figuring the bonus of the President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 10% of the average net worth of the corporation for the year has been earned the President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascer- tained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley.  
Vice-President and Secretary - Eugene Herrin.

Next there was a discussion of the affairs of the corporation and the outlook for the ensuing year was discussed by the manager.

He stated the outlook was not bright due to the general business recession and especially due to the generally depressed condition of the hosiery industry.

He did tell the directors that all salaries, wages and commissions had been reduced ten percent effective January 1st, 1938, and that he was hopeful this reduction would enable the corporation to meet competition and continue operations without loss, but that he could see no possibility of a profit for the immediate future.

Next the president told the Board of Directors that he had not been able to pay the interest due on his obligation to the company for the year 1937 and with the reduction of salary he did not see how he could pay any for the year 1938 unless the corporation returned to an earning basis.

He suggested to the Board that since he was in arrears on interest to the corporation in the amount of \$3860.00 he would like to secure this sum, insofar as possible, by having executed deeds of trust to the corporation on two small houses which he owned, free and un- encumbered, and one tract of approximately thirteen acres with one small house, the purchase price of these properties to him being \$4500.00.

After considerable discussion the directors agreed that it would be proper for the cor- poration to accept these deeds of trust.

He also stated that Mr. Eugene Herrin had not paid any interest for the year 1937 and was in arrears \$234.00 interest on his obligations to the corporation.

The president told the directors that the obligation of Robert R. Dooley, deceased, of \$200.00 to the corporation would be taken up with interest in full as soon as the estate of the deceased was settled.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary.

Edna M. Dooley  
Chairman

DIRECTORS MEETING

Minutes of a called meeting of the Board of Directors of the Johnson City Mills held in the office of Mr. D. B. Lothrop, Knoxville, Tenn., on Friday, June 3rd, 1938, at eleven o'clock A.M., pursuant to the call of the president.

The following members of the Board were present: Mr. C. L. Dooley, Mr. T. F. Dooley, Mr. D. B. Lothrop and Mr. Eugene Herrin.

It appearing from the roll call that there was a quorum present the president, Mr. T. F. Dooley, who presided, declared the meeting open for business. The secretary, Mr. Eugene Herrin, acted as secretary.

First the president presented to the Board a letter he had received from Mr. J. C. Bossong in which he declined to accept a position on the Board of Directors to which he had been elected at the annual meeting of the Stockholders held February 8th, 1938.

This letter of declination is filed as a part of the minutes of this meeting.

The president stated that this left a vacancy on the Board of Directors and on motion of Mr. Eugene Herrin, seconded by Mr. D. B. Lothrop and unanimously voted, Mrs. Edna M. Dooley was elected a director.

Next the president stated that it was his recommendation to the Directors that the corpora- tion borrow a sum of money not to exceed One Hundred and Twenty-five Thousand Dollars from the Reconstruction Finance Corporation to be used for the purpose of buying new, modern equipment for the manufacture of ladies full-fashioned silk hosiery, which equipment is to be installed in the corporation's building at Johnson City, Tenn.

He stated that by discarding approximately one hundred and eighty machines, which are now obsolete and which could not be run without considerable loss, there would be ample room for the installation of this full-fashioned equipment and also to continue the operation of the seamless equipment which had been modernized and could be operated at no loss and possibly a small profit at times.

The president stated that he visited the Reconstruction Finance Corporation's office in Nashville and had gone over the proposition with them and secured application blanks.

After a thorough discussion of this recommendation, in which all the Directors took part, Mr. Eugene Herrin moved the adoption of the following resolutions:

He did tell the directors that all salaries, wages and commissions had been reduced ten percent effective January 1st, 1938, and that he was hopeful this reduction would enable the corporation to meet competition and continue operations without loss, but that he could see no possibility of a profit for the immediate future.

Next the president told the Board of Directors that he had not been able to pay the interest due on his obligation to the company for the year 1937 and with the reduction of salary he did not see how he could pay any for the year 1938 unless the corporation returned to an earning basis.

He suggested to the Board that since he was in arrears on interest to the corporation in the amount of \$3860.00 he would like to secure this sum, insofar as possible, by having executed deeds of trust to the corporation on two small houses which he owned, free and unencumbered, and one tract of approximately thirteen acres with one small house, the purchase price of these properties to him being \$4500.00.

After considerable discussion the directors agreed that it would be proper for the corporation to accept these deeds of trust.

He also stated that Mr. Eugene Herrin had not paid any interest for the year 1937 and was in arrears \$234.00 interest on his obligations to the corporation.

The president told the directors that the obligation of Robert R. Dooley, deceased, of \$200.00 to the corporation would be taken up with interest in full as soon as the estate of the deceased was settled.

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary.

*R. H. Dooley*  
Chairman

DIRECTORS MEETING

Minutes of a called meeting of the Board of Directors of the Johnson City Mills held in the office of Mr. D. B. Lothrop, Knoxville, Tenn., on Friday, June 3rd, 1938, at eleven o'clock A.M., pursuant to the call of the president.

The following members of the Board were present: Mr. C. L. Dooley, Mr. T. F. Dooley, Mr. D. B. Lothrop and Mr. Eugene Herrin.

It appearing from the roll call that there was a quorum present the president, Mr. T. F. Dooley, who presided, declared the meeting open for business. The secretary, Mr. Eugene Herrin, acted as secretary.

First the president presented to the Board a letter he had received from Mr. J. C. Bossong in which he declined to accept a position on the Board of Directors to which he had been elected at the annual meeting of the Stockholders held February 8th, 1938.

This letter of declination is filed as a part of the minutes of this meeting.

The president stated that this left a vacancy on the Board of Directors and on motion of Mr. Eugene Herrin, seconded by Mr. D. B. Lothrop and unanimously voted, Mrs. Edna M. Dooley was elected a director.

Next the president stated that it was his recommendation to the Directors that the corporation borrow a sum of money not to exceed One Hundred and Twenty-five Thousand Dollars from the Reconstruction Finance Corporation to be used for the purpose of buying new, modern equipment for the manufacture of ladies full-fashioned silk hosiery, which equipment is to be installed in the corporation's building at Johnson City, Tenn.

He stated that by discarding approximately one hundred and eighty machines, which are now obsolete and which could not be run without considerable loss, there would be ample room for the installation of this full-fashioned equipment and also to continue the operation of the seamless equipment which had been modernized and could be operated at no loss and possibly a small profit at times.

The president stated that he visited the Reconstruction Finance Corporation's office in Nashville and had gone over the proposition with them and secured application blanks.

After a thorough discussion of this recommendation, in which all the Directors took part, Mr. Eugene Herrin moved the adoption of the following resolutions:

**PROXY**

Know All Men by these Presents: That I, *R. E. Herrin*  
do hereby constitute and appoint *D. B. Lothrop*

to be my attorney, substitute and proxy, for me and in my name  
and behalf to attend the *Annual* meeting of stockholders of

Johnson City Mills  
called to meet at *Knoxville, Tenn. Jan 25, 1938*

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke

any proxy heretofore given by me; and should the said  
be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint

as my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting  
adjournments, as fully as I could were I personally present.

In Witness Whereof, I have hereunto set my hand; this *17th* day of *Jan.* 1938  
Signed *R. E. Herrin*



Upon motion of Mr. D. B. Lothrop, seconded by Eugene Herrin and unanimously voted, the salaries of officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$5400.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1938 in excess of 8% of the capital stock issued at at par plus an average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken for figuring the bonus of the President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 10% of the average net worth of the corporation for the year has been earned the President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley.  
Vice-President and Secretary - Eugene Herrin.

Next there was a discussion of the affairs of the corporation and the outlook for the ensuing year was discussed by the manager.

He stated the outlook was not bright due to the general business recession and especially due to the generally depressed condition of the hosiery industry.

(1) RESOLVED, that the officers of this corporation named below, or any one of them, or their, or any one of their, duly elected or appointed successors in office, be and they are hereby authorized and empowered in the name and on behalf of this corporation and under its corporate seal, to execute and deliver to Hamilton National Bank and/or The Peoples Bank (hereinafter called "Bank") or Reconstruction Finance Corporation (hereinafter called "R.F.C."), as the case may be, in the form required by Bank or R.F.C., the following documents: (a) application for a loan or loans, the total thereof not to exceed in principal amount \$125,000.00, maturing upon such date or dates and bearing interest at such rate or rates as may be prescribed by R.F.C.; (b) applications for any renewals or extensions of all or any part of such loan or loans; (c) the promissory note or notes of this corporation evidencing such loan or loans or any renewals or extensions thereof; and (d) any other instruments or agreements of this corporation which may be required by Bank and R.F.C., or either of them, in connection with such loans, renewals, and/or extensions; and that said officers in their discretion may accept any such loan or loans in installments and give one or more notes of this corporation and under its corporate seal or otherwise, any instruments or agreements deemed necessary or proper by the Bank and R.F.C., or either of them, in respect of the collateral securing any indebtedness of this corporation;

(2) FURTHER RESOLVED, that the aforesaid officers or any one of them, or their duly elected or appointed successors in office, be and they are hereby authorized and empowered to do any acts, including but not limited to the mortgage, pledge, or hypothecation from time to time with Bank and R.F.C., or either of them, of any or all assets of this corporation to secure such loan or loans, renewals and extensions, and to execute in the name and on behalf of this corporation and under its corporate seal or otherwise, any instruments or agreements deemed necessary or proper by the Bank and R.F.C., or either of them, in respect of the collateral securing any indebtedness of this corporation;

(3) FURTHER RESOLVED, that any indebtedness heretofore contracted and any contracts or agreements heretofore made with the Bank and R.F.C., or either of them, on behalf of this corporation, and all acts of officers or agents of this corporation in connection with said indebtedness or said contracts or agreements, are hereby ratified and confirmed;

(4) FURTHER RESOLVED, that the officers referred to in the foregoing resolutions are as follows:

T. F. Dooley, President & Treasurer.  
Eugene Harrin, Vice-President & Secretary.

(5) FURTHER RESOLVED, that Bank and R.F.C. are respectively authorized to rely upon the aforesaid resolutions until receipt by their respective treasurers of written notice of any change.

Mr. D. B. Lothrop seconded this motion and it was unanimously carried.

Next the following resolution was presented by Mr. D. B. Lothrop who moved its adoption:

RESOLVED, that in the event the loan referred to in the foregoing resolution is granted the Johnson City Mills will make no demand on the president of the corporation, Mr. T. F. Dooley, for the payment of his note to the corporation or interest thereon until the loan from the Reconstruction Finance Corporation is paid in full, excepting such amounts as he may earn as a bonus or additional compensation under the salary clause as fixed by the Board of Directors. It being the purpose of this resolution to prevent any action which might result in the president being forced to give up his stock in the corporation, which would probably result in his resignation and the loss of his services to the corporation.

Mr. C. L. Dooley seconded this resolution and it was unanimously carried.

Next the president, Mr. T. F. Dooley, stated to the Board of Directors that in the event the loan referred to hereinbefore was secured and the bonus clause passed by the Board of Directors remained in effect that he would apply all monies received from this bonus clause to his note which the corporation holds.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Harrin  
Secretary

T. F. Dooley  
President.



*J. C. Bossong & Co.*

INCORPORATED

**HOSIERY**

271 Church Street

New York

TELEPHONE WALKER 5-4297

February 23rd,  
1938

Mr. T. F. Dooley,  
Johnson City Mills,  
Johnson City, Tenn.

Dear Floyd:-

In line with the expressions on this subject which I have mentioned to you over a period of years back, I must decline the position offered me as a director to serve on the Board of the Johnson City Mills.

Please express my sincere appreciation to the other members of the Board for their considerations in this matter.

I remain,

Very truly yours,

J. C. BOSSONG & CO. INC.

JCB:LN

STOCKHOLDERS MEETING

Minutes of a special called meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., at one o'clock P.M. Friday, June 3rd, 1938, pursuant to written notice mailed to each one of the stockholders in accordance with the code of the State of Tennessee which regulates the calling of special meetings of stockholders; a copy of which notice is hereto attached and made a part of these minutes, being marked Exhibit A, and at which meeting the following business was transacted and ordered spread of record upon the permanent records of the company.

The president, Mr. T. F. Dooley, presided over the meeting and the secretary, Mr. Eugene Herrin acted as secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented by proxy:

Present in person:

B. A. Morton	holder and owner of 400.4 shares
J. P. Roddy	" " " " 362.1 "
T. F. Dooley	" " " " 284.1 "
C. L. Dooley	" " " " 63.6 "
O. H. Callahan	" " " " 45 "
Eugene Herrin	" " " " 17 "
D. S. Lothrop	" " " " 1 "
	<u>1173.2</u> "

Represented by proxy, which proxies are made a part of the minutes of this meeting:

Powell Smith	Represented by T. F. Dooley	62.9 shares
R. E. McNew	" " " "	25.5 "
Eugenie Dooley	" " " "	62.9 "
Etha M. Dooley	" " " "	10 "
		<u>161.3</u> "

It appearing from the roll call and the report of the secretary that all the stockholders had received legal notice of the time, place and purpose of the meeting and that 1334.5 shares out of 1445 shares of stock issued and outstanding were present in person or properly represented by proxy, the president announced that the meeting was open and competent for the transaction of all business stated in the call.

Notice and call of the meeting was read, after which the president stated that the directors of the corporation had certain recommendations to make to the stockholders and he requested the secretary to read to the stockholders the minutes of a meeting of the Board of Directors which had been held earlier this same day.

These minutes were read and after thorough discussion it was moved by Mr. B. A. Morton, and seconded by Mr. J. P. Roddy and unanimously voted, that the action of the Board of Directors with regard to the application for a loan from the Reconstruction Finance Corporation and with regard to the note of the president, Mr. T. F. Dooley, which the corporation holds be, and the same is hereby, ratified and approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, July 26th, 1938, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

Exhibit "A"

TO THE STOCKHOLDERS OF JOHNSON CITY MILLS

You are hereby notified that a special call<sup>ed</sup> meeting of the stockholders of Johnson City Mills will be held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., at one o'clock P.M. on Friday, June 3rd, to consider a recommendation of the officers and directors of the corporation that the corporation make application for a loan not to exceed Two Hundred Thousand Dollars from the Reconstruction Finance Corporation and mortgage all of the corporation's assets as security for said loan.

The funds obtained from this loan are to be used for the purchase and installation of equipment for the manufacture of ladies full-fashioned silk hosiery in the buildings now owned by the corporation.

A blank proxy is herewith enclosed for your execution in the event you cannot attend this meeting in person.

This the 23rd day of May, 1938.

T. F. Dooley  
President of Johnson City Mills

PROXY



KNOW ALL MEN BY THESE PRESENTS: That I Powell Smith

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Special called meeting of stockholders of Johnson City Mills called to meet at office of Mr. B. A. Morton Fidelity Bankers Trust Co Bldg

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 23 day of

May 1938

Witness Richard C. Johnson Signed Powell Smith

Witness T. F. Dooley Signed \_\_\_\_\_

Witness Gladys K. Laws Signed Eugenie Dooley

Witness T. F. Dooley Signed Eugenie Dooley  
by Carrie M. Dooley  
attorney in fact

## STOCKHOLDERS MEETING

Minutes of a special called meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., at one o'clock P.M. Friday, June 2nd, 1938, pursuant to written notice mailed to each one of the stockholders in accordance with the code of the State of Tennessee which regulates the calling of special meetings of stockholders; a copy of which notice is hereto attached and made a part of these minutes, being marked Exhibit A, and at which meeting the following business was transacted and ordered spread of record upon the permanent records of the company.

The president, Mr. T. F. Dooley, presided over the meeting and the secretary, Mr. Eugene Herrin acted as secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented by proxy:

## Present in person:

B. A. Morton	holder and owner of 400.4 shares
J. F. Roddy	" " " " 362.1 "
T. F. Dooley	" " " " 284.1 "
C. L. Dooley	" " " " 63.6 "
C. H. Gallaher	" " " " 45 "
Eugene Herrin	" " " " 17 "
D. B. Lothrop	" " " " 1 "
	<u>1173.2</u> "

Represented by proxy, which proxies are made a part of the minutes of this meeting:

Powell Smith	Represented by T. F. Dooley	62.9 shares
H. E. McNew	" " " "	25.5 "
Eugenie Dooley	" " " "	62.9 "
Etha M. Dooley	" " " "	10 "
		<u>161.3</u> "

It appearing from the roll call and the report of the secretary that all the stockholders had received legal notice of the time, place and purpose of the meeting and that 1334.5 shares out of 1445 shares of stock issued and outstanding were present in person or properly represented by proxy, the president announced that the meeting was open and competent for the transaction of all business stated in the call.

Notice and call of the meeting was read, after which the president stated that the directors of the corporation had certain recommendations to make to the stockholders and he requested the secretary to read to the stockholders the minutes of a meeting of the Board of Directors which had been held earlier this same day.

These minutes were read and after thorough discussion it was moved by Mr. B. A. Morton, and seconded by Mr. J. F. Roddy and unanimously voted, that the action of the Board of Directors with regard to the application for a loan from the Reconstruction Finance Corporation and with regard to the note of the president, Mr. T. F. Dooley, which the corporation holds be, and the same is hereby, ratified and approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

## DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, July 26th, 1938, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

Exhibit "A"

TO THE STOCKHOLDERS OF JOHNSON CITY MILLS

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Special Called meeting of stockholders of Johnson City Mills called to meet at Office of Ben A. Morton, Knoxville, Tenn Friday June 2, 1938 at 1 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 2 day of June

1938

Witness

T. F. Dooley

Signed

Edna M. Dooley

Witness

Gladys K. Lawe

Signed

Eugenie Dooley

Witness

T. F. Dooley

Signed

by Corrie M. Dooley  
attorney in fact



## STOCKHOLDERS MEETING

Minutes of a special called meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., at one o'clock P.M. Friday, June 3rd, 1938, pursuant to written notice mailed to each one of the stockholders in accordance with the code of the State of Tennessee which regulates the calling of special meetings of stockholders; a copy of which notice is hereto attached and made a part of these minutes, being marked Exhibit A, and at which meeting the following business was transacted and ordered spread of record upon the permanent records of the company.

The president, Mr. T. F. Dooley, presided over the meeting and the secretary, Mr. Eugene Herrin acted as secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented by proxy:

## Present in person:

B. A. Morton	holder and owner of 400.4 shares	
J. F. Roddy	" " " "	362.1 "
T. F. Dooley	" " " "	284.1 "
C. L. Dooley	" " " "	63.6 "
G. H. Gallaher	" " " "	45 "
Eugene Herrin	" " " "	17 "
D. S. Lothrop	" " " "	1 "
		<u>1173.2</u> "

Represented by proxy, which proxies are made a part of the minutes of this meeting:

Powell Smith	Represented by T. F. Dooley	62.9 shares
H. H. McNew	" " " "	25.5 "
Eugenie Dooley	" " " "	62.9 "
Elna H. Dooley	" " " "	10 "
		<u>161.3</u> "

It appearing from the roll call and the report of the secretary that all the stockholders had received legal notice of the time, place and purpose of the meeting and that 1334.5 shares out of 1445 shares of stock issued and outstanding were present in person or properly represented by proxy, the president announced that the meeting was open and competent for the transaction of all business stated in the call.

Notice and call of the meeting was read, after which the president stated that the directors of the corporation had certain recommendations to make to the stockholders and he requested the secretary to read to the stockholders the minutes of a meeting of the Board of Directors which had been held earlier this same day.

These minutes were read and after thorough discussion it was moved by Mr. B. A. Morton, and seconded by Mr. J. F. Roddy and unanimously voted, that the action of the Board of Directors with regard to the application for a loan from the Reconstruction Finance Corporation and with regard to the note of the president, Mr. T. F. Dooley, which the corporation holds be, and the same is hereby, ratified and approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

## DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, July 26th, 1938, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

Exhibit "A"

TO THE STOCKHOLDERS OF JOHNSON CITY MILLS

IN WITNESS WHEREOF, I have hereunto set my hand; this 26 day of May 1938

KNOW ALL MEN BY THESE PRESENTS: That I R. E. McNew

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Special Called meeting of stockholders of Johnson City Mills

called to meet at Office of B. A. Morton, Knoxville, Tenn Friday June 3, 1938 at 1 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 26 day of May

6/3/38  
R.E.M.

1938

Witness Gladys R. Laws

Signed R. E. McNew

Witness T. F. Dooley

Signed Eugenie Dooley  
by Charlie M. Dooley  
attorney in fact

STOCKHOLDERS MEETING

Minutes of a special called meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., at one o'clock P.M. Friday, June 3rd, 1938, pursuant to written notice mailed to each one of the stockholders in accordance with the code of the State of Tennessee which regulates the calling of special meetings of stockholders; a copy of which notice is hereto attached and made a part of these minutes, being marked Exhibit A, and at which meeting the following business was transacted and ordered spread of record upon the permanent records of the company.

The president, Mr. T. F. Dooley, presided over the meeting and the secretary, Mr. Eugene Herrin acted as secretary.

Upon roll call it was ascertained that the following stockholders were either present or represented by proxy:

Present in person:

B. A. Morton	holder and owner of 400.4 shares	
J. F. Roddy	" " " "	362.1 "
T. F. Dooley	" " " "	284.1 "
C. L. Dooley	" " " "	63.6 "
G. H. Callaber	" " " "	45 "
Eugene Herrin	" " " "	17 "
D. S. Lothrop	" " " "	1 "
		<u>1173.2</u> "

Represented by proxy, which proxies are made a part of the minutes of this meeting:

Powell Smith	Represented by T. F. Dooley	62.9 shares
R. E. McNew	" " " "	25.5 "
Eugenie Dooley	" " " "	62.9 "
Edna M. Dooley	" " " "	10 "
		<u>161.3</u> "

It appearing from the roll call and the report of the secretary that all the stockholders had received legal notice of the time, place and purpose of the meeting and that 1334.5 shares out of 1445 shares of stock issued and outstanding were present in person or properly represented by proxy, the president announced that the meeting was open and competent for the transaction of all business stated in the call.

Notice and call of the meeting was read, after which the president stated that the directors of the corporation had certain recommendations to make to the stockholders and he requested the secretary to read to the stockholders the minutes of a meeting of the Board of Directors which had been held earlier this same day.

These minutes were read and after thorough discussion it was moved by Mr. B. A. Morton, and seconded by Mr. J. F. Roddy and unanimously voted, that the action of the Board of Directors with regard to the application for a loan from the Reconstruction Finance Corporation and with regard to the note of the president, Mr. T. F. Dooley, which the corporation holds be, and the same is hereby, ratified and approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, July 26th, 1938, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

Exhibit "A"

TO THE STOCKHOLDERS OF JOHNSON CITY MILLS

*[Faint, mostly illegible text, likely bleed-through from the reverse side of the page.]*

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Eugenie Dooley by

Charlie M. Dooley Attorney in Fact do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Special Called meeting of stock-

holders of Johnson City Mills

called to meet at Office of B. A. Morton, Knoxville, Tenn

Friday, June 3, 1938 at 1 O'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 26 day of May

1938

6/3/38  
E. M.

Witness T. F. Dooley

Signed Eugenie Dooley  
by Charlie M. Dooley  
Attorney in fact



DIRECTORS' MEETING

Minutes of a called meeting of the Board of Directors of Johnson City Mills held in the office of Mr. D. B. Lothrop on Monday, August 15th, 1938, at 9:00 A.M., pursuant to the call of the president.

The following members of the Board were present:

G. L. Dooley	D. B. Lothrop
T. F. Dooley	Eugene Herrin
Mrs. T. F. Dooley	

The president, T. F. Dooley, presided and the secretary, Eugene Herrin, acted as secretary. It appearing from the roll-call that all the members of the Board were present, the president declared the meeting open for business.

By unanimous consent the reading of the minutes of the previous meeting was dispensed with.

Next the president stated to the Board that pursuant to the instructions of the Board of Directors at its meeting held June 3rd, 1938, he had made application to the Reconstruction Finance Corporation for a loan of \$125,000.00 and had made various trips to Nashville and Washington to secure approval of this loan.

He stated that the R.F.C. insisted that the present stockholders put up some additional capital or make a capital loan to the corporation. He further stated that in the past few days one of the largest stockholders, Mr. J. P. Roddy, and Mr. A. W. Griffin, of Johnson City, Tenn., had approached him and offered to make a loan of \$105,000.00 upon the same terms as was contemplated in the application to the R.F.C.

The president recommended that negotiations with the R.F.C. be dropped and the application withdrawn and that the Board authorize the officers of the Corporation to negotiate a loan with Mr. J. P. Roddy and Mr. A. W. Griffin.

Following this Mr. C. L. Dooley read to the meeting, and moved the adoption of, the following resolution:

WHERE IT RESOLVED by the Board of Directors of Johnson City Mills that the officers of said corporation be and they are hereby authorized and empowered, in the name and on behalf of said corporation, to obtain a loan or loans for said corporation aggregating the principal sum of one hundred five thousand dollars (\$105,000.00), from J. P. Roddy of Knoxville, Tennessee, and A. W. Griffin of Johnson City, Tennessee, either or both, such loan or loans to mature upon such date or dates as may be agreed upon between the officers of this corporation and the proposed lender or lenders, to bear interest at the rate of 5% per annum, payable at such times as may be so agreed upon; to execute promissory note or notes of this corporation evidencing such loan or loans, or any renewals or extensions thereof, such notes to be in such form as may be agreed upon between said officers and said lender or lenders and to be made payable to such lender or lenders as their interests may appear; and the said officers are authorized for and in behalf of this corporation to mortgage, pledge or convey in trust any and all assets of this corporation, real, personal or mixed, including after-acquired assets, and to that end to execute all such mortgages, deeds of trust, assignments or contracts of pledge as may be required by said lender or lenders and as may be necessary to the obtaining of said loan or loans; and such officers are expressly authorized and empowered to do any act, including but not limited to those specified above, from time to time as may be necessary in their judgment to the attainment of the results contemplated by this resolution.

BE IT FURTHER RESOLVED that said officers in their discretion may accept any such loan or loans in instalments and may receipt and endorse in the name of this corporation any checks or drafts representing such loan or loans or any instalments thereof.

BE IT FURTHER RESOLVED that the officers referred to in the foregoing resolution are as follows: T. F. Dooley, president and treasurer, and Eugene Herrin, vice-president and secretary.

Mr. Eugene Herrin seconded this motion and it was unanimously carried, all the directors present voting in the affirmative.

There being no further business to come before the meeting, upon proper motion it adjourned.

*Eugene Herrin*  
Secretary.

*T. F. Dooley*  
President.

DIRECTORS' MEETING

The regular meeting of the Board of Directors of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday in January each year was called to order at the office of the company in Johnson City, Tennessee, Tuesday, January 24th, 1939, at two o'clock P.M.

There was not a quorum present so the meeting adjourned to meet Saturday, January 28th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven o'clock A.M.

*Eugene Herrin*  
Secretary.

*T. F. Dooley*  
President.

STOCKHOLDERS' MEETING

Regular meeting of the stockholders of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday of January each year was called to order at the office of the company Tuesday, January 24th, 1939, at one thirty o'clock P.M.

There was not a quorum present so the meeting adjourned to meet at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, Saturday, January 28th, 1939, at eleven thirty o'clock A.M.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President.

DIRECTORS' MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, Saturday, January 28th, 1939, at eleven o'clock A.M., this being an adjournment of the regular annual meeting held Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

The president of the corporation, Mr. T. F. Dooley, called the meeting to order and the secretary of the corporation, Mr. Eugene Herrin, acted as secretary.

Upon roll call it was ascertained that the following directors were present:

T. F. Dooley  
Eugene Herrin  
C. L. Dooley

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business. The minutes of the last annual meeting of the Board of Directors, and two call meetings of the Board of Directors held since the last annual meeting, were read and approved.

Next the president, treasurer and manager read to the meeting a report of the affairs of the corporation at the close of business for the year 1938 and stated that the report of the company's auditors, Dahlberg & Company, was not quite completed but that he had gone over it with Dahlberg and Company and their report was in accord with the condition report presented by the president.

After discussion of the report, upon motion of Eugene Herrin, seconded by Mr. C. L. Dooley and unanimously voted, the report of the president was accepted and he was instructed to file the report of the company's auditors, Dahlberg and Company, when received, with the valuable papers of the corporation.

Upon motion of Mr. C. L. Dooley, seconded by Mr. Eugene Herrin and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the president's report, which report was to be tendered as a report of this Board of Directors to the Stockholders of the corporation.

Next, upon motion of Mr. Eugene Herrin, seconded by Mr. C. L. Dooley and unanimously voted, the minutes of this meeting were reduced to writing and were approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

Name	Holder and owner of	Shares
B. A. Morton	" " " "	400-4/10
J. P. Roddy	" " " "	362-1/10
T. F. Dooley	" " " "	284-1/10
C. L. Dooley	" " " "	63-6/10
Eugene Herrin	" " " "	17
		<u>1127-2/10</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Name	Holder and owner of	Shares
J. C. Bousong, Represented by T.F.Dooley	" " " "	85 Shares
Eugenie Dooley	" " " "	62-9/10
H. E. McKew	" " " "	25-5/10
C. H. Callahan	" " " "	45
Fowell Smith	" " " "	62-9/10
Edna M. Dooley	" " " "	10
D. B. Lothrop	C.L.Dooley	1
		<u>292-3/10</u>
		<u>1419-5/10</u>

Total present in person or by proxy

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special called meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1938. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Joseph C. Bousong

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 19<sup>th</sup> day of

Jan 1939

Witness T. F. Dooley

Signed Joseph C. Bousong

\_\_\_\_\_ 1939

Witness T. F. Dooley

Signed Eugenie Dooley  
by Cornie M. Dooley  
att'y. in fact

Witness Gladyce R. Lawrence

Signed W. H. ...

Witness Elizabeth Ramsey

Signed J. V. ...

Witness Mrs. Glenn Johnson

Signed Laura Smith

Witness T. F. Dooley

Signed Edna M. Dooley

Witness Lola Hickup

Signed Douglas B. ...

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400-4/10	shares
J. P. Roddy	" " " "	362-1/10	"
T. F. Dooley	" " " "	284-1/10	"
C. L. Dooley	" " " "	63-6/10	"
Eugene Herrin	" " " "	17	"
		<u>1127-2/10</u>	"

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. G. Bousong,	Represented by T.F. Dooley	Holder and owner of	85 Shares
Eugene Dooley	" " " "	" " " "	62-9/10 "
H. E. McNew	" " " "	" " " "	25-5/10 "
G. H. Callaber	" " " "	" " " "	45 "
Fowell Smith	" " " "	" " " "	62-9/10 "
Edna M. Dooley	" " " "	" " " "	10 "
D. B. Lothrop	" " C.L. Dooley	" " " "	1 "
			<u>292-3/10</u> "
Total present in person or by proxy			<u>1419-5/10</u> "

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special called meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1938. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> ~~plenty~~ progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Engelne Dooley

T. F. Dooley do hereby constitute and appoint

\_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at \_\_\_\_\_

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 16 day of January 1939

Witness T. F. Dooley Signed Engelne Dooley  
by Carrie M. Dooley  
atty. in fact

Witness Gladyce R. Laws Signed W. H. H. H.

Witness Elizabeth Ramsey Signed J. V. Galloway

Witness Mrs. Glenn Johnson Signed Laura Smith

Witness T. F. Dooley Signed Edna M. Dooley

Witness Lola Hickup Signed Douglas B. Lott

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
T. F. Dooley	" " " "	284-1/10 "
C. L. Dooley	" " " "	63-6/10 "
Eugene Herrin	" " " "	17 "
		<u>1127-2/10</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. G. Bousong,	Represented by T.F. Dooley	Holder and owner of	85 Shares
Eugene Dooley	" " " "	" " " "	62-9/10 "
H. E. McNew	" " " "	" " " "	25-5/10 "
C. H. Callahan	" " " "	" " " "	45 "
Powell Smith	" " " "	" " " "	62-9/10 "
Edna M. Dooley	" " " "	" " " "	10 "
D. B. Lothrop	" " C.L. Dooley	" " " "	1 "
			<u>292-3/10</u> "
			<u>1419-5/10</u> "

Total present in person or by proxy

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special call meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1939. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> plenty of progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I R. G. Green

T. F. Dooley do hereby constitute and appoint

\_\_\_\_\_ to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

called to meet at Knoxville, Tenn

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 16 day of Jan

1939

Witness Gladye R. Laws

Signed R. G. Green

Witness Elizabeth Ramsey

Signed J. V. Gandy

Witness Mrs. Glenn Johnson

Signed Laura Smith

Witness T. F. Dooley

Signed Edna M. Dooley

Witness Lola Hickup

Signed Douglas B. Lott

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
T. F. Dooley	" " " "	284-1/10 "
C. L. Dooley	" " " "	63-6/10 "
Eugene Herrin	" " " "	17 "
		<u>1127-2/10 "</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. G. Bousong, Represented by T.F.Dooley	Holder and owner of	85 Shares
Eugene Dooley	" " " "	62-9/10 "
H. E. McNew	" " " "	25-5/10 "
C. H. Callaher	" " " "	45 "
Powell Smith	" " " "	62-9/10 "
Edna M. Dooley	" " " "	10 "
D. B. Lothrop	" " C.L.Dooley	1 "
		<u>292-3/10 "</u>
Total present in person or by proxy		<u>1419-5/10 "</u>

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special call meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1938. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

*[Faint, mostly illegible text from the reverse side of the page, possibly bleed-through or a second document.]*

KNOW ALL MEN BY THESE PRESENTS: That I M. H. Gallaher

do hereby constitute and appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of \_\_\_\_\_ called to meet at \_\_\_\_\_

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_ 19 39

Witness Elizabeth Ramsey Signed M. H. Gallaher

Witness Mrs. Glenn Johnson Signed Laura Smith

Witness T. F. Dooley Signed Edna M. Dooley

Witness Lola Hickup Signed Douglas B. Lothrop

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

## Present in person:

B. A. Morton	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
T. F. Dooley	" " " "	284-1/10 "
C. L. Dooley	" " " "	63-6/10 "
Eugene Herrin	" " " "	17 "
		<u>1127-2/10</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. C. Bossong, Represented by T.F.Dooley	Holder and owner of	85 Shares
Eugene Dooley	" " " "	62-9/10 "
H. E. McNew	" " " "	25-5/10 "
O. H. Callahan	" " " "	45 "
Fowell Smith	" " " "	62-9/10 "
Edna M. Dooley	" " " "	10 "
D. B. Lothrop	" " C.L.Dooley	1 "
		<u>292-3/10</u> "
Total present in person or by proxy		<u>1419-5/10</u> "

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special call meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1938. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

J. P. Roddy  
Secretary

J. P. Roddy  
Chairman

KNOW ALL MEN BY THESE PRESENTS: That I Louise Smith

do hereby constitute and appoint

J. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the annual meeting of stockholders of Johnson City Mills called to meet at office of the Company in Johnson City Tennessee Knoxville, Tenn

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said J. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint J. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 18 day of

January, 1939

Witness Mrs. Glenn Johnson

Signed Louise Smith

Witness J. F. Dooley

Signed Edna M. Dooley

Witness Lola Hickney

Signed Douglas B. Lothrop

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
T. F. Dooley	" " " "	284-1/10 "
C. L. Dooley	" " " "	63-6/10 "
Eugene Herrin	" " " "	17 "
		<u>1127-2/10 "</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. C. Bessong,	Represented by T.F.Dooley	Holder and owner of	85 Shares
Eugene Dooley	" " " "	" " " "	62-9/10 "
H. H. McNew	" " " "	" " " "	25-5/10 "
C. H. Callahan	" " " "	" " " "	45 "
Fowell Smith	" " " "	" " " "	62-9/10 "
Edna M. Dooley	" " " "	" " " "	10 "
D. B. Lothrop	" " C.L.Dooley	" " " "	1 "
			<u>292-3/10 "</u>
			<u>1419-5/10 "</u>

Total present in person or by proxy

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special called meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1938. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> ~~plenty~~ progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

*[Faint, mostly illegible text from the reverse side of the page, appearing as bleed-through or ghosting.]*

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Johnson City, Tenn

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 19 day of Jan

1939

Witness T. F. Dooley

Signed Edna M. Dooley

Witness Lola Hickey

Signed Douglas B. Hickey

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held Saturday, January 20th, 1939, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at eleven thirty A.M., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 24th, 1939, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400-4/10 shares
J. P. Roddy	" " " "	362-1/10 "
T. F. Dooley	" " " "	284-1/10 "
C. L. Dooley	" " " "	63-6/10 "
Eugene Herrin	" " " "	17 "
		<u>1127-2/10</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. C. Bousong, Represented by T.F. Dooley	Holder and owner of	85 Shares
Eugene Dooley	" " " "	62-9/10 "
H. E. McNew	" " " "	25-5/10 "
G. H. Callahan	" " " "	45 "
Fowell Smith	" " " "	62-9/10 "
Edna M. Dooley	" " " "	10 "
D. B. Lothrop	" " C.L. Dooley	1 "
		<u>292-3/10</u> "
Total present in person or by proxy		<u>1419-5/10</u> "

It appearing from the secretary's report that 1419-5/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting and of the special called meeting of the stockholders held on Friday, January 13th, 1939, were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1938. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the business being the election of officers to serve for the ensuing year the polls were opened and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After this a general discussion of the affairs of the corporation was held, with the president and manager presenting his views as to the outlook for business for the ensuing year.

He stated that the new full fashioned division was making <sup>splendid</sup> ~~good~~ progress in getting into production and also that the seamless business looked like it might become profitable in a small way.

There being no further business to come before the meeting, upon proper motion it adjourned.

J. P. Roddy  
Secretary

T. P. Roddy  
Chairman

KNOW ALL MEN BY THESE PRESENTS: That I Douglas B. Lothrop

do hereby constitute and appoint

C. L. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Johnson City, Tenn.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said C. L. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 19 day of Jan.

1939

Witness Lola Hickney

Signed Douglas B. Lothrop



STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business December 31st, 1938.

1937	ASSETS	1938	
\$ 998.89	Cash in Hamilton Natl. Bank - Gen. A/c	\$ 6,784.58	
361.88	Cash in Hamilton Natl. Bank - P.R.A/c	361.65	
148.34	Cash in First Natl. Bank (Closed)	148.24	
22,918.14	Accounts Receivable	21,780.15	
None	Employees Accounts Receivable C.A.B.	50.10	
24,500.00	Bills Receivable	24,500.00	
4,094.00	Interest Receivable Accrued	5,582.00	
90,704.20	Inventory	91,813.58	
774.22	Deferred Charges	446.82	
<u>144,361.23</u>		<u>135,046.69</u>	
None	Fixed Assets		\$357,678.72
None	Less Reserve for Depreciation		<u>172,942.51</u>
<u>\$24,747.20</u>			
<u>144,361.23</u>		<u>124,935.77</u>	
		<u>\$335,582.46</u>	
	<u>CURRENT LIABILITIES</u>		
\$ 14,097.24	Accounts Payable	\$ 33,288.46	
44,500.00	Bills Payable	23,700.00	
202.50	Reserve for Unclaimed Checks	382.50	
200.00	Reserve for Capital Stock Tax	330.00	
144.51	Accrued Compensation & Public Liability Ins.	68.30	
None	Reserve for Old Age Benefits	361.02	
None	Reserve for Old Age Benefits-Employees	344.72	
None	Reserve for Unemployment Insurance	1,396.25	
<u>174,141.75</u>		<u>59,801.43</u>	
	<u>DEFERRED LIABILITIES</u>		
None	Bills Payable	105,000.00	
	(Due in installments beginning July 1st, 1939, to Oct. 1st, 1943.)	<u>164,801.43</u>	
\$ 21,000.00	Capital Stock - Paid in	\$ 21,000.00	
63,500.00	Capital Stock - Earned	63,500.00	
2,000.00	Surplus - Paid in	5,000.00	
<u>86,500.00</u>	Undivided Profits	<u>21,261.03</u>	
	NET WORTH	<u>170,761.03</u>	
		<u>\$335,582.46</u>	
None	Deficit for Month	None	
\$ 4,182.21	Profit for Month	\$ 1,561.44	
717.89	Deficit for Year	698.28	
None	Dividends Paid	None	

December 31st, 1938.

## DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, Saturday, January 28th, 1939, at twelve o'clock noon, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following directors were present:

B. A. Morton	Eugene Herrin	T. F. Dooley
J. P. Roddy	C. L. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$5400.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1939 in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken for figuring the bonus of the President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 18% of the average net worth of the corporation for the year has been earned the President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley  
Vice-President and Secretary - Eugene Herrin.

Next the question was brought up of the advisability of the corporation taking a \$50,000 life insurance policy upon the life of the president with the corporation as beneficiary of the policy.

After some discussion, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy, the president was directed to secure this insurance from the Prudential Insurance Company upon terms which, in his judgement, would be least expensive to the corporation. The president reported that he had investigated various policies and that the policy he proposed to secure was estimated to cost the corporation an average of \$15.11 per thousand for a five year period. It was the opinion of the Board of Directors that due to the fact that the corporation had borrowed heavily and mortgaged their properties to install full fashioned hosiery knitting equipment it would be wise to carry such a policy upon the life of the president until such time as the corporation's affairs were more liquid.

Next the president brought up the question of a change in the auditors for the corporation and after considerable discussion Mr. B. A. Morton suggested that inasmuch as Mr. J. P. Roddy held a mortgage on the corporation's property for which the corporation was heavily indebted to him the matter of selecting an auditor be left to the president and Mr. Roddy. The directors agreed to this suggestion without formal vote.

Next there was a general discussion of the affairs of the corporation and the outlook for the ensuing year. The president stated that he felt confident that the corporation would return to a basis of substantial earning when the period of training labor for the new full fashioned equipment was finished and this equipment could go into full production.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, July 25th, 1939, at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President.

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday in January each year was called to order at the office of the company in Johnson City, Tennessee, Tuesday, January 23rd, 1940, at two o'clock P.M.

There was not a quorum present so the meeting adjourned to meet Saturday, March 9th, 1940, at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, at ten o'clock A.M.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President.

STOCKHOLDERS MEETING

Regular meeting of the stockholders of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday of January each year, was called to order at the office of the company Tuesday, January 23rd, 1940, at one thirty o'clock A.M.

There was not a quorum present so the meeting adjourned to meet at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tennessee, Saturday, March 7th at ten thirty o'clock A.M.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Saturday March 10th, 1940, at ten o'clock A.M., this being an adjournment of the regular annual meeting held Tuesday, January 23rd, 1940, which meeting failed for want of a quorum.

The president of the corporation, Mr. T. F. Dooley, called the meeting to order and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll call it was ascertained that the following directors were present:

T. F. Dooley  
Eugene Herrin  
B. A. Morton  
J. P. Roddy

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business. The minutes of the last annual meeting of the Board of Directors were read and approved.

Next the president and manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business for the year 1939 and stated that the report of the corporation...

After discussion of the report, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy, and unanimously voted, the report of the president was accepted and he was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the president was directed to present to the stockholders meeting to be held on this date the president's report, which report was to be tendered as a report of this Board of Directors to the stockholders of the corporation.

Next upon motion of Mr. J. P. Roddy, seconded by Mr. B. A. Morton, and unanimously voted, the minutes of this meeting were reduced to writing and were approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business December 31st, 1939.

1938	ASSETS	1939
\$ 6,754.38	Cash in Hamilton Natl. Bank - Gen. A/c	\$ 13,216.59
381.65	Cash in Hamilton Natl. Bank - P.R. A/c	381.66
148.24	Cash in First Natl. Bank (Closed)	148.24
21,780.15	Accounts Receivable	34,222.39
24,300.00	Bills Receivable	24,300.00
5,552.00	Interest Receivable Accrued	7,010.00
91,213.58	Inventory	134,566.05
466.59	Deferred Charges	935.15
\$150,646.69		214,770.08
\$357,878.72	Fixed Assets	\$354,754.28
172,942.95	Less - Reserve for Depreciation	183,970.38
		170,783.90
		\$385,553.98

CURRENT LIABILITIES

None	Factored Notes Payable	24,893.55
None	Trade Acceptances Payable	11,261.95
33,258.46	Accounts Payable	47,000.85
23,700.00	Bills Payable	40,300.00
352.20	Reserve for Unclaimed Checks	352.20
320.00	Reserve for Capital Stock Tax	312.00
361.02	Reserve for Old Age Benefits	508.52
344.72	Reserve for Old Age Benefits - Emps.	449.93
1,396.23	Reserve for Unemployment Insurance	2,019.33
68.80	Accrued Compensation & Public Liability Ins.	133.02
\$ 59,802.43		127,231.35

DEFERRED LIABILITIES

105,000.00	Bills Payable	97,500.00
164,801.43		224,731.35
81,000.00	Capital Stock - Paid	81,000.00
63,500.00	Capital Stock - Earned	63,500.00
5,000.00	Surplus - Paid in	5,000.00
21,281.03	Undivided Profits	11,322.63
	NET WORTH	160,822.63
170,781.03		\$385,553.98
\$335,582.46		

None	Deficit for Month	\$ 3,378.26
\$ 1,551.44	Profit for Month	None
698.28	Deficit for Year	9,958.40
None	Dividends Paid	None

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held March 9th, 1940, at ten thirty A.M. at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., this being an adjournment of the regular annual stockholders meeting held at the office of the company Tuesday, January 23rd, 1940, which meeting failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400-4/10 shares
J. F. Roddy	" " " "	362-1/10 "
T. F. Dooley	" " " "	284-1/10 "
Eugene Herrin	" " " "	17 "
E. E. Mallow	" " " "	25-5/10 "
		<u>1089-1/10</u> "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Eugene Dooley, Represented by T. F. Dooley	62-9/10 shares
Fossil Smith " " B. A. Morton	62-9/10 "
	<u>125-8/10</u> "

Total present in person or by proxy 1214-9/10 "

It appearing from the secretary's report that 1214-9/10 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president stated that he had been instructed by the Board of Directors to present to the stockholders the report of the condition of the corporation at the close of business December 31st, 1939. The president, Mr. T. F. Dooley, presented this report and after discussion, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the report was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting.

Next the president reported that after considerable study and consultation with the company's auditors he thought it best that the fiscal year of the corporation be changed from December 31st of each year to October 31st due to the fact that this was usually the low inventory point for the year and that it would also be advantageous from an auditing standpoint.

After some discussion Mr. T. F. Dooley presented and moved the adoption of the following resolution:

"BE IT RESOLVED by the stockholders of the Johnson City Mills that Article IV Section of the by-laws of the corporation which now reads as follows: "There shall be an annual stockholders meeting held at the home office of the company on the fourth Tuesday in January of each year, at which time and place may be transacted any and all business properly done by stockholders and at which time directors shall be elected for the ensuing year." shall be changed to read as follows: "There shall be an annual stockholders meeting held at the home office of the company on the fourth Tuesday in November of each year, at which time and place may be transacted any and all business properly done by stockholders and at which time directors shall be elected for the ensuing year."

This motion was seconded by Mr. Eugene Herrin and was unanimously voted.

Mr. J. P. Roddy then presented and moved the adoption of the following resolution:

"BE IT RESOLVED by the stockholders of the Johnson City Mills that Article II Section IV of the by-laws of the corporation which now reads as follows: "Regular meetings of the Board of Directors shall be held on the fourth Tuesday of January and July of each year; special meetings at such times as they may be called by the president, or in case of his absence or refusal, by a majority of the Board upon five days notice to each member. Any business transacted at a special meeting duly called, as above provided, shall be valid as if transacted at a regular meeting, provided each member of the Board had had notice, as above provided, of said meeting." shall be changed to read as follows: "Regular meetings of the Board of Directors shall be held on the fourth Tuesday of November and May of each year; special meetings at such times as they may be called by the president, or in case of his absence or refusal, by a majority of the Board upon five days notice to each member. Any business transacted at a special meeting duly called, as above provided, shall be valid as if transacted at a regular meeting, provided each member of the Board had had notice, as above provided, of said meeting."

This motion was seconded by Mr. Eugene Herrin and unanimously voted.

The next business to come before the meeting being the election of directors to serve for the ten months from December 31st, 1939, to October 31st, 1940, the polls were opened for the election of said directors and the following gentlemen were unanimously elected:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

After a general discussion of the affairs of the corporation, there being no further business to come before the meeting upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Eugene Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills, called to meet at Office of B. A. Morton, Knoxville, Tenn Sat. Mar 10, 1940 at 11:00 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 3 day of March

1940

Witness T. F. Dooley

Signed Eugene Dooley  
by Carroll W. Dooley  
Atty. in fact

Witness Mrs. Glenn Johnson

Signed Carroll Smith

RECEIVED BY THE SECRETARY OF THE STATE OF MISSISSIPPI  
 This document is a copy of a document filed with the Secretary of the State of Mississippi on the 10th day of March, 1940.  
 The document is a proxy for the Annual Meeting of the Johnson City Mills, called to meet at the Office of B. A. Morton, Knoxville, Tennessee, on Saturday, March 10, 1940, at 11 o'clock A. M.  
 The proxy is given by C. W. Smith to B. A. Morton, to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills, called to meet at the Office of B. A. Morton, Knoxville, Tennessee, on Saturday, March 10, 1940, at 11 o'clock A. M.  
 and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
 IN WITNESS WHEREOF, I have hereunto set my hand; this 6<sup>th</sup> day of March, 1940

ALL MEN BY THESE PRESENTS: That I \_\_\_\_\_ do hereby constitute and appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to attend the \_\_\_\_\_ meeting of stockholders of \_\_\_\_\_ called to meet at \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.  
 IN WITNESS WHEREOF, I have hereunto set my hand; this \_\_\_\_\_ day of \_\_\_\_\_, 1940

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I C. W. Smith

do hereby constitute and appoint \_\_\_\_\_

B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Office of B. A. Morton, Knoxville, Tenn Saturday Mar 10, 1940 at 11 o'clock A. M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 6<sup>th</sup> day of March

1940

Witness Mrs. Glenn Johnson

Signed C. W. Smith

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity and Bankers Trust Building, Knoxville, Tenn., Saturday, March 10th, 1940, at eleven P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following directors were present:

B. A. Morton                      T. F. Dooley  
J. P. Roddy                        Eugene Herrin

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy, and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$5400.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the year 1939 in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words, this means that the average net worth of the corporation shall be taken for figuring the bonus of the President, Treasurer and General Manager; and it is further provided that for this purpose the regular monthly financial statement of the corporation be used. After the sum equal to 18% of the average net worth of the corporation for the year has been earned the President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax or excess profits tax is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley.  
Vice-President and Secretary - Eugene Herrin.

Next the president presented to the directors a report of a preliminary survey made of the corporation's operations by the George S. May Company. The report being rather lengthy it had been studied by each director prior to the meeting, so each one was familiar with it's contents.

After considerable discussion of the report, without formal action it was decided that the corporation would not employ the George S. May Company to do any further work, but that the officers of the corporation would be expected to make the improvement in the manufacturing operation of the corporation as suggested in the report without outside assistance.

Next there was a general discussion of the affairs of the corporation in which the view was expressed that if the operations in the seamless division of the corporation did not show improvement in earnings the corporation should consider the liquidation of this branch of the business and concentrate all of its efforts upon the full fashioned division.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

DIRECTORS MEETING.

Minutes of regular meeting of the Board of Directors of Johnson City Mills held in accordance with the by-laws at the office of the company Tuesday, May 28th, 1940, at one o'clock P.M.

The meeting was called to order by the president, T. F. Dooley, and upon it being ascertained there was not a quorum present it adjourned.

Eugene Herrin  
Secretary.

T. F. Dooley  
President.

DIRECTORS' MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tenn., Tuesday November 26th, 1940, at 11:00 A.M., this being the regular annual meeting of the Board of Directors as called for in the amended by-laws of the corporation.

The president of the corporation, Mr. T. F. Dooley, called the meeting to order and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll call it was ascertained that the following directors were present:

T. F. Dooley                      B. A. Morton  
J. P. Roddy                        C. L. Dooley  
Eugene Herrin

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

The minutes of the last annual meeting, and the minutes of other meetings which had been held since the last annual meeting, were read and approved.

Next the president and manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1940, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Timmons Auditing Company, which was in exact accord with his own report.

After considerable discussion of the auditor's report, which covered the period from January 1st, 1940, to October 31st, 1940, and the discussion of the balance sheet as presented by the president, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy, the secretary was instructed to incorporate the balance sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, the president was instructed to present to the stockholders' meeting to be held on this date the president's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy, capital expenditures in the amount of \$1655.00, which were reflected in the report of the auditors, were approved.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy, the sale of used and antiquated knitting machinery which had cost \$4935.00, as reflected by the report of the auditors and which was sold for \$490.00, having been fully depreciated, was approved.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. B. A. Morton, and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

Eugene Herrin  
Secretary

T. F. Dooley  
President



STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, November 26th, 1940, at 1:00 P.M., this being the regular annual meeting of the stockholders as called for in the amended by-laws of the corporation.

Upon proper motion, duly made and seconded, Mr. B. A. Morton was elected Temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Holder and owner of	400.4 shares
B. A. Morton	362.1 "
J. P. Roddy	284.1 "
T. F. Dooley	63.6 "
C. L. Dooley	17 "
Eugene Herrin	1127.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Extate of R. F. Brewer, represented by R. F. Brewer, Jr.	25.5 shares
R. E. McNew " " B. A. Morton	25.5 "
Powell Smith " " B. A. Morton	62.9 "
Edna M. Dooley " " T. F. Dooley	10.0 "
	123.9 "

Total present in person or by proxy 1251.1 "

It appearing from the secretary's report that 1251.1 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1940, and also the report of the company's auditors, Timmons Auditing Company, covering operations of the corporation for the period from January 1st, 1940 to October 31st, 1940.

The president stated that in the director's meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, and unanimously voted, Article II Section II of the by-laws of the corporation was amended to read as follows: "The terms of office of the directors shall be for one year or until their successors are elected and qualified, it being the express purpose of the amendment that directors shall serve at the pleasure of the stockholders and that any director may be removed at any time by the stockholders in any regular meeting or any called meeting for that purpose, provided notice of such meeting is properly given in accordance with the by-laws of the corporation."

Next it was called to the attention of the stockholders that the officers had made purchase of capital assets to the extent of \$1655.97, as shown by the auditor's report, which purchase had been approved by the Board of Directors. The president also called attention to the fact that the officers had sold used knitting machinery which had an original cost of \$4935.00 for the sum of \$490.00, it being understood that this knitting machinery had been fully depreciated.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the action of the officers with regard to the foregoing purchase of capital assets and sale of machinery was approved.

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I R. E. McNew

B. A. Morton do hereby constitute and appoint

B. A. Morton to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

called to meet at Office of Co. Johnson City, Tenn

Tuesday Nov 26, 1940, 10 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the

said Company submitted and elections thereat, as fully as I could do were I per-

sonally present, and I hereby revoke any proxy heretofore given by me; and should

the said B. A. Morton be absent from the said meet-

ing or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton

to be my attorney, substitute and proxy, for me and in my name and behalf to vote

at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 18 day of

Nov 1940

Witness Gladys O. Steady Signed R. E. McNew

Witness Wm. H. C. Johnson Signed Powell Smith

Witness T. F. Dooley Signed Edna M. Dooley

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, November 26th, 1940, at 1:00 P.M., this being the regular annual meeting of the stockholders as called for in the amended by-laws of the corporation.

Upon proper motion, duly made and seconded, Mr. B. A. Morton was elected Temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

Holder and owner of	400.4 shares
B. A. Morton	362.1 "
J. P. Roddy	284.1 "
T. F. Dooley	53.6 "
C. L. Dooley	17 "
Eugene Herrin	1127.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Extate of R. F. Brewer, represented by R. F. Brewer, Jr.	25.5 shares
R. E. McNew	25.5 "
Powell Smith	62.9 "
Edna M. Dooley	10.0 "
	123.9 "

Total present in person or by proxy

1251.1 "

It appearing from the secretary's report that 1251.1 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1940, and also the report of the company's auditors, Timmons Auditing Company, covering operations of the corporation for the period from January 1st, 1940 to October 31st, 1940.

The president stated that in the director's meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, and unanimously voted, Article II Section II of the by-laws of the corporation was amended to read as follows: "The terms of office of the directors shall be for one year or until their successors are elected and qualified, it being the express purpose of the amendment that directors shall serve at the pleasure of the stockholders and that any director may be removed at any time by the stockholders in any regular meeting or any called meeting for that purpose, provided notice of such meeting is properly given in accordance with the by-laws of the corporation."

Next it was called to the attention of the stockholders that the officers had made purchase of capital assets to the extent of \$1655.97, as shown by the auditor's report, which purchase had been approved by the Board of Directors. The president also called attention to the fact that the officers had sold used knitting machinery which had an original cost of \$4935.00 for the sum of \$490.00, it being understood that this knitting machinery had been fully depreciated.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the action of the officers with regard to the foregoing purchase of capital assets and sale of machinery was approved.

## PROXY

KNOW ALL MEN BY THESE PRESENTS: That I George Smith

Ben A. Morton do hereby constitute and appoint  
Ben A. Morton to be my attorney, substitute and proxy, for me and  
in my name and behalf to attend the annual meeting of stock-

holders of Johnson City Mills  
called to meet at The office of the Johnson City Mills at  
Johnson City Tennessee on Tuesday Nov 26<sup>th</sup> at 1 o'clock P.M.  
and any and all adjournments thereof, and to vote on any and all business of the  
said Company submitted and elections thereat, as fully as I could do were I per-  
sonally present, and I hereby revoke any proxy heretofore given by me; and should

the said Ben A. Morton be absent from the said meet-  
ing or any and all adjournments thereof, or to be unable to act hereunder, then,  
and in that event only, I appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote  
at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this Nov 6 day of 1940

Witness Mrs. G. W. Johnson

Signed George Smith

Witness T. F. Dooley

Signed Edna M. Dooley



## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, November 26th, 1940, at 1:00 P.M., this being the regular annual meeting of the stockholders as called for in the amended by-laws of the corporation.

Upon proper motion, duly made and seconded, Mr. B. A. Morton was elected Temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

Holder and owner of	400.4 shares
B. A. Morton	362.1 "
J. P. Roddy	284.1 "
T. F. Dooley	63.6 "
C. L. Dooley	17 "
Eugene Herrin	1127.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Extate of R. F. Brewer, represented by R. F. Brewer, Jr.	25.5 shares
R. E. McNew " " B. A. Morton	25.5 "
Powell Smith " " B. A. Morton	62.9 "
Edna M. Dooley " " T. F. Dooley	10.0 "
	123.9 "

Total present in person or by proxy

1251.1 "

It appearing from the secretary's report that 1251.1 shares out of 1445 shares of the stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1940, and also the report of the company's auditors, Timmons Auditing Company, covering operations of the corporation for the period from January 1st, 1940 to October 31st, 1940.

The president stated that in the director's meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. C. L. Dooley, and unanimously voted, Article II Section II of the by-laws of the corporation was amended to read as follows: "The terms of office of the directors shall be for one year or until their successors are elected and qualified, it being the express purpose of the amendment that directors shall serve at the pleasure of the stockholders and that any director may be removed at any time by the stockholders in any regular meeting or any called meeting for that purpose, provided notice of such meeting is properly given in accordance with the by-laws of the corporation."

Next it was called to the attention of the stockholders that the officers had made purchase of capital assets to the extent of \$1555.97, as shown by the auditor's report, which purchase had been approved by the Board of Directors. The president also called attention to the fact that the officers had sold used knitting machinery which had an original cost of \$4935.00 for the sum of \$490.00, it being understood that this knitting machinery had been fully depreciated.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin, the action of the officers with regard to the foregoing purchase of capital assets and sale of machinery was approved.

## PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Johnson City, Tenn., Nov. 26 1940 at 1 o'clock P. M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint J. P. Roddy to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 26 day of Nov

1940

Witness

T. F. Dooley

Signed

Edna M. Dooley

DIRECTOR'S MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the company, Tuesday, November 28th, 1940, at 2:00 P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting on this date.

The meeting was called to order and upon proper motion, duly made and seconded, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll call it was ascertained the following directors were present:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. T. F. Dooley, and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$5,000 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1941, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers the polls were opened and the following officers were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley
Vice-President and Secretary - Eugene Herrin.

Next the directors entered into an informal discussion of the affairs of the corporation and the outlook for business for the ensuing year.

The president stated that while operations for the ten months ending October 31st, 1940, had shown a net loss of \$1022.53 the seamless operations had lost \$20,908.18 while the full-fashioned operations had shown a profit of \$19,885.65. He stated that the outlook for the seamless is much better and that the corporation had business booked to run at full capacity for the next three to four months and that he felt confident the seamless division would show very decided improvement in profit. He further stated that he had at last been able to secure a small allotment of Nylon for the full-fashioned division and that with this material, which was very much in demand, he felt sure increased profits would come from the full-fashioned division.

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*Eugene Herrin*  
President

DIRECTORS' MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tenn., Tuesday, May 27th at two o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1940.

1939	ASSETS	1940
None	Cash in Peoples Bank - Gen. A/c	11,014.61
None	Cash in Peoples Bank - P.R.A/c	381.66
2,751.05	Cash in Hamilton Natl. Bank - Gen. A/c	None
381.66	Cash in Hamilton Natl. Bank - P.R.A/c	None
148.24	Cash in First Natl. Bank (Closed)	148.24
17,583.71	Accounts Receivable	55,721.70
24,300.00	Bills Receivable	24,300.00
5,746.50	Interest Receivable Accrued	8,225.00
93,722.19	Inventory	102,127.49
1,161.98	Deferred Charges	844.82
145,795.33		202,763.52
\$360,168.96	Fixed Assets	\$350,661.78
186,585.85	Less Reserve for Depreciation	192,813.33
		158,148.45
		\$360,911.97
173,583.11		
\$319,378.44		
	<u>CURRENT LIABILITIES</u>	
None	Factored Notes Payable	26,420.00
None	Trade Acceptances Payable	8,396.83
17,504.60	Accounts Payable	31,946.50
30,400.00	Bills Payable	90,000.00
352.20	Reserve for Unclaimed Checks	380.10
148.24	Reserve for Old Age Benefits	228.46
144.58	Reserve for Old Age Benefits - Emps.	149.66
878.57	Reserve for Unemployment Insurance	676.85
464.60	Reserve for Local Taxes	504.55
None	Federal Excise Tax	478.92
4,760.00	Accrued Payroll	None
None	Accrued Interest Payable	1,162.50
\$ 54,652.79		\$140,284.37
	<u>DEFERRED LIABILITIES</u>	
99,000.00	Mortgage Notes Payable	61,000.00
\$153,652.79		\$202,284.37
\$ 81,000.00	Capital Stock - Paid in	\$ 81,000.00
63,500.00	Capital Stock - Earned	63,500.00
5,000.00	Surplus - Paid in	5,000.00
16,225.65	Undivided Profits	9,137.60
	NET WORTH	158,627.60
165,725.65		\$360,911.97
\$319,378.44		

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the Company in Johnson City, Tenn., Tuesday, November 25th, 1941, at 11:30 o'clock A.M., this being the regular annual meeting of the Board of Directors as called for in the by-laws of the corporation.

The president of the corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll call it was ascertained that the following directors were present:

T. F. Dooley	B. A. Morton
J. P. Roddy	C. L. Dooley
Eugene Herrin	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the president and manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1941, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Timmons Audit Company, which was in exact accord with his report.

After considerable discussion of the auditor's report which covered the fiscal year ending October 31st, 1941, and a discussion of the Balance Sheet as presented by the president, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the president was instructed to present to the stockholders meeting to be held on this date, the president's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, capital expenditures in the amount of \$5035.18, which were reflected in the report of the auditors and sales of capital assets as reflected by the company's auditors showing a net gain of \$1641.14, were approved.

Next the president made a statement to the Board of Directors as follows: That he had earned, as reflected by the auditor's report, a bonus of \$8199.87, which amount was placed to his credit on the books of the corporation. He stated he recognized his obligation to the corporation for money loaned and interest thereon and that he would like to pay at this time \$4,000.00 on this obligation of accrued interest and he would endeavor to make further payments during the fiscal year of the corporation on this account.

After a discussion of this, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the president was instructed to take the corporation's check for the full amount of this bonus and pay the sum of \$4,000.00 on his accrued interest.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting it adjourned Sine Die.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of the company in Johnson City, Tenn., Tuesday, November 25th, 1941, at 12:00 o'clock P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded, and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

B. A. Morton	Holder and owner of	400.4 Shares
J. P. Roddy	" " " "	362.1 "
C. L. Dooley	" " " "	63.6 "
T. F. Dooley	" " " "	284.1 "
Eugene Herrin	" " " "	17.0 "
		<u>1127.2 "</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

R. E. McNew	Represented by B. A. Morton	25.5 Shares
Edna M. Dooley	" " T. F. Dooley	10.0 "
Eugenie Dooley	" " T. F. Dooley	62.9 "
D. B. Lothrop	" " T. F. Dooley	1.0 "
		<u>99.4 "</u>

Total present in person or by proxy -

1226.6 "

It appearing from the secretary's report that 1226.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1941, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1941.

The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next it was called to the attention of the stockholders that the officers had made purchase of capital assets to the extent of \$5035.18, as shown by the auditor's report, which purchase had been approved by the Board of Directors. The president also called attention to the fact that the officers had sold capital assets during the past fiscal year resulting in a net gain of \$1641.14, as reflected by the auditor's report, which action had also been approved by the Board of Directors.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the officers with regard to the purchase of capital assets and sale of capital assets, as recited in the previous paragraph, was approved.

Next there followed a general discussion of the affairs of the corporation and the statement from the president as to the outlook for business for the ensuing year, which he considered excellent at this time.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton	C. L. Dooley	Eugene Herrin
J. P. Roddy	T. F. Dooley	

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*J. P. Roddy*  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I [Signature]

do hereby constitute and appoint

B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Office of Co. Johnson City, Penna Tuesday Nov 25, 1941, 11 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said [Signature] be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint [Signature] to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 18 day of Nov 1941

Witness [Signature]

Signed [Signature]

IN WITNESS WHEREOF, I have hereunto set my hand; this 18 day of Nov 1941

Witness [Signature]

Signed [Signature]

Witness [Signature]

Signed [Signature]

1941

Witness [Signature]

Signed [Signature]

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the company Tuesday, November 25th, 1941, at 12:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | T. F. Dooley | Eugene Herrin |
| J. P. Roddy  | C. L. Dooley |               |

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1942, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

- |  |               |
|--|---------------|
| President, Treasurer and General Manager - | T. F. Dooley  |
| Vice-President and Secretary -             | Eugene Herrin |

Next the directors entered into an informal discussion of the affairs of the corporation and the outlook for business for the ensuing year.

The president stated that while during the past year the seamless operation had shown a loss this division of the corporation's business was now out from under all low priced contracts and he felt confident it would show an adequate profit for the next year.

He also stated that the outlook for the Full Fashioned division was equally bright and that the corporation's earnings for the coming year would be satisfactory, although he realized that the tax burden would also be higher.

Next the president told the directors that after a discussion with Mr. Roddy, Mr. Morton and Mr. Herrin he had purchased 24 new Model K Scott & Williams 400 needle seamless hosiery machines at a cost of \$1449.00 each on which he proposed to make a seamless Nylon stocking of extreme sheerness which is most popular in the market and he further stated that the reason for placing the contract prior to this meeting was in order to get delivery date on the equipment of July 1942, or possibly sooner, since the production of the manufacturer of the machine was being rapidly sold up.

After a discussion of this action of the president, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the president in placing the contract as recited above was approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

[Signature]  
Secretary

[Signature]  
Chairman President.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the company Tuesday, November 25th, 1941, at 12:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | T. F. Dooley | Eugene Herrin |
| J. P. Roddy  | C. L. Dooley |               |

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1942, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

- |  |               |
|--|---------------|
| President, Treasurer and General Manager - | T. F. Dooley  |
| Vice-President and Secretary -             | Eugene Herrin |

Next the directors entered into an informal discussion of the affairs of the corporation and the outlook for business for the ensuing year.

The president stated that while during the past year the seamless operation had shown a loss this division of the corporation's business was now out from under all low priced contracts and he felt confident it would show an adequate profit for the next year.

He also stated that the outlook for the Full Fashioned division was equally bright and that the corporation's earnings for the coming year would be satisfactory, although he realized that the tax burden would also be higher.

Next the president told the directors that after a discussion with Mr. Roddy, Mr. Morton and Mr. Herrin he had purchased 24 new Model K Scott & Williams 400 needle seamless hosiery machines at a cost of \$1449.00 each on which he proposed to make a seamless Nylon stocking of extreme sheerness which is most popular in the market and he further stated that the reason for placing the contract prior to this meeting was in order to get delivery date on the equipment of July 1942, or possibly sooner, since the production of the manufacturer of the machine was being rapidly sold up.

After a discussion of this action of the president, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the president in placing the contract as recited above was approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary  
J. P. Roddy Chairman President.

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at office of Co. Johnson City, Tenn Nov 25, 1941 11 A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 18 day of Nov 1941

Witness T. F. Dooley Signed Edna M Dooley

Witness Elizabeth M. Andrews Signed Eugene Dooley

1941  
Witness Lela Hickey Signed B. A. Morton

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the company Tuesday, November 25th, 1941, at 12:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton                      T. F. Dooley                      Eugene Herrin  
J. P. Roddy                      C. L. Dooley

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1942, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

President, Treasurer and General Manager -                      T. F. Dooley  
Vice-President and Secretary -                      Eugene Herrin

Next the directors entered into an informal discussion of the affairs of the corporation and the outlook for business for the ensuing year.

The president stated that while during the past year the seamless operation had shown a loss this division of the corporation's business was now out from under all low priced contracts and he felt confident it would show an adequate profit for the next year.

He also stated that the outlook for the Full Fashioned division was equally bright and that the corporation's earnings for the coming year would be satisfactory, although he realized that the tax burden would also be higher.

Next the president told the directors that after a discussion with Mr. Roddy, Mr. Morton and Mr. Herrin he had purchased 24 new Model K Scott & Williams 400 needle seamless hosiery machines at a cost of \$1449.00 each on which he proposed to make a seamless Nylon stocking of extreme sheerness which is most popular in the market and he further stated that the reason for placing the contract prior to this meeting was in order to get delivery date on the equipment of July 1942, or possibly sooner, since the production of the manufacturer of the machine was being rapidly sold up.

After a discussion of this action of the president, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the president in placing the contract as recited above was approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary  
J. P. Roddy Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Eugene Dooley

do hereby constitute and appoint Me

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Office of Company Johnson City, Tenn  
Nov 25, 1941

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 23 day of Nov.

1941

Witness Elizabeth A. Frank

Signed Eugene Dooley

1941

Witness Lela Huekey

Signed B. A. Morton

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of the company Tuesday, November 25th, 1941, at 12:30 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | T. F. Dooley | Eugene Herrin |
| J. P. Roddy  | C. L. Dooley |               |

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1942, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

- |  |               |
|--|---------------|
| President, Treasurer and General Manager - | T. F. Dooley  |
| Vice-President and Secretary -             | Eugene Herrin |

Next the directors entered into an informal discussion of the affairs of the corporation and the outlook for business for the ensuing year.

The president stated that while during the past year the seamless operation had shown a loss this division of the corporation's business was now out from under all low priced contracts and he felt confident it would show an adequate profit for the next year.

He also stated that the outlook for the Full Fashioned division was equally bright and that the corporation's earnings for the coming year would be satisfactory, although he realized that the tax burden would also be higher.

Next the president told the directors that after a discussion with Mr. Roddy, Mr. Morton and Mr. Herrin he had purchased 24 new Model K Scott & Williams 400 needle seamless hosiery machines at a cost of \$1449.00 each on which he proposed to make a seamless Nylon stocking of extreme sheerness which is most popular in the market and he further stated that the reason for placing the contract prior to this meeting was in order to get delivery date on the equipment of July 1942, or possibly sooner, since the production of the manufacturer of the machine was being rapidly sold up.

After a discussion of this action of the president, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the president in placing the contract as recited above was approved.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary  
J. P. Roddy Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I D. B. Guthrie

do hereby constitute and appoint \_\_\_\_\_

J. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Nov. 25, 1941 meeting of stockholders of Johnson City Mills called to meet at Johnson City Tenn

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF, I have hereunto set my hand; this 24<sup>th</sup> day of Nov. 1941

Witness Lela Hickey

Signed D. B. Guthrie

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1941.

1940	<u>ASSETS</u>	1941
		\$ 10,044.00
\$ 11,014.61	Cash in Peoples Bank - Gen. A/c	375.87
381.66	Cash in Peoples Bank - P.R. A/c	148.24
148.24	Cash in First Natl. Bank (Closed)	48,736.09
55,721.70	Accounts Receivable	23,000.00
24,300.00	Bills Receivable	9,150.00
8,225.00	Interest Receivable Accrued	133,472.88
102,127.49	Inventory	797.03
844.82	Deferred Charges	<u>225,724.11</u>
<u>202,763.52</u>		
\$350,661.78	Fixed Assets	\$329,178.71
192,513.33	Less Reserve for Depreciation	<u>182,394.83</u>
		146,783.87
<u>158,148.45</u>		<u>\$372,507.98</u>
<u>\$360,911.97</u>		
<u>CURRENT LIABILITIES</u>		
\$ 26,420.00	Factored Notes Payable	None
8,396.83	Trade Acceptances Payable	None
31,946.50	Accounts Payable	47,277.44
70,000.00	Bills Payable	70,000.00
380.10	Reserve for Unclaimed Checks	380.10
228.46	Reserve for Old Age Benefits	215.64
149.66	Reserve for Old Age Benefits - Emps.	112.92
616.85	Reserve for Unemployment Tax - State	582.24
478.92	Reserve for Unemployment Tax - Federal	630.45
504.55	Reserve for Local Taxes	None
1,162.50	Accrued Interest Payable	1,038.32
None	Accrued Salaries - Officers	8,199.87
None	Reserve for Federal Income Tax	<u>14,456.73</u>
<u>140,284.37</u>		<u>142,893.71</u>
<u>DEFERRED LIABILITIES</u>		
62,000.00	Mortgage Notes Payable	31,000.00
<u>202,284.37</u>		<u>173,893.71</u>
\$81,000.00	Capital Stock - Paid in	\$ 81,000.00
63,500.00	Capital Stock @ Earned	63,500.00
5,000.00	Surplus - Paid in	5,000.00
9,127.60	Undivided Profits	<u>49,114.27</u>
<u>158,627.60</u>	NET WORTH	198,614.27
<u>\$360,911.97</u>		<u>\$372,507.98</u>
None	Profit for Year	\$ 55,461.40
	(Before Income Tax)	
\$ 1,022.53	Deficit for Year	None
	Charged against Undivided Profits	
1,172.50	Life Insurance Premium Paid	1,018.00
None	Federal Income Tax	<u>\$ 14,456.73</u>

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Tuesday, May 26th, 1942, at 1:30 o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President.

DIRECTORS MEETING

Minutes of a called meeting of the Board of Directors of Johnson City Mills held at the office of the company at Johnson City, Tennessee, at one thirty o'clock P.M. Wednesday, October 7th, 1942.

The meeting was called to order by the president, Mr. T. F. Dooley, who presided, and Eugene Herrin, secretary, acted in that capacity.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton  
J. P. Roddy  
T. F. Dooley  
Eugene Herrin

It appearing from the secretary's report there was a quorum present the president declared the meeting open for business.

First the president reported on the present condition of the corporation and there was a general discussion of its affairs, he pointing out to the directors that there was a very high labor turn-over at this time and costs were going up due to this fact and that since prices were fixed by March ceiling it meant a narrowing of profit margin.

Next the president brought up the fact that it was his desire to apply whatever bonus he might earn under his salary, as fixed by the directors to his obligation to the corporation and that he felt that it should be applied before the books were closed for the current year ending October 31st, 1942, even though the exact amount could not be figured until profits had been ascertained.

Whereupon upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the president was instructed to have this bonus, when the figure was available, entered upon the books of the corporation as a charge to Officers Salaries and credited to his note to the corporation, applying first enough to pay all interest due through October 31st, 1942, and any balance after this interest was paid to the principal of said note.

There being no further business to come before the meeting, upon proper motion it adjourned.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President

Knoxville, Tennessee.  
October , 1942.

I, C. L. Dooley, a director of Johnson City Mills, hereby waive notice of the directors meeting of Johnson City Mills held October 7th, 1942, at 1:30 P.M. at the office of the company in Johnson City, Tennessee, and I hereby state that I have read the minutes of the above meeting and approve all actions taken at said meeting.

*C. L. Dooley*



DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 1:00 o'clock P.M., this being the regular annual meeting of the Board of Directors as called for in the by-laws of the corporation.

The president of the corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

T. F. Dooley	B. A. Morton
J. P. Roddy	C. L. Dooley
Eugene Herrin	

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved, and also minutes of a special meeting held since the last annual meeting.

Next the president and manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1942, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Timmons Audit Company, which was in exact accord with his report.

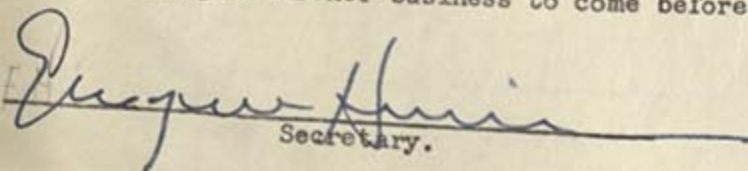
After considerable discussion of the auditor's report which covered the fiscal year ending October 31st, 1942, and a discussion of the Balance Sheet as presented by the president, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

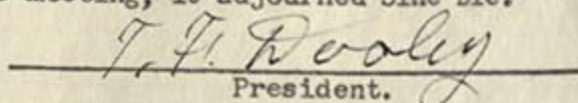
Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the president was instructed to present to the stockholders meeting, to be held on this date, the president's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, capital expenditures in the amount of \$36,984.54, which were reflected in the report of the auditors as having been made by the officers of the corporation in the past year, were approved.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned Sine Die.

  
Secretary.

  
President.

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1942.

1941	ASSETS	1942
\$ 10,044.00	Cash in Peoples Bank - Gen. A/c	\$ 6,485.03
375.87	Cash in Peoples Bank - P.R. A/c	426.56
148.24	Cash in First Natl. Bank (Closed)	145.66
48,736.09	Accounts Receivable	39,990.93
23,000.00	Bills Receivable	14,832.26
9,150.00	Interest Receivable Accrued	None
133,472.88	Inventory	164,375.92
797.03	Deferred Charges	1,722.73
None	Life Insurance - Cash Value	600.00
225,724.11		228,579.09
329,178.71	Fixed Assets	366,163.25
182,394.84	Less Reserve for Depreciation	198,036.53
		168,126.72
		396,705.81
146,783.87		
372,507.98		
	<u>CURRENT LIABILITIES</u>	
47,277.44	Accounts Payable	33,130.22
70,000.00	Bills Payable	91,000.00
380.10	Reserve for Unclaimed Checks	431.69
215.64	Reserve for Old Age Benefits	202.66
112.92	Reserve for Old Age Benefits - Emps.	102.82
582.24	Reserve for Unemployment Insurance-State	547.19
630.45	Reserve for Unemployment Insurance-Fed.	654.23
1,038.32	Accrued Interest Payable	129.17
8,199.87	Accrued Officers Salaries	None
14,456.73	Reserve for Federal Income Tax	40,816.66
142,893.71		167,014.64
	<u>DEFERRED LIABILITIES</u>	
31,000.00	Mortgage Notes Payable	None
173,893.71		167,014.64
81,000.00	Capital Stock - Paid in	81,000.00
63,500.00	Capital Stock - Earned	63,500.00
5,000.00	Surplus - Paid in	5,000.00
49,114.27	Undivided Profits	80,191.17
	NET WORTH	229,691.17
198,614.27		396,705.81
372,507.98		
\$ 55,461.40	Profit for year before taxes	\$ 72,301.06
14,456.73	Less Federal taxes for year	40,816.66
\$ 41,004.67	Profit for year after taxes	\$ 31,484.40
\$ 1,018.00	Life Insurance Premium paid Net Charge against Undivided Profits	\$ 407.50

October 31st, 1942.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 1:30 o'clock P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

	Holder and owner of	362.1 Shares
J. P. Roddy	" " " "	1.4 "
B. A. Morton	" " " "	63.6 "
C. L. Dooley	" " " "	284.1 "
T. F. Dooley	" " " "	17.0 "
Eugene Herrin	" " " "	728.2 "

Present in person -

Represented by proxy, which proxies are inserted as part of the minutes of this meeting.

Fidelity-Bankers Trust Co., Trustee of		
the Morton-Cunningham Trust Fund -	Represented by B. A. Morton, Jr.	399.0 "
	and R. D. Cunningham	62.9 "
Eugenie Dooley	Represented by T. F. Dooley	10.0 "
Edna M. Dooley	" " "	85.0 "
Jos. C. Bossong	" " "	25.5 "
R. E. McNew	" " B. A. Morton	582.4 "
	Represented by proxy	

Total present in person and by proxy

1310.6 Shares

It appearing from the secretary's report that 1310.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1942, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1942.

The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next it was called to the attention of the stockholders that the officers of the corporation had made purchase of capital assets to the extent of \$36,984.54 as shown by the auditor's report, which purchase had been approved by the Board of Directors.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the officers with regard to the purchase of capital assets, as stated above, was approved.

Next there was a general discussion of the affairs of the corporation, the president stating that so far it had been able to operate at fair capacity, but that the raw material situation, as well as the labor situation, was becoming tighter all the time and, while he expected to have a good first four months, he would make no prediction beyond that period.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, Jr. seconded by Mr. Cunningham and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton	C. L. Dooley	Eugene Herrin
J. P. Roddy	T. F. Dooley	

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*J. P. Roddy*  
Chairman

**PROXY**

KNOW ALL MEN BY THESE PRESENTS, That I, FIDELITY-BANKERS TRUST CO., Trustee of the Morton-Cunningham Trust Fund, CUNNINGHAM do hereby constitute and appoint B. A. MORTON, JR. and R. D. / my true and lawful attorney, with power of substitution, for me and in my name and behalf to represent me at Annual

meeting of the stockholders of the JOHNSON CITY MILLS Co., to be held 24th day of November, 1942 for the purpose of

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 21st day of November 1942  
 ATTEST: *[Signature]* Secretary Witness By *[Signature]* FIDELITY-BANKERS TRUST CO., Trustee of the Morton-Cunningham Trust Fund, (Seal) Vice President.

Given under my hand, this 18th day of NOVEMBER 1942

*Frank H. Cutshaw* Witness *Eugene Dooley* (Seal)  
 ENSIGN, USNR

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 23 day of Nov 1942

*T. F. Dooley* Witness *Edna M Dooley* (Seal)

premises.

Given under my hand, this 21 day of Nov. 1942

*T. F. Dooley* Witness *Jos C Bossong* (Seal)

for the purpose of

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 18 day of Nov 1942

*Michael Eugene* Witness *[Signature]* (Seal)

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 1:30 o'clock P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

J. P. Roddy	Holder and owner of	362.1 Shares
B. A. Morton	" " " "	1.4 "
C. L. Dooley	" " " "	63.6 "
T. F. Dooley	" " " "	284.1 "
Eugene Herrin	" " " "	17.0 "
	Present in person -	728.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting.

Fidelity-Bankers Trust Co., Trustee of  
the Morton-Cunningham Trust Fund - Represented by B. A. Morton, Jr.  
and R. D. Cunningham

Eugenie Dooley	Represented by T. F. Dooley	399.0 "
Edna M. Dooley	" " "	62.9 "
Jos. C. Bossong	" " "	10.0 "
R. E. McNew	" " B. A. Morton	85.0 "
	Represented by proxy	25.5 "
		582.4 "

Total present in person and by proxy 1310.6 Shares

It appearing from the secretary's report that 1310.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1942, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1942.

The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next it was called to the attention of the stockholders that the officers of the corporation had made purchase of capital assets to the extent of \$36,984.54 as shown by the auditor's report, which purchase had been approved by the Board of Directors.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the officers with regard to the purchase of capital assets, as stated above, was approved.

Next there was a general discussion of the affairs of the corporation, the president stating that so far it had been able to operate at fair capacity, but that the raw material situation, as well as the labor situation, was becoming tighter all the time and, while he expected to have a good first four months, he would make no prediction beyond that period.

## PROXY

KNOW ALL MEN BY THESE PRESENTS, That I, EUGENIE DOOLEY  
do hereby constitute and appoint T. FLOYD DOOLEY my true and lawful attorney,  
with power of substitution, for me and in my name and behalf to represent me at  
the annual meeting of the stockholders of the  
JOHNSON CITY MILLS Co., to be held 24<sup>TH</sup> day of NOVEMBER, 1942,  
for the purpose of.....

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 18<sup>TH</sup> day of NOVEMBER, 1942.

Frank H. Cutshaw Witness  
ENSIGN, USNR

Eugenie Dooley (Seal)

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 23 day of Nov, 1943.

T. F. Dooley Witness

Edna M Dooley (Seal)

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 21 day of Nov., 1942.

T. F. Dooley Witness

Jos C Bossong (Seal)

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 18 day of Nov, 1942.

W. H. Dooley Witness

Eugenie Dooley (Seal)

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 1:30 o'clock P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

J. P. Roddy	Holder and owner of	362.1 Shares
B. A. Morton	" " " "	1.4 "
C. L. Dooley	" " " "	63.6 "
T. F. Dooley	" " " "	284.1 "
Eugene Herrin	" " " "	17.0 "
	Present in person -	728.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting.

Fidelity-Bankers Trust Co., Trustee of the Morton-Cunningham Trust Fund -	Represented by B. A. Morton, Jr. and R. D. Cunningham	399.0 "
Eugenie Dooley	Represented by T. F. Dooley	62.9 "
Edna M. Dooley	" " "	10.0 "
Jos. C. Bossong	" " "	85.0 "
R. E. McNew	" " B. A. Morton Represented by proxy	25.5 "
		582.4 "

Total present in person and by proxy 1310.6 Shares

It appearing from the secretary's report that 1310.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1942, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1942.

The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next it was called to the attention of the stockholders that the officers of the corporation had made purchase of capital assets to the extent of \$36,984.54 as shown by the auditor's report, which purchase had been approved by the Board of Directors.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the officers with regard to the purchase of capital assets, as stated above, was approved.

Next there was a general discussion of the affairs of the corporation, the president stating that so far it had been able to operate at fair capacity, but that the raw material situation, as well as the labor situation, was becoming tighter all the time and, while he expected to have a good first four months, he would make no prediction beyond that period.

(Box 51-4)

1088 MARSHALL &amp; SPENCER CO. KNOXVILLE

## PROXY

KNOW ALL MEN BY THESE PRESENTS, That I, Edna M. Dooley  
do hereby constitute and appoint T. F. Dooley my true and lawful attorney,  
with power of substitution, for me and in my name and behalf to represent me at the Annual  
meeting of the stockholders of the  
Johnson City Mills Co., to be held 27 day of November, 1942  
for the purpose of

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 23 day of Nov 1943

T. F. Dooley Witness Edna M. Dooley (Seal)

premises.

Given under my hand, this 21 day of Nov. 1942

T. F. Dooley Witness Jos. C. Bossong (Seal)

for the purpose of

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 18 day of Nov 1942

Mildred Green Witness [Signature] (Seal)

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 1:30 o'clock P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

	Holder and owner of	362.1 Shares
J. P. Roddy	" " " "	1.4 "
B. A. Morton	" " " "	63.6 "
C. L. Dooley	" " " "	284.1 "
T. F. Dooley	" " " "	17.0 "
Eugene Herrin	" " " "	728.2 "

## Present in person -

Represented by proxy, which proxies are inserted as part of the minutes of this meeting.

Fidelity-Bankers Trust Co., Trustee of the Morton-Cunningham Trust Fund -	Represented by B. A. Morton, Jr. and R. D. Cunningham	399.0 "
Eugenie Dooley	Represented by T. F. Dooley	62.9 "
Edna M. Dooley	" " "	10.0 "
Jos. C. Bossong	" " "	85.0 "
R. E. McNew	" " B. A. Morton Represented by proxy	25.5 "
		582.4 "

Total present in person and by proxy 1310.6 Shares

It appearing from the secretary's report that 1310.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1942, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1942.

The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next it was called to the attention of the stockholders that the officers of the corporation had made purchase of capital assets to the extent of \$36,984.54 as shown by the auditor's report, which purchase had been approved by the Board of Directors.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the officers with regard to the purchase of capital assets, as stated above, was approved.

Next there was a general discussion of the affairs of the corporation, the president stating that so far it had been able to operate at fair capacity, but that the raw material situation, as well as the labor situation, was becoming tighter all the time and, while he expected to have a good first four months, he would make no prediction beyond that period.

(Box 51-4)

5886 HARRIS &amp; BRUCE CO. HARRISVILLE

## PROXY

KNOW ALL MEN BY THESE PRESENTS, That I, J. C. Bossong  
do hereby constitute and appoint T. F. Dooley my true and lawful attorney,  
with power of substitution, for me and in my name and behalf to represent me at Annual  
meeting of the stockholders of the  
Johnson City Mills Co., to be held 24 day of November 1942  
for the purpose of.....

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 21 day of Nov. 1942

T. F. Dooley Witness Jos. C. Bossong (Seal)

for the purpose of.....

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 18 day of Nov 1942

W. H. G. G. G. Witness W. H. G. G. G. (Seal)

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 1:30 o'clock P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

J. P. Roddy	Holder and owner of	362.1 Shares
B. A. Morton	" " " "	1.4 "
C. L. Dooley	" " " "	63.6 "
T. F. Dooley	" " " "	284.1 "
Eugene Herrin	" " " "	17.0 "
	Present in person -	728.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting.

Fidelity-Bankers Trust Co., Trustee of the Morton-Cunningham Trust Fund -	Represented by B. A. Morton, Jr. and R. D. Cunningham	399.0 "
Eugenie Dooley	Represented by T. F. Dooley	62.9 "
Edna M. Dooley	" " "	10.0 "
Jos. C. Bossong	" " "	85.0 "
R. E. McNew	" B. A. Morton	25.5 "
	Represented by proxy	582.4 "

Total present in person and by proxy 1310.6 Shares

It appearing from the secretary's report that 1310.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1942, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1942.

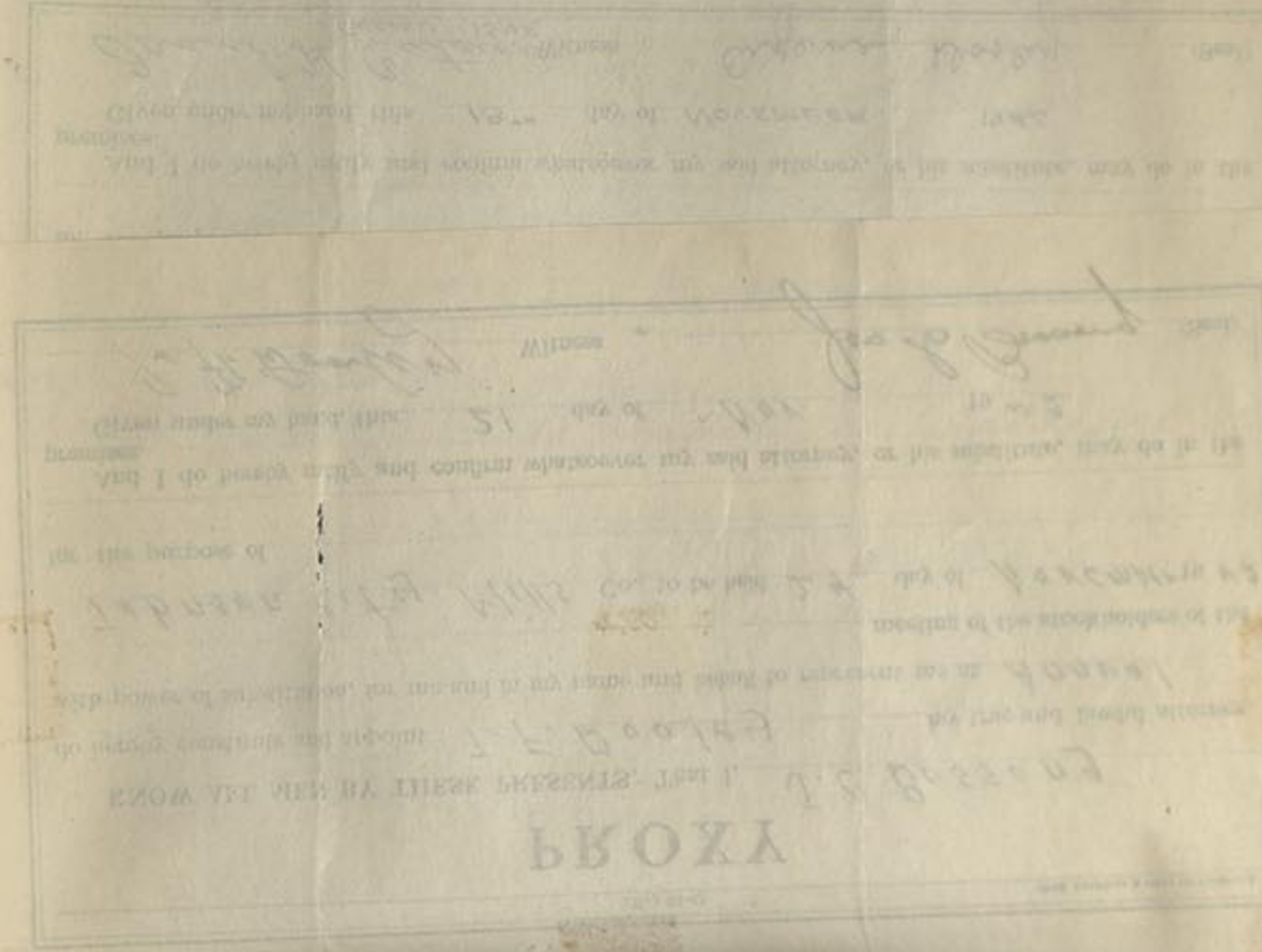
The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next it was called to the attention of the stockholders that the officers of the corporation had made purchase of capital assets to the extent of \$36,984.54 as shown by the auditor's report, which purchase had been approved by the Board of Directors.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the action of the officers with regard to the purchase of capital assets, as stated above, was approved.

Next there was a general discussion of the affairs of the corporation, the president stating that so far it had been able to operate at fair capacity, but that the raw material situation, as well as the labor situation, was becoming tighter all the time and, while he expected to have a good first four months, he would make no prediction beyond that period.



(Box 51-4)

1900 MARSHALL & BRUCE CO. MEMPHIS

**PROXY**

KNOW ALL MEN BY THESE PRESENTS, That I, For R. E. McNew  
do hereby constitute and appoint B. A. Morton my true and lawful attorney,  
with power of substitution, for me and in my name and behalf to represent me at Annual  
meeting of the stockholders of the  
Johnson City Mills Co., to be held 24 day of November, 1942  
for the purpose of \_\_\_\_\_

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this 18 day of Nov 1942

Michael Greene Witness

[Signature] (Seal)

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, Nov. 24th, 1942, at 2:00 o'clock P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, Mr. T. F. Dooley was elected temporary chairman and Mr. Eugene Herrin was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1943, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States income tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

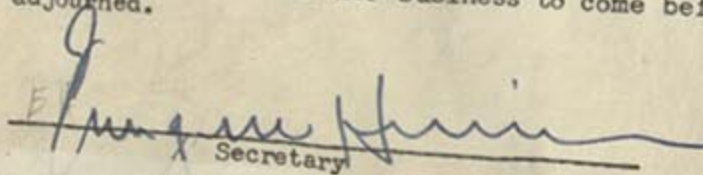
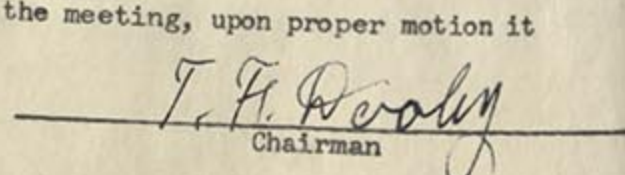
Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the directors entered into an informal discussion of the affairs of the corporation and the president stated that he could see four months of profitable operations, but would not venture a prediction beyond that time; that due to heavy tax rates which we were operating under it would be very difficult for the corporation to do more than meet its fixed obligations, and that could be done only by reduction of inventory, which was abnormally high at this time.

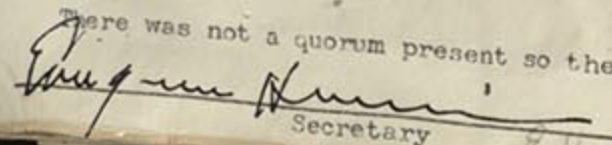
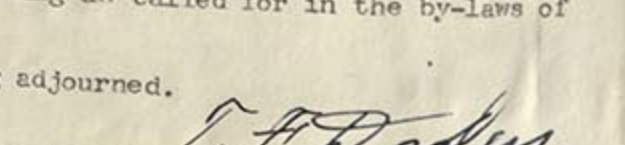
There being no further business to come before the meeting, upon proper motion it adjourned.

 Secretary	 Chairman
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DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Tuesday, May 25th, 1943, at 1:30 o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

 Secretary	 President
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DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 11:00 A.M., this being the regular annual meeting of the Board of Directors as called for in the by-laws of the corporation.

The president of the corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

T. F. Dooley	B. A. Morton
J. P. Roddy	C. L. Dooley
Eugene Herrin	

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved, and also minutes of a special meeting held since the last annual meeting.

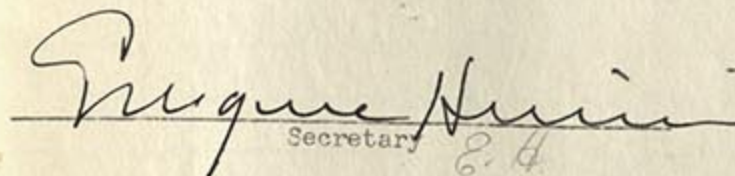

Next the president and manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1943, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Timmons Audit Company, which was in exact accord with his report.

After considerable discussion of the auditor's report which covered the fiscal year ending October 31st, 1943, and a discussion of the Balance Sheet as presented by the president, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the president was instructed to present to the stockholders meeting, to be held on this date, the president's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. C. L. Dooley and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned Sine Die.

 Secretary	 President
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STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1943.

1942	ASSETS	1943
\$ None	Cash in Amer. Bank & Trust Co., Trustee	3,000.38
\$ 6,485.03	Cash in Peoples Bank - Gen. A/c	\$ 9,512.54
426.56	Cash in Peoples Bank - P.R. A/c	425.55
145.66	Cash in First Natl. Bank (Closed)	None
39,990.93	Accounts Receivable	63,547.41
14,832.26	Bills Receivable	16,000.00
164,375.92	Inventory	128,727.38
1,722.73	Deferred Charges	1,545.06
600.00	Life Insurance - Cash Value	1,000.00
None	Post War Refund Credit	879.48
<u>228,579.09</u>		<u>224,637.80</u>
\$366,163.25	Fixed Assets	366,980.75
<u>198,036.53</u>	Less Reserve for Depreciation	<u>213,732.09</u>
<u>168,126.72</u>		<u>153,248.66</u>
\$396,705.81		\$377,886.46
	<u>LIABILITIES</u>	
\$ 33,130.22	Accounts Payable	\$ 41,765.34
91,000.00	Bills Payable	40,000.00
431.69	Reserve for Unclaimed Checks	431.69
202.66	Reserve for Old Age Benefits	243.85
102.82	Reserve for Old Age Benefits-Emps.	128.94
547.19	Reserve for Unemployment Insurance-State	658.38
654.23	Reserve for Unemployment Insurance-Fed.	751.45
129.17	Accrued Interest Payable	None
None	Accrued Officer Salary	5,431.64
None	Reserve for Fed. Income Tax-Last Year	1,706.41
<u>40,816.66</u>	Reserve for Fed. Income Tax-Current Year	<u>30,661.32</u>
<u>167,014.64</u>		<u>121,779.02</u>
\$ 81,000.00	Capital Stock - Paid in	\$ 81,000.00
63,500.00	Capital Stock - Earned	63,500.00
5,000.00	Surplus - Paid in	5,000.00
<u>80,191.17</u>	Undivided Profits	<u>106,607.44</u>
<u>229,691.17</u>	NET WORTH	<u>256,107.44</u>
\$396,705.81		\$377,886.46
\$ 72,301.06	Profit for Year before taxes	\$ 54,051.81
<u>40,816.66</u>	Less Federal taxes for year	<u>30,661.32</u>
\$ 31,484.40	Profit for year after taxes	\$ 23,390.49
\$ 407.50	Life Insurance premium paid net charge against Undivided Profits	\$ 725.71
	Tax reserve unused from previous year - R.A. Report	\$ 3,751.49

October 31st, 1943.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 11:30 A.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Name	Holder and owner of	Shares
J. P. Roddy	" " " "	362.1
B. A. Morton	" " " "	1.4
C. L. Dooley	" " " "	63.6
T. F. Dooley	" " " "	284.1
Eugene Herrin	" " " "	17.0
		<u>728.2</u>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Name	Holder and owner of	Shares
Fidelity-Bankers Trust Co., Trustee of the Morton-Cunningham Trust Fund - Represented by B. A. Morton	" " " "	399.0
Enda M. Dooley	" " T. F. Dooley	10.0
R. E. McNew	" " B. A. Morton	25.5
C. Powell Smith	" " B. A. Morton	62.9
J. C. Bossong	" " T. F. Dooley	85.0
		<u>582.4</u>

Total present in person and by proxy 1310.6 "

It appearing from the secretary's report that 1310.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the president, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1943, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1943.

The president stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the president called attention to the fact that when the corporation had borrowed \$195,000.00, mortgaging all of its physical assets therefor, that the company had taken an insurance policy payable to the corporation on the life of T. F. Dooley in the amount of \$50,000. Since it was generally understood at the time the policy was taken that it would only be carried until the loan was paid off the president called the attention of the stockholders to the fact that the last payment on the mortgage loan had been made on September 30th, 1943, and asked for instructions as to the further carrying of the life insurance policy.

Upon motion of Mr. J. P. Roddy, seconded by Mr. B. A. Morton and unanimously voted, the directors were instructed to surrender this life insurance policy at the end of its policy year in January and to collect the cash surrender value of same.



The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | C. L. Dooley | Eugene Herrin |
| J. P. Roddy  | T. F. Dooley |               |

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I B. A. Morton

do hereby constitute and appoint

B. A. Morton to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-  
holders of Johnson City Mills

called to meet at Office of B. A. Morton, Fidelity Bankers Trust Bldg Knoxville, Tenn at 11:30 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said B. A. Morton be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 19 day of Nov  
1942

WITNESS Michael G. G... Signed B. A. Morton

WITNESS B. K. Sedgwick Signed C. Paul Smith

WITNESS T. F. Dooley Signed J. B. Br...

WITNESS T. F. Dooley Signed Edna M. Dooley

ham Trust Fund,  
By J. B. Br...  
Vice President

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 12:00 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. Eugene Herrin, seconded by Mr. J. P. Roddy and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | T. F. Dooley | Eugene Herrin |
| J. P. Roddy  | C. L. Dooley |               |

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1944, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States Income Tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

- |  |               |
|--|---------------|
| President, Treasurer and General Manager - | T. F. Dooley  |
| Vice-President and Secretary -             | Eugene Herrin |

Next the directors entered into an informal discussion of the affairs of the corporation and the president explained to the directors that the corporation had filed a tax claim for relief under Section 722 of excess profits tax paid for the fiscal year closed October 31st, 1942. He stated that he was hopeful that the relief would be granted but since no hearing had been held on the claim he could not yet say what progress was being made.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 12:00 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. Eugene Herrin, seconded by Mr. J. P. Roddy and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton T. F. Dooley Eugene Herrin
J. P. Roddy C. L. Dooley

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1944, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States Income Tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley
Vice-President and Secretary - Eugene Herrin

Next the directors entered into an informal discussion of the affairs of the corporation and the president explained to the directors that the corporation had filed a tax claim for relief under Section 722 of excess profits tax paid for the fiscal year closed October 31st, 1942. He stated that he was hopeful that the relief would be granted but since no hearing had been held on the claim he could not yet say what progress was being made.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley
Secretary

B. A. Morton
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I C. Powell Smith

do hereby constitute and appoint

B. A. Morton to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

called to meet at office of Mr. B. A. Morton

at Fidelity-Bankers Trust Building

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said Mr. B. A. Morton be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 19th day of November 1943

WITNESS B. K. Sedgwick Signed C. Powell Smith

WITNESS T. F. Dooley Signed J. P. Roddy

WITNESS T. F. Dooley Signed Edna M. Dooley

ham Trust Fund,
By J. P. Roddy
Vice President

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 12:00 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. Eugene Herrin, seconded by Mr. J. P. Roddy and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1944, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States Income Tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the directors entered into an informal discussion of the affairs of the corporation and the president explained to the directors that the corporation had filed a tax claim for relief under Section 722 of excess profits tax paid for the fiscal year closed October 31st, 1942. He stated that he was hopeful that the relief would be granted but since no hearing had been held on the claim he could not yet say what progress was being made.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I J. C. Rossing

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

called to meet at Office of B. A. Morton, Knoxville  
Tenn. - at 11.30 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 23 day of Nov 1943

WITNESS T. F. Dooley Signed J. C. Rossing

WITNESS T. F. Dooley Signed Edna M. Dooley

Secretary

ham Trust Fund,  
By J. P. Roddy  
Vice President

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 12:00 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. Eugene Herrin, seconded by Mr. J. P. Roddy and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton T. F. Dooley Eugene Herrin
J. P. Roddy C. L. Dooley

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1944, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States Income Tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

President, Treasurer and General Manager - T. F. Dooley
Vice-President and Secretary - Eugene Herrin

Next the directors entered into an informal discussion of the affairs of the corporation and the president explained to the directors that the corporation had filed a tax claim for relief under Section 722 of excess profits tax paid for the fiscal year closed October 31st, 1942. He stated that he was hopeful that the relief would be granted but since no hearing had been held on the claim he could not yet say what progress was being made.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary

B. A. Morton Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at 10:30 o'clock A.M. at office of B. A. Morton Fidelity Bankers Trust Bldg. Knoxville, Tenn.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 20 day of Nov. 1943

Witness T. F. Dooley Secretary

Signed Edna M. Dooley

ham Trust Fund, By Vice President

## DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn., Tuesday, November 23rd, 1943, at 12:00 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. Eugene Herrin, seconded by Mr. J. P. Roddy and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon rollcall it was ascertained the following directors were present:

B. A. Morton	T. F. Dooley	Eugene Herrin
J. P. Roddy	C. L. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1944, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the president, treasurer and general manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the president, treasurer and general manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States Income Tax, excess profit tax or any State excise tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the president, treasurer and general manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, the polls were opened and the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the directors entered into an informal discussion of the affairs of the corporation and the president explained to the directors that the corporation had filed a tax claim for relief under Section 722 of excess profits tax paid for the fiscal year closed October 31st, 1942. He stated that he was hopeful that the relief would be granted but since no hearing had been held on the claim he could not yet say what progress was being made.

There being no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

## PROXY

KNOW ALL MEN BY THESE PRESENTS: That I \_\_\_\_\_

do hereby constitute and appoint \_\_\_\_\_

B. A. Morton to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the \_\_\_\_\_ Annual \_\_\_\_\_ meeting of stock-

holders of \_\_\_\_\_ Johnson City Mills

called to meet at \_\_\_\_\_ Room 306, Fidelity-Bankers Trust Co. Building,

\_\_\_\_\_ Knoxville, Tennessee,

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ B. A. Morton be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this \_\_\_\_\_ 23rd day of \_\_\_\_\_ November 19 43

ATTEST:

*[Signature]*  
Secretary

Signed FIDELITY-BANKERS TRUST COMPANY,  
Trustee of the Morton-Cunningham Trust Fund,  
By

*[Signature]*  
Vice President

## DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Tuesday, May 23rd, 1944, at 1:30 o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

Eugene Herrin  
Secretary.

T. F. Dooley  
President.

## DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, November 28th, 1944, at 1:30 o'clock P.M., this being the regular annual meeting of the Board of Directors as called for in the by-laws of the corporation.

The President of the corporation, Mr. T. F. Dooley, presided and the Secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

T. F. Dooley  
J. P. Roddy  
Eugene Herrin

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1944, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Timmons Audit Company, which was in exact accord with his report.

After considerable discussion of the auditor's report, which covered the fiscal year ending October 31st, 1944, and a discussion of the Balance Sheet, as presented by the President, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned  
Sine Die.

Eugene Herrin  
Secretary.

T. F. Dooley  
President.

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1944.

1943	ASSETS	1944
\$ None	U. S. Tax Notes	\$ 5,000.00
3,000.38	Cash in Amer. Bank & Trust Co.-Trustee	None
9,512.54	Cash in Peoples Bank - Gen. A/c	31,858.54
425.55	Cash in Peoples Bank - P.R. A/c	416.55
63,547.41	Accounts Receivable	75,723.05
16,000.00	Bills Receivable	12,500.00
128,727.38	Inventory	113,712.27
1,545.06	Deferred Charges	1,206.24
1,000.00	Life Insurance - Cash Value	None
6 879.48	Post War Refund Credit	879.48
224,637.80		241,296.13
\$366,980.75	Fixed Assets	
213,732.09	Less Reserve for Depreciation	\$361,733.42
		224,892.95
	153,248.66	136,840.47
	\$377,886.46	\$378,136.60

## LIABILITIES

\$ 41,765.34	Accounts Payable	\$ 52,707.87
40,000.00	Bills Payable	None
431.69	Reserve for Unclaimed Checks	431.69
243.85	Reserve for Old Age Benefits	231.68
128.94	Reserve for Old Age Benefits - Emps.	125.87
658.38	Reserve for Unemployment Insurance-State	625.54
751.45	Reserve for Unemployment Insurance-Fed.	742.57
5,431.64	Accrued Officer Salary	4,591.80
1,706.41	Reserve for Fed. Income Tax - Last year	7,782.73
30,661.32	Reserve for Fed. Income Tax - Current year	30,587.40
121,779.02		97,827.15
\$ 81,000.00	Capital Stock - Paid in	81,000.00
63,500.00	Capital Stock - Earned	63,500.00
5,000.00	Surplus - Paid in	5,000.00
106,607.44	Undivided Profits	130,809.45
	NET WORTH	280,309.45
		\$378,136.60

\$ 54,051.81	Profit for year before taxes	\$ 54,027.84
30,505.25	Less Federal Taxes for Year	30,587.40
\$ 23,546.56	Profit for Year after Taxes	\$ 23,440.44
\$ .725.71	Life Insurance premium paid net	None
	Charge against Undivided Profits	
\$ 3,751.49	Tax reserve unused from previous year R.A. Report	\$ 156.07
	Life Insurance Surrender Received	\$ 605.50

October 31st, 1944.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 22nd, 1944, at 2:00 P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Holder and owner of	Shares
J. P. Roddy	362.1
T. F. Dooley	239.1
Eugene Herrin	17.0
D. B. Lothrop	1.0
C. L. Dooley Estate	63.6
D. B. Lothrop, Administrator.	682.8

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Represented by	Shares
Eugenie Dooley	62.9
Joseph C. Bossong	85.0
Edna M. Dooley	55.0
R. E. McNew	25.5
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Fund	399.0
	627.4

Total present in person and by proxy - 1310.2

It appearing from the secretary's report that 1310.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1944, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1944.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

The next business to come before the meeting being the election of directors, upon motion of Mr. D. B. Lothrop, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- B. A. Morton
- J. P. Roddy
- J. G. Morton
- T. F. Dooley
- Eugene Herrin

There being no further business to come before the meeting, upon proper motion is adjourned.

T. F. Dooley Secretary

J. P. Roddy Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Eugenie Dooley

I, T. F. Dooley do hereby constitute and appoint Mr. T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the annual meeting of stockholders of Johnson City Mills called to meet at office of Mr. B. A. Morton, Fidelity & Bankers Trust Building, Knoxville, Tenn.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereof, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said Mr. T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 19 day of November 1944

WITNESS Raymond A. Cotaial Signed Eugenie Dooley

WITNESS T. F. Dooley Signed Joseph C. Bossong

IN WITNESS WHEREOF I have hereunto set my hand; this 21 day of Nov 1944

WITNESS T. F. Dooley Signed Edna M. Dooley

IN WITNESS WHEREOF I have hereunto set my hand; this 16 day of Nov 1944

WITNESS J. F. Heornitt Signed [Signature]

Trust Fund, By [Signature] Vice President

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 22nd, at 2:00 P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Holder and owner of	Shares
J. P. Roddy	362.1
T. F. Dooley	239.1
Eugene Herrin	17.0
D. B. Lothrop	1.0
C. L. Dooley Estate	63.6
D. B. Lothrop, Administrator.	682.8

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Represented by	Shares
Eugenie Dooley	62.9
Joseph C. Bossong	85.0
Edna M. Dooley	55.0
R. E. McNew	25.5
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Fund	399.0
	627.4

Total present in person and by proxy - 1310.2

It appearing from the secretary's report that 1310.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1944, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1944.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

The next business to come before the meeting being the election of directors, upon motion of Mr. D. B. Lothrop, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- |              |               |
|--------------|---------------|
| B. A. Morton | T. F. Dooley  |
| J. P. Roddy  | Eugene Herrin |
| J. G. Morton |               |

There being no further business to come before the meeting, upon proper motion is adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Joseph C. Bossong

do hereby constitute and appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton, Knoxville, Tenn Tuesday Nov 22, 1944 at 2 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Joseph C. Bossong to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 21 day of Nov 1944

WITNESS T. F. Dooley Signed Joseph C. Bossong

IN WITNESS WHEREOF I have hereunto set my hand; this 21 day of Nov 1944

WITNESS T. F. Dooley Signed Edna M. Dooley

IN WITNESS WHEREOF I have hereunto set my hand; this 16 day of Nov 1944

WITNESS J. Fleornett Signed [Signature]

Trust Fund,  
By [Signature]  
Vice President



STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 28th, at 2:00 P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:				362.1 Shares
J. P. Roddy	Holder and owner of	"	"	239.1 "
T. F. Dooley	"	"	"	17.0 "
Eugene Herrin	"	"	"	1.0 "
D. B. Lothrop	"	"	"	63.6 "
C. L. Dooley Estate	"	"	"	682.8 "
D. B. Lothrop, Administrator.				

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Eugenie Dooley	Represented by	T. F. Dooley	62.9 Shares
Joseph C. Bossong	"	" T. F. Dooley	85.0 "
Edna M. Dooley	"	" T. F. Dooley	55.0 "
R. E. McNew	"	" T. F. Dooley	25.5 "
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Fund	"	" J. G. Morton	399.0 "
			627.4 "
Total present in person and by proxy -			1310.2 "

It appearing from the secretary's report that 1310.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1944, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1944.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

The next business to come before the meeting being the election of directors, upon motion of Mr. D. B. Lothrop, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- |              |               |
|--------------|---------------|
| B. A. Morton | T. F. Dooley  |
| J. P. Roddy  | Eugene Herrin |
| J. G. Morton |               |

There being no further business to come before the meeting, upon proper motion is adjourned.

T. F. Dooley Secretary  
J. P. Roddy Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint \_\_\_\_\_

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton, Knoxville, Tenn Tuesday Nov 28, 1944 at 2 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 21 day of Nov 1944

WITNESS T. F. Dooley Signed Edna M. Dooley

IN WITNESS WHEREOF I have hereunto set my hand; this 16 day of Nov 1944

WITNESS J. H. Leonard Signed [Signature]

Trust Fund,

By [Signature] Vice President

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 28th, 1944, at 2:00 P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

J. P. Roddy	Holder and owner of	362.1 Shares
T. F. Dooley	" " " "	239.1 "
Eugene Herrin	" " " "	17.0 "
D. B. Lothrop	" " " "	1.0 "
C. L. Dooley Estate	" " " "	63.6 "
D. B. Lothrop, Administrator.		682.8 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Eugenie Dooley	Represented by T. F. Dooley	62.9 Shares
Joseph C. Bossong	" " T. F. Dooley	85.0 "
Edna M. Dooley	" " T. F. Dooley	55.0 "
R. E. McNew	" " T. F. Dooley	25.5 "
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Fund	" " J. G. Morton	399.0 "
		627.4 "

Total present in person and by proxy -

1310.2 "

It appearing from the secretary's report that 1310.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1944, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1944.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

The next business to come before the meeting being the election of directors, upon motion of Mr. D. B. Lothrop, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton  
J. P. Roddy  
J. G. Morton

T. F. Dooley  
Eugene Herrin

There being no further business to come before the meeting, upon proper motion is adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

## PROXY

KNOW ALL MEN BY THESE PRESENTS: That I R. E. McNew

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton, Knoxville Tenn. Tuesday Nov 28, 1944 2 o'clock P.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 16 day of Nov

19 44

WITNESS

J. F. Heonett

Signed

R. E. McNew

Trust Fund,

By J. F. Heonett  
Vice President

## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 28th, at 2:00 P.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

## Present in person:

J. P. Roddy	Holder and owner of	362.1 Shares
T. F. Dooley	" " " "	239.1 "
Eugene Herrin	" " " "	17.0 "
D. B. Lothrop	" " " "	1.0 "
C. L. Dooley Estate	" " " "	63.6 "
D. B. Lothrop, Administrator.		682.8 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Eugenie Dooley	Represented by T. F. Dooley	62.9 Shares
Joseph C. Bossong	" " T. F. Dooley	85.0 "
Edna M. Dooley	" " T. F. Dooley	55.0 "
R. E. McNew	" " T. F. Dooley	25.5 "
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Fund	" " J. G. Morton	399.0 "
		627.4 "

Total present in person and by proxy -

1310.2 "

It appearing from the secretary's report that 1310.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1944, and also the report of the company's auditors, Timmons Audit Company, covering the operations of the corporation for the fiscal year ending October 31st, 1944.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

The next business to come before the meeting being the election of directors, upon motion of Mr. D. B. Lothrop, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton  
J. P. Roddy  
J. G. Morton

T. F. Dooley  
Eugene Herrin

There being no further business to come before the meeting, upon proper motion is adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

## PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Fidelity-Bankers Trust Co  
Trustee of Morton-Cunningham Trust Fund  
do hereby constitute and appoint  
Julian G. Morton to be my attorney, substitute and proxy, for me and  
in my name and behalf to attend the \_\_\_\_\_ annual \_\_\_\_\_ meeting of stock-  
holders of Johnson City Mills  
called to meet at the office of Mr. B.A. Morton, Fidelity & Bankers  
Trust Building, Knoxville, Tenn., Tuesday, Nov. 28, at 2 P. M.,

and any and all adjournments thereof, and to vote on any and all business of the  
said Company submitted and elections thereat, as fully as I could do were I per-  
sonally present, and I hereby revoke any proxy heretofore given by me; and should  
the said \_\_\_\_\_ be absent from the said meet-  
ing or any and all adjournments thereof, or to be unable to act hereunder, then,  
and in that event only, I appoint \_\_\_\_\_  
to be my attorney, substitute and proxy, for me and in my name and behalf to vote  
at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 28th day of \_\_\_\_\_  
November 19 44

WITNESS T. F. Dooley

Signed FIDELITY-BANKERS TRUST CO.,  
Trustee of the Morton-Cunningham  
Trust Fund,

By J. G. Morton  
Vice President

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 28th, at 2:30 P.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. Eugene Herrin, seconded by Mr. J. G. Morton and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

J. P. Roddy	Eugene Herrin
T. F. Dooley	J. G. Morton

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted; the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1945, in excess of 8% of the capital stock issued at par plus an average surplus and undivided profit for the year. In other words this means that the average net worth of the corporation shall be used for figuring the bonus of the President, Treasurer and General Manager; and it is further provided that for the purpose of figuring this average net worth the financial statement of the corporation at the beginning of the year, and at such quarterly or other periods as statements may be taken off, be used. After a sum equal to 18% of the average net worth of the corporation for the year has been earned the President, Treasurer and General Manager shall receive 20% of the good net profits of the corporation. It is explicitly understood that this bonus shall be figured before any United States Income Tax, Excess Profit Tax or any State Excise Tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus earned for the year that actual time employed would entitle him to.

Vice-President and Secretary - No Salary.

The next business being the election of officers, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the question of the company's auditors was brought up and the President stated he was thoroughly satisfied with the present auditors except for the fact that they were located in Knoxville, which made it very inconvenient to consult them, and that it also added to the expense of the audit. He stated that he considered the firm of Hinderer & Baylor, Johnson City, Tennessee, equally competent. After this discussion, upon motion of Mr. Eugene Herrin, seconded by Mr. J. G. Morton and unanimously voted, the firm of Hinderer & Baylor, Johnson City, Tennessee, was appointed auditors for the company for the fiscal year beginning November 1st, 1944, and ending October 31st, 1945, with the understanding, however, that the tax claim under section 722 which had been started by Timmons Audit Company would be left with them to be carried on to a conclusion.

Next the President stated to the directors that he did not think profits for the corporation could hold at the present level during the coming year due to the fact that C.P.A. ceilings on yarn had been raised and so far no advance had been permitted in the price of hosiery. He also pointed out that it had become more difficult each month to maintain production due to manpower shortage.

After a general discussion of the affairs of the corporation in which all the directors present participated, there being no further business to come before the meeting upon proper motion it adjourned.

T. F. Dooley  
Secretary.

J. P. Roddy  
Chairman

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the Company in Johnson City, Tennessee, Tuesday, May 22nd, 1945, at one thirty o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present so the meeting adjourned.

Eugene Herrin  
Secretary.

T. F. Dooley  
President.

## DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 20th, at 10:30 o'clock A.M., this being the regular annual meeting of the Board of Directors as called for in the by-laws of the corporation.

The President of the corporation, Mr. T. F. Dooley, presided and the Secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton,  
J. P. Roddy  
J. G. Morton  
T. F. Dooley  
Eugene Herrin

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last annual meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1945, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Hinderer-Baylor Associates, which was in exact accord with his report.

After considerable discussion of the auditor's report, which covered the fiscal year ending October 31st, 1945, and a discussion of the Balance Sheet, as presented by the President, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned Sine Die.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1945.

1944	<u>ASSETS</u>	1945	
	U. S. Tax Notes	\$ .40,000.00	
\$ 5,000.00	Cash in Peoples Bank - Gen. A/c	49,853.07	
31,858.54	Cash in Peoples Bank - P.R. A/c	416.55	
416.55	Accounts Receivable	50,434.12	
75,723.05	Bills Receivable	None	
12,500.00	Inventory	100,307.85	
113,712.27	Deferred Charges	773.28	
1,206.24	Post War Refund Credit	2,316.46	
879.48		<u>244,101.33</u>	
<u>241,296.13</u>	Fixed Assets		\$361,733.42
\$361,733.42	Less Reserve for Depreciation		<u>238,905.80</u>
<u>224,892.95</u>		<u>122,827.92</u>	
136,840.47		<u>\$366,929.25</u>	
<u>\$378,136.60</u>			
	<u>LIABILITIES</u>		
	Accounts Payable	\$ 44,923.61	
\$ 52,707.87	Reserve for Unclaimed Checks	581.86	
431.69	Reserve for Social Security Taxes	1,581.44	
1,725.66	Accrued Wages	2,602.08	
None	Accrued Officer Salary	1,321.77	
4,591.80	Reserve for Federal Income Tax-Last Year	None	
7,782.73	Reserve for Federal Income Tax-Current Year	<u>12,742.32</u>	
30,587.40		<u>63,753.08</u>	
<u>97,827.15</u>	Capital Stock - Paid in		81,000.00
\$ 81,000.00	Capital Stock - Earned		63,500.00
63,500.00	Surplus - Paid in		5,000.00
5,000.00	Undivided Profits		<u>153,676.17</u>
<u>130,809.45</u>	NET WORTH	<u>303,176.17</u>	
280,309.45		<u>\$366,929.25</u>	
<u>\$378,136.60</u>			
	Profit for Year before Taxes	\$ 34,853.80	
\$ 54,051.81	Federal Income & Excess Profits Taxes	<u>12,742.32</u>	
30,505.25	Net profit after taxes	<u>\$ 22,111.48</u>	
<u>\$23,546.56</u>			

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday, November 20th, 1945, at 11:30 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

B. A. Morton  
J. P. Roddy  
J. G. Morton

T. F. Dooley  
Eugene Herrin

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$6,000.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1946, in excess of 8% of the capital stock issued at par plus the surplus and undivided profit shown on the balance sheet of the corporation at the close of the fiscal year ending October 31st, 1945. This 10% shall be computed on earnings until these earnings amount to 18% of the net worth of the corporation at the beginning of the year. He shall receive 20% of the good net profits of the corporation earned during the year in excess of 18% of the net worth of the corporation at the beginning of the current year. It is explicitly understood that this additional salary or bonus shall be figured before any United States Income Tax, Excess Profit Tax, State Excise Tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's services with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus for the year that actual time employed would entitle him to.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. B. A. Morton, seconded by Mr. J. G. Morton and unanimously voted, the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the President told the directors that he felt that the corporation should have fair earnings for the ensuing year; possibly to some extent in excess of the previous year's earnings. He based this on the fact that the corporation had secured an allotment of Nylon for the making of ladies' hosiery, which he expected would be increased in the first quarter of 1946, and that the earnings on this type of hosiery should be somewhat higher than was possible when only rayon ladies' hosiery was produced. He further stated that on the children's lines he thought the market would be strong, but there would still be some production problems due to shortages of material and labor. He further stated that it was very difficult to make any accurate prediction until the policies of the National Government as to the increased minimum wages and price ceilings were definitely settled.

Next the President told the directors that he had tentative commitments for the purchase of approximately \$125,000.00 worth of new and modern equipment for the manufacture of ladies' Nylon hosiery and that he expected firm contracts, with prices, on this equipment would be tendered the corporation in the near future and that he would like for the Board of Directors to give him authority to make firm contracts on this equipment.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the officers of the company were authorized to make expenditures not to exceed \$125,000.00 for the purchase of equipment, as outlined in the foregoing paragraph. Provided, however, that no monies were to be borrowed by the corporation for this purpose and that such new equipment be purchased on a delivery schedule which the corporation could meet without borrowing.

Next the question of dividends was brought up and after considerable discussion, in view of the above action, the directors decided that it was not proper to pay a dividend at this time and that the best interests of the corporation and its stockholders would be served by the expenditure of funds for the modernizing of the plant as regards equipment which would take all of the present cash surplus, and possibly some additional earnings.

After a general discussion of the affairs of the corporation in which all the directors present participated, there being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday November 20th, 1945, at eleven o'clock A.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Table with columns: Present in person, Holder and owner of, Shares. Lists names like J. P. Roddy, T. F. Dooley, B. A. Morton, etc., and their respective share counts.

Total present in person and by proxy - 1311.6

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1945, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1945.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President stated to the stockholders that the officers of the company had made tentative commitments for new and modern equipment for the manufacture of ladies' Nylon hosiery of an approximate price of \$125,000.00, which, in the opinion of the Board of Directors, was a proper expenditure fund of the corporation in the interest of the stockholders because the new equipment would increase the earnings of the corporation and also modernize it's equipment so that it could meet competition.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- B. A. Morton, J. P. Roddy, J. G. Morton, T. F. Dooley, Eugene Herrin

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary

J. P. Roddy Chairman

68.1

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Eugene Dooley do hereby constitute and appoint Mr. J. P. Roddy to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton Knoxville, Tenn. Nov 20, 1945 at 11 o'clock A.M. and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint J. P. Roddy to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 17 day of November 1945

WITNESS Frank A. Cutaia Signed Eugene Dooley

WITNESS J. P. Roddy Signed Joseph B. Bossong

WITNESS T. F. Dooley Signed Edna M. Dooley

Nov- 1945 WITNESS J. P. Roddy Signed J. P. Roddy

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday November 20th, 1945, at eleven o'clock A.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Holder and owner of	362.1 Shares
Present in person:	209.1 "
J. P. Roddy	1.0 "
T. F. Dooley	.4 "
B. A. Morton	
J. G. Morton	399.0 "
Fidelity-Bankers Trust Co., Trustee for	17.0 "
Morton-Cunningham Trust Co.	63.6 "
Eugene Herrin	
Estate of C. L. Dooley	1.0 "
D. B. Lothrop, Executor	
D. B. Lothrop	
<b>Total</b>	<b>1053.2</b>
Represented by proxy, which proxies are inserted as part of the minutes of this meeting:	62.9 Shares
Eugenie Dooley	85.0 "
J. C. Bossong	85.0 "
Edna M. Dooley	25.5 "
R. E. McNew	
<b>Total</b>	<b>258.4</b>
<b>Total present in person and by proxy -</b>	<b>1311.6</b>

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1945, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1945.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President stated to the stockholders that the officers of the company had made tentative commitments for new and modern equipment for the manufacture of ladies' Nylon hosiery of an approximate price of \$125,000.00, which, in the opinion of the Board of Directors, was a proper expenditure fund of the corporation in the interest of the stockholders because the new equipment would increase the earnings of the corporation and also modernize its equipment so that it could meet competition. He further stated the directors felt the stockholders should be informed as to these plans, but suggested that no definite action be taken unless there was objection upon the part of any stockholder, since no firm commitments had been made at this date. No stockholder present or represented by proxy offered any objection.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | J. G. Morton | Eugene Herrin |
| J. P. Roddy  | T. F. Dooley |               |

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

85

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I J. C. Bossong

do hereby constitute and appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton Knoxville, Tenn Tuesday Nov 20<sup>th</sup> 11 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 17 day of Nov

1945

WITNESS [Signature]

Signed Joseph C. Bossong

1945

WITNESS T. F. Dooley

Signed Edna M. Dooley

Nov- 1945

WITNESS [Signature]

Signed [Signature]

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday November 20th, 1945, at eleven o'clock A.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Holder and owner of	362.1 Shares
Present in person:	209.1 "
J. P. Roddy	1.0 "
T. F. Dooley	.4 "
B. A. Morton	
J. G. Morton	399.0 "
Fidelity-Bankers Trust Co., Trustee for	17.0 "
Morton-Cunningham Trust Co.	63.6 "
Eugene Herrin	
Estate of C. L. Dooley	1.0 "
D. B. Lothrop, Executor	
D. B. Lothrop	
<b>Total</b>	<b>1053.2</b>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:	62.9 Shares
Eugenie Dooley	85.0 "
J. C. Bossong	85.0 "
Edna M. Dooley	25.5 "
R. E. McNew	
<b>Total</b>	<b>258.4</b>

Total present in person and by proxy -

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1945, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1945.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President stated to the stockholders that the officers of the company had made tentative commitments for new and modern equipment for the manufacture of ladies' Nylon hosiery of an approximate price of \$125,000.00, which, in the opinion of the Board of Directors, was a proper expenditure fund of the corporation in the interest of the stockholders because the new equipment would increase the earnings of the corporation and also modernize its equipment so that it could meet competition. He further stated the directors felt the stockholders should be informed as to these plans, but suggested that no definite action be taken unless there was objection upon the part of any stockholder, since no firm commitments had been made at this date. No stockholder present or represented by proxy offered any objection.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | J. G. Morton | Eugene Herrin |
| J. P. Roddy  | T. F. Dooley |               |

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

85

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley do hereby constitute and appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton, Fidelity Bankers Trust Bldg. Knoxville, Tenn. and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereof, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then, and in that event only, I appoint Eugene Herrin to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 15 day of Nov 1945

WITNESS T. F. Dooley Signed Edna M. Dooley

Nov- 1945

WITNESS J. P. Roddy Signed Eugene Herrin



STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday November 20th, 1945, at eleven o'clock A.M., this being the regular annual meeting of the stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. J. P. Roddy was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Present in person:	Holder and owner of	362.1 Shares
J. P. Roddy	" " " "	209.1 "
T. F. Dooley	" " " "	1.0 "
B. A. Morton	" " " "	.4 "
J. G. Morton	" " " "	399.0 "
Fidelity-Bankers Trust Co., Trustee for	" " " "	17.0 "
Morton-Cunningham Trust Co.	" " " "	63.6 "
Eugene Herrin	" " " "	
Estate of C. L. Dooley	" " " "	1.0 "
D. B. Lothrop, Executor	" " " "	
D. B. Lothrop		Total 1053.2 "

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:	62.9 Shares
Eugenie Dooley	85.0 "
J. C. Bossong	85.0 "
Edna M. Dooley	25.5 "
R. E. McNew	258.4 "
	Total 1311.6 "

Total present in person and by proxy -

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1945, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1945.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the president was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President stated to the stockholders that the officers of the company had made tentative commitments for new and modern equipment for the manufacture of ladies' Nylon hosiery of an approximate price of \$125,000.00, which, in the opinion of the Board of Directors, was a proper expenditure fund of the corporation in the interest of the stockholders because the new equipment would increase the earnings of the corporation and also modernize its equipment so that it could meet competition. He further stated the directors felt the stockholders should be informed as to these plans, but suggested that no definite action be taken unless there was objection upon the part of any stockholder, since no firm commitments had been made at this date. No stockholder present or represented by proxy offered any objection.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | J. G. Morton | Eugene Herrin |
| J. P. Roddy  | T. F. Dooley |               |

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

J. P. Roddy  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I B. A. Morton

B. A. Morton do hereby constitute and appoint \_\_\_\_\_

to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Office of B. A. Morton Knoxville, Tenn Tuesday Nov 20, 1945 at 11 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 14 day of \_\_\_\_\_

Nov- 1945

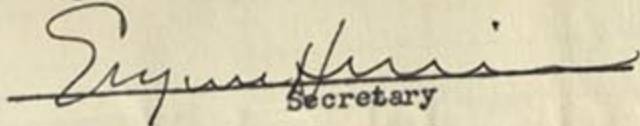
WITNESS J. H. Kee

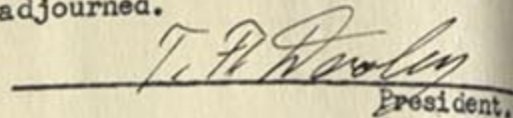
Signed B. A. Morton

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Tuesday, May 21st, 1946, at one thirty o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present, so the meeting adjourned.

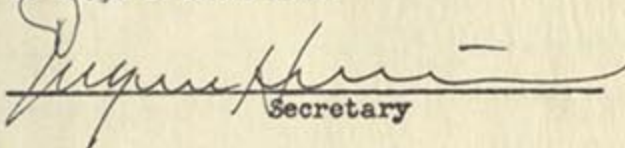
  
Secretary

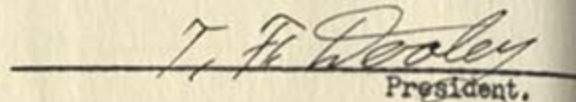
  
President.

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday in November each year was called to order at the office of the company in Johnson City, Tennessee, Tuesday November 26th, 1946, at 1:30 P.M.

There was not a quorum present, so the meeting adjourned to meet Tuesday, December 3rd, 1946, at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., at 11:00 o'clock A.M.

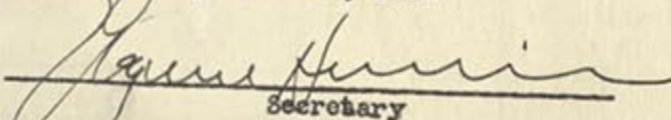
  
Secretary

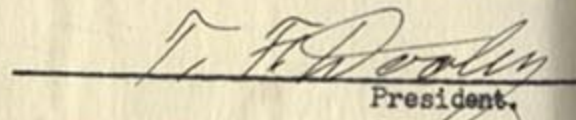
  
President.

STOCKHOLDERS MEETING

The regular meeting of the stockholders of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday of November each year, was called to order at the office of the company Tuesday, November 26th, 1946, at 2:00 O'clock P.M.

There was not a quorum present so the meeting adjourned to meet at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Bldg., Knoxville, Tennessee, Tuesday, December 3rd, 1946, at 11:30 o'clock, A.M.

  
Secretary

  
President.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., at 11:00 o'clock A.M. Tuesday, December 3rd, 1946, this being an adjournment of the regular annual meeting of the Board of Directors held Tuesday, November 26th, at the office of the company in Johnson City, Tenn., which meeting failed for want of a quorum.

The President of the Corporation, Mr. T. F. Dooley, presided and the Secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton  
J. P. Roddy

J. G. Morton  
T. F. Dooley

Eugene Herrin

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last annual meeting, and all meetings of the Board since, were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1946, which is the end of the fiscal year of the corporation, and also presented a report of the company's auditors, Hinderer-Baylor Associates, which was in exact accord with his report.

After considerable discussion of the auditor's report, which covered the fiscal year ending October 31st, 1946, and a discussion of the Balance Sheet, as presented by the President, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next the President reported to the Board that pursuant to authorization passed in Directors meeting held November 20th, 1945, he had signed contracts with Scott & Williams, Inc., for the purchase of 76 new knitting machines at \$1498.00 each for the knitting of ladies nylon no-seam stockings in December, 1945, but that the contracts when tendered carried a clause agreeing to a price increase up to 20% in the event OPA granted a price increase, or in the event price ceilings were removed. He reported that after 10 machines had been delivered price ceilings were removed from textile machinery and that the price on the undelivered machines had been advanced \$299.00, thereby increasing the corporation's liability under the contract by \$19,734.00. He further stated that he thought the machines were a good buy at the new price.

He also stated that after discussion with other directors he had signed a contract with the Carrier Corporation for air conditioning equipment to be installed to air condition both the full fashioned knitting room and the seamless knitting and looping room at a cost of \$30,300.00. Also that he was building a building to house this equipment at an estimated cost of \$7,000.00 and that he estimated additional expenditures in connection with the installation of about \$4,000.00 for a well, pumps and storage tanks.

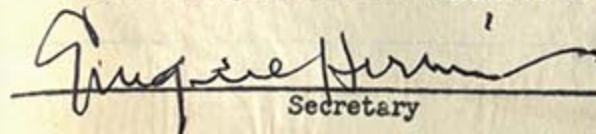
Next he reported that in order to make room to install and operate the new nylon machines without entering into extensive construction at excessive cost, the second floor of a new building 120' x 50' located at 305 W. Walnut Street, Johnson City, Tenn., had been leased at a rental of \$200.00 per month on a year to year basis and the old knitting equipment for the manufacture of children's hosiery had been moved and installed there in November of 1946.

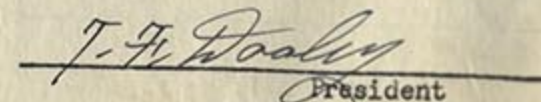
After considerable discussion, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the action of the President in all the foregoing matters was approved and he was instructed to report this action to the stockholders at their annual meeting on this date.

Next the President reported that the United Construction Workers, an affiliate with the United Mine Workers of America, had started a campaign in February, 1946, to organize the company's employees. This activity culminated in an election held under the auspices of the National Labor Relations Board on October 18th, 1946, at the company's plant in Johnson City. The result of the election was 73 votes for the Union and 216 votes against the Union. The directors expressed pleasure at this report and directed the President to report it to the stockholders.

Next, upon motion of Mr. Eugene Herrin, seconded by Mr. B. A. Morton and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned Sine Die.

  
Secretary

  
President

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday December 3rd, 1946, at 11:30 o'clock A.M., this being an adjournment of the regular annual meeting of stockholders scheduled for Tuesday, November 26th, 1946, which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

## Present in person:

Holder and owner of	362.1 Shares
J. P. Roddy	179.1
T. F. Dooley	1.0
B. A. Morton	.4
J. G. Morton	
Fidelity-Bankers Trust Co., Trustee for	399.0
Morton-Cunningham Trust Co.	17.0
Eugene Herrin	
Estate of C. L. Dooley	63.6
D. B. Lothrop, Executor	1.0
D. B. Lothrop	
Total	1023.2

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Eugenie Dooley	Represented by T. F. Dooley	62.9 Shares
J. C. Bossong	" T. F. Dooley	85.0
Edna M. Dooley	" T. F. Dooley	185.0
R. E. McNew	" B. A. Morton	25.5
		258.4

Total present in person and by proxy -

1311.6

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1946, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1946.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a Directors meeting held earlier that day in which he had fully outlined the corporation's decision as to the purchase of new equipment and the installation of air conditioning equipment, stating that the Directors wanted the stockholders to be fully informed as to the plans of the corporation.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. D. B. Lothrop and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton

J. G. Morton

Eugene Herrin

J. P. Roddy

T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I J. C. Bossong

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton, Knoxville, Tenn Tuesday Dec 3, 1946 at 11:30 A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were

I personally present, and I hereby revoke any proxy heretofore given by me; and should the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and that event only, I appoint J. C. Bossong to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF: I have hereunto set my hand; the 27 day of November 1946.

WITNESS  Evelyn Bossong

SIGNED  Joseph C. Bossong

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday December 3rd, 1946, at 11:30 o'clock A.M., this being an adjournment of the regular annual meeting of stockholders scheduled for Tuesday, November 26th, 1946, which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Present in person:

Holder and owner of	Shares
J. P. Roddy	362.1
T. F. Dooley	179.1
B. A. Morton	1.0
J. G. Morton	.4
Fidelity-Bankers Trust Co., Trustee for Morton-Cunningham Trust Co.	399.0
Eugene Herrin	17.0
Estate of C. L. Dooley	63.6
D. B. Lothrop, Executor	1.0
D. B. Lothrop	1.0
<b>Total</b>	<b>1023.2</b>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Represented by	Shares
Eugenie Dooley	62.9
J. C. Bossong	85.0
Edna M. Dooley	185.0
R. E. McNew	25.5
<b>Total</b>	<b>258.4</b>

Total present in person and by proxy - 1311.6

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1946, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1946.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a Directors meeting held earlier that day in which he had fully outlined the corporation's decision as to the purchase of new equipment and the installation of air conditioning equipment, stating that the Directors wanted the stockholders to be fully informed as to the plans of the corporation.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Eugenie Dooley do hereby constitute and appoint

Mr. T. F. Dooley to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of

stockholders of Johnson City Mills

called to meet at Office of B. A. Morton, Knoxville,

Tenn., Tuesday, Dec 3rd, 1946 at 11:30 A.M.

and any and all adjournments thereof, and to vote on any and all business of

the said Company submitted and elections thereat, as fully as I could do were

I personally present, and I hereby revoke any proxy heretofore given by me;

and should the said \_\_\_\_\_ by absent from

the said meeting or any and all adjournments thereof, or to be unable to act

hereunder, then, and that event only, I appoint

to be my attorney, substitute and proxy, for me and in my name and behalf to

vote at said meeting or adjournments, as fully as I could were I personally

present. IN WITNESS WHEREOF: I have hereunto set my hand; the 20

day of November 1946.

WITNESS Raymond A. Cutaia SIGNED Eugenie Dooley

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday December 3rd, 1946, at 11:30 o'clock A.M., this being an adjournment of the regular annual meeting of stockholders scheduled for Tuesday, November 26th, 1946, which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Present in person:

	Holder and owner of	Shares
J. P. Roddy	" " " "	362.1
T. F. Dooley	" " " "	279.1
B. A. Morton	" " " "	1.0
J. G. Morton	" " " "	.4
Fidelity-Bankers Trust Co., Trustee for Morton-Cunningham Trust Co.	" " " "	399.0
Eugene Herrin	" " " "	17.0
Estate of C. L. Dooley	" " " "	63.6
D. B. Lothrop, Executor	" " " "	1.0
D. B. Lothrop	" " " "	1.0
	<b>Total</b>	<b>1023.2</b>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Name	Represented by	Shares
Eugenie Dooley	T. F. Dooley	62.9
J. C. Bossong	" " T. F. Dooley	85.0
Edna M. Dooley	" " T. F. Dooley	185.0
R. E. McNew	" " B. A. Morton	25.5
		<b>288.4</b>

Total present in person and by proxy - 1311.6

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1946, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1946.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a Directors meeting held earlier that day in which he had fully outlined the corporation's decision as to the purchase of new equipment and the installation of air conditioning equipment, stating that the Directors wanted the stockholders to be fully informed as to the plans of the corporation.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley

to be my attorney, substitute and proxy, for me and

my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

held to meet at Office of B. A. Morton, Knoxville, Tenn  
Tuesday Dec 3, 1946 at 11:30 A.M.

and to vote on any and all business of the said corporation submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 2 day of Dec

1946

WITNESS

T. F. Dooley

Signed

Edna M. Dooley



STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31, 1946.

1945	ASSETS	1946	
		\$ 50,000.00	
	U. S. Tax Notes	51,119.18	
\$ 40,000.00	Cash in Peoples Bank - Gen. Acct.	421.98	
49,853.07	Cash in Peoples Bank - P.R. Acct.	118,775.41	
416.55	Accounts Receivable	142,339.53	
50,434.12	Inventory	1,345.39	
100,307.85	Deferred Charges	793.40	
773.28	Post War Refund Credit	364,794.89	
2,316.46			409,303.25
244,101.33	Fixed Assets		254,139.59
	Reserve for Depreciation	155,163.66	
		\$519,958.55	

361,733.42  
238,905.50

122,627.92  
\$366,929.25

LIABILITIES

\$ 44,923.61	Accounts Payable	\$ 69,292.53	
581.86	Reserve for Unclaimed Checks	723.54	
1,581.44	Reserve for Social Security Taxes	2,190.41	
2,602.08	Reserve for Accrued Wages	None	
1,321.77	Accrued Officer Salary	21,075.91	
12,742.32	Reserve for Fed. Income Tax- Current Yr.	53,647.18	
None	Additional Income Taxes - Prior years	315.54	
63,753.08		147,245.11	
81,000.00	Capital Stock - Paid in		81,000.00
63,500.00	Capital Stock - Earned		63,500.00
5,000.00	Surplus - Paid in		5,000.00
153,676.17	Undivided Profits		223,213.44
	NET WORTH	372,713.44	
		\$519,958.55	

\$ 23,043.11  
11,810.69  
34,853.80  
12,742.32  
\$ 22,111.48

Profit for year before taxes - Seamless Dept.  
Profit for year before taxes - Model K Dept.  
Profit for year before taxes - Full Fashioned Dept.  
Total Profit before taxes  
U.S. Income & Excess Profits taxes  
Net Profit after taxes

\$ 36,683.89  
23,682.08  
47,782.25  
15,000.00  
None  
123,148.22  
53,647.18  
\$ 69,501.04

October 31st, 1946.

See minutes page 225

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1947.

1946	ASSETS	1947	
793.40	Post War Refund Credit	None	
\$ 51,119.18	Cash in Peoples Bank - Gen. Acct.	\$ 26,069.52	
421.98	Cash in Peoples Bank - P.R. Acct.	421.96	
50,000.00	U. S. Tax Notes	None	
118,775.41	Accounts Receivable	107,004.07	
142,339.53	Inventories	150,531.44	
None	Deposits on Equipment Purchases	9,200.00	
1,345.39	Deferred Charges	1,385.23	
364,794.89		294,612.22	
	Fixed Assets		\$485,082.62
\$409,303.25	Less Reserve for Depreciation		270,458.19
254,139.59			
		214,624.43	
		\$509,236.65	

\$409,303.25  
254,139.59

155,163.66  
\$519,958.55

LIABILITIES

\$ 69,292.53	Accounts Payable	\$ 56,378.68	
723.54	Reserve for Unclaimed Checks	717.60	
2,190.41	Reserve for Social Security Taxes	1,860.58	
None	Accrued Salaries and Wages	15,417.69	
21,075.91	Accrued Officers' Salaries	5,649.75	
53,647.18	Reserve for Fed. Income Tax-Current Yr.	26,092.85	
315.54	Reserve for Fed. Income Tax-Prior years	None	
\$147,245.11		\$106,117.15	
\$ 81,000.00	Capital Stock - Paid in	\$ 81,000.00	
63,500.00	Capital Stock - Earned	63,500.00	
5,000.00	Surplus - Paid in	5,000.00	
223,213.44	Undivided Profits	253,619.50	
	NET WORTH	403,119.50	
		\$509,236.65	

\$ 81,000.00  
63,500.00  
5,000.00  
223,213.44

372,713.44  
\$519,958.55

\$ 36,683.89  
23,682.08  
47,782.25  
15,000.00  
None  
123,148.22  
53,647.18  
\$ 69,501.04

Profit for year before taxes - Seamless Dept.  
Profit for year before taxes - Model K Dept.  
Profit for year before taxes - Full Fashioned Dept.  
Profit for year before taxes - Sale of Hose Purchased  
Profit for year before taxes - Sale of Capital Assets  
Total profit before taxes  
U.S. Income and Excess Profits Taxes  
Net Profit after taxes

\$ 15,087.55  
11,630.36  
37,652.99  
3,154.16  
1,733.33  
69,258.39  
26,092.85  
\$ 43,165.54

Dividends Paid

\$ 11,560.00

October 31st, 1947.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Tuesday December 3rd, 1946, at 12:00 noon, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Doolley was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Doolley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$7500.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1947, in excess of 8% of the capital stock issued at par plus the surplus and undivided profit shown on the balance sheet of the corporation at the close of the fiscal year ending October 31st, 1946. This 10% shall be computed on earnings until these earnings amount to 18% of the net worth of the corporation at the beginning of the year. He shall receive 20% of the good net profits of the corporation earned during the year in excess of 18% of the net worth of the corporation at the beginning of the current year. It is explicitly understood that this additional salary or bonus shall be figured before any United States Income Tax, Excess Profits Tax, State Excise Tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's service with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus for the year that actual time employed would entitle him to. It is further provided, however, that a total ceiling of \$25,000.00 shall be placed on this salary and that the bonus shall not be computed beyond the figure of \$17,500.00 which, with the base salary of \$7500.00, makes a total of \$25,000.00.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. B. A. Morton, seconded by Mr. J. G. Morton and unanimously voted, the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the President reported to the directors that the old directorate had approved certain contracts for new equipment and expenditures for air conditioning of the corporation's building, and he read the minutes of this meeting concerning these matters to the new directorate so they would be fully familiar with the corporation's commitments in this regard.

Next the President reported that he felt that while things were very uncertain at the present time, the corporation's earnings would probably continue at a fair rate through the first half of the new year, but he could not make any prediction beyond six months. He did state that he did not expect earnings to be as great as for the previous year.

Next the question of dividends was brought up and it was felt by the directors that the stockholders, having not received any dividends for a long time, should participate in the corporation's earnings as soon as possible.

The President stated that he agreed with this entirely but that in view of the commitments for new equipment which had been made in the form of firm contracts and also the fact that the country was at this time undergoing a coal strike which might be of considerable duration and paralyze all business that he could not see his way clear to recommend a dividend payable immediately, but he did hope and feel that if business continued at anything like the present level the corporation could pay an 8% dividend during the ensuing fiscal year.

After considerable discussion, upon motion of Mr. J. P. Roddy, seconded by Mr. J. G. Morton and unanimously carried, a dividend of \$8.00 per share on stock of record Dec. 3rd, 1946, was voted to be paid at any time during the ensuing fiscal year when, in the judgement of the corporation's officers, the money could be withdrawn from the corporation's undivided profits without impairing its ability to meet obligations already contracted for.

After a general discussion of the corporation's affairs, there being no further business to come before the meeting upon proper motion it adjourned.

T. F. Doolley  
Secretary

B. A. Morton  
Chairman

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, May 27th, 1947, at one thirty o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

There was not a quorum present, so the meeting adjourned.

E. Eugene Herrin  
Secretary

T. F. Doolley  
President.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, at 11:00 o'clock A.M. Tuesday, November 25th, 1947, this being the regular annual meeting as called for in the by-laws of the corporation.

The president of the corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1947, which is the end of the fiscal year of the corporation, and he also presented a report of the company's auditors, Hinderer-Baylor Associates, which was in exact accord with his report.

After considerable discussion of both of these reports, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to incorporate the Balance Sheet as a part of the minutes of this meeting and was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next the President reported that the air conditioning equipment had been installed and that, as usual in such cases, the installation costs had run somewhat in excess of the initial figures due to an escalator clause in the contract which made provision for certain increases in the event raw material or labor prices advanced before installation.



He also stated that he had stopped delivery of the Scott & Williams Model K 400 needle machines for making no-seam nylons because of streak trouble that developed in the machines and that he had taken in thirty of them which had operated at a fair profit but he was holding up delivery on the remaining forty-six. He stated that he thought the manufacturers would finally overcome this trouble but that he did not deem it advisable to take in any more machines until it had been worked out and that in the meantime the corporation had a deposit of \$9200.00 up with Scott & Williams representing \$200.00 on each machine, as called for in the contract, which would have to remain there until some final disposition could be made of the matter.

After considerable discussion, upon motion of Mr. B. A. Morton, seconded by Mr. J. G. Morton and unanimously voted, the action of the President and the officers of the corporation in the purchase of capital assets during the year was approved.

Next, upon motion of Mr. Eugene Herrin, seconded by Mr. B. A. Morton and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned Sine Die.

Eugene Herrin  
Secretary.

T. F. Dooley  
President.

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Joseph C. Bossong do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B.A. Morton, Fidelity-Bankers Trust Bldg. Knoxville, Tenn on Tuesday, Nov 25, 1947 at 11:30 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 20 day of Nov 1947.

WITNESS W. E. Bail Signed Joseph C. Bossong

WITNESS Ernest H. Warren Signed VV [Signature]

WITNESS T. F. Dooley Signed Edna M Dooley

WITNESS Eugene Dooley Signed Raymonde A. Cutajar

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, November 25th, 1947, at 11:30 o'clock A.M., this being the regular annual meeting of stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Name	Holder and owner of	Shares
J. P. Roddy	" " " "	362.1
B. A. Morton	" " " "	1.0
J. G. Morton	" " " "	.4
T. F. Dooley	" " " "	179.1
Fidelity-Bankers Trust Co., Trustee for Morton-Cunningham Trust Co.	" " " "	399.0
Eugene Herrin	" " " "	17.0
Estate of C. L. Dooley	" " " "	63.6
D. B. Lothrop, Executor	" " " "	1.0
D. B. Lothrop	" " " "	1023.2
Total -		1311.6

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Name	Represented by	Shares
J. C. Bossong	T. F. Dooley	85.0
R. E. McNew	B. A. Morton	25.5
Edna M. Dooley	T. F. Dooley	115.0
Raymonde A. Cutajar	T. F. Dooley	62.9
Total -		288.4

Total present in person and by proxy - 1311.6

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1947, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1947.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a directors meeting held earlier that day in which he outlined the corporation's purchase of certain new fixed assets during the past year and also the position of the corporation as regards the contract for the purchase of new machinery upon which delivery was being held up.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- B. A. Morton
- J. G. Morton
- Eugene Herrin
- J. P. Roddy
- T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

Berna Porter  
Chairman

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, November 25th, 1947, at 11:30 o'clock A.M., this being the regular annual meeting of stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Name	Holder and owner of	Shares
J. P. Roddy	" " " "	362.1
B. A. Morton	" " " "	1.0
J. G. Morton	" " " "	.4
T. F. Dooley	" " " "	179.1
Fidelity-Bankers Trust Co., Trustee for Morton-Cunningham Trust Co.	" " " "	399.0
Eugene Herrin	" " " "	17.0
Estate of C. L. Dooley	" " " "	63.6
D. B. Lothrop, Executor	" " " "	1.0
D. B. Lothrop	" " " "	1.0
<b>Total</b>		<b>1023.2</b>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Name	Represented by	Shares
J. C. Bossong	T. F. Dooley	85.0
R. E. McNew	B. A. Morton	25.5
Edna M. Dooley	T. F. Dooley	115.0
Raymonde A. Cutaiar	T. F. Dooley	62.9
<b>Total</b>		<b>288.4</b>

Total present in person and by proxy - 1311.6 "

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1947, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1947.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mrs. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a directors meeting held earlier that day in which he outlined the corporation's purchase of certain new fixed assets during the past year and also the position of the corporation as regards the contract for the purchase of new machinery upon which delivery was being held up.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- B. A. Morton
- J. G. Morton
- Eugene Herrin
- J. P. Roddy
- T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary  
Berna Morton Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I R. E. McNew do hereby constitute and appoint

B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills

called to meet at Office of B. A. Morton, Fidelity Bankers Trust Bldg Knoxville, Tenn. Tuesday, Nov. 25, 1947 at 11:30 o'clock A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said B. A. Morton be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 18<sup>th</sup> day of Nov 1947.

WITNESS Ernest H. Warren Signed [Signature]

WITNESS T. F. Dooley Signed Edna M Dooley

WITNESS Eugene Herrin Signed Raymonde A. Cutaiar

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, November 25th, 1947, at 11:30 o'clock A.M., this being the regular annual meeting of stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Name	Holder and owner of	Shares
J. P. Roddy	" " " "	362.1
B. A. Morton	" " " "	1.0
J. G. Morton	" " " "	.4
T. F. Dooley	" " " "	179.1
Fidelity-Bankers Trust Co., Trustee for Morton-Cunningham Trust Co.	" " " "	399.0
Eugene Herrin	" " " "	17.0
Estate of C. L. Dooley	" " " "	63.6
D. B. Lothrop, Executor	" " " "	1.0
D. B. Lothrop	" " " "	1.0
<b>Total -</b>		<b>1023.2</b>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Name	Represented by	Shares
J. C. Bossong	T. F. Dooley	85.0
R. E. McNew	B. A. Morton	25.5
Edna M. Dooley	T. F. Dooley	115.0
Raymonde A. Cutaiar	T. F. Dooley	62.9
<b>Total -</b>		<b>288.4</b>

Total present in person and by proxy - 1311.6 "

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1947, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1947.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a directors meeting held earlier that day in which he outlined the corporation's purchase of certain new fixed assets during the past year and also the position of the corporation as regards the contract for the purchase of new machinery upon which delivery was being held up.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

- B. A. Morton
- J. G. Morton
- Eugene Herrin
- J. P. Roddy
- T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley Secretary  
Berna Porter Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

called to meet at Office of B.A. Morton, Fidelity-Bankers

Trust Co. Bldg, Knoxville, Tenn Tuesday Nov 25, 1947 at 11:30 A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 20 day of Nov 1947.

WITNESS T. F. Dooley Signed Edna M Dooley

WITNESS Eugene Dooley Signed Raymonde A. Cutaiar

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, November 25th, 1947, at 11:30 o'clock A.M., this being the regular annual meeting of stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:

Holder and owner of	Shares
J. P. Roddy	362.1
B. A. Morton	1.0
J. G. Morton	.4
T. F. Dooley	179.1
Fidelity-Bankers Trust Co., Trustee for Morton-Cunningham Trust Co.	399.0
Eugene Herrin	17.0
Estate of C. L. Dooley	63.6
D. B. Lothrop, Executor	1.0
D. B. Lothrop	1.0
<b>Total -</b>	<b>1023.2</b>

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

Represented by	Shares
J. C. Bossong	85.0
R. E. McNew	25.5
Edna M. Dooley	115.0
Raymonde A. Cutaiar	62.9
<b>Total -</b>	<b>288.4</b>

Total present in person and by proxy - 1311.6

It appearing from the secretary's report that 1311.6 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1947, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1947.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next the President read to the stockholders minutes of a directors meeting held earlier that day in which he outlined the corporation's purchase of certain new fixed assets during the past year and also the position of the corporation as regards the contract for the purchase of new machinery upon which delivery was being held up.

There was no objection upon the part of any stockholder to the expenditures as approved by the Board of Directors.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton                      J. G. Morton                      Eugene Herrin  
J. P. Roddy                      T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

Berna Morton  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Raymonde Cutaiar do hereby constitute and appoint Thomas

Flayd Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the annual meeting of stock-

holders of Johnson City Mills

called to meet at office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn.

Tuesday, Nov. 25, 1947 and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said Thomas Flayd Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 20 day of November 19 47.

WITNESS Eugene Dooley

Signed Raymonde A. Cutaiar

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, November 25th, 1947, at 12:00 noon, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

- |              |              |               |
|--------------|--------------|---------------|
| B. A. Morton | J. G. Morton | Eugene Herrin |
| J. P. Roddy  | T. F. Dooley |               |

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$7500.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1948, in excess of 8% of the capital stock issued at par plus the surplus and undivided profit shown on the balance sheet of the corporation at the close of the fiscal year ending October 31st, 1947. This 10% shall be computed on earnings until these earnings amount to 18% of the net worth of the corporation at the beginning of the year. He shall receive 20% of the good net profits of the corporation earned during the year in excess of 18% of the net worth of the corporation at the beginning of the current year. It is explicitly understood that this additional salary or bonus shall be figured before any United States Income Tax, Excess Profits Tax, State Excise Tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's service with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus for the year that actual time employed would entitle him to. It is further provided, however, that a total ceiling of \$25,000.00 shall be placed on this salary and that the bonus shall not be computed beyond the figure of \$17,500.00 which, with the base salary of \$7500.00, makes a total of \$25,000.00.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. B. A. Morton, seconded by Mr. J. G. Morton and unanimously voted, the following gentlemen were unanimously elected:

- |  |               |
|--|---------------|
| President, Treasurer and General Manager - | T. F. Dooley  |
| Vice-President and Secretary -             | Eugene Herrin |

Next the President reported to the directors that the old directorate had approved all purchases of fixed assets during the past year and had discussed the situation with regard to an outstanding contract with Scott & Williams for the purchase of 400 needle Model K knitting machines for the manufacture of no-seam nylon stockings. He read the minutes of this meeting concerning these matters to the new directorate so they would be fully familiar with the corporation's position in this regard.

Next the President stated he felt that conditions were very uncertain due to the inflationary tendencies now being manifest in National economy with the possibility of a recession some time during the year and he thought it was a time to be very careful. He did state that he felt the first quarter of the year would be profitable, but he would not venture to make a prediction beyond that period.

Next the question of a dividend was discussed but it was felt that this matter should be deferred to another meeting when the corporation would be clearer as regards the taking in of the equipment for which it was under contract, and also as to whether it would seem advisable to purchase new finer gauge full fashioned equipment in the near future.

It was agreed that the President would call a directors meeting as soon as he felt the situation in this respect was clarified to the extent that intelligent action could be taken by the Board of Directors.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Tuesday, May 25th, 1948, at one thirty o'clock P.M., this being the regular meeting as called for in the by-laws of the corporation.

Eugene Herrin  
Secretary

T. F. Dooley  
President

DIRECTORS MEETING

Minutes of a called meeting of the Board of Directors of Johnson City Mills held in the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., on Thursday, August 12th, 1948, at eleven o'clock A.M., pursuant to the call of the President.

The meeting was called to order by the President, Mr. T. F. Dooley, and the secretary of the Corporation, Mr. Eugene Herrin, acted as secretary.

Upon rollcall it was ascertained that the following directors were present:

- |              |               |
|--------------|---------------|
| B. A. Morton | T. F. Dooley  |
| J. P. Roddy  | Eugene Herrin |

It appearing from the secretary's report that a quorum was present the president declared the meeting open for business.

First the President reported to the Board of Directors as to the general status of the business, showing that while profits were down considerably from last year, in the first nine months of operations a profit of \$26,167.37 had been earned, less \$6,368.80 for Federal taxes, leaving a net of \$19,798.67. He further explained that the inventory had been reduced \$8,000, but that \$30,000 had been taken out of inventory in the seamless division, but that the full fashioned division had accumulated goods to the extent of \$22,000 and that this had been done deliberately because of the price weakness of nylon hosiery during the Summer months. He stated that he felt sure these goods would move at full value for the Fall season and that, in fact, some \$12,000 worth of goods had already moved out in the first twelve days of August.

Next the President reported as to the status of the corporation's contract with Scott & Williams for 46 additional 400 needle Model K. knitting machines against which a deposit of \$9200.00 had been, and was still, in the hands of Scott & Williams, as per the terms of the contract. He reported that considerable progress had been made in the improvement of this machine for the elimination of streaks, which had been it's great difficulty, and that 26 of the 55 machines now owned by the corporation had been equipped with new parts and sinkers, furnished by Scott & Williams, and that these machines were all that were being operated and that they were making satisfactory merchandise as to quality. He did state, however, that due to the great quantity of bad merchandise that had been put on the market that this type of stocking had received a black eye and that there was considerable consumer resistance to it so that he did not advocate the taking in of any more machines on the contract at this time. He stated that the additional 29 machines were being equipped with the new parts and new sinkers as fast as they could be secured from the factory and the labor performed on them and that he felt, judging from the results for the past three months where this division had shown a profit of \$10,000, that these 55 machines could be operated profitably when all were equipped with the new parts, and that the consumer demand for this type stocking would gradually be rebuilt and the corporation would be in position to use the remaining 46 machines on contract.

He stated, however, that in the event the corporation should decide not to take in the machines, even though they were equipped to make satisfactory merchandise, that they could cancel the contract by the forfeiture of the deposit of \$9200.00 and that he had an agreement with Mr. Henry T. Bryan of Bryan Full Fashioned Mills, Chattanooga, Tenn., to bear half of this loss, or the sum of \$4600.00, in the event it seemed best to cancel the contract.

Next the President discussed the question of purchasing additional finer gauge full fashioned equipment and stated that experiments were now being made with 60 gauge machines by two manufacturers of equipment and that he felt no commitment should be made on new fine gauge equipment until the results of these experimental machines were known. He stated that the 45 gauge equipment which the corporation was operating had proven profitable and that there had been less weakening in price on this stocking than on the finer gauge, sheerer stocking and that there was practically no difference in the profit from the two types of stockings at this time.

He told the directors that as soon as he had sufficient information to make a recommendation on the purchasing of more full fashioned equipment he would call a directors' meeting and present it to them.

He then told the directors that the well which he had been drilling in connection with the air conditioning system was now operating after an expenditure of some additional \$1700.00 in the past three months for further drilling and casing and that it was now being used and it had not entirely cleared up and since it had only been in operation three days he could state whether eventually it would be satisfactory or not. He stated that in the event it finally proved worthless he would have to charge off about \$5,000 and spend an additional \$5,000 to change the air conditioning system from cold water condensers to evaporative condensers.

Next the question of dividends was brought up and on motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, a dividend of \$6.00 per share on the capital stock issued and outstanding was declared to be paid on September 15th, 1948, on stock of record August 12th, 1948.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

#### DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, at 11:00 o'clock A.M., Tuesday November 23rd, 1948, this being the regular annual meeting as called for in the by-laws of the corporation.

The President of the corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1948, which is the end of the fiscal year of the corporation, and he also presented a report of the company's auditors, Hinderer-Baylor Associates, which was in exact accord with his report.

After considerable discussion of both of these reports, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, the President reported that the results for the fiscal year ended October 31st had not been satisfactory at all in the seamless division of the corporation's business, which had sustained a substantial loss, while the full fashioned and the Model K division had shown fairly satisfactory profits. He stated that no new investments had been made in the seamless division's equipment for fifteen years and that no substantial investment had been made for twenty years and that he did not feel the company was in good competitive position on their lines of children's hosiery for this reason. He reported that their inventory in this division was at the lowest point it had been in recent years and he recommended to the directors that the corporation liquidate this division of the business, selling the inventory of raw materials and hosiery to the best possible advantage in an orderly manner and selling the equipment and supplies in the same manner. He stated that in his opinion the corporation would realize from seventy-five to eighty thousand dollars net cash out of this liquidation, though of course this was merely an estimate and these figures could vary either way with market conditions which are very bad in hosiery at this time.

The President further reported that the nylon hosiery market was in a very demoralized state also at this time and that he felt there would be very little, if any, profit from these operations until the situation stabilized, but that the corporation had good full fashioned equipment which he felt could be operated profitably, if any one sold this type of hosiery at a profit, and that while the situation on the Model K goods was very discouraging right now, he would not recommend taking in the additional 46 machines on contract at this time, and possibly never. He stated he felt that there was a fair possibility that the 55 machines which the corporation did own could be operated at some profit and that the market would gradually regain confidence in this type of merchandise with the improvements which were being made in it's quality.

The President recommended that the corporation give up the space it was renting on Walnut street for the operation of children's hosiery machines as soon as the machinery could be sold and that the space in the main plant which would be vacated by moving out all the seamless operations being performed there be utilized for the installation of a finishing plant for ladies nylon hosiery so that the company would have a completely integrated operation on this type of merchandise.

After considerable discussion of the President's recommendation, on motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the officers of the corporation were directed to proceed with the liquidation of the corporation's seamless children's hosiery operation, both as to inventory and equipment.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the officers of the corporation were instructed to proceed with the installation of equipment for the finishing of ladies nylon hosiery as soon as space was available in the building and equipment could be secured.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. B. A. Morton and unanimously voted, the action of the President and officers of the corporation in the purchase of capital assets for the past year was approved.

Next, the President reported that the well which he had been having considerable trouble with had operated in a satisfactory manner as to the utilization of water for the air conditioning from the latter part of August until the system went on winter operations the first of November, but that the water had not cleared up sufficiently to be used for dyeing operations.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, it adjourned Sine Die.

Eugene Herrin  
Secretary.

T. F. Dooley  
President.

#### PROXY

KNOW ALL MEN BY THESE PRESENTS: That I J. C. Bossong

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stockholders of Johnson City Mills called to meet at Office of B. A. Morton, Knoxville, Tenn Tuesday Nov. 23, 1948 at 11:30 A.M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 17 day of Nov

19 48

WITNESS

T. F. Dooley

Signed

Joseph B. Bossong

He then told the directors that the well which he had been drilling in connection with the air conditioning system was now operating after an expenditure of some addition, \$1700.00. The past three months for further drilling and casing and that it was now being used. It had not entirely cleared up and since it had only been in operation three days he could state whether eventually it would be satisfactory or not. He stated that in the event it finally proved worthless he would have to charge off about \$5,000 and spend an additional \$5,000 to change the air conditioning system from cold water condensers to evaporative condensers.

Next the question of dividends was brought up and on motion of Mr. B. A. Morton, seconded by Mr. J. P. Roddy and unanimously voted, a dividend of \$6.00 per share on the capital stock issued and outstanding was declared to be paid on September 15th, 1948, on stock of record August 12th, 1948.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

#### DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, at 11:00 o'clock A.M., Tuesday November 23rd, 1948, this being the regular annual meeting as called for in the by-laws of the corporation.

The President of the corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1948, which is the end of the fiscal year of the corporation, and he also presented a report of the company auditors, Hinderer-Baylor Associates, which was in exact accord with his report.

After considerable discussion of both of these reports, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to file the report of the company's auditors with the valuable papers of the corporation.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next, the President reported that the results for the fiscal year ended October 31st had not been satisfactory at all in the seamless division of the corporation's business, which had sustained a substantial loss, while the full fashioned and the Model K division had shown fairly satisfactory profits. He stated that no new investments had been made in the seamless division's equipment for fifteen years and that no substantial investment had been made for twenty years and that he did not feel the company was in good competitive position on their lines of children's hosiery for this reason. He reported that their inventory in this division was at the lowest point it had been in recent years and he recommended to the directors that the corporation liquidate this division of the business, selling the inventory of raw materials and hosiery to the best possible advantage in an orderly manner and selling the equipment and supplies in the same manner. He stated that in his opinion the corporation would realize from seventy-five to eighty thousand dollars net cash out of this liquidation, though of course this was merely an estimate and these figures could vary either way with market conditions which are very bad in hosiery at this time.

The President further reported that the nylon hosiery market was in a very demoralized state also at this time and that he felt there would be very little, if any, profit from these operations until the situation stabilized, but that the corporation had good full fashioned equipment which he felt could be operated profitably, if any one sold this type of hosiery at a profit, and that while the situation on the Model K goods was very discouraging right now, he would not recommend taking in the additional 46 machines on contract at this time, and possibly never. He stated he felt that there was a fair possibility that the 55 machines which the corporation did own could be operated at some profit and that the market would gradually regain confidence in this type of merchandise with the improvements which were being made in it's quality.

The President recommended that the corporation give up the space it was renting on Walnut street for the operation of children's hosiery machines as soon as the machinery could be sold and that the space in the main plant which would be vacated by moving out all the seamless operations being performed there be utilized for the installation of a finishing plant for ladies nylon hosiery so that the company would have a completely integrated operation on this type of merchandise.

#### PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills

called to meet at Office of B. A. Morton, Knoxville, Tenn

Tuesday Nov 23, 1948 at 11:30 A. M.

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should the

said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or to be unable to act hereunder, then,

and in that event only, I appoint B. A. Morton to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF I have hereunto set my hand; this 15 day of Nov

1948

WITNESS T. F. Dooley Signed Edna M. Dooley

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31, 1948.

1947	ASSETS	1948
	Cash in Peoples Bank - Gen. A/c	\$ 11,664.37
\$ 26,069.52	Cash in Peoples Bank - P.R. A/c	458.15
421.96	Accounts Receivable	75,234.91
107,004.07	Inventories	143,616.81
150,531.44	Deposits on Equipment Purchased	9,200.00
9,200.00	Deferred Charges	1,242.09
1,385.23	Claims for Federal tax refunds	1,485.43
None		242,901.76
\$ 485,082.62	Fixed Assets	498,379.21
270,458.19	Less Reserve for Depreciation	290,519.21
		207,860.05
		450,761.81

1947	LIABILITIES	1948
	Accounts Payable	12,188.29
56,378.68	Reserve for Unclaimed Checks	717.60
717.60	Reserve for Social Security Taxes	1,193.07
1,860.58	Accrued Salaries & Wages	7,616.30
15,417.69	Accrued Officer's Salaries	283.10
5,649.75	Accrued Tenn. Excise & Franchise Tax	1,220.27
None	Reserve for Federal Income Tax	10,205.30
26,092.85	Capital Stock - Paid in	33,423.93
106,117.15	Capital Stock - Earned	81,000.00
81,000.00	Surplus - Paid in	63,500.00
63,500.00	Undivided Profits	5,000.00
5,000.00	NET WORTH	267,871.81
253,619.50		417,337.88
		450,761.81

\$ 15,087.55	Profit for year before taxes - Seamless Dept.	18ss	\$ (23,814.00)
11,630.36	Profit for year before taxes - Model K Dept.		18,853.07
37,652.99	Profit for year before taxes - Full Fashioned Dept.		36,301.48
3,154.16	Profit for year before taxes - Sale of hose purchased		1,911.75
1,733.33	Profit for year before taxes - Sale of Capital Assets		323.75
69,258.39			33,577.05
26,092.85	U. S. Income taxes		10,205.30
\$ 43,165.54	Net profit after taxes		\$ 23,371.75
	Dividends Paid		\$ 8,670.00

October 31st, 1948.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday November 23rd, 1948, at 11:30 A.M., this being the regular annual meeting of stockholders as called for in the by-laws of the corporation.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

Present in person:

Name	Holder and owner of	Shares
J. P. Roddy	" " " "	362.1
B. A. Morton	" " " "	1.0
J. G. Morton	" " " "	.4
T. F. Dooley	" " " "	179.1
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Co.	" " " "	399.0
Eugene Herrin	" " " "	17.0
Estate of C. L. Dooley	" " " "	63.6
D. B. Lothrop, Executor	" " " "	1.0
D. B. Lothrop	" " " "	1.0
Total -		1023.2

Represented by proxy, which proxies are inserted as part of the minutes of this meeting:

J. C. Bossong	Represented by T. F. Dooley	85.0 Shares
Edna M. Dooley	" " T. F. Dooley	115.0 "
Total -		200.0 "

Total present in person and by proxy - 1223.2 "

It appearing from the secretary's report that 1223.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next, the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1948, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1948.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next, the President read to the stockholders minutes of a directors' meeting held earlier that day in which he outlined the corporation's purchase of certain new fixed assets during the past year, and also the position of the corporation as regards the contract for the purchase of new machinery, upon which delivery was being held up, and also the liquidation of equipment and inventory for the manufacture of children's hosiery.

There was no objection upon the part of any stockholder to the action of the Board of Directors.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
(Secretary)

B. A. Morton  
Chairman



DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday November 23rd, 1948, at 12:00 noon, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager at the rate of \$7500.00 per year payable monthly, with the provision that in addition to this salary he shall receive 10% of the good net profits of the corporation for the fiscal year ending October 31st, 1949, in excess of 8% of the capital stock issued at par plus the surplus and undivided profit shown on the balance sheet of the corporation at the close of the fiscal year ending October 31st, 1948. This 10% shall be computed on earnings until these earnings amount to 18% of the net worth of the corporation at the beginning of the year. He shall receive 20% of the good net profits of the corporation earned during the year in excess of 18% of the net worth of the corporation at the beginning of the current year. It is explicitly understood that this additional salary or bonus shall be figured before any United States Income Tax, Excess Profits Tax, State Excise Tax, or any other tax depending on profits is deducted. This additional salary or bonus shall be paid at the end of the year as soon as the corporation's earnings have been ascertained. It is further provided that should the President, Treasurer and General Manager's service with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus for the year that actual time employed would entitle him to. It is further provided, however, that a total ceiling of \$25,000.00 shall be placed on this salary and that the bonus shall not be computed beyond the figure of \$17,500.00 which, with the base salary of \$7500.00, makes a total of \$25,000.00.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. B. A. Morton, seconded by Mr. J. G. Morton and unanimously voted, the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary	Eugene Herrin

Next, the President reported to the new directorate that the retiring directorate in its last meeting had directed the officers of the corporation to take certain action as regards the liquidation of inventory and equipment for the manufacture of children's hosiery and the installation of ladies nylon finishing equipment. He read the minutes of the meeting to the new directorate so they would be fully familiar with the corporation's position in this regard.

Next, the President stated that conditions in the hosiery industry were very much demoralized and that he felt he could make no prediction as to the outcome of the next year in the corporation's operations but that he felt it would be in a very much better competitive position to meet any conditions which might arise after the manufacture of children's hosiery had been abandoned and a finishing plant installed for ladies nylon hosiery. He then discussed the possibility of purchasing additional modern full fashioned knitting equipment for the manufacture of ladies hosiery, but stated that he was not yet ready to recommend any commitments in this regard and that when he felt the time was right for such procedure he would call a meeting of the Board for the purpose of acting on his recommendation.

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

DIRECTORS MEETING

The regular midyear meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Tuesday, May 24th, 1949, at 1:30 o'clock P.M., this being as called for in the by-laws of the Corporation.

There was not a quorum present, so the meeting adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

STOCKHOLDERS MEETING

The regular annual meeting of the stockholders of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday of November of each year, was called to order at the office of the company in Johnson City, Tennessee, Tuesday, November 22nd, 1949, at two o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet at the call of the President.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

DIRECTORS MEETING

The regular annual meeting of the Board of Directors of Johnson City Mills which, according to the by-laws of the corporation, is held on the fourth Tuesday of November of each year, was called to order at the office of the company in Johnson City, Tennessee, Tuesday, November 22nd, 1949, at two thirty o'clock P.M.

There was not a quorum present, so the meeting adjourned to meet at the call of the President.

Eugene Herrin  
Secretary

T. F. Dooley  
President.

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, at ten forty-five o'clock A.M., Tuesday, December 20th, 1949, this being an adjournment of the regular annual meeting as called for in the by-laws of the Corporation which was called to order on Tuesday, November 22nd, 1949, which failed for want of a quorum.

The President of the Corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business October 31st, 1949, which is the end of the fiscal year of the corporation. He also presented a report of the company's auditors, Hinderer-Baylor Associates, which was in accord with his report.

After considerable discussion of both of these reports, upon motion of Mr. J. G. Morton, seconded by Mr. B. A. Morton and unanimously voted, the secretary was instructed to file the report of the company's auditors with the valuable papers of the corporation and to insert the Condition Report as part of the minutes of this meeting.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the President was instructed to present to the stockholders meeting, to be held on this date, the President's report and the report of the company's auditors, which report was to be tendered to the stockholders as a report of this Board of Directors.

Next the President reported that pursuant to the instructions of the Board of Directors at their last annual meeting the division of the corporation's manufacturing operations for the making of children's hosiery had been liquidated and most of the equipment sold and practically all of the inventory liquidated.

He reported a very substantial loss in the liquidation of inventory, but there was a substantial gain in the sale of physical assets, as reflected in the auditor's report.

He also stated that a new finishing plant had been installed for the finishing of nylon hosiery for ladies, that operations of no division of the business had been profitable for the year and severe losses had been sustained, but that these losses were almost entirely sustained in the first ten months of the corporation's fiscal year and that it had not lost any money for the last two months of the fiscal year and was operating at some profit at this time.

Also, the President reported that the application which had been made for the trademark "Symphony" to be used on the corporation's hosiery had been filed and while it had been registered in several states it appeared to be in use in certain centers and priority could not be obtained on it in certain key parts of the country, so it was, in his judgement, wiseto abandon it. He then reported that he had purchased a trademark known as Wynwood from Wynwood, Ltd., for the sum of \$3,000 in October, 1949, and that with this trademark certain good accounts had been acquired on seam-free hosiery, and that he expected to develop this still further. He also stated that since the trademark "Symphony" did not seem to be practical, due to prior use by others, he had purchased from H. W. Anthony Company the trademark "Caress", which had been registered since 1926 and renewed in 1946, which he felt made it safe to go ahead, and that the corporation was proceeding to develop packaging materials and put this brand on the market.

After considerable discussion, in which all the directors took part, regarding prospects for the coming year, it was moved by Mr. B. A. Morton, seconded by Mr. J. G. Morton and unanimously voted, that the action of the officers in carrying out the liquidation and sale of certain corporate assets be approved and that all contracts and leases made during the year by the officers be approved.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. B. A. Morton and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, on proper motion it adjourned sine die.

Secretary

T. F. Dooley  
President

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business October 31st, 1949.

1948	ASSETS	1949
\$ 11,664.37	Cash in Peoples Bank - Gen. A/c	\$ 1,957.99
458.15	Cash in Peoples Bank - P.R. A/c	458.15
75,234.91	Accounts Receivable	45,472.75
143,616.81	Inventory	170,562.73
9,200.00	Deposits on Equipment Purchased	None
1,242.09	Deferred Charges	1,443.44
1,485.43	Claims for Federal tax refund	None
242,901.76	Fixed Assets (gross)	219,895.06
\$498,379.13	Less Reserve for Depreciation	382,976.90
290,519.08	Fixed Assets (net)	182,971.70
207,860.05	Other Assets	200,005.20
None	Trademarks	3,355.50
450,761.81		423,255.76
	<u>LIABILITIES</u>	
None	Bills Payable	35,000.00
12,188.29	Accounts Payable	26,816.57
717.60	Reserve for Unclaimed Checks	717.60
1,193.07	Reserve for Social Security Taxes	1,033.26
7,616.30	Accrued Salaries and Wages	8,277.30
283.10	Accrued Officer's Salary	None
1,220.27	Accrued Tenn. Excise & Franchise Tax	526.35
10,205.30	Reserve for Federal Income Tax	None
33,423.93		72,371.08
81,000.00	Capital Stock - Paid in	81,000.00
63,500.00	Capital Stock - Earned	63,500.00
5,000.00	Surplus - Donated	5,000.00
267,837.88	Undivided Profits	201,384.68
	NET WORTH	350,884.68
		\$423,255.76
(23,814.20)	Profit (loss) for year Seamless Dept.	(46,699.52)
18,853.07	Profit (loss) for year Model K. Dept.	(23,116.90)
36,303.02	Profit (loss) for year Full Fash. Dept.	(33,956.14)
1,911.71	Profit (loss) for year Sale of Hose Purchased	967.81
323.57	Profit (loss) for year Sale of Capital Assets	33,508.02
33,577.17		(69,296.73)
10,205.30	U. S. Income Taxes	None
\$ 23,371.87	Profit (loss) for year after U.S. Income Taxes	\$(69,296.73)
8,670.00	Dividends Paid	None
	Tax claims filed for U.S. Income Tax refund	26,780.29
	Net loss for year after tax claims	\$(42,516.44)

October 31st, 1949.

STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, December 20th, 1949, at 11:30 o'clock A.M., this being an adjournment of the regular annual meeting of the stockholders, as called for in the by-laws of the Corporation, which failed for want of a quorum on Tuesday, November 22nd, 1949.

Upon proper motion, duly made and seconded and unanimously voted, Mr. B.A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:	Holder and owner of	362.1 shares
J. P. Roddy	" " " "	1.0 "
B. A. Morton	" " " "	.4 "
J. G. Morton	" " " "	179.1 "
T. F. Dooley	" " " "	399.0 "
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Co.	" " " "	17.0 "
Eugene Herrin	" " " "	63.6 "
Estate of C.L. Dooley, D. B. Lothrop, Executor.	" " " "	1.0 "
D. B. Lothrop	" " " "	1023.2 "

Represented by proxy, which proxy is inserted as part of the minutes of this meeting:

Edna M. Dooley	Represented by T. F. Dooley Holder and owner of	115.0 shares
Total present in person and represented by proxy -		1138.2 "

It appearing from the secretary's report that 1138.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual meeting of the stockholders were read and approved.

Next, the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business October 31st, 1949, and also the report of the company's auditors, Hinderer-Baylor Associates, covering the operations of the corporation for the fiscal year ending October 31st, 1949.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next, the President read to the stockholders minutes of a directors meeting held earlier that day in which he outlined certain actions taken by the corporation's officers and the Board of Directors with regard to the liquidation of certain capital assets and inventory during the past year, also the acquisition of certain trademarks. This was done so that all stockholders would be conversant with the action of the Board of Directors.

There was no objection upon the part of any stockholder to the action of the Board of Directors.

The President stated that in his opinion, and in the opinion of the company's auditors, application should be made to the Internal Revenue Department for a change in the corporation's fiscal year. He explained that under the old method of operations October 31st was a period of light inventory and comparative slight activity but since the business had changed to the manufacture of ladies nylon hosiery exclusively that this was probably the busiest time of the whole year and high inventory time. He recommended that the corporation operate on a fiscal year ending June 30th and that the by-laws of the corporation be amended with regard to the annual meeting to fit this date.

After some discussion it was moved by Mr. Eugene Herrin, seconded by Mr. D. B. Lothrop and unanimously voted, that the by-laws of the corporation be amended as follows:

Article 2, Sec. 4 shall be amended to read as follows: Regular meeting of the Board of Directors of the Corporation be held on the first Thursday of September and March of each year; special meetings at such times as they may be called by the President, or in case of his absence or refusal, by a body of the Board, upon five days notice to each member. Any business transacted at a special meeting, duly called as above provided, shall be valid as if transacted at a regular meeting, provided each member of the Board has had notice as above provided of said meeting. Also, it was moved by the same gentlemen and unanimously voted that Article 4, Sec. 1 of the by-laws be amended to read as follows: There shall be an annual stockholders meeting held at the home office of the company on the first Thursday of September of each year, at which time may be transacted any and all business properly done by stockholders, and at which time directors shall be elected for the ensuing year.

It was explained by the President that these dates were set because the Board of Directors would undoubtedly authorize the application for change of the company's fiscal year to end on June 30th, and these dates would give the company's auditors ample time to complete their audits and prepare statements.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. D. B. Lothrop and unanimously voted, the following gentlemen were elected to serve as directors:

B. A. Morton                      J. G. Morton                      Eugene Herrin  
J. P. Roddy                      T. F. Dooley

There being no further business to come before the meeting, upon proper motion it adjourned.

T. F. Dooley  
Secretary

B. A. Morton  
Chairman

PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley  
do hereby constitute and appoint T. F. Dooley  
to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-  
holders of Johnson City Mills

called to meet at Office of B. A. Morton, Fidelity-  
Bankers Bldg Knoxville, Tenn Tuesday Dec 20, 1949 11:30 AM

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said \_\_\_\_\_ be absent from the said meeting or any and all adjournments thereof, or be unable to act hereunder, then, and

in that event only, I appoint \_\_\_\_\_ to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF: I have hereunto set my hand: this 19  
day of December 1949

WITNESS T. F. Dooley

SIGNED Edna M Dooley

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Tuesday, December 20th, 1949, at 12:00 o'clock noon, this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, Mr. B. A. Morton was elected temporary chairman and Mr. T. F. Dooley was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. J. G. Morton and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager - at the rate of \$7500.00 per year, payable monthly, with same bonus arrangement as in the previous year.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. J. P. Roddy, seconded by Mr. J. G. Morton and unanimously voted, the following gentlemen were unanimously elected:

President, Treasurer and General Manager -	T. F. Dooley
Vice-President and Secretary -	Eugene Herrin

Next the President reported that he had recommended to the stockholders that a change be made in the corporation's fiscal year and stated he had requested the stockholders to amend the by-laws changing the dates of the annual meetings to coincide with a fiscal year closing of June 30th and that the by-laws had been amended calling for annual stockholders and directors meetings on the first Thursday of September of each year.

After some discussion, upon motion of Mr. J. P. Roddy, seconded by Mr. Eugene Herrin and unanimously voted, the President was instructed to request the company's auditors to apply to the Internal Revenue Department to permit the corporation to operate on a fiscal year ending June 30th, which meant that for this period corporation salaries would be fixed for eight months from November 1st, 1949, to June 30th, 1950, and terms for officers and directors would run for that period.

Next, the President reported that the corporation's financial status was considerably impaired by operations last year when considerable losses had been incurred but he felt the corporation was now operating at some profit, which would improve as it trained more labor and became more proficient in the finishing of nylon hose.

Next, just before adjournment, the President asked Mr. J. R. McInvaill, the new Director of Sales for the corporation, to come in and meet the directors and to give them some idea of his plans and what he thought of the outlook. Mr. McInvaill did this and since there was no further business to come before the meeting, upon proper motion it adjourned.

*T. F. Dooley*  
Secretary

*B. A. Morton*  
Chairman

DIRECTORS MEETING

The regular meeting of the Board of Directors of Johnson City Mills was called to order at the office of the company in Johnson City, Tennessee, Thursday, March 2nd, 1950, at 1:30 o'clock P.M., this being as called for in the by-laws of the Corporation.

There was not a quorum present, so the meeting adjourned.

*T. F. Dooley*  
President.

STOCKHOLDERS MEETING

The regular annual meeting of the stockholders of Johnson City Mills was called to order at the office of the company at 1:00 P.M. Thursday, September 7th, 1950, this being the regular annual meeting as called for in the amended by-laws of the Corporation.

There was not a quorum present, so the meeting adjourned to meet on the call of the President.

*T. F. Dooley*  
President.

DIRECTORS MEETING

The regular annual meeting of the Board of Directors of Johnson City Mills was called to order Thursday, September 7th, at 1:30 o'clock P.M. at the office of the company in Johnson City, Tennessee, as called for by the amended by-laws of the Corporation.

There was not a quorum present, so the meeting adjourned to meet at the call of the President.

*T. F. Dooley*  
President.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, at 10:45 o'clock A.M., Wednesday, September 20th, 1950, this being an adjournment of the regular annual meeting as called for in the by-laws of the Corporation which was called to order on Thursday, September 7th, 1950, which failed for want of a quorum.

The President of the Corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

B. A. Morton	T. F. Dooley
J. P. Roddy	Eugene Herrin

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

The minutes of the last meeting were read and approved.

Next the President and Manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the Corporation at the close of business June 30th, 1950, which is the new fiscal year ending of the corporation as fixed by amendment to the by-laws in the last annual stockholders meeting, and this report covered an eight months period, from October 31st, 1949, to June 30th, 1950. He also presented a report of the company's auditors, Hinderer-Baylor Associates, which was in accord with his report.

After a considerable discussion of the report in which it was explained to the directors that while the company had incurred some loss in this period, it had been very much less than in the preceding period and had all been incurred in the first four months before the brand of the corporation got on the market. He also explained that a good deal of expense had been gone to in advertising and promotion, which had been charged off, and that now the business was on a profitable basis since June 30th.

After considerable discussion of these reports, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the secretary was instructed to file the report of the company's auditors with the valuable papers of the Corporation and to insert the Condition Report as a part of the minutes of this meeting.

Next, upon motion of Mr. J. P. Roddy, seconded by Mr. B. A. Morton and unanimously voted, the President was instructed to present to the stockholders meeting to be held on this date the President's report and the report of the company's auditors, which reports were to be tendered to the stockholders as a report of this Board of Directors.

Upon motion of Mr. Eugene Herrin, seconded by Mr. B. A. Morton and unanimously voted, the actions of the officers with regard to the purchase of fixed assets, making of contracts and leases during the previous year were approved.

Next, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, upon proper motion it adjourned. Sine Die.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
President

#### STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Wednesday, September 20th, 1950, at 11:15 o'clock A.M., this being an adjournment of the regular annual meeting of the stockholders as called for in the amended by-laws of the Corporation, which failed for want of a quorum on Thursday, September 7th, 1950.

Upon proper motion, duly made and seconded and unanimously voted, Mr. ~~T. F. Dooley~~ *Eugene Herrin* was elected temporary chairman and ~~M. T. E. Dooley~~ *Eugene Herrin* was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy.

#### Present in person:

Name	Holder and owner of	Shares
B. A. Morton	" " " "	1.0
J. P. Roddy	" " " "	363.1
Fidelity-Bankers Trust Co. Trustee for Morton-Cunningham Trust Fund by Douglas Cunningham	" " " "	399.0
Estate of C. L. Dooley - by D.B. Lothrop	" " " "	63.6
D. B. Lothrop	" " " "	1.0
Eugene Herrin	" " " "	17.0
T. F. Dooley	" " " "	179.1
		<u>1023.8</u>

Represented by Proxy, which proxies are inserted as part of the minutes of this meeting:

Raymonde Dooley Cutalar	Represented by T. F. Dooley	62.9
Edna M. Dooley	Holder and owner of	115.0
	Represented by T. F. Dooley	<u>177.9</u>
Total present in person and represented by proxy -		1201.7

It appearing from the secretary's report that 1201.7 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual stockholders meeting were read and approved.

Next, the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the Corporation at the close of business June 30th, 1950, and also a report of the company's auditors, Hinderer-Baylor Associates, covering the operation of the corporation for the period from October 31st, 1949, to June 30th, 1950, which was the period for which this report was made.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After considerable discussion of the condition statement and the auditor's report, upon motion of Mr. B. A. Morton, seconded by Mr. D. B. Lothrop and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

Next, the President commented to the stockholders on the improved outlook for business, stating that the corporation was now operating on a profitable basis and that he felt very considerable progress had been made in the establishment of their brands in the market and that this would have been true even had not the Korean war caused a decided uplift in business.

The next business to come before the meeting being the election of directors, upon motion of Mr. B. A. Morton, seconded by Mr. D. B. Lothrop, the following gentlemen were elected to serve as directors:

B. A. Morton	J. G. Morton	Eugene Herrin
J. P. Roddy	T. F. Dooley	

There being no further business to come before the meeting, upon proper motion it adjourned.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
Chairman

#### DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Wednesday, September 20th, 1950, at 11:45 A.M., this being the first meeting of the new directorate elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, Mr. ~~T. F. Dooley~~ *Eugene Herrin* was elected temporary chairman and ~~M. T. E. Dooley~~ *Eugene Herrin* was elected temporary secretary.

Upon roll-call it was ascertained the following directors were present:

B. A. Morton	T. F. Dooley
J. P. Roddy	Eugene Herrin

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

Upon motion of Mr. B. A. Morton, seconded by Eugene Herrin and unanimously voted, the salaries of the officers were fixed as follows:

President, Treasurer and General Manager - at the rate of \$7500.00 per year, payable monthly with the following bonus arrangement:

In addition to this salary he shall receive a bonus based on earnings as follows: On the first \$45,000.00 of net earnings before Federal and State income and excess profits tax no bonus; on net earnings in excess of \$45,000.00 he shall receive 10% of the next \$37,038.44 of net earnings, which sum is 10% of the net worth of the Corporation at the beginning of the fiscal year, and he shall receive 20% of the net earnings in excess of \$82,038.44. This bonus shall be computed before any Federal or State income or excess profit tax, or any other tax dependent on earnings is deducted from net income, and shall be paid to him as soon as the corporation's auditors shall accurately determine the earnings for the year. It is further provided that should the President, Treasurer and General Manager's service with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus for the year that actual time employed would entitle him to. It is further provided, however, that a total ceiling of \$25,000.00 shall be placed on this salary and that the bonus shall not be computed beyond the figure of \$17,500.00 which, with the base salary of \$7500.00, makes a total of \$25,000.00.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. B. A. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the following gentlemen were unanimously elected:

President, Treasurer and General Manager -  
Vice-President and Secretary -

T. F. Dooley  
Eugene Herrin

Next the President commented on the outlook for the coming year, saying that their whole problem was that of securing nylon yarn for the manufacture of stockings and that they were just selling their customers on allotment basis and they looked for a strong market for the rest of the year. He also stated that he was purchasing hosiery from outside plants for finishing and that this operation was profitable, but it was difficult to get hold of the proper kind of merchandise.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
Chairman

P R O X Y

KNOW ALL MEN BY THESE PRESENTS: That I Edna M. Dooley

do hereby constitute and appoint

T. F. Dooley

to be my attorney, substitute and proxy, for me and

in my name and behalf to attend the Annual meeting of stock-

holders of Johnson City Mills  
called to meet at Office of B. A. Morton, Fidelity Bankers  
Building Knoxville Tenn Sept 20, 1950

and any and all adjournments thereof, and to vote on any and all business of the said Company submitted and elections thereat, as fully as I could do were I personally present, and I hereby revoke any proxy heretofore given by me; and should

the said T. F. Dooley be absent from the said meeting or any and all adjournments thereof, or be unable to act hereunder, then, and

in that event only, I appoint T. F. Dooley to be my attorney, substitute and proxy, for me and in my name and behalf to vote at said meeting or adjournments, as fully as I could were I personally present.

IN WITNESS WHEREOF: I have hereunto set my hand: this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_.

WITNESS

T. F. Dooley

SIGNED

Edna M Dooley

day of

September 1950

WITNESS

Eugene Herrin

SIGNED

Raymond L. Cutler

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business June 30th, 1950.

ASSETS

Cash in Peoples Bank-Gen. A/c	\$ 2,837.21	
Cash in Peoples Bank-P.R. A/c	549.35	
Accounts Receivable	45,830.60	
Inventory	229,686.29	
Bills Receivable	None	
Deferred Assets	1,982.24	
	<u>280,885.69</u>	
Fixed Assets (Gross)		\$383,905.85
Less Reserve for Depreciation		<u>189,585.30</u>
Fixed Assets (Net)	<u>194,320.55</u>	
	475,206.24	
Other Assets - Trademarks	3,855.50	
	<u>\$479,061.74</u>	

LIABILITIES

Accounts Payable - Trade	\$ 31,931.95	
Notes Payable	60,000.00	
Accounts Payable - Trade Cr. Bal.	896.31	
Accrued Expense:		
Salaries & Wages	\$ 11,598.96	
Social Sec. & Withholding	3,377.77	
Realty & Personalty tax	790.25	
Franchise tax	82.05	
	<u>15,849.03</u>	
	\$108,677.29	
Capital Stock - Paid in		\$ 81,000.00
Capital Stock - Earned		63,500.00
Surplus - Paid in		5,000.00
Undivided Profits		<u>220,884.45</u>
NET WORTH	<u>370,384.45</u>	
	\$479,061.74	
Profit on Full Fashioned Dept.		\$ 4,882.21
Profit on Model K Dept. (Loss)		(13,904.38)
Profit on sale of Capital Assets		<u>2,822.40</u>
Net loss all operations		<u>\$ (6,199.77)</u>

A claim for Federal tax refund of \$3,280.58 has been filed and will undoubtedly be paid in substantially this amount.

June 30th, 1950.

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business June 30th, 1950.

## ASSETS

Cash in Peoples Bank-Gen. A/c	\$ 2,837.21	
Cash in Peoples Bank-P.R. A/c	549.35	
Accounts Receivable	45,830.60	
Inventory	229,686.29	
Bills Receivable	None	
Deferred Assets	1,982.24	
	<u>280,885.69</u>	
Fixed Assets (Gross)		\$383,905.85
Less Reserve for Depreciation		<u>189,585.30</u>
Fixed Assets (Net)	194,320.55	
	475,206.24	
Other Assets - Trademarks	3,855.50	
	<u>\$479,061.74</u>	

## LIABILITIES

Accounts Payable - Trade	\$ 31,931.95	
Notes Payable	60,000.00	
Accounts Payable - Trade Cr. Bal.	896.31	
Accrued Expense:		
Salaries & Wages	\$ 11,598.96	
Social Sec. & Withholding	3,377.77	
Realty & Personalty tax	790.25	
Franchise tax	82.05	
	<u>15,849.03</u>	
	\$108,677.29	
Capital Stock - Paid in		\$ 81,000.00
Capital Stock - Earned		63,500.00
Surplus - Paid in		5,000.00
Undivided Profits		<u>220,884.45</u>
NET WORTH	370,384.45	
	<u>\$479,061.74</u>	
Profit on Full Fashioned Dept.	\$ 4,882.21	
Profit on Model K Dept. (Loss)	(13,904.38)	
Profit on sale of Capital Assets	2,822.40	
Net loss all operations	<u>\$ (6,199.77)</u>	

A claim for Federal tax refund of \$3,280.58 has been filed and will undoubtedly be paid in substantially this amount.

June 30th, 1950.

## PROXY

KNOW ALL MEN BY THESE PRESENTS: That I Raymond L. Cutler  
do hereby constitute and appoint Thomas

A. Dooley to be my attorney, substitute and proxy, for me and  
in my name and behalf to attend the annual meeting of

stockholders of Johnson City Mills

called to meet at office of Mr. B. B. Norton

Fidelity Bankers Bldg, Knoxville, Tenn.  
September 20, 1950

and any and all adjournments thereof, and to vote on any and all business of

the said Company submitted and elections thereat, as fully as I could do were

I personally present, and I hereby revoke any proxy heretofore given by me;

and should the said \_\_\_\_\_ by absent from  
the said meeting or any and all adjournments thereof, or to be unable to act

hereunder, then,  
and that event only, I appoint \_\_\_\_\_

to be my attorney, substitute and proxy, for me and in my name and behalf to

vote at said meeting or adjournments, as fully as I could were I personally  
present.

IN WITNESS WHEREOF: I have hereunto set my hand; the 18  
day of September 1950.

WITNESS Eugenie Wooley

SIGNED Raymond L. Cutler

DIRECTORS MEETING

Minutes of special meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., Friday, November 17th, 1950, at 11:00 o'clock A.M.

The President of the Corporation, Mr. T. F. Dooley, presided and Mr. J. G. Morton acted as secretary.

Upon rollcall it was ascertained that the following directors were present:

J. P. Roddy	J. G. Morton
B. A. Morton	T. F. Dooley

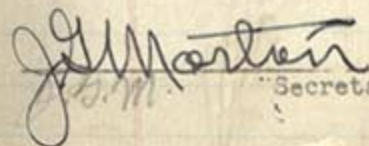
It appearing from the secretary's report a quorum was present the Chairman declared the meeting open for business.

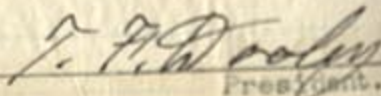
All the directors present acknowledged receipt of proper notice of the meeting.

Next the President stated that he was now ready to recommend that the corporation enter into a contract with Textile Machine Works of Reading, Pa., for the purchase of 4 - 30 section, 51 gauge, full fashioned knitting machines of the most modern type at a cost of \$27,000.00 each, F.O.B. factory. He stated the earliest delivery offered was starting October 1951. He also stated that the estimated freight and installation cost at \$1000.00 per machine. He stated that a deposit of \$2000.00 per machine was required with the signing of the contract, which would be forfeited if the contract was cancelled by the purchaser. He also stated that the Corporation would have the privilege of changing specifications to 60 gauge machines at a price of \$32,000.00 each if it desired, provided notice was given Textile Machine Works six months before delivery date.

After a considerable discussion of the matter, in which all the directors present took part, it was moved and seconded and unanimously voted that the officers of the Corporation be authorized to enter into the contract under the following conditions; that the contract be regarded in the nature of an option and that Textile Machine Works be advised that no machines are to be shipped prior to the October 1951 delivery date without express permission from Johnson City Mills. Also, that no delivery would be accepted in October, 1951, without the Officers of the Corporation first taking it up with the Directors and reviewing the situation in the light of conditions as they exist at that time.

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

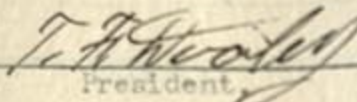
  
Secretary

  
President.

STOCKHOLDERS MEETING

The regular annual meeting of the stockholders of Johnson City Mills was called to order at the office of the company at 1:00 P.M. Thursday, September 6th, 1951, this being the regular annual meeting as called for in the by-laws of the Corporation.

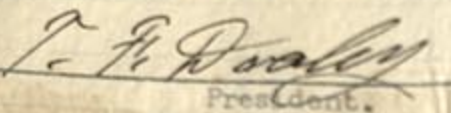
There was not a quorum present, so the meeting adjourned to meet at the call of the President.

  
President.

DIRECTORS' MEETING

The regular annual meeting of the Board of Directors of Johnson City Mills was called to order Thursday, September 6th, 1951, at 1:30 P.M. at the office of the company in Johnson City, Tennessee, as called for in the by-laws of the Corporation.

There was not a quorum present, so the meeting adjourned to meet at the call of the President.

  
President.

DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity Bankers Trust Building, Knoxville, Tenn., on Friday, September 21st, 1951, at 10:30 o'clock A.M., this being an adjournment of the regular annual meeting as called for in the by-laws of the Corporation which was called to order Thursday, September 6th, which failed for want of a quorum.

The President of the Corporation, Mr. T. F. Dooley, presided and the secretary, Mr. Eugene Herrin, acted as secretary.

Upon roll-call it was ascertained that the following directors were present:

J. G. Morton	T. F. Dooley
J. P. Roddy	Eugene Herrin

It appearing from the secretary's report that a quorum was present, the secretary declared the meeting open for business.

The minutes of the last annual meeting, and a special meeting of directors held November 17th, 1950, were read and approved.

Next, the President and manager, Mr. T. F. Dooley, read to the meeting a report of the affairs of the corporation at the close of business June 30th, 1951, which was the close of the corporation's fiscal year. He also presented the report of the company's auditors, Hinderer-Baylor Associates, which was in accord with his report.

This report showed that the company had operated at a small profit for the year but that larger profits had been earned in the first six months of the fiscal year, while a considerable loss had been sustained in the last six months of the year, reducing the year's profit.

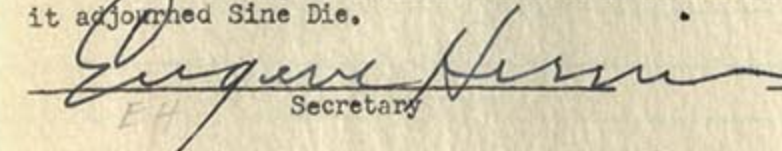
After a discussion of the reports, upon motion of Mr. Eugene Herrin, seconded by Mr. J. G. Morton and unanimously voted, the secretary was instructed to file the report of the company's auditors with the valuable papers of the corporation and to insert the Condition Report as a part of the minutes of this meeting.

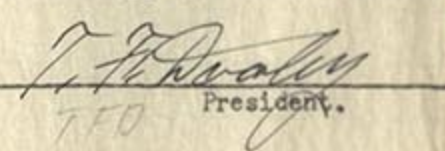
Next, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the President was instructed to present to the stockholders meeting to be held on this date, the President's report and the report of the company's auditors, which would constitute the report of this Board of Directors to the stockholders of the corporation.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. Eugene Herrin and unanimously voted, the actions of the officers with regard to the purchase and sale of fixed assets, making of contracts and leases during the previous year were approved.

Next, upon proper motion, duly made and seconded, and unanimously voted, the minutes of this meeting were reduced to writing and approved before the meeting adjourned.

There being no further business to come before the meeting, upon proper motion it adjourned Sine Die.

  
Secretary

  
President.



## STOCKHOLDERS MEETING

Minutes of meeting of the stockholders of Johnson City Mills held at the office of Mr. Ben A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Friday, September 21st, 1951, at 11:00 o'clock A.M., this being an adjournment of the regular annual meeting of the stockholders as called for in the by-laws of the Corporation, which was called to order Thursday, September 6th, 1951, which failed for want of a quorum.

Upon proper motion, duly made and seconded and unanimously voted, Mr. T. F. Dooley was elected temporary chairman and Mr. Eugene Herrin was elected temporary secretary.

Upon roll-call it was ascertained that the following stockholders were present in person or represented by proxy:

Present in person:	Holder and owner of	363.1 shares
J. P. Roddy	" " " "	399.0
Fidelity Bank & Trust Co. Trustee for	" " " "	17.0
Morton-Cunningham Trust Fund by J.G.	" " " "	179.1
Morton & R. D. Cunningham -	" " " "	958.2
Eugene Herrin	" " " "	
T. F. Dooley	" " " "	
Represented by proxy:		115.0
Edna M. Dooley - Represented by T. F. Dooley	" " " "	1073.2
Total present in person and represented by proxy -		

It appearing from the secretary's report that 1073.2 shares out of 1445 shares of stock of the corporation issued and outstanding were present in person or represented by proxy, the chairman declared the meeting open for business.

The minutes of the last annual stockholders meeting were read and approved.

Next, the President, Mr. T. F. Dooley, presented to the stockholders a statement of the condition of the affairs of the corporation at the close of business June 30th, 1951, and also a report of the company's auditors, Hinderer-Baylor Associates, covering the operation of the corporation for the fiscal year ending June 30th, 1951.

The President stated that in a directors meeting held earlier in the day he had been instructed to tender these two reports as a report of the directors of the corporation to the stockholders in their annual meeting.

After a discussion of the condition statement and the auditor's report, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the report of the President was accepted and the secretary was instructed to insert the condition report in the minutes of this meeting and to file the auditor's report with the valuable papers of the corporation.

The next business to come before the meeting being the election of directors, upon motion of Mr. J. P. Roddy, seconded by Mr. J. G. Morton and unanimously voted, the following gentlemen were unanimously elected to serve for the year ending June 30th, 1952, or until their successors are elected and qualified.

J. P. Roddy, J. G. Morton, R. D. Cunningham, Eugene Herrin & T. F. Dooley

There being no further business to come before the meeting, upon proper motion adjourned.

*Eugene Herrin*  
Secretary

*T. F. Dooley*  
Chairman

81,000.00  
63,500.00  
5,000.00  
220,884.45

370,384.45  
479,061.74

4,882.21  
(13,904.38)  
2,822.40  
(6,199.77)

## PROXY

KNOW ALL MEN BY THESE PRESENTS, That I, *Edna M. Dooley*, do hereby constitute and appoint *T. F. Dooley* my true and lawful attorney, with power of substitution, for me and in my name and behalf to represent me at

*The Annual Johnson City Mills Co.* meeting of the stockholders of the *Johnson City Mills Co.* to be held *the 26th* day of *September* 1951, for the purpose of *at the office of B.A. Morton, Fidelity-Bankers Trust Bldg. Knoxville, Tenn. at 11 o'clock AM*

And I do hereby ratify and confirm whatsoever my said attorney, or his substitute, may do in the premises.

Given under my hand, this *17* day of *September* 1951.

*T. F. Dooley*

Witness

*Edna M. Dooley* (Seal)

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business June 30th, 1951.

June 30, 1950.	ASSETS	June 30, 1951.
2,837.21	Cash in Peoples Bank	6,030.34
549.35	Cash in Peoples Bank - P.R.A./s	549.35
45,830.60	Accounts Receivable	65,374.14
	Less Reserve for doubtful accounts	1,219.79
229,686.29	Inventory	64,154.35
None	Group Insurance Dividend Receivable	282,678.07
1,982.24	Deferred Assets	837.00
280,885.69		1,127.00
383,905.85	Fixed Assets (Gross)	355,376.11
189,585.30	Less Reserve for Depreciation	
	Fixed Assets (Net)	171,759.94
194,320.55		527,136.05
475,206.24	Other Assets - Trademarks	3,855.50
3,855.50		530,991.55
479,061.74		
	LIABILITIES	
31,931.95	Accounts Payable - Trade	33,453.27
60,000.00	Notes Payable	90,000.00
896.31	Accounts Payable - Trade Cr. balances	2,083.20
15,849.03	Accrued Expense	17,207.10
	Salaries & Wages	10,888.54
11,598.96	Social Security & Withholding tax	3,920.71
3,277.77	Realty & Personalty tax	790.25
790.25	Franchise & Excise tax	1,057.60
82.05	Accrued Interest	550.00
None	Federal Income tax	3,849.70
None	Savings Bonds - Employees	59.13
108,677.29		46,652.40
	Capital Stock - Paid in	81,000.00
81,000.00	Capital Stock - Earned	63,500.00
63,500.00	Surplus - Paid in	5,000.00
5,000.00	Undivided Profits	234,839.15
220,884.45	NET WORTH	384,339.15
		530,991.55
	Profit on Full Fashioned Department (Loss)	(13,345.57)
	(Loss) Profit on Model K Department	28,374.81
	Profit on Sale of Capital Assets	None
	(Loss) Net profit all operations	15,029.24
	Less Federal Income Tax	3,920.71
		\$ 11,108.53
	U.S. Tax refunds	\$ 3,707.60

## DIRECTORS MEETING

Minutes of meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., at 11:30 o'clock A.M., Friday, September 21st, 1951, this being the first meeting of the Board of Directors elected by the stockholders of the corporation in their annual meeting held on this date.

The meeting was called to order and upon motion of Mr. J. G. Morton, seconded by Mr. R. D. Cunningham and unanimously voted, Mr. T. F. Dooley was elected temporary chairman and Mr. Eugene Herrin was elected temporary secretary.

Upon roll-call it was ascertained that the following directors were present:

J. G. Morton  
R. D. Cunningham

J. P. Roddy  
Eugene Herrin

T. F. Dooley

It appearing from the secretary's report that a quorum was present, the chairman declared the meeting open for business.

Upon motion of Mr. J. P. Roddy, seconded by Mr. J. G. Morton and unanimously voted, salaries of officers were fixed as follows:

President, Treasurer & General Manager at the rate of \$6000.00 per year, payable monthly, with the following bonus arrangement:

In addition to this salary he shall receive a bonus based on earnings as follows: On the first \$45,000.00 of net earnings, before Federal and State income taxes and excess profits taxes, no bonus; on net earnings in excess of \$45,000.00 he shall receive 10% of the next \$38,433.91 of net earnings, which sum is 10% of the net worth of the Corporation at the beginning of the fiscal year, and he shall receive 20% of the net earnings in excess of \$83,433.91. This bonus shall be computed before any Federal or State income or excess profits tax or any tax dependent on earnings is deducted from net income, and shall be paid to him as soon as the corporation's auditors shall accurately determine the earnings for the year. It is further provided that should the President, Treasurer and General Manager's service with the corporation terminate at any time during the year he, or his estate, shall receive the proportionate part of the bonus for the year that the actual time employed would entitle him to. It is further provided, however, that a total ceiling of \$25,000.00 shall be placed on this salary and that the bonus shall not be computed beyond the figure of \$19,000.00, which, with the base salary of \$6,000.00, makes a total of \$25,000.00.

Vice-President and Secretary - No salary.

The next business being the election of officers, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, the following officers were elected:

President, Treasurer and General Manager -  
Vice-President and Secretary

T. F. Dooley  
Eugene Herrin

Next the President commented on the outlook for business, telling the directors that there was a large overproduction in the industry and that he saw no hope for profitable operation in the coming year and he recommended that the directors instruct the officers to endeavor to secure a purchaser for the entire capital stock of the corporation at a price they could recommend they accept and that in the event such a purchaser could not be found within a reasonable time that they call a stockholders meeting for the purpose of recommending the liquidation of the corporation.

After discussion, upon motion made by Mr. J. G. Morton, seconded by Mr. R. D. Cunningham and unanimously voted, the recommendation of the President was adopted and the officers were instructed to proceed along these lines immediately.

Next, upon motion of Mr. J. G. Morton, seconded by Mr. J. P. Roddy and unanimously voted, it was decided that a directors meeting should be held quarterly, or oftener, until the instructions given to the officers in the foregoing resolution had been carried out.

There being no further business to come before the meeting, upon proper motion it adjourned.

Eugene Herrin  
Secretary

T. F. Dooley  
Chairman

## DIRECTORS MEETING

Minutes of special meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tenn., Monday, January 7th, 1952, at 1:30 o'clock P.M., pursuant to call of the President.

Mr. T. F. Dooley, President of the corporation, presided and Mr. J. G. Morton acted as secretary in the absence of Mr. Eugene Herrin, secretary of the corporation.

Upon roll-call it was ascertained that the following directors were present:

J. P. Roddy  
J. G. Morton

R. D. Cunningham  
T. F. Dooley

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

All the directors present acknowledged receipt of proper notice of the meeting.

Next the President presented a preliminary condition report of the affairs of the corporation at the close of business December 31st, 1951, which disclosed a very heavy loss for the six months period since June 30th, 1951. He explained that this was subject to some changes when the inventory had been completed more fully which might show some slightly better figures. He further stated that a little over half the loss had been due to decline in inventory values but that actual operating loss, including depreciation, had been over \$40,000.00 for the period due to lack of volume of sales and depressed prices.

Next he reported of the progress he had made in getting a purchaser of the capital stock of the corporation. He stated he had interested two corporations to the extent that they had requested a statement as of December 31st, 1951, as soon as available and also copies of inventory, and that these would go forward this week when completed. He stated further that he could not tell how serious this interest was, but that one of them had told him in New York he would inspect the plant and make an offer. The other one indicated he would also come to inspect the plant.

He further stated that another corporation had asked him to advise them in case it was decided to liquidate and the building was to be offered for sale. The President told the directors he would follow up all three prospects as rapidly as possible and he was instructed to report progress at another directors meeting to be called during the last week of January.

Next the President reported the corporation was operating dyeing & finishing and shipping only to reduce inventory, only knitting what was absolutely necessary to even up sizes in order to move goods.

Then there was a discussion as to the best plan to pursue in the event a sale of capital stock could not be consummated, as to whether the greige goods was to be finished or sold in the greige state, and no definite conclusion was reached. This matter was left to be decided at the next meeting.

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

J. G. Morton  
Secretary

T. F. Dooley  
President

STATEMENT OF CONDITION OF JOHNSON CITY MILLS  
at close of business December 31, 1951.

1950	ASSETS	1951
	Cash in Peoples Bank - Gen. A/c	\$ 1,030.25
\$ 5,099.11	Cash in Peoples Bank - P.R. A/c	549.35
549.35	Accounts Receivable (Gross)	
64,164.87	Less Reserve for doubtful accounts	37,012.57
	Accounts Receivable (Net)	201,243.86
275,055.80	Inventory	1,187.97
1,673.20	Deferred Assets	241,023.10
346,542.33	Fixed Assets (Gross)	399,180.00
	Reserve for Depreciation	179,526.43
\$384,947.72	Fixed Assets (Net)	159,647.83
200,726.15	Other Assets - Trademarks	400,670.93
		3,855.50
184,221.57		840,426.43
530,763.90		
3,855.50		
\$534,619.40		
	<u>LIABILITIES</u>	
	Accounts Payable - Trade	15,387.08
42,980.54	Notes Payable	85,000.00
78,500.00	Accounts Payable-Trade Credit Balances	1,319.75
1,505.64	Accrued Expense	10,755.29
14,593.99	Wages	3,143.00
None	So. Sec., Wh. Tax, T.U.C., Sales & Use Tax	4,224.00
2,690.06	Realty & Personalty-Franchise Tax	1,800.00
1,533.75	Federal Income Tax	1,900.00
10,370.18	Savings Bonds - Employees	30.00
None		112,462.12
	Capital Stock - Paid in	81,000.00
81,000.00	Capital Stock - Earned	63,500.00
63,500.00	Surplus @ Paid in	5,000.00
5,000.00	Undivided Profits	242,864.33
247,539.23	NET WORTH	292,064.33
		404,526.43
\$ 20,563.09	Profit (Loss) on Full Fashioned Dept.	
11,951.81	Profit (Loss) on Model K. Dept.	
1,251.45	Profit (Loss) on Sale of Capital Assets	
33,766.35	Profit (Loss) before taxes	
10,370.18	Federal Income Taxes	
23,396.17	Profit after taxes	
3,258.61	U. S. tax refund	
\$ 26,654.78	Additional U. S. Income Tax paid for 1948	
	A claim will be filed at close of fiscal year	
	June 30th, 1952, for refund of income tax of	
	\$3,849.70 paid for year ending June 30th, 1951,	
	which of course will be refunded.	

December 31st, 1951.

DIRECTORS MEETING

Minutes of a special called meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee, Wednesday, January 30th, 1952, at 11:00 o'clock A.M. pursuant to the call of the President.

Mr. T. F. Dooley, President of the Corporation, presided and Mr. J. G. Morton, acted as secretary in the absence of Mr. Eugene Herrin, secretary of the corporation.

Upon roll-call it was ascertained that the following directors were present:

J. P. Roddy  
J. G. Morton  
R. D. Cunningham  
T. F. Dooley

It appearing from the secretary's report that a quorum was present the chairman declared the meeting open for business.

All the directors present acknowledged receipt of proper notice of the meeting.

Minutes of a special meeting of Directors held January 7th, 1952, were read and approved.

The President reported that so far he had not gotten an offer on the capital stock of the corporation. He said Mr. A. Philip Goldsmith, President of Diamond Hosiery Corporation of High Point, N. C., and New York, who had displayed interest in the matter and to whom he had sent inventory figures, December 31st, 1951, statement and other information, had been ill and a letter dated January 25th from his secretary had been received stating that the matter would have to be held in abeyance for the time being.

He reported that George A. Horvath of Horvath Mills, Inc., of New York, who was interested and to whom the same data had been sent, had phoned four times since receiving it requesting samples of hosiery of various constructions in inventory and prices of same. Then after receiving this information he stated that he thought the hosiery inventory was priced too high; in fact, higher than it could be sold for, not even including cost of selling. The President stated he told Mr. Horvath that it was price at what he considered fair cost or market value for orderly merchandising but not at what it would bring forcing it on the market at a quick mass sale. Later that day, January 23rd, he phoned again to inquire about the corporation's nylon allotment, as to it's poundage, and especially to know if this allotment was being taken, as the nylon allotment was very important to him. He was told that the allotment was 3445 lbs. per month and that it was being taken in each month. He was also told that sales and shipments in January would support the fact that goods were being sold at prices that showed a small overall profit over inventory values plus selling commission, though some constructions showed a loss which was overcome by profits on other constructions.

Next the President reported on operations for January, stating that through January 29th, using inventory figures at the values of December 31st closing, as sent to the prospective purchasers, the result was a loss of approximately \$1500.00, without depreciation.

He pointed out that there had been very little knitting operations, only 840 dozen full fashioned goods and 12 dozen Model K goods having been knit to even up sizes on certain styles, whereas a normal month would be 4500 dozen full fashioned and 2500 Model K.

However, finishing operations had been carried on at reasonably full production and that shipments had amounted to 4445 dozen for the month to date. He also stated he had sold nylon yarn from December and January receipts, upon which a profit of \$4,643.00 was realized, which kept the loss from being larger.

Next the President reported that the Van Raalte Company, who had shown interest in the building, had finally advised him they were no longer interested, having secured additional floor space at existing locations.

At this point Mr. J. P. Roddy asked to be excused, stating that he was willing to abide by the decisions of the other directors. Since there was still a quorum present the meeting continued.

After considerable discussion it was directed that the condition report at close of business December 31st, 1951, be inserted in these minutes.

Also, the President was directed to consider a reduction in inventory prices as of December 31st, 1951, since the market had continued to weaken and in view of Mr. George Horvath's statement that inventory prices were too high, and to price the inventory on a realistic basis.

He was also directed to take off a balance sheet and operating statement as of January 31st, 1952, showing on same all overhead fixed costs so as to reflect the cost to the corporation if the plant were put on a standby basis with no operations of any kind being carried on.

The directors also reaffirmed their decision to call a stockholders meeting at which they would recommend liquidation of the corporation if an offer for the capital stock was not secured within a reasonable time.

There being no further business, the meeting adjourned to meet at the call of the President in approximately one month.

*J. P. Roddy*  
Secretary

DIRECTORS MEETING

*T. F. Dooley*  
President.

Minutes of a special called meeting of the Board of Directors of Johnson City Mills held at the office of Mr. B. A. Morton, Fidelity-Bankers Trust Building, Knoxville, Tennessee on Thursday, March 6, 1952 at 1:45 o'clock P. M.

Mr. T. F. Dooley, president of the corporation, presided and Mr. J. G. Morton acted as secretary of the corporation. Upon roll call it was ascertained that the following directors were present.

J. P. Roddy  
J. G. Morton

R. D. Cunningham  
T. F. Dooley

It appearing from the secretary's report a quorum was present, the Chairman declared the meeting open for business.

The minutes of the last special meeting of the Board held Jan. 30, 1952 were read and approved.

Next, the President reported that he had not yet been able to get an offer for the capital stock of the corporation. He stated that Diamond Full Fashioned Hosiery Co. and Geo. A. Horvath, Jr. had both finally decided not to negotiate further for the purchase of the company.

He then presented a letter from C. Ralph Ewing requesting that he be permitted to attempt to sell the corporation, and one from Joseph Haines, Jr. Sons & Co. making the same request, and said that he had given each of these this permission on a non-exclusive basis. This action was approved by the directors.

Next the President stated that in order to hold the nylon allotment, he felt the Company should operate half of its full-fashioned knitting equipment for awhile and that he was offered business at a price that would occasion no more loss than to let them stand.

Upon motion of Mr. J. P. Roddy seconded by Mr. R. D. Cunningham and unanimously voted, the President was authorized to start these machines and accept the orders offered.

Next, after a general discussion of the affairs of the corporation and a presentation of the balance sheet of the corporation as of Feb. 29, 1952, the balance sheet was ordered to be inserted in the minutes of this meeting.

After this, the president of the corporation stated that he did not feel that the corporation in its present condition could afford to pay his full salary and that also he did not feel that it required all of his time. He said that another corporation in which he had a financial interest had made him an offer to devote approximately half of his time to its affairs and that he desired to do this and would accept a reduction of 50% in salary effective Mar. 1, 1952, if permitted to do so. He further stated that he would continue to devote all the time necessary to the affairs of Johnson City Mills, even if it required work at night until a sale could be consummated, or the corporation liquidated.

Upon motion of Mr. R. D. Cunningham seconded by Mr. J. P. Roddy and unanimously voted, this proposition by the President and General Manager was accepted.

There being no further business to come before, the meeting upon proper motion, it adjourned.

*J. P. Roddy*  
Secretary

*T. F. Dooley*

MINUTES OF ANNUAL MEETING OF THE STOCKHOLDERS

OF

JOHNSON CITY MILLS

The regular annual meeting of the stockholders of Johnson City Mills was held at the offices of the corporation in Johnson City, Tennessee on September 4, 1952 at ten o'clock A. M. in accordance with the provisions of the By-Laws of said corporation.

Pursuant to the provisions of the By-Laws, Mr. T. F. Dooley, President of the corporation, presided over the meeting. In the absence of the Secretary, Mr. Carl Ferenbach was selected and designated to act as Secretary of the meeting.

The Chairman then asked if there were any stockholders present in person, or any persons present as attorneys or proxies for stockholders.

The following stockholder then appeared:

BY PROXY	NO. OF SHARES
Leon-Ferenbach, Inc.	1445

Thereupon the Chairman announced that all of the stockholders of record and entitled to vote were represented by proxy, and the meeting was declared by the Chairman to be open for the transaction of business.

The proxy was ordered to be filed with the Secretary of the meeting, who was instructed to file it as a part of the minutes.

The Secretary then presented the minutes of the previous meeting of the stockholders, which were read and approved.

The meeting then proceeded to the election of five (5) Directors as successors to the present Directors whose terms expired on June 30, 1952, to hold office for the term of one (1) year and until their successors shall be elected and qualify.

The following were then nominated to be Directors:

NAME	ADDRESS
Carl Ferenbach	New York, New York
W. T. Swoyer, Jr.	Johnson City, Tennessee
T. F. Dooley	Johnson City, Tennessee
John C. Ferenbach	Wilkes Barre, Pennsylvania
Gregory Ferenbach	Wilkes Barre, Pennsylvania

There being no further nominations, upon motion duly made, seconded and carried, the nominations were closed.

STANDARD B & P "NOLEAR"

STANDARD B & P "NOLEAR"

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OF

## JOHNSON CITY MILLS

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The meeting then proceeded to the election of five (5) Directors as successors to the present Directors whose terms expired on June 30, 1952, to hold office for the term of one (1) year and until their successors shall be elected and qualify.

The following were then nominated to be Directors:

<u>NAME</u>	<u>ADDRESS</u>
Carl Ferenbach	New York, New York
W. T. Swoyer, Jr.	Johnson City, Tennessee
T. F. Dooley	Johnson City, Tennessee
John C. Ferenbach	Wilkes Barre, Pennsylvania
Gregory Ferenbach	Wilkes Barre, Pennsylvania

There being no further nominations, upon motion duly made, seconded and carried, the nominations were closed.

STANDARD B&amp;P "NOISEAR"

STANDARD B&amp;P "NOISEAR"

A vote was then taken and the Chairman declared that the above named persons had been duly elected Directors of the corporation to serve for the term of one (1) year, and until their successors are elected and qualify.

The By-Laws of the Corporation were discussed, and upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the By-Laws of the corporation as heretofore adopted and amended be and they hereby are vacated, abrogated and repealed, and that there be adopted as the By-Laws of the corporation the By-Laws presented and read to this meeting, which are in words and figures as follows:

#### BY-LAWS

##### ARTICLE I - Business

1. The business to be conducted by the Corporation shall be as set forth and authorized by the Charter of Incorporation.

##### ARTICLE II - Stock

1. Certificates of stock shall be issued in numerical order and signed by the President and the Secretary. A record of each certificate shall be kept on the stub thereof.

2. Transfers of stock shall be made only upon the books of the Corporation, and only by the person named in the certificate or by attorney lawfully authorized and constituted in writing and only upon surrender of the certificate therefor. The Directors may, by resolution, make reasonable regulations for the transfers of stock.

3. In case of the loss or destruction of any certificate of stock, another may be issued in its place upon proof of such loss or destruction and upon the giving of a satisfactory bond of indemnity to the Corporation in such sum as the Directors may provide, not to exceed double the value of the stock.

##### ARTICLE III - Stockholders Meetings

1. The annual meeting of the stockholders of said Corporation, after the calendar year 1952, for the election of Directors to succeed those whose terms expire, and for the transaction of such other business as may come before the meeting, shall be held on the second Tuesday in September of each year, if not a legal holiday, and if a legal holiday, then on the day following, at 10:00 o'clock A. M. If the annual meeting of the stockholders be not held as herein prescribed, the election of Directors may be held at any meeting

MINUTES OF A MEETING OF THE DIRECTORS OF JOHNSON CITY MILLS SEPTEMBER 16th, 1952

A meeting of the Directors of Johnson City Mills was held in New York City this day. Present were - C. Ferenbach, G. Ferenbach, J.C.Ferenbach and W.T.Swoyer. Due to the fact that there was no advance notice of this meeting, a Waiver of such Notice was executed and signed by all the Directors.

It was moved by G. Ferenbach, seconded by W.T.Swoyer and unanimously approved that the Company purchase an additional \$50,000 worth of production equipment.

There being no further business, the meeting was adjourned.

Carl Ferenbach Chairman of the Board

Regina Ferenbach Secretary

WAIVER OF NOTICE OF ANNUAL MEETING OF BOARD OF DIRECTORS  
OF  
JOHNSON CITY MILLS

We, the undersigned, being all of the Directors of Johnson City Mills, a Tennessee corporation, do hereby waive any and all notice of the time, place and purpose of the special meeting of the Board of Directors of said corporation held the 16th day of September, 1952 at eleven o'clock A.M. in New York, and do hereby consent and agree to the transaction of all business which may come before said meeting.

IN WITNESS WHEREOF, we have hereunto set our hands this, the 16th day of September, 1952.

Carl Frenkel  
Wm. Frenkel  
John E. Frenkel  
Wm. Frenkel  
J. F. Dooley



thereafter called pursuant to the By-Laws. Any stockholders represented in person or by proxy may call for an election by ballot; otherwise, the election shall be held as the Chairman prescribes.

2. Special meetings of the stockholders may be called by the Chairman of the Board of Directors, the President, or by the Board of Directors, and shall be called at any time by the Chairman of the Board of Directors, the President, Vice-President, Secretary or Treasurer upon the request in writing of stockholders owning forty percent (40%) of the outstanding stock of the corporation, and entitled to vote. Such request must state the purpose of the meeting.

3. Notice of the time and place of the annual and of all special meetings of the stockholders shall be given by mailing a written or printed notice of same at least ten (10) days prior to the meeting, with postage prepaid, to each stockholder of record of the corporation entitled to vote thereat and addressed to his or her last known post office address. Business transacted at all special meetings shall be confined to the purposes stated in the notice.

4. A quorum at any annual or special meeting of the stockholders shall consist of a majority of the stock issued and entitled to vote, represented either in person or by proxy, except as otherwise specially provided by law.

5. Stockholders meetings may be held either within or without the State of Tennessee.

#### ARTICLE IV - Board of Directors

1. The management of all the affairs of the Corporation, its property and interests, shall be vested in a Board of Directors, consisting of five (5) persons who shall be elected for a term of one (1) year and shall hold office until their successors are elected and qualify. Directors need not be stockholders. In addition to the powers and authorities by the By-Laws and the Certificate of Incorporation expressly conferred upon them, the Board may exercise all such powers of the Corporation and do all such things and acts as are not by statute or by the Certificate of Incorporation or by these By-Laws directed or required to be exercised or done by the stockholders.

2. The number of Directors may at any time be increased or decreased by an amendment of Article IV, Section 1 hereof, and in case of any increase, the Board of Directors, or the stockholders at any general or special meeting held before the Directors take action, shall have the power to elect such additional Directors to hold office until the next annual meeting of the stockholders, and until their successors are elected and qualify.

3. All vacancies in the Board of Directors, whether caused by resignation, death or otherwise, may be filled by the remaining Director or Directors at any regular or special meeting. A Director thus elected to fill any vacancy shall hold office for the unexpired term of his predecessor and until his successor is elected and qualifies. Directors may be removed by a vote of a majority of the stockholders.

4. Regular meetings of the Board of Directors shall be held at the principal office of the Corporation, or at such other place as the Directors may from time to time designate, on the second Tuesday in September of each year at 10:30 o'clock A. M., if not a legal holiday; and if a legal holiday, then on the day following; and at such other times as the Board of Directors may, by resolution, designate. Meetings may be held either within or without the State of Tennessee.

5. Special meeting of the Directors may be called at any time by the Chairman of the Board of Directors, the President, or Secretary, or upon written request of two Directors, such request to state the purpose for which the meeting is to be called, to be held at the principal office of the Corporation or at such other place as the Directors may from time to time designate.

6. Notice of special meetings of the Board to be given each Director by ten (10) days service of same by telegram, letter, or in person.

7. A majority of the whole Board of Directors shall be necessary at all meetings to constitute a quorum for the transaction of business; but less than a quorum may adjourn the meeting which may be held on a subsequent day without further notice provided a quorum be present at such deferred meeting. Unless otherwise specifically provided by the Charter or by statute, the act of a majority of the Directors present at any properly convened meeting at which there is a quorum shall be the act of the Board.

8. Standing or temporary committees may be appointed from their own number by the Directors from time to time, and the Directors may from time to time invest such committees with such powers as the Directors may see fit. An executive committee may be appointed by resolution passed by a majority of the whole Board; it shall have all the powers provided by statute except as specifically limited by the Board. All committees shall keep regular minutes of their transactions and shall cause them to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board of Directors at their regular meetings.

9. No stated salary shall be paid Directors, as such, for their services, but by resolution of the Board a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE V - Officers

1. The principal officers of the Corporation shall be a Chairman of the Board of Directors, a President, one or more Vice-Presidents, a Secretary, a Treasurer, and two Assistant Secretaries, who shall be elected by the Directors at their first meeting after the annual meeting of the stockholders. They shall hold office for one year and until their successors are elected and qualify. The President shall be elected from among the Directors. The offices of President and Secretary or Assistant Secretary shall not be united in one person.

2. The Chairman of the Board of Directors shall preside at all meetings. The President shall be the Chief Executive Officer and shall have general supervision and management of the affairs of the Corporation; shall sign or countersign all certificates and all instruments of the Corporation required by law to be signed by him; subject, however, to the control, when exercised, by the Board of Directors; shall make reports to the Directors and stockholders and perform all such other duties as are incident to his office or are properly required of him by the Board of Directors. The Board of Directors, may, in their discretion, delegate any part of the duties and powers of the President to a General Manager, which General Manager shall be held responsible to the President and to the Board of Directors for the faithful performance of his duties.

The Vice-President shall perform such duties and have such powers as are conferred upon, or delegated to him, from time to time by the Board of Directors; and in case of the absence or disability of the President, shall perform all of the duties of the President.

3. The Secretary shall issue notices for all meetings, shall keep their minutes, shall have charge of the corporate books, and shall make such reports and perform such other duties as are incident to his office or are properly required of him by the Board of Directors.

4. The Treasurer shall have the custody of all moneys and securities of the Corporation and shall keep regular books of the account. He shall supervise, disbursement of the funds of the Corporation in payment of the just demands against the Corporation or as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and to the Board of Directors from time to time as may be required of him, an account of all his transactions as Treasurer and of the financial condition of the Corporation. He shall perform all the duties incident to his office or that are properly required of him by the Board of Directors. He shall give the Corporation a bond, if required by the Board of Directors, in a sum and with one or more sureties, satisfactory to the Board of Directors, for the faithful performance of the duties of his office, and for the restoration to the Corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

5. The Board of Directors may elect or employ a General Manager, who may be a member of the Board or one of the principal officers of the Corporation, or such other person as the Board of Directors may select, for such terms and with such compensation, and with such duties and powers, as shall be determined by the Board of Directors.

6. In case of the absence or inability of any officer of the Corporation to act and of any person herein authorized to act in his place, the Board of Directors from time to time may delegate the powers or duties of such officer to any other officer or any Director or such other person whom they may select.

7. Vacancies in any office arising from any cause may be filled by the Directors at any regular or special meeting.

8. The Board of Directors may appoint such other officers and agents as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

9. The Officers of the Corporation shall hold office until their successors are chosen and qualify.

10. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board of Directors.

#### ARTICLE VI - Dividends and Finance

1. Dividends shall be declared only from the surplus profits at such times as a majority of the Board of Directors shall direct, and no dividend shall be declared that will impair the capital of the Corporation.

2. Before making any distribution of profits there may be set aside out of the net profits of the Corporation, such sum or sums as the Directors from time to time, in their absolute discretion, deem expedient as a reserve fund to meet contingencies, or for equalizing dividends, or for maintaining any property of the Corporation, or for any other proper purpose, and any profits of any year not distributed as dividends shall be deemed to have been thus set aside by the Directors.

3. The moneys of the Corporation shall be deposited in the name of the Corporation in such Bank or Trust Company as the Board of Directors shall designate, and shall be drawn out only upon checks signed by persons designated, from time to time, by resolution of the Board of Directors. All notes and other instruments for the payment of money shall be signed or endorsed by officers authorized from time to time by resolution of the Board of Directors.

4. The fiscal year of the Corporation shall date from the first day of July to the 30th day of June.

ARTICLE VII - Books and Records

1. The books, accounts and records of the Corporation, except as may be otherwise required by laws of the State of Tennessee, may be kept outside of the said State at such places as the Board of Directors may from time to time appoint; they shall be open to inspection by the stockholders at any reasonable times.

ARTICLE VIII - Notices

1. Whenever the provisions of the statutes or these By-Laws required notice to be given to any Director, Officer, or Stockholder, they shall not be construed to mean personal notice, but such notice may be given in writing by depositing the same in a post office or letter box in a postpaid, sealed wrapper, addressed to such Director, Officer, or Stockholder at his or her address as the same appears on the books of the Corporation; and the time when the same shall be mailed, shall be deemed to be the time of the giving of such notice.

2. A waiver of any notice in writing, signed by a Stockholder, Director or Officer, whether before or after the time stated in said waiver for holding a meeting, shall be deemed equivalent to a notice required to be given to any Director, Officer, or Stockholder.

ARTICLE IX - Contracts

1. No contract or other transaction between the Corporation and any other person, firm or corporation shall be effected or invalidated by reason of the fact that any one or more of the Directors or Officers of this Corporation is or are interested in, or is a member of, or is a stockholder, director or other officer of such other firm, or corporation; and any directors or officers, individually or jointly, may be a party or parties to, or may be interested in any contract or transaction of this Corporation of which this Corporation may be interested in with any person or persons, firm or corporation, and no contract, act or other transaction of this corporation shall be affected or invalidated by reason of the fact that any director or directors, or officer or officers, of this Corporation is a party or parties to, or interested in, such contract, act or transaction, or in any way connected with such person or persons, firm or corporation, and each and every person who may become a director or officer of this Corporation is hereby relieved from any liability that might otherwise exist from thus contracting with this Corporation for the benefit of himself or any firm or corporation in which he may be in any wise interested.

ARTICLE X - Seal

1. This Corporation shall have a corporate seal which shall include the name of the Corporation and the words, "State of Tennessee."

ARTICLE XI - Amendments

1. Alterations, amendments or repeal of these By-Laws can be made only by the stockholders, at any regular or special meeting at which a quorum is present, by the affirmative vote of a majority of the stockholders entitled to vote at such meeting.

The present Charter of Incorporation issued in 1916 to this corporation by the State of Tennessee was discussed, and upon motion duly made, seconded and carried, it was

R RESOLVED, that the Board of Directors of this corporation be and they hereby are authorized and directed to execute, acknowledge and file for record with the Secretary of State of the State of Tennessee and with the Register of Deeds for Washington County, Tennessee such certificate as may be necessary or proper to re-incorporate this corporation under the 1929 Act of Tennessee, Chapter 90, as provided therein, and it was

FURTHER RESOLVED, that said certificate of re-incorporation contain such general powers, and statement of the nature of businesses to be transacted, as will enable and permit this corporation to properly carry on and conduct its affairs and businesses.

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

\_\_\_\_\_  
Secretary of the Meeting

J. H. Dooly  
Chairman

## MINUTES OF ANNUAL MEETING OF THE BOARD OF DIRECTORS

OF

## JOHNSON CITY MILLS

The annual meeting of the Board of Directors of Johnson City Mills was held at the offices of the corporation in Johnson City, Tennessee on September 4, 1952 at eleven o'clock A. M., pursuant to waiver of notice of the meeting signed by all of the Directors.

Present in person at said meeting were:

Carl Ferenbach  
T. F. Dooley  
W. T. Swoyer, Jr.

constituting a quorum for the transaction of business.

Mr. Carl Ferenbach was chosen to act as Chairman and Mr. T. F. Dooley was chosen to act as Secretary of the meeting.

The Secretary presented and read to the meeting the waiver of notice of the meeting, signed by all of the Directors, which was ordered filed as a part of the minutes.

The Chairman announced that a quorum of the Directors was present, and that the meeting, having been duly convened, was ready to proceed with its business.

The Chairman presented and read to the meeting the minutes of the stockholders annual meeting held on this day at ten o'clock A. M., at which meeting new Directors had been elected and new By-Laws had been adopted.

The Chairman announced that the meeting was open for the nomination and election of officers of the corporation to serve for the ensuing year and until their successors are elected and qualify, whereupon the following persons were nominated for the offices set opposite their respective names:

CHAIRMAN OF THE BOARD	Carl Ferenbach
PRESIDENT	T. F. Dooley
TREASURER	W. T. Swoyer, Jr.
SECRETARY	Gregory Ferenbach
ASSISTANT SECRETARY	John Ferenbach
ASSISTANT SECRETARY	W. T. Swoyer, Jr.

There being no further nominations, the nominations were closed and upon a vote being taken, the Chairman declared that the above named persons had been elected to the offices set opposite their respective names to serve for the ensuing year and until their successors are elected and qualify.

Each of the officers present and so elected thereupon accepted the office to which he was elected as aforesated.

It was moved to consider the salaries of the officers of the corporation for the year commencing the first day of September 1952, which motion was duly seconded and carried.

Upon motion duly made, seconded and carried, it was

RESOLVED, that commencing with the first day of September, 1952, and until changed by resolution of the Board of Directors of Johnson City Mills, the salaries of the officers of this corporation, payable monthly, shall be as follows:

Chairman of the Board	\$ _____	per month
President	\$ _____	per month
Treasurer	\$ _____	per month
Secretary	\$ _____	per month.

Upon motion duly made, seconded and carried, it was

RESOLVED, that the Treasurer of this corporation be and he hereby is authorized to open the following accounts in the name of this corporation with the Peoples Bank, Johnson City, Tennessee:

- Capital Account
- General Account
- Payroll Account

and it was

FURTHER RESOLVED, that until otherwise provided by resolution of this Board, said Peoples Bank be and it hereby is authorized to make payments from the funds of this corporation in such respective accounts upon checks of this corporation signed by any one of the following persons listed under such accounts:

Capital Account:  
 Carl Ferenbach, Chairman  
 T. F. Dooley, President  
 W. T. Swoyer, Jr., Treasurer

General Account:  
 T. F. Dooley, President  
 W. T. Swoyer, Jr., Treasurer  
 I. B. Couch, Manager

Payroll Account:  
 T. F. Dooley, President  
 W. T. Swoyer, Jr., Treasurer  
 I. B. Couch, Manager

and it was



FURTHER RESOLVED, that the Treasurer or any other officer of this corporation is hereby authorized to certify to said Peoples Bank a copy of these resolutions, and said Bank is hereby authorized to rely upon such certificate until formally advised by a like certificate of any changes herein, and is authorized to rely upon any such additional certificates; and it was

FURTHER RESOLVED, that any signatures to checks of this corporation, other than the persons above named, heretofore authorized by this corporation be and the same hereby are revoked and abrogated.

Upon motion duly made, seconded and carried, it was

RESOLVED, that the Manager, I. B. Couch, be required to give this corporation a fidelity bond, with a corporate surety thereon, in the sum of \$10,000.00, the premium for such bond to be paid by this corporation.

Upon motion duly made, seconded and carried, it was

RESOLVED, that the chairman of the Board and the President of this corporation be and they hereby are authorized and empowered to purchase such new or used machinery and equipment as may be necessary to enable this corporation to commence certain new textile operations, and to spend or contract therefor up to the sum of \$65,000.00; and it was

FURTHER RESOLVED, that all purchases of machinery and equipment heretofore made or contracted for by the officers of this corporation be and the same hereby are ratified and approved.

Upon motion duly made, seconded and carried, it was

RESOLVED, that the President of this corporation be and he hereby is authorized and empowered to sell for the best price obtainable, any machinery or equipment of this corporation which is not needed or required in its present operations.

The resolution of the stockholders of this corporation, adopted at a meeting held on this date, authorizing and directing the Directors of this corporation to execute such certificate as may be necessary or proper to re-incorporate this corporation under Chapter 90 of the Acts of 1929 of Tennessee, was read and discussed, and upon motion duly made, seconded and carried, it was

RESOLVED, that the President and the Secretary of this corporation be and they hereby are authorized and directed to execute such certificate or certificates as may be necessary or proper to re-incorporate this corporation under Chapter 90 of the Acts of 1929 of Tennessee, with the same name and with the same number of shares of authorized capital stock, and with such powers as may be necessary or proper to carry on the business of this corporation, and to surrender the present charter of incorporation of this corporation.

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

Carl F. Ferrelbach  
CHAIRMAN

T. F. R.  
SECRETARY

## STATE OF TENNESSEE

CERTIFICATE OF REINCORPORATION

FIRST. The name of this corporation is JOHNSON CITY MILLS.

SECOND. The address of the principal office of this corporation in the State of Tennessee is New Street and Southern Railway.

THIRD. The general nature of the business to be transacted by this corporation is to manufacture, process, throw, convert, buy, sell and deal in yarns and threads, either spun or filament, including but not limited to silk, cotton, wool, rayon, nylon, orlon, dacron, plastic, rubber and any other natural and man-made yarns, filaments and threads, either for itself or for others; to manufacture, buy, sell and deal in textiles, woven and knitted goods and products and any related materials, and any machinery and equipment used in the textile, weaving and knitting businesses; and to do all and anything necessary, suitable or proper for the accomplishment or attainment of any of the objects, or the furtherance of any of the powers hereinbefore set forth, and to do every other act or acts incident to or growing out of or connected with the aforesaid objects, purposes and powers.

The foregoing enumeration of specific purposes and powers shall not be deemed or construed to limit or restrict in any manner the general powers of the corporation and the enjoyment and exercise thereof as conferred by the laws of Tennessee upon similar domestic corporations.

FOURTH. The maximum number of shares which this corporation is authorized to have outstanding at any time is TWO THOUSAND FIVE HUNDRED (2500) shares of common stock of the par value of ONE HUNDRED (\$100.00) DOLLARS per share.

FIFTH. The amount of capital with which this corporation will begin business shall be not less than \$1000.00; and when such amount so fixed shall have been subscribed for, all subscriptions of the stock of this corporation shall be enforceable, and it may proceed to do business in the same manner and as fully as though the maximum number of shares authorized under the provisions of the preceding section hereof shall have been subscribed for.

SIXTH. The time of the existence of this corporation shall be perpetual.

SEVENTH. The President and Secretary, respectively, of Johnson City Mills, a corporation chartered and organized under the laws of the State of Tennessee, whose charter is recorded in the office of the Secretary of State, in Corporation Record Book J-14 at page 194, in pursuance to the directions of the Board of Directors and stockholders of the corporation, hereby certify that at a meeting of the stockholders legally called and held at its offices in the City of Johnson City, Tennessee, a resolution in writing was adopted by the affirmative vote of the stockholders, said affirmative vote representing a majority of the shares of stock in said corporation, directing that an application be made on behalf of the corporation to reincorporate as shown in the certificate following, and declaring that the corporation does hereby surrender the existing charter of the corporation aforesaid and the acceptance of the provisions of Chapter 90 of the Acts of 1929, and that said resolution was duly entered on the minutes of said corporation.

It was ordered and directed by the stockholders aforesaid that this certificate be made and issued for the purposes above set out, to the end that this certificate may be recorded in the Register's office for Washington County, Tennessee, in which its principal office is located, and filed in the office of the Secretary of State of the State of Tennessee, and thereby said corporation may be reincorporated as shown above.

WITNESS our hands, this the \_\_\_\_ day of September, 1952.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY

## STATE OF TENNESSEE

## WASHINGTON COUNTY:

On this the \_\_\_\_ day of September, 1952, before me appeared T. F. Dooley and Gregory Ferenbach, to me personally known, each of whom, being by me duly sworn, did say that T. F. Dooley is the President of Johnson City Mills and that Gregory Ferenbach is the Secretary of said Johnson City Mills, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the certificate aforesaid was signed and sealed in behalf of the said Johnson City Mills by the authority of its Board of Directors and stockholders, and that the said T. F. Dooley, President, and Gregory Ferenbach, Secretary, acknowledge said instrument to be the free act and deed of said corporation, and that the statements in the foregoing certificate are true.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires the \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

The undersigned, a corporation heretofore organized and existing under the laws of the State of Tennessee, acting by and through its President and Secretary and by the authority of its stockholders at a meeting called for that purpose, does hereby apply to the State of Tennessee by virtue of the laws of the land, and especially Chapter 90 of the Acts of 1929, for a Charter of Reincorporation according to and for the purpose declared in the foregoing instrument.

IN WITNESS WHEREOF, the said corporation, Johnson City Mills, by its President and Secretary, acting under the authority of the resolution of its stockholders aforesaid, hath hereunto affixed the signature of said corporation and caused its corporate seal to be hereunto affixed, on this the \_\_\_\_ day of September, 1952.

JOHNSON CITY MILLS

By \_\_\_\_\_  
PRESIDENT

By \_\_\_\_\_  
SECRETARY

STATE OF TENNESSEE

WASHINGTON COUNTY:

On this the \_\_\_\_ day of September, 1952, before me appeared T. F. Dooley and Gregory Ferenbach, to me personally known, each of whom, being by me duly sworn, did say that T. F. Dooley is the President of Johnson City Mills, and that Gregory Ferenbach is the Secretary of said Johnson City Mills, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the foregoing instrument was signed and sealed in behalf of said corporation by the authority of its Board of Directors and stockholders and said T. F. Dooley and Gregory Ferenbach acknowledge said instrument to be the free act and deed of said corporation.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires on the \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

