# FEDERAL REGISTER

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*Washington, Saturday, June 17, 1944*


## *The President*

### EXECUTIVE ORDER 9449

AMENDING REGULATIONS CONCERNING FOREIGN SERVICE PAY ADJUSTMENT

By virtue of the authority vested in me as President of the United States by the act of March 26, 1934, 48 Stat. 466 (U.S.C., Title 5, Section 118c) Executive Order No. 7972 of September 15, 1938, as amended, prescribing regulations governing payment of losses sustained by officers, enlisted men, and employees of the United States in foreign countries on account of appreciation of foreign currencies in their relation to the American dollar, is hereby further amended, effective as of July 1, 1944, as follows:

1. Section 2 (b) of the said Executive Order is amended to read as follows:

In case of officers, enlisted men, and employees serving under the War or Navy Departments (with the exception of personnel of military and naval missions, military and naval attaches, naval observers, port directors and other persons attached to their offices, and other officers, enlisted men, and employees when designated by the Secretary of War or the Secretary of the Navy, who shall be governed by paragraph (a) of this section) no losses shall be payable.

2. The provisions of any other section of the said Executive Order No. 7972, as amended, so far as they are in conflict with the provisions of this order, are amended accordingly.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
*June 15, 1944.*

[F. R. Doc. 44-8775; Filed, June 16, 1944; 11:40 a. m.]

## *Regulations*

### TITLE 7—AGRICULTURE

Chapter XI—War Food Administration (Distribution Orders)

[WFO 4-6]

PART 1450—TOBACCO

CIGAR FILLER AND BINDER TYPES OF TOBACCO

Pursuant to the authority vested in me by War Food Order No. 4, as amended, 9 F.R. 4321, 4319 (formerly designated as Food Distribution Order No. 4, as amended, 8 F.R. 335, 11331) and to effectuate the purposes thereof, it is hereby ordered as follows:

§ 1450.13 *Restrictions on the purchase of cigar filler and binder types of tobacco*—(a) *Definitions.* (1) "Person" means an individual, partnership, association, business trust, corporation, or any organized group of persons, whether incorporated or not.

(2) "Tobacco" means tobacco of the 1944 crop of the cigar filler types numbered 41, 42, 43, and 44, and the cigar binder types numbered 51, 52, 53, 54, and 55, as defined in the Service and Regulatory Announcement No. 118 (7 CFR 30.1 et seq.) of the United States Department of Agriculture, promulgated by the Secretary of Agriculture on October 14, 1929.

(b) *Restrictions.* After the effective time hereof, no person shall, in any manner whatsoever, purchase, contract to purchase, or accept an option to purchase tobacco.

(c) *Effective date.* This order shall become effective at 12:01 a. m., e. w. t., June 14, 1944.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783; WFO 4, as amended, 8 F.R. 335, 11331, 9 F.R. 4321, 4319)

Issued this 13th day of June 1944.

LEE MARSHALL,
*Director of Distribution.*

[F. R. Doc. 44-8657; Filed, June 14, 1944; 2:18 p. m.]

[WFO 86, Amdt. 1]

PART 1460—FATS AND OILS

SOAP

War Food Order 86 (8 F.R. 14193; 9 F.R. 4321, 4319) § 1460.30, is amended as follows:

By deleting the provisions of paragraphs (b) (c) and (d) thereof.

This amendment shall become effective 12:01 a. m., e. w. t., June 14, 1944. However, with respect to violations of War Food Order 86, or rights accrued or liabilities incurred thereunder, prior to said date, said War Food Order 86 shall

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[1] 3 F.R. 2249; 3 CFR Cum. Supp.

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NOTICE

The Cumulative Supplement to the Code of Federal Regulations, covering the period from June 2, 1938, through June 1, 1943, may be obtained from the Superintendent of Documents, Government Printing Office, at $3.00 per unit. The following are now available:

Book 1. Titles 1-3 (Presidential documents) with tables and index.
Book 2: Titles 4-9, with index.
Book 3: Titles 10-17, with index.
Book 4: Titles 18-25, with index.
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be deemed to be in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right or liability.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783)

Issued this 13th day of June 1944.

ASHLEY SELLERS,
*Assistant War Food Administrator*

[F. R. Doc. 44-8658; Filed, June 14, 1944; 2:18 p. m.]

## TITLE 10—ARMY WAR DEPARTMENT

### Chapter VIII—Procurement and Disposal of Equipment and Supplies

[Procurement Regs. 1, 2, 3, 6, 7, 9, 12 and 15]

MISCELLANEOUS AMENDMENTS

The following amendments and additions to the regulations contained in Parts 81, 83 and 88 are hereby prescribed. These regulations are also contained in War Department Procurement Regulations dated 5 September 1942 (7 F.R. 8082) as amended by Change 35, 25 May 1944,[1] the particular regulations amended being Nos. 1, 2, 3, 6, 7, 9, 12 and 15.

[1] For previous changes see 7 F.R. 9268, 10184, 10906; 8 F.R. 3339, 5210, 6576, 7526, 8629, 8918, 9908, 11609, 12043, 13083, 13791, 14512, 16009, 16100, 17464; 9 F.R. 1344, 2975, 4066 and 4841.

In section numbers the figures to the right of the decimal point correspond with the respective paragraph numbers in the procurement regulations.

AUTHORITY: Sec. 5a, National Defense Act, as amended, 41 Stat. 764; 54 Stat. 1225; 10 U. S. C. 1193–1195, and the First War Powers Act 1941, 55 Stat. 838; 50 U.S.C. Sup. 601–622.

[Procurement Reg. 1]

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

GENERAL INSTRUCTIONS

In § 81.108, paragraph (d) (2) is amended as follows:

§ 81.108 *Application of these procurement regulations.* * * *

(d) *Army Air Forces.* * * *

(2) Whenever used herein, unless otherwise specifically indicated, the term "technical services" shall be deemed to include the Army Air Forces, and the term "chiefs of the technical services" shall be deemed to include the Commanding General, Army Air Forces. Likewise, the terms "Director, Purchases Division, Headquarters, Army Service Forces" and "Director, Readjustment Division, Headquarters, Army Service Forces" when used in connection with action to be taken in respect of the Army Air Forces, shall, unless otherwise specifically indicated, be deemed to refer to the Special Representative of the Under Secretary of War designated for that purpose.

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[Procurement Reg. 2]

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

GENERAL PURCHASE POLICIES

Section 81.225 is amended as follows:

§ 81.225 *Smaller war plants policy*—(a) *Smaller War Plants Act.* (1) Public Law 603—77th Congress (approved June 11, 1942) creates the "Smaller War Plants Corporation" (hereinafter refered to as "SWPC") and gives the Chairman of the War Production Board certain powers and responsibilities incident to placement of Government contracts with smaller plants. The majority of such powers have been delegated by the Chairman of the War Production Board to the Chairman of SWPC.

(2) The act gives SWPC power to enter into prime contracts with the War Department for articles, equipment, supplies or materials, or parts thereof, or work in connection therewith, and to subcontract the production of these items to small business concerns. If the Chairman of the War Production Board certifies that SWPC is competent to perform any specific Government procurement contract, the contract must be let to it on such terms and conditions as the Chairman may specify.

(3) The act also authorizes SWPC, by delegation from the Chairman of the War Production Board, to certify small business concerns or groups of such concerns to the Secretary of War with respect to capacity and credit as to a specific Government procurement contract. The War Department is directed to accept such certification as conclusive and is authorized to place the contract with the concern or group of concerns without requiring the meeting of any other requirements with respect to capacity and credit.

(4) The act recognizes that small plants are frequently unable to produce at as low a per unit cost as larger plants and that, as a consequence, it may be necessary for the Government to pay a higher per unit price for articles when obtaining them from small plants than it pays to business concerns operating large plants. War Department policy in respect to this will be prescribed by further instructions from time to time.

(b) *General policy.* (1) The established policy of the War Department is to place the greatest practicable volume of prime contracts and to encourage subcontracts with small business concerns or groups of such concerns without the necessity of plant certification or the taking of prime contracts by SWPC. To implement this policy, the basic program covered in paragraphs (c) to (f) of this section is established in order to assist the smaller plants to participate to the greatest practicable extent in War Department contracts.

(2) It is recognized that procurement procedures vary as between technical services, and it is the policy of the War Department that procedures to be established between each technical service and SWPC will coordinate closely with the normal operations of the technical service. It is the responsibility of the chief of each technical service to establish operating procedures within his technical service with SWPC in conformity with the policies stated in this § 81.225. Such procedures shall be established by mutual agreement between SWPC and each technical service, and shall be in writing. A copy of such agreement shall be provided the Small War Plants Branch, Purchases Division, Army Service Forces, which office is available for any assistance requested in connection with preparing the agreement.

(c) Designations by, and representatives of, SWPC. (1) To date no certifications as referred to in paragraph (a) (3) have been made to the Secretary of War by SWPC. However, a program has been and will continue to be in effect whereby small concerns are recommended by SWPC to each contracting office of the War Department as being capable of performing contracts under particular procurements. Such recommendations are called designations, and firms so designated are known as SWPC designees.

(2) SWPC has appointed a representative to each contracting office of the War Department. Such representative is known as a SWPC Procurement Specialist, and one of his duties is to present designations to the contracting office as set forth in paragraph (f).

(3) SWPC has appointed a representative to the office of each technical service issuing procurement directives, and this representative is also known as a SWPC Procurement Specialist. Among his duties are those set forth in paragraph (e).

(d) *Basic program.* (1) The following points of policy are established with respect to actions by the War Department in connection with SWPC, and have been agreed upon between SWPC and the War Department:

(i) This program will be undertaken on all procurements, except that procurements of secret or confidential items and those of an emergency nature may be excluded at the discretion of the chief of a technical service. "Emergency nature" relates to those situations where military necessity will not permit the processing of the procurements as outlined herein.

(ii) The War Department's general definition of a small concern is an independently-owned concern employing less than 500 wage earners. Nevertheless, it is within the discretion of a contracting office, independently or upon the request of SWPC, to consider the relative size of a firm within its industry and treat it as large or small accordingly.

(iii) All decisions with respect to the degree of participation of and the desired geographical location of small concerns, and to the choice of particular small concerns to participate in War Department procurements, will be reached at the contracting offices of each technical service (or at whatever office in the technical service decisions are reached regarding the use of specific facilities).

(iv) Since small concerns considered by the contracting office as suitable to bid for a procurement will normally be reviewed by SWPC to determine whether or not such firms will become SWPC designees for such procurement, it is anticipated that the final list of concerns so designated by SWPC will normally be reviewed by SWPC to determine whether or not such firms will become SWPC designees for such procurement, it is anticipated that the final list of concerns so designated by SWPC will include many of the small concerns acceptable to the contracting office.

(2) Chiefs of technical services will designate Small War Plants officers at the contracting offices, and also at either the headquarters of the technical services or at the offices issuing procurement directives. Such officers will be charged with administering War Department policy in respect to small concerns, with working in cooperation with SWPC Procurement Specialists at such offices and with acting as specific contacts for representatives of small concerns calling at such offices. Each technical service will conduct staff supervision of contracting office procedures in connection with the small plant program.

(e) *Action at the office issuing procurement directives.* Opportunity will be afforded the SWPC Procurement Specialist at the office issuing procurement directives (1) to review with the proper personnel of the technical service the related parts of the Army Supply Pro-

gram for the purpose of selecting products which will be generally suitable for small concerns, and (2) to examine all procurement directives (except those for secret and confidential items and those of an emergency nature, unless authorized to do so by the chief of the technical service) Where a technical service buys through district offices whose purchasing responsibility is confined to limted geographical areas, suggestions from the SWPC Procurement Specialist as to distribution to districts will be received and considered. When the SWPC Procurement Specialist indicates an interest in further action by SWPC on a procurement, this interest will be noted on the procurement directive that is sent to the contracting office. Lack of such notation of interest will not eliminate a procurement from further consideration under paragraph (f) (1) of this section. Copies of procurement directives which have been examined (except those for secret and confidential items) will be supplied by the office issuing them to the SWPC Procurement Specialist at that office, to the extent desired by SWPC.

(f) *Action at the contracting office.* (1) The contracting office and the SWPC Procurement Specialist at that office will mutually decide, on all procurements (secret and confidential procurements are excluded, except where specifically authorized under paragraph (e) (2))

(i) Whether a particular procurement is suitable for manufacture by small concerns.

(ii) The minimum portions of procurements found suitable under (i) which the contracting office will endeavor to place with designees of SWPC in compliance with paragraphs (a) to (h)

(iii) In cases found suitable under (i) and (ii) how many SWPC designations will be sought, from which SWPC regions they will be sought, and by what date such designations will be submitted to the contracting office.

(iv) While emergency procurements are normally excluded under paragraph (d) (1) (i) from further processing through SWPC, the contracting office may in its discretion allow the SWPC Procurement Specialist, if time permits, to suggest sources, when such action does not delay the procurement.

(2) Other action to be taken by the contracting office includes:

(i) A set of drawings, specifications and prints will be made available to the SWPC Procurement Specialist as soon as practicable after the SWPC Procurement Specialist requests them in connection with a particular procurement. Additional sets will be furnished, if available; and if not available, full descriptive information to the extent available will be given the SWPC Procurement Specialist.

(ii) The contracting office will make available to the SWPC Procurement Specialist the names of small plant sources considered suitable by the contracting office for a particular procurement. SWPC will, under its procedures, designate or indicate reasons for refusing to designate such sources.

(iii) Small concerns designated by SWPC in accordance with (1) (iii) above will normally be given an opportunity to bid or negotiate. If a contracting office does not consider that a SWPC designee should receive this opportunity, the SWPC Procurement Specialist shall be given the reasons therefor.

(iv) On the date established under (1) (iii) the contracting office will consider not only SWPC designations that have been submitted for the particular procurement by that date but also any other sources of the contracting office's choice, and will determine which of such firms will be given an opportunity to bid or negotiate.

(v) Opportunity will be given the SWPC for the procurement involved representations to the contracting office in behalf of concerns designated by SWPC for the procurement involved after final bid prices have been received but before final choice of contract placement is made. Copies of abstracts of bids, if available, on procurements in which SWPC participates under (1) (iii) will be furnished at this time to the SWPC Procurement Specialist; if a copy is not available, information will be made available so that the SWPC Procurement Specialist may make his own copy.

(vi) Negotiation and placement of awards will be governed by the factors enumerated in § 81.223 (a) to (h) While the contracting office will endeavor to fulfill the percentage allotment for SWPC designees, and to place contracts with such designees for as great a percentage as is practicable, first consideration shall be, in all cases, that of securing performance or deliveries at the time, in the quantity, and of the quality required by the war program, and nothing in paragraphs (a) to (i) of this section shall detract from that consideration. In considerating the factor referred to in § 81.223 (g) with respect to small business concerns, the contracting office may determine that the "most effective utilization of the small plants of the nation" will be accomplished, in a particular instance, by the payment of a higher price (when such price is proved to result from a justifiably higher cost) to a capable small plant in need of business as against a lower price bid by another small plant with an ample workload.

(vii) The SWPC copy of the abstract or information indicated in subdivision (v) of this paragraph will be noted as to awards made and signed by the contracting office.

(3) In the event the SWPC Procurement Specialist does not agree with the position taken by a contracting officer on the points enumerated in subparagraphs (1) and (2) or if small firms chosen by the contracting office to receive awards are considered by SWPC as not suitable to receive award under the procurement and the reasons given by SWPC for this decision are not acceptable to the contracting office, reasonable opportunity will be given SWPC, if military urgency permits, to submit the difference of opinion to the chief of procurement of the contracting office for final decision.

(g) *Encouraging subcontracting to small concerns.* (1) In order to promote subcontracting to small concerns, the chief of each technical service will instruct contracting personnel at all levels to bring to the attention of prospective contractors the policy of the War Department to encourage subcontracting to the greatest practicable degree. The attention of such prospective contractors will be called to the contract clauses set forth in §§ 81.367 and 81.368.

(2) Additional subcontracting to small concerns by existing contractors will be fostered to the degree practicable. When the chief of a technical service or his duly authorized representative determines that increased costs under such additional subcontracts are justifiable, he is authorized to enter into and approve supplemental agreements amending or modifying such existing contracts to provide for the payment of an increased price to the prime contractor to cover the increased costs of such subcontracting. Any such agreement will be made pursuant to the First War Powers Act, 1941, and Executive Order 9001, and may be made without consideration to the Government other than the promotion of the policies stated in Public Law 603, 77th Congress and in subparagraphs (2) and (3) of this paragraph.

(3) The procedures described in subparagraph (2) above will be applied to subcontracts where it appears to be practicable to get a subcontractor to spread his load among more subcontractors.

(h) *Limitations*—(1) *Standardization.* While the SWPC Procurement Specialists will be afforded every practicable assistance in bringing about the further spread of work to smaller plants, consistent with the factors enumerated in §§ 81.223 (a) to (h) inclusive, standardization programs on items where a flow of replacement parts is a factor will also be taken into account in connection with applying the Small War Plants policy.

(2) *Preventing abuses.* In carrying out the policy of spreading the work to smaller war plants, contracting officers must take precautions to prevent abuse of the preferred position of such plants. For instance, a smaller war plant contractor should not be allowed to subcontract substantially the entire work to a large plant at a lower price and thereby to operate virtually as a contract broker.

(i) *Policy matters in connection with the Smaller War Plants Act.* Matters of procedural disagreement will be referred to the headquarters of the technical service involved for settlement with the SWPC Procurement Specialist at that headquarters. If such disagreements cannot be settled at that level, reference

will be made by the technical service to the Small War Plants Branch, Purchases Division, Headquarters, Army Service Forces. All matters of basic policy relating to prime contracting and subcontracting with smaller plants will be dealt with for SWPC by its Washington headquarters and for the War Department by the Small War Plants Branch, Purchases Division, Headquarters, Army Service Forces. On such matters, contact will be between these offices.

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[Procurement Reg. 3]

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

CONTRACTS

Section 81.316 is amended as follows:

§ 81.316 *Numbered contracts.* (a) subject to such special instructions as may be issued by the chief of the technical service concerned, numbered contracts will be distributed as follows:

(1) The original signed number of each lump sum (fixed price) contract will be forwarded to the Army Audit Branch of the General Accounting Offices (see § 81.317b) The original signed number of each cost-plus-a-fixed-fee contract will be forwarded to the War Contract Service Section, Audit Division, General Accounting Office, Washington 25, D. C.

(2) The duplicate signed number will be filed with the contracting officer or as directed by the chief of the technical service concerned.

(3) The triplicate signed number will be forwarded to the contractor.

(4) An authenticated copy will be forwarded to the disbursing officer for his files.

(5) Additional authenticated copies or unauthenticated copies will be distributed as directed by the chief of the technical service concerned.

Section 81.360a is added.

§ 81.360a. *Price adjustment article based on optional periodic adjustment of price*—(a) *Where contractor has had previous experience in production of item.* The following article is for use only in contracts where the contractor has had previous experience in producing the same or substantially the same item. Where the contractor has had no such experience, this article will include the changes set forth in paragraph (b) of this section. Deviations in the form of this article will be made only with the written approval of the Director, Purchases Division, Headquarters, Army Service Forces, or his authorized representative. The principles set forth in § 81.1235a are applicable to the use of this article. Paragraph (h) of the article may be included where the contracting officer deems it appropriate. If this paragraph is omitted, the references to paragraph (h) shown in italics will also be omitted and the letter designations of paragraph (i) and following paragraphs will be appropriately changed.

*Article* ____ (a) The Contractor and the Government have agreed upon the prices fixed in Article ____ hereof, for the items to be delivered hereunder, which prices shall remain in effect unless and until changed in accordance with this article or some other provision of this contract.

(b) Either party may, at any time specified in this article, deliver to the other party a written demand to negotiate to adjust the prices under this contract. The right herein given to demand such negotiation may be exercised by either party at any time and from time to time; *Provided, however,* (1) That no such demand shall be made by either party within ninety days after the date of this contract or the effective date of a previous demand by either party, regardless of the outcome of negotiations under such a previous demand; and (2) that *except as provided in paragraph (h)*, no such demand shall be made within ninety days of the anticipated completion (as determined by the Contracting Officer), of the Contractor's deliveries of items covered by this contract.

(c) Every demand under this article shall specify the date (which, *except as provided in paragraph (h)* of this article, shall not be earlier than the delivery of the demand) after which the adjusted prices shall be effective, which date is herein referred to as "the effective date of the demand" Any demand under this article shall state briefly the ground or grounds therefor and in the case of a demand by the Contractor shall be accompanied by the data required to be furnished in accordance with paragraph (d) of this article. In the case of a demand by the Government the Contractor shall file such data within fifteen days after the delivery of such demand (or at such other time as the parties may agree on) provided that upon written request of the Contractor, the Contractor shall in any event be allowed 15 additional days to prepare such data.

(d) In connection with any such demand, the Contractor will promptly submit to the Contracting Officer the following data:

1. Statements showing—

(A) the experienced cost of producing each item covered by this contract and completed during the Contractor's most recent accounting period of _____ (specify as month, fiscal quarter) ending no earlier than sixty days before the effective date of the demand.

(B) the experienced cost of performance under this contract, broken down in reasonable detail by periods and items, from (1) the inception of the contract or the effective date of the next prior demand, whichever is later, to (2) the beginning of the accounting period referred to in subparagraph 1 (A) above.

2. An estimate of the costs of producing the items to be delivered after the effective date of the demand, itemized in the same manner as in the estimates of costs stated in the War Department Standard Procurement Form. (Alternate wording: Itemized as follows:) Such estimates in general should be arrived at on the basis of the Contractor's planned method of manufacture and should be made in the light of experienced costs shown in the statements submitted pursuant to paragraph 1 of this paragraph (d). All provisions for contingency charges will be shown separately and identified, together with concise but adequate explanations of differences, if any, between each major element of estimated cost and the costs experienced from the inception of the contract or from the effective date of the next prior demand, whichever is the later.

3. Proposed prices for each item covered by the contract to be delivered following the effective date of such demand.

(e) After the filing of the data required by paragraph (d) hereof, the Contractor and the Contracting Officer will negotiate in good faith to agree upon adjusted prices for items to be delivered following the effective date of the demand.

(f) Prices so negotiated and agreed upon may be in excess of, less than, or the same as, the prices stated in Article ____ hereof. There shall be given appropriate consideration in the negotiations, (1) increases or decreases in the Contractor's cost of direct or indirect labor on account of increases or decreases in labor rates ordered or authorized by a duly constituted Government agency, (2) increases or decreases in the Contractor's cost of materials or supplies, or both, used or to be used in the manufacture of the items to be delivered under this contract, resulting from increases or decreases in prices paid or to be paid by the contractor to the supplier, (3) present and prospective changes in the volume of production in the Contractor's plant, (4) any factors indicating that increases in particular costs of the Contractor have been or will be off-set by reductions in other costs during the performance of the contract below such costs as estimated originally or at the time of any prior demand under this article, (5) the extent to which any increases in cost were or will be beyond the control of the Contractor, and (6) any other relevant factors. The extent to which the Contractor, by skillful management, careful buying, or efficiency in production, has reduced costs experienced during the periods preceding the delivery of the demand below the estimated amount thereof, so that the Government will benefit thereby in connection with prices for the remainder of the contract (or until another demand shall be made), or has failed to operate efficiently, shall be taken into account in fixing the adjusted prices and appropriate increases in estimated profit allowances shall be made to reward efficient performance and appropriate decreases in such profit allowances may be made in the case of inefficient performance. During the course of such negotiations the Contractor and the Contracting Officer may also consider other data which they may deem pertinent, including (1) prices paid to others for the same or similar items, (2) trends of prices of the same or similar items, (3) indexes of average hourly earnings, and (4) trends of prices of the raw materials going into the product. The prices of items to be delivered following the effective date of the demand shall not be adjusted to absorb any retroactive increases in the cost of items delivered prior to the effective date of the demand.

(g) After each negotiation, the agreement reached will be evidenced by a supplemental agreement to this contract stating the prices to be effective with respect to deliveries after the effective date of the demand or *for any period prior thereto to the extent permitted by paragraph* (h).

(h) (Optional—see above). The Contractor and the Contracting Officer will negotiate to agree upon adjusted prices for items which were delivered prior to the delivery of the demand in the event that the Contractor is ordered by a duly authorized agency of the Government, or is authorized by such an agency to pay retroactive wage increases affecting the cost of such deliveries. In such negotiations the Contractor and the Contracting Officer will attempt in good faith to estimate the effect of such retroactive wage increases on the cost of items delivered prior to the delivery of the demand and the prices payable for the items so delivered will then be adjusted to reflect, to the extent deemed reasonable under all the circumstances, such estimated effect on cost so

agreed upon. In making any adjustment under this paragraph (h) consideration shall be given to the extent to which increases in costs caused by such retroactive wage increases have been offset by reduction in other costs of the Contractor below such costs as estimated originally or at the time of any earlier demand. Any agreement reached under this provision will be evidenced by a supplemental agreement to this contract which shall be subject to the approval of the Director, Purchases Division, Headquarters, Army Service Forces [in AAF contracts substitute: "the Under Secretary of War or his duly authorized representative"] stating the revised prices to be effective with respect to deliveries during a specified past period. As a condition precedent to such adjustments the Contractor shall submit to the Contracting Officer, not later than twenty days after the order for or authorization of such retroactive wage increases and in any event prior to final payment under the contract, the following:—

(1) A written demand that the parties negotiate to adjust the contract prices on the items delivered during a stated period. That period shall, in no event, commence, at a date earlier than the first day specified in the order or authorization for the retroactive wage increase and shall take into account the extent to which work was done on such items prior to the date of such order or authorization. Such a demand may be incorporated in a demand relating also to a proposed adjustment of future prices.

(2) Estimates of the probable effects of such wage increases on past costs. Such estimates shall be accompanied by estimates of the effect of the wage increase on direct and indirect labor costs and estimates of the inventories of work in process and finished goods at the beginning of the stated period which were incorporated in the deliveries during such period.

(3) Proposed prices for each item covered by the contract which were delivered during the stated period.

(4) A true copy of the order or authorization for such retroactive wage increases. Any disagreement as to any adjustment of price under this paragraph (h) will be disposed of as a question of fact under Article ____ (Disputes), but that article shall not be applicable to any adjustment of price upon any demand other than one under this paragraph (h).

(i) If the Contracting Officer and the Contractor fail to agree as to adjusted prices under a negotiation pursuant to any demand made in accordance with this article, *other than a demand made under paragraph (h)*, within thirty days after the effective date of the demand (or such further period as may be fixed by agreement), the Contractor, if not substantially in default under the contract and if it has substantially complied with paragraph (d) hereof (or, in the case of a demand by the Government, has made reasonable efforts to do so), may give written notice to the Contracting Officer that this contract will terminate on a date to be specified in such notice, (which date shall in no event be earlier than thirty days after the date of the delivery of such notice to the Contracting Officer). Such notice shall take effect upon the date so specified, unless on or prior to such date there shall be served upon the Contractor an order pursuant to Section 801 of the Revenue Act of 1943 fixing the price to be paid for articles and services to be delivered under this contract from and after the date of the order for the balance of the contract or until a date specified in such order. Such an order may reserve the right to issue a further order or orders under said section 801 and may contain any other terms and conditions permitted by Section 801. The Contractor agrees that the delivery of a notice of termination pursuant to this paragraph (i) shall constitute (1) a refusal, within the meaning of Section 801, to agree to a price for the articles and services to be furnished under this contract, which the Secretary considers fair and reasonable, (2) a waiver and release of any right (under said Section 801 or otherwise) of the Contractor to further negotiation with any representative of the War Department as to a fair and reasonable price and (3) a consent by the Contractor that an order may be made pursuant to Section 801 without other or further notice to the Contractor than the service of such order. Upon the service of such an order, the Contractor agrees to continue diligently to perform this contract in accordance with its terms except as modified by said order. The Contractor, however, reserves any and all rights which it may have (in the event of the issuance of such an order) under paragraph (c) of said Section 801 to sue the United States and to recover under said Section. If no such order pursuant to Section 801 is served upon the Contractor on or prior to the date specified in such notice of termination, such notice shall take effect upon the date so specified and the rights and obligations of the parties shall be governed by the provisions of Article ____ hereof (Termination at the Option of the Government). *The Contractor shall have no right to terminate this contract in the event of failure to agree with the Contracting Officer upon any adjustment of price pursuant to a demand made under paragraph (h) hereof.*

(j) In the case of any demand, *except under paragraph* (h), until adjusted prices have been determined by agreement or fixed in accordance with the provisions of paragraph (i) above, the Contractor shall be paid for all deliveries (including any deliveries of completed items made in the event of termination of this contract pursuant to paragraph (i) hereof) the prices in effect immediately prior to the effective date of the demand, but if the prices are changed by agreement or pursuant to paragraph (i) above, an amount equal to the difference between the prices paid on the items delivered after the effective date of such demand and such adjusted prices will be added to or deducted from payments for subsequent deliveries under this contract or will be paid by or returned to the Government, as the Contracting Officer may direct. *In the case of any demand under paragraph* (h) *the prices, in effect prior to any such demand and applicable to the delivered items affected by such demand, will be paid for such delivered items until adjusted prices have been agreed upon or determined pursuant to paragraph* (h), *and thereupon any appropriate adjustments will be made.*

(k) Each of the items of information called for under paragraph (a) above shall be certified by an Officer of the Contractor or an independent public accountant. Such certifications shall be in substantially the following form:

"_____ certify that the foregoing statements and other items of information are in substantial compliance with Article ____ of Contract No. _____ and particularly paragraph (d) of said article ____ further certify that past production costs of the subject item as set forth in the foregoing are the costs revealed in the normal operation of Contractor's cost accounting system; that the charges shown therein are consistent with the Contractor's usual treatment of direct and indirect costs; that indirect costs included therein are based upon allocations made in good faith pursuant to Contractor's usual method of allocation; and that said costs, direct and indirect, are based upon inventory data derived from

(physical inventories taken)
(inventory records maintained)
(strike out inapplicable clause)

in accordance with Contractor's usual inventory practice. _____ further certify that the foregoing statements and other items of information are fair and reasonable for the purposes for which they are to be used."

(l) The Contracting Officer may make or cause to be made whatever examination of the Contractor's books, records, and accounts he deems necessary to satisfy himself with respect to the data submitted by the Contractor pursuant to any provision of this article.

(m) Any adjustment of price under any provision of this article shall be without prejudice to (1) the determination of any excessive profits of the Contractor under the Renegotiation Act; (2) to any order fixing the price of articles to be furnished or services to be rendered hereunder made under Section 801 of the Revenue Act of 1943; and (3) to any right of the Government to terminate this contract under any provision of this contract.[1]

(n) For the purposes of paragraph (d) of Article ____ hereof, (Termination at the Option of the Government), the following provision shall govern:

1. The prices payable for completed items under paragraph (d) (1) of that Article shall be (i) for all items delivered prior to the effective date of the last demand under this article, the contract prices in effect as of the date of delivery of such items, *unless adjusted pursuant to paragraph (h) of this article, in which event such adjusted prices shall be payable;* and (ii) for items delivered after the effective date of the last demand under this Article, (A) the prices agreed upon or determined for such completed items if such prices have been agreed upon or determined, or (B) if such prices have not been agreed upon or determined such estimated prices as the contracting officer deems reasonable under all the circumstances.

2. The "total contract price" shall be computed on the basis of the prices (as adjusted in accordance with this article) actually paid or payable for completed items delivered prior to the effective date of the last prior demand under this article and, for the remaining items covered by the contract, shall be based on (i) the prices determined by agreement or otherwise in accordance with this article for items delivered or to be delivered after the effective date of such last demand, if such prices have been agreed upon or determined, or (ii) such estimated prices for such items as the contracting officer deems reasonable under all the circumstances, if adjusted prices for such items have not been agreed upon or determined. The "contract price of work not terminated" shall also be computed on the basis of (i) and (ii) above.[2]

(b) *Where contractor has had no prior experience in production of item.* The changes set forth in this paragraph (b) will be made in the article found in paragraph (a) of this section, in those cases where it is desired to include that article in a contract with a contractor who has

[1] Paragraph (m) may be suitably modified if exemption from renegotiation is granted at the time of any price adjustment.

[2] Paragraph (n) is to be included in the article whenever the contract contains the uniform termination article (§ 81.324).

had no adequate experience in the type of production called for by the contract. The principles discussed in §81.1235a inclusive, will be applicable to the use of the article in these instances subject to the additional provisions set forth in § 81.1235a (d) The above mentioned changes in the article set out in paragraph (a) of this section are:

(1) Add to paragraph (a) of the article set out in paragraph (a) of this section:

The Government and the Contractor recognize that the costs of performing this contract cannot be accurately estimated at the time of its execution and that the contract price fixed may therefore be either too high or too low. They, therefore, agree that the contract price may be revised upward or downward in accordance with this article and to the extent thereby permitted upon demand of either party as herein provided.

(2) Substitute for the first sentence of paragraph (c) of the article set out in paragraph (a) of this section.

(c) Every demand under this article shall specify the date (which, except as provided in the next sentence of this paragraph (c) *and in paragraph (h)*, shall not be earlier than the delivery of the demand) after which the adjusted prices shall be effective, which date is herein referred to as "the effective date of the demand" In the case of the first demand made pursuant to this article by either party, if made prior to the delivery of thirty percent of the (*here specify principal items to be furnished under the contract*) to be furnished under the contract, the effective date of the demand may be the day before the first delivery of items actually made under this contract.

(3) Add to paragraph (d) 1 (B) of the article set out in paragraph (a) of this section the following:

In the case of a first demand by either party pursuant to this article, which demand requests a revision of the price of items delivered under this contract prior to the delivery of such demand, the contractor shall also furnish statements showing, so far as is reasonably practicable, the experienced costs of performance under this contract from its inception to a date within 10 days of the delivery of the demand. Such costs shall be broken down in reasonable detail and itemized, so far as practicable, in the same manner as in the estimates of costs stated in the War Department Standard Procurement Form.

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[Procurement Reg. 6]

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

INTERBRANCH AND INTERDEPARTMENTAL PURCHASES

In § 81.612 paragraph (a) is added.

§ 81.612 *Purchase of property pursuant to Public Law 670* * * *

(a) *Powers of War Food Administration and Reconstruction Finance Corporation under Public Law 670.* The functions, powers, and duties, with respect to placing orders for materials, supplies, equipment, work, or services of any kind that any requisitioned Federal agency may be in a position to supply, or to render or to obtain by contract, which are vested in the War Department, Navy Department, Treasury Department, Civil Aeronautics Administration and the Maritime Commission under Public Law 670 (see § 81.612) may also be exercised (a) by the War Food Administration, and by any constituent agency or corporation thereof, designated by the War Food Administrator (E.O. 9418; 9 F.R. 1073, 1 Feb. 1944) and (b) by the Reconstruction Finance Corporation, and by any constituent, subsidiary or controlled agency or corporation thereof designated by the Reconstruction Finance Corporation. (E.O. 9440; 9 F.R. 4999, 12 May 1944)

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[Procurement Reg. 7]

PART 83—DISPOSITION OF SURPLUS AND UNSERVICEABLE PROPERTY

DISPOSITION OF PROPERTY

Sections 83.701 to 83.785 are rescinded and the following §§ 83.7-100 to 83.7-309 are substituted therefor:

*General*

§ 83.7-100 *Rescission of instructions.* This regulation and the regulations, manuals and other instructions to which it makes reference, include all outstanding instructions of the War Department on the subject of the disposition of personal property, title to which is in the Government, or to which the Government has the contractual right to acquire title. All other instructions are hereby rescinded. Instructions of the technical services are not affected hereby, but will be promptly conformed to this regulation.

§ 83.7-101 *Subjects not covered.* This regulation does not rescind or otherwise affect TM 38-220 or other publications concerning Stock Control for military property. It does not relate to the disposition of real property, which is governed by War Department Circular No. 8, 1944, and section II ASF Circular No. 28, 1944. It does not relate to the repair or reclamation of personal property, which is governed by War Department Circular No. 7, 1944. It does not relate to the disposition of the proceeds of sales of property, as to which see AR 35-780 and AR 35-6660. It does not relate to the redistribution or disposition of any property located outside of the continental limits of the United States. The policies and procedures governing the disposition of property which has been turned over to a salvage officer or salvage organization, are covered by AR 700-25 and TM 38-505.

§ 83.7-102 *Definitions.* The following terms, when used in this regulation, have the meanings indicated:

"Military property" consists of all supplies and equipment held for issue or issued, to or for troops, military posts within the United States, and theaters of operation; and includes tactical supplies and equipment, subsistence items and property required by tables of allowances, tables of basic allowances, and tables of equipment.

"Non-military property" is all property other than military property.

"Serviceable property" is property other than scrap or waste which is suitable for use in its existing condition.

"Non-repairable property" is unserviceable property which cannot in the best interests of the Government be mended or restored to serviceability, and scrap and waste; and includes, but is not limited to, any obsolete non-military items, and industrial materials, industrial equipment, components, and assemblies (whether partially or completely fabricated, processed or assembled and whether new, used or deteriorated) which have no reasonable use except as scrap.

"Excess property" in the case of military property, is any property in excess of the maximum stock level authorized for a particular organization, supply point or technical service; and, in the case of non-military property, is any property in excess of the immediate and definitely foreseeable needs of a particular industrial installation or other function, activity, project or industrial operation in connection with which the property was acquired.

"Surplus property" is property declared by competent authority to be, or deemed to be, in accordance with the provisions of this regulation, in excess of the immediate or definitely foreseeable needs of the entire War Department.

"Termination inventory" means all personal property (including a proper part of any common materials) properly allocable to a terminated war contract or subcontract of any tier, property excess to the requirements of a cost-plus-a-fixed-fee contractor, and any property in the possession of a fixed-price contractor or subcontractor which the War Department is obligated to take over as the result of a design modification or change order, except any machinery or equipment subject to a separate contract or contract article specifically governing the use or disposition thereof. "Termination inventory" includes contractor-owned property in the hands of a fixed-price contractor or subcontractor, Government owned property in the hands of a cost-plus-a-fixed-fee contractor or subcontractor and Government owned property furnished to any contractor.

"Negotiation" means any method of reaching an agreement on the terms of sale, except the formal sealed bid procedure contemplated by section 3709, R. S. with respect to purchases. (There is no statutory requirement for the formal sealed bid procedure in the case of sales of government property. See opinions of The Judge Advocate General, dated March 19, 1941, SPJGC 1941, and March 30, 1943, SPJGC 1943, 3449)

§ 83.7-103 *Statement of War Department policy.* The demands of the war production program require that the material resources of the nation be used with the utmost efficiency. This can only be accomplished if the accumulation of excess property is avoided and if idle

property is put to productive use at the earliest possible moment. Accordingly, it is the policy of the War Department to prevent the acquisition or retention of excess property by the War Department. It is likewise the policy of the War Department to effect the prompt return of temporarily idle non-military property to productive use. In furtherance of the policy of effecting prompt clearance of the plants of contractors whose contracts have been terminated (see § 88.15-851) every effort will be made to effect prompt disposition of termination inventories. In this connection, attention is called to the letter of the Under Secretary of War set forth in § 88.15-350 (b) and to the statement of the Surplus War Property Administrator set forth in § 83.7-205. The guiding policy of the War Department is to employ all the material resources at its command in the manner which will most effectively facilitate the prosecution of the war. To this end property will be freely redistributed under the authority granted in section III of this regulation. In any event, excess property will be redistributed as promptly as possible. Accordingly, the chiefs of technical services will comply with existing provisions for the review of military property. All affected thereby will strictly observe the requirements of section II, Army Service Forces Circular No. 67, 1944. In addition, chiefs of technical services will maintain constant and active review of all non-military property on hand or in the process of manufacture, to determine the essentiality of such property for the prosecution of approved functions, activities, projects or industrial operations.

§ 83.7-104 *Designation of Redistribution and Salvage Officer* The chief of each technical service will designate a Redistribution and Salvage Officer in his office who will have responsibility for coordinating the activities of the technical service as to salvage activities; as to the determination of what items of non-military property are excess within the technical service; as to the determination of what items of military property should be processed for declaration by competent authority as surplus; and as to the acquisition and use by the technical service of military and non-military items available from other technical services. The Director, Readjustment Division, Headquarters, Army Service Forces, will be promptly notified of the appointment, or change in the appointment of such officer.

§ 83.7-105 *Establishment of Disposal Boards.* (a) The chiefs of the technical services will establish in their field installations, Disposal Boards for reviewing and taking appropriate action with respect to proposed transactions required to be reviewed by this regulation.

(b) Disposal Boards will consist of not less than three members. The members thereof may perform other functions, provided the prompt review of property disposal matters is not hindered and the personnel are qualified by training and experience to afford adequate review with respect to such matters.

(c) Records of the proceedings of Disposal Boards will be maintained by the offices or installations in which they are established. Cases submitted for review will be accompanied by information pertinent to the transaction, particularly as to the following: number of offers or bids solicited and reviewed, and the amounts thereof; condition of the property; status of the buyer with respect to the use to be made of the property, and any other information necessary to show that the market has been adequately tested and that the sale should be made at the price in the quantities stated.

§ 83.7-106 *Disposal Board at chief of service level.* Disposal Boards may be established in the offices of the chiefs of technical services to review and take appropriate action with respect to property transactions as to which review at that level is authorized by this regulation (see §§ 83.7-208 (b) and 83.7-409)

§ 83.7-107 *Extraordinary cases.* Proposed sales or scrapping determinations involving unusual problems or difficulties may be presented for the consideration and advice of the Director, Readjustment Division, Headquarters, Army Service Forces.

§ 83.7-108 *Reports.* The monthly property redistribution reports required by ASF Circular No. 26, 1944, and letter dated 24 January 1944, from the Special Representative of the Under Secretary of War to the Commanding General, Army Air Forces, will continue to be submitted on the forms therein prescribed. Revised forms of reports are in preparation and will be prescribed by amendment to this regulation at an early date.

§ 83.7-109 *Direct correspondence authorized.* Direct correspondence is authorized among all levels of the technical services and representatives of other government agencies in respect of redistribution of available property under this regulation.

§ 83.7-110 *Methods of sale.* All sales of property under this regulation, including sales made by cost-plus-a-fixed-fee contractors pursuant to § 83.7-306, will be made by negotiation in a manner to assure such competition (by taking written bids, making oral inquiry, or otherwise) as is practicable in the circumstances, and consistent with economy, efficiency and the expeditious completion of the proposed sale. The negotiating officer will make every effort to effect the sale in such manner and for such further uses as will most effectively facilitate the prosecution of the war. Sales at ceiling or established market prices and sales under § 83.7-301, need not be delayed for the purpose of soliciting competitive bids.

§ 83.7-111 *Compliance with OPA and WPB regulations.* All sales or other transfers (except transfers within the Government) of property made under the authority of this regulation or otherwise shall conform to applicable orders and regulations of the War Production Board and the Office of Price Administration. Officers responsible for disposal of War Department property may rely upon a representation by the buyer to the effect that the purchase is being made in compliance with all War Production Board regulations affecting the buyer, unless they have knowledge or reason to believe that such representation is false. Such a representation should be incorporated in each written contract of sale. War Department representatives are not responsible, however, for compliance with such regulations in the case of sales by a contractor.

§ 83.7-112 *Federal excise taxes on property sold.* Where property which is subject to Federal excise tax is sold, provisions governing the collection of such taxes found in §§ 81.816 to 81.817 of Procurement Regulation No. 8 will be observed.

§ 83.7-113 *Contract formalities including numbering and distribution.* (a) All contracts for the sale of property made under the authority of §§ 83.7-300 to 83.7-315 of this regulation, all contracts for an amount in excess of $1,000 and all contracts for an amount in excess of $500 which are not to be performed within sixty days shall be evidenced by a written contract prepared in substantially the form set forth in § 81.1326, or in such other form as may be approved by the Director, Readjustment Division, Headquarters, Army Service Forces, or, in the case of sales by salvage officers, in the form authorized or required by applicable regulations. All other sales shall be evidenced on accounting forms now or hereafter prescribed by the chiefs of technical services concerned, subject to the approval of the Fiscal Director, Headquarters, Army Service Forces.

(b) The provisions of §§ 81.309 (a) (b) and (c) and 81. 318b (e) relating to the numbering of contracts are applicable to contracts for the sale of property except that in connection with such contracts a separate series of numbers will be used in which the letter "s" will be added immediately after the letters representing the technical service concerned.

(3) Contracts for the sale of property will be distributed in the same manner as other contracts (see §§ 81.315 to 81.318 of Procurement Regulation No. 3) except that (i) when a sale of War Department property is made under a contract or agreement the officer or agent of the War Department by whom funds are received as a result thereof will, in turning the funds over to a disbursing officer, accompany such remittance with a copy of the contract or agreement covering the terms of the sale; and (ii) the original signed number of each unnumbered contract of sale will be forwarded to the General Accounting Office instead of being sent to the disbursing officer, as in the case of unnumbered contracts of purchase.

(4) A copy of each contract of sale of military property the original cost of which exceeded $2,000 will be distributed to the Chairmen of the Military Affairs Committees of the House and Senate within twenty-four hours after a contract has been made.

§ 83.7–114 *Coordination with Property Officer* All transfers or sales of property under authority herein contained must be coordinated with the Property Officer involved for compliance with applicable property accountability regulations.

§ 83.7–115 *Information as to sales of War Department property.* It is the policy of the War Department to have the facts on all public sales of War Department property kept available at the point of sale for public inspection during normal business hours for any proper purpose. The facts on sales to war contractors will likewise be kept available for inspection by the interested parties; but it is not intended that there should be general publicity as to such sales.

(a) *Furnishing information to periodicals.* When sales are made on written invitations to bid, copies of invitations and information as to awards may be transmitted to periodicals for publicity purposes, or to persons who request invitations for the purpose of advising their clients. In any event, copies of written invitations to bid and information as to awards will be kept available at the point of sale for inspection by representatives of periodicals or other interested parties during normal business hours for any proper purpose.

§ 83.7–116 *Sales to War Department personnel.* Except as authorized by §§ 83.7–300 to 83.7–315 of this regulation, or by AR 30–2290, AR 700–25, TM 38–505, or other War Department publication, no sales of Government-owned property will be made to any official or employee of the War Department nor any officer, enlisted man, or civilian employee of the Army.

*Disposition of Termination Inventories*

§ 83.7–200 *Scope of section.* This section provides authority and procedures for the disposition of termination inventories.

(a) *Circularization not required.* The policy of the War Department is stated in § 83.7–103. The objectives of that policy can best be obtained by vigorous action of the contracting officer and his local aids in redistribution of termination inventories, prior to reporting such property to a Disposal Agency as surplus, with the fullest cooperation of the district organization and any industry organization involved (such as the Ordnance Industry Integrating Committees) and the assistance of the Redistribution Offices of the War Production Board. The greatest freedom of action is therefore accorded these local agencies of the War Department and circularization of termination inventories is not required.

§ 83.7–202 *Disposition by contracting agency.* The following methods of disposition will be employed to effect the redistribution of termination inventories prior to reporting the property as surplus in accordance with § 83.7–209.

(a) Any property which is used or damaged beyond economical repair or is of such a nature that it has no reasonable use except as scrap will be classified as nonrepairable and disposed of in accordance with the provisions of §§ 83.7–400 to 83.7–410 of this regulation. The Under Secretary of War has pointed out that "in many instances work in process must and should be sold as scrap for scrap prices." (See § 88.15–350(b)).

(b) Any serviceable Government-owned property may be used to meet authorized requirements for military supply or industrial purposes and any contractor-owned property may be acquired for such purposes in accordance with the provisions of the contract.

(c) The contractor may be permitted to retain any property at a price agreed upon in accordance with the provisions of §§ 83.7–206, 83.7–207, and 83.7–208.

(d) Any Government-owned property may be transferred to the Navy Department, the Civil Aeronautics Administration, or other governmental agency in accordance with the provisions of §§ 83.7–300 to 83.7–315 of this regulation.

(e) The sale of any property to any purchaser may be made or approved in accordance with the provisions of §§ 83.7–206, 83.7–207 and 83.7–208.

§ 83.7–203 *Redistribution assistance at chief of service level.* Although chiefs of technical services will assist the local agencies under their jurisdiction in the redistribution of termination inventories, it is intended that the local agencies be given the greatest possible freedom of disposition in accordance with § 83.7–202. Accordingly, local agencies responsible for property disposition will refer significant items included in termination inventories to the chiefs of their respective technical services promptly upon receipt of property lists from the contractor. Such reference will not, however, be permitted to delay local disposition, nor will it limit local disposition, nor will it limit local disposition authorty, except as may be specfically directed by the chief of the technical service concerned. Chiefs of technical services will give prompt consideration to the utilization of such items for military supply or industrial purposes within their own service, and may informally bring selected items to the attention of other technical services which might be expected to have an interest therein.

§ 83.7–204 *Redistribution assistance by War Production Board.* In order that the availability of industrial property may be broadly published to manufacturers and other prospective users, significant items included in termination inventories submitted to War Department representatives (other than items for which special disposition arrangements have been made) will be listed with the Regional Offices of the War Production Board. The War Production Board will maintain in its Regional Offices an inventory file of items so reported and will advertise items of general use in the "Redistributor" a weekly bulletin published by its Regional Offices, which is distributed to a large list of manufacturers and dealers. The War Production Board will refer inquiries of prospective purchasers to the contractor or to a War Department representative, as requested. Listing of termination inventories with War Production Board imposes no additional restrictions upon the movement of the property that are not applicable to property not so listed and the reference of prospective buyers by War Production Board imposes no obligations to sell the property to such persons or to accord them any favored treatment whatever.

(a) *Procedure for listing.* The local authority responsible for disposition of termination inventory will transmit, or cause the contractor to transmit, to the Regional Office of the War Production Board for the region in which the property is located (see § 83.7–303 for the addresses of these offices and the territories within their jurisdiction) a listing of the significant items of raw materials, purchased parts and supplies including in termination inventory lists (Schedule C–1) as soon as practicable after the submission of such lists by the contractor. The listing so transmitted may be either in the form of (1) a copy of the complete list of raw materials, purchased parts and supplies (Schedule C–1, § 88.15–939 (a)) submitted by the contractor, or (2) a transcript of all items (i. e., any quantity of like products, materials, etc.—usually indicated by a single entry in the termination inventory list) for which the cost or estimated cost is $1,000 or more. In either case, the listing transmitted to the War Production Board should contain the following information:

*General information:*
- Name of contractor
- Location of property
- Name and address of person with whom negotiations for purchase can be conducted.

*Specific information for each item:*
- Adequate description in commercial terms
- Quantity available
- Cost per unit (as indicated by contractor)
- Condition, if other than new and excellent.

This information will generally be contained in the termination lists submitted by the contractor. Each listing transmitted to the War Production Board should be dated and assigned an identifying number by the transmitting contractor or establishment.

Although not required, significant items of jigs, tools, dies and fixtures (Schedule C–3, § 88.15–939 (c)) that have general use, may be listed with War Production Board under the procedure stated above. Items of work-in-process (Schedule C–2, § 88.15–939 (b)) will not be so listed.

(b) *Advice of disposal.* For each item that it regards as significant, War Production Board will prepare an inventory slip (WPB Form 2206) and return a copy to the contractor or War Department representative who transmitted the listing. When items for which an inventory slip has been returned by the War Production Board are disposed of or otherwise withdrawn from availability, the inventory slip will be promptly sent to the Regional Office of the War Production Board with appropriate notation in accordance with the instructions printed thereon. If a part only of the item has been disposed of, that fact will be noted on the inventory slip and the War Pro-

duction Board will return a new inventory slip for the remainder. When the items remaining undisposed of are reported to a Disposal Agency as surplus (see § 83.7-702) the remaining inventory slips will be returned to the Regional Office of the War Production Board under cover of a memorandum stating the name and address of the Regional Office of the Disposal Agency to which reported, and the date and serial number of the report.

§ 83.7-205 *Pricing policies.* The following statement of general policy applicable to the sale of termination inventories has been issued by the Surplus War Property Administrator:

There is one matter of great urgency * * with respect to which an immediate declaration of policy is believed to be required. This concerned the disposal by or under the authority of a contracting agency of the government, of property becoming available as the result of the termination of a war contract by that agency.

Such termination inventories are becoming available for sale in considerable quantities at the present time. The opportunity to dispose of much of this property is certainly more favorable now than it will be later, and the public interest will be served if it can be sold now and directly from the plant of the contractor where it is located.

I understand that these termination inventories are not now being sold as rapidly or in as large quantities as is desirable, and that this stems in large part from a feeling on the part of contracting and termination officers in the field that they lack a definable policy for making such sales and that they may be criticized for the exercise of boldness and initiative in turning over the property, which results in unwillingness to authorize sales except at prices so high as to be often unobtainable.

Being satisfied that the Government and the public should give the fullest measure of support and encouragement to the disposal of termination inventories at this time, so that they will not both occupy valuable storage space and complicate the future surplus problem at a time when the supply will be greater and the demand smaller, I have issued a statement of policy which I enclose. It is designed to give the strongest impetus to prompt sales of termination inventories to or by contractors consistent with intelligent protection of the public interest. It presupposes a reasonable effort to ascertain and obtain going market values, but makes it clear that where the circumstances preclude this, as they very often will, contracting officers are not subject to criticism for selling, subject to the reasonable requirements set forth in the policy statement, at the best prices reasonably obtainable, even though this may sometimes require going far below cost or nominal market.

The regulations pertaining to sales of termination inventories other than scrap prescribed by the Surplus War Property Administrator are set forth in § 83.7-206. The pricing and review regulations set forth in §§ 83.7-206, 83.7-207 and 83.7-208 apply to the approval of retention of property by the contractor, as well as to sales.

§ 83.7-206 *Specific price regulations*—(a) *Sale of termination inventories where total amount in settlement is less than $10,000.* Sales of any property included in termination inventories, in any case where the entire amount involved in the contract settlement before disposal credits is less than $10,000, will be made or approved at the best price obtainable in the judgment of the officer approving the sale, or, in the case of subcontracts as to which the power of approving the termination settlement has been delegated to a contractor of a higher tier, in the judgment of such contractor.

(b) *Sales of nominal quantities.* Sales of any items or groups of items may be made or approved at the best price obtainable when the estimated cost of all substantially similar items so sold at any one location at any one time does not exceed $1,000.

(c) *Other sales of termination inventories*—(1) *Crude or simple raw materials.* Sales of crude or simple raw materials (such as raw cotton, pig iron, electrolytic copper or sulphur) which are freely traded in, and for which there is a recognizable market price, will not be made or approved at less than the going market price, as nearly as it can be determined by reasonable effort within a reasonable time, taking in account packing, handling, and transportation costs. A list of such materials is being prepared by the Surplus War Property Administration and will be published in this regulation when available.

(2) *Other property.* Sales of property other than crude or simple raw materials, may be made or approved to any buyer at the best price obtainable in excess of 75 percent of (i) cost, estimated if not known or (ii) the price which the buyer would have to pay for an equivalent quantity from a normal source of supply, whichever is lower.

(3) Sales or property, other than crude or simple raw materials, which cannot be disposed of within a reasonable time on the terms stated in subparagraph (2) above, may be made or approved at the best price obtainable to any buyer who will use or consume the property in the United States for manufacturing, construction, maintenance or repair purposes, and who will agree that if he does not use or consume it, he will not resell it at a profit. Written contracts of sale made under the authority of this subparagraph will contain such an agreement.

§ 83.7-207 *General pricing regulations.* To the extent authorized by the foregoing regulations of the Surplus War Property Administrator, termination inventories will be disposed of at fair and reasonable prices within the ceiling prices established by the Office of Price Administration and consistent with the expeditious disposal of property. In determining whether a price is fair and reasonable, the officer making or approving the sale should consider all pertinent factors, including such of the following as he deems relevant in the particular case:

(a) Physical condition of the property.

(b) Obsolescence.

(c) Freight necessary to be absorbed by purchaser to permit resale or use of the property, over amount which would be paid in normal commercial purchase.

(d) Value of the property for a converted use.

(e) Distributing commissions, handling charges, or profit allowances necessary to effect disposition through dealers or distributors.

(f) In case of sales to original suppliers, allowances to cover profit and cost of handling and resale.

(g) Cost of storage and amount of depreciation or deterioration if property is not sold.

(h) Market prices and price trends.

(i) Volume of similar property offered at the time.

(j) Effect of purchases from the Government upon prices which buyer must pay to other suppliers for the balance of his requirements.

(k) Value of post-sale services or guarantees offered by commercial suppliers and not obtainable from the Government.

(l) Inventory hazards and carrying charges of the purchaser.

In determining whether to make or approve a sale, consideration will be given to the present value, resale value, and probable demand for the property in all the circumstances, rather than to cost. Officers making or approving sales must be realistic about values and should recognize that disposal prices will, in many instances, bear little if any relationship to cost to the Government.

Officers making and approving sales and Disposal Boards will be supported by higher authority in the exercise of their honest judgment.

§ 83.7-208 *Review and approval of sales.* Sales made or approved under this section will be subject to prior review and approval by a Disposal Board established in accordance with § 83.7-105 of this regulation, in all cases where:

(a) The cost (estimated if not known) of the property to be disposed of in the sale exceeds $100,000 and it is proposed to sell such property below such cost or estimated cost, less freight and handling charges.

(b) The cost (estimated if not known) of the property to be disposed of in the sale exceeds $10,000 and it is proposed to sell at more than 25% below such cost, or estimated cost, less freight and handling charges.

For the purposes of determining whether or not a sale shall be submitted for the review and approval of a Disposal Board, sales of a single item and simultaneously negotiated sales of different items to a single buyer or of the same item to several buyers shall be considered as a single sale.

(a) *Sales and transfers which need not be reviewed.* The review and approval required by § 83.7-208 applies only to sales of serviceable property. The following transfers and sales may be made or approved without review:

(1) Sales made at specific prices established by or with the approval of the Surplus War Property Administrator;

(2) Sales to a cost-plus-a-fixed-fee contractor for the account of the Government:

(3) Sales of termination inventories to a Government agency:

(4) Transfers between War Department components or to the Navy Depart-

ment, the Civil Aeronautics Administration or other Government agency, whether or not the transfer of funds is required.

(5) Transfers of surplus property to a Disposal Agency for purposes of disposal;

(6) Sales of nonrepairable property or salvage under applicable War Department regulations.

(b) *Review at chief of service level.* Chiefs of technical services may require or permit review by Disposal Boards established in their offices pursuant to § 83.7-106 where the cost (estimated, if not known) of the property to be disposed of exceeds $500,000 and it is proposed to sell at more than 25% below such cost.

§ 83.7-209 *Disposition of surplus* Any termination inventory transferred to the Government or for which the Government assumes storage responsibility pursuant to §§ 88.15-350 to 88.15-368 of Procurement Regulation 15, which has not been disposed of under § 83.7-202 at the time of such transfer or assumption of storage responsibility will be deemed surplus, and, with the exception of stock pile items, will be promptly disposed of in accordance with §§ 83.7-700 to 83.7-710 of this regulation.

§ 83.7-210 *Action to be taken on stock pile items*—(a) *Report of stock pile items.* When any of the items listed in § 83.7-909 are included in termination inventories in quantities equal to or in excess of the "minimum quantities" therein indicated and are not disposed of prior to transfer to the Government or assumption of storage responsibility by the Government, they will be reported to the chief of service having jurisdiction over the termination proceedings, for disposition instructions.

(b) *Action by chief of service.* Upon receipt of a report of stockpile items, the chief of a technical service will promptly determine what items should be retained for stockpile, will make the necessary arrangements for the storage thereof, and will issue disposition instructions to the office originating the report, all in accordance with instructions of the Commanding General, Army Service Forces (Production Division) or the Commanding General, Army Air Forces, as to property of Army Air Forces. The chief of a technical service will also notify the office originating the report as to what items are not desired for stockpile; and upon receipt of such notification such items will be promptly disposed of in accordance with §§ 83.7-700 to 83.7-710.

(c) *Action to be expedited.* It is imperative that action under (a) and (b) of this section be expedited in all echelons in order that double handling of stockpile items may be avoided.

*Disposition of Property for Purposes Directly Related to the Prosecution of the War*

§ 83.7-300 *Scope of section.* This section relates to the disposition of property for the purpose of enabling it to be used directly in the prosecution of the war. Such disposition may be made of both military and non-military property, without regard to its serviceability or state of supply. The authority herein granted may be exercised without first obtaining from the Chief of Staff a certificate under the Act of June 28, 1940, Title I, section 14-a (54 Stat. 631, 10 U.S.C. 1262a) The authority to dispose of property under this section is subject to the provisions of §§ 83.7-700 to 83.7-710 which limit the disposition of property after reporting to a disposal agency as surplus.

§ 83.7-301 *Sale to war contractors.* The chiefs of the technical services are authorized, when it is determined by them that such action will facilitate the prosecution of the war, to make contracts by negotiation for the sale of, and to sell to manufacturers and suppliers having war contracts, including employees and suppliers of war contractors, and to employees of the Government engaged in war production, any machine tool equipment, processing equipment, uniforms, safety clothing and equipment, plant protective clothing and other special articles necessary to persons employed in or otherwise connected with war industries or establishments, manufacturing aids, raw materials, manufactured materials or other materials or facilities presently owned or hereafter acquired by the Government. Such sales shall, however, be made only for the purpose of facilitating the performance of such war contracts or war production. All such contracts will recite that they are entered into pursuant to the First War Powers Act and Executive Order No. 9001.

(a) *Pricing policies.* Any sale made under § 83.7-301 shall be made in compliance with the provisions of §§ 83.7-206 and 83.7-207.

(b) *Review of sale.* Any sale made under § 83.7-301 shall be made in compliance with the provisions of § 83.7-203.

§ 83.7-302 *Sales to Red Cross and U. S. O.* The chiefs of the technical services are authorized to make contracts by negotiation and to sell to the Red Cross and the United Service Organization any military, subsistence, or other supplies or property which the chief of the technical service finds is needed by such institution in connection with its activities with the Army: *Provided,* That no such sale of military property will be made without the prior approval of the Commanding General, Army Service Forces (Stock Control Division), or in the case of the Army Air Forces property, the Commanding General, Army Air Forces, or his delegate or delegates. All such contracts will recite that they are entered into pursuant to the First War Powers Act and Executive Order No. 9001.

§ 83.7-303 *Other sales.* Sales for purposes directly related to the prosecution of the war, other than those authorized by §§ 83.7-301 and 83.7-302, may be made by the chiefs of the technical services *Provided,* That the approval of the Director, Readjustment Division, Headquarters, Army Service Forces, is first obtained.

§ 83.7-304 *Leases.* Under the First War Powers Act, 1941, and Executive Order No. 9001, and section I of the Act of July 2, 1940 (Public No. 703, 76th Congress) as continued in effect by section 13 of the Act of June 5, 1942 (Public No. 530, 77th Congress), the chiefs of the technical services are authorized, when it is determined by them that such action will facilitate the prosecution of the war:

(a) To include in supply contracts the Government-Owned Facilities article prescribed in § 81.332, subject to the regulations set forth as notes to § 81.332 and to other applicable paragraphs of these procurement regulations (see Procurement Regulation 10 (§§ 81.1001 to 81.1020) for approvals of higher authority which must be obtained in certain cases).

(b) To enter into separate lease agreements (i. e., agreements not made part of supply contracts) as authorized by Procurement Regulation 10 (§§ 81.1001 to 81.1020)

§ 83.7-305 *Leases under other statutes.* Authority for the execution of lease agreements may be found in certain statutes other than those mentioned in § 83.7-304. See AR 850-30 for the terms of those statutes.

§ 83.7-306 *Disposition by contractors.* The chiefs of the technical services are authorized, when it is determined by them that insertion of such provision will facilitate the prosecution of the war or is necessary to carry out the purposes specified in section 1 of the Act of July 2, 1940 (Public Law 703, 76th Congress, 54 Stat. 712) to insert in cost-plus-a-fixed-fee contracts and subcontracts heretofore or hereafter executed, the clause set forth in § 81.363, and any property may be disposed of by contractors pursuant to such clause.

§ 83.7-307 *Transfer to other Federal agencies.* Any property not declared or deemed surplus, may upon the requisition of another Federal agency made pursuant to section 7 (a) of the Act of May 21, 1920 (41 Stat. 613) as amended by section 601 of the Act of June 30, 1932 (47 Stat. 417) and by the Act of June 20, 1942, (Public Law 670, 77th Congress, 56 Stat. 651, 31 U.S.C. 686) be transferred to such agency in accordance with said section: *Provided,* That military property will be transferred only with the approval or pursuant to regulations of the Commanding General, Army Service Forces (Stock Control Division) or, in the case of the Army Air Forces, the Commanding General, Army Air Forces, or his delegate or delegates.

§ 83.7-308 *Transfer to other War Department components.* Any property may, by direction of the chief of the technical service having control thereof, be transferred to another War Department component which has need of such property and makes request therefor: *Provided,* That military property will be transferred only with the approval or pursuant to regulations of the Commanding General, Army Service Forces (Stock Control Division) or, in the case of military property of the Army Air Forces, the Commanding General, Army

Air Forces, or his delegate or delegates. Regulations prescribed by the Commanding General, Army Service Forces, governing the transfer of military property of Army Service Forces between *War Department components are set* forth in ASF AG Letter SPX 300.8 (13 November 1943) OB-P-SPDDP-MB-A, 18 November 1943, Subject: Policy Governing Transfer of Military Property between Technical Services.

§ 83.7-309 *Transfers to and from Navy.* Upon request from the Navy, any property may be transferred to the Navy with the approval of the chief of the technical service concerned and any property requested by the chief of the technical service concerned may be accepted from the Navy. Such transfers of property to the Navy will be made only with the approval or pursuant to regulations of the Commanding General, Army Service Forces (Stock Control Division) as to military property of Army Service Forces, and the Commanding General, Army Air Forces, or his delegate or delegates, as to military property of the Army Air Forces.

§ 83.7-310 *Transfers to Civil Aeronautics Administration.* Any property may, by direction of the chief of the technical service having control thereof, be loaned or transferred to the Administrator of Civil Aeronautics upon written request from him stating that the property will be used in carrying out the purposes of the Civilian Pilot Training Act of 1939 as amended (49 U.S.C. sec. 756) Such transfers will be made only with the approval or pursuant to regulations of the Commanding General, Army Service Forces (Stock Control Division) as to military property of Army Service Forces, and the Commanding General, Army Air Forces, or his delegate or delegates, as to military property of the Army Air Forces.

§ 83.7-311 *Transfers with reimbusement.* Transfers of property under § 83.7-307 will be effected with reimbursement pursuant to the statutes therein cited. Transfers of property permitted under §§ 83.7-308 and 83.7-309 will be effected with reimbursement of, or transfer or allotment of funds to, the transferor by the transferee,

(a) Where property is transferred to any War Department agency for use in connection with civil functions administered by the War Department, or,

(b) In any case where the property is procured by the transferor for the transferee:

(1) By assignment of sole purchase responsibility·

(2) Under procurement pooling arrangements;

(3) Under any arrangement for procurement by the transferor expressly upon the prior requisition of the transferee.

§ 83.7-312 *Transfers without reimbursement.* Transfers of property permitted under §§ 83.7-308 and 83.7-309 under circumstances other than those specified under § 83.7-311, and transfers of property permitted under § 83.7-310, will be effected without any reimbursement of, or transfer or allotment of funds to, the transferor by the transferee, for either the cost of the property or of packing, handling, or transportation.

§ 83.7-313 *Procedure for transfers without reimbursement.* Officers authorized to transfer or direct the transfer of property without reimbursement under § 83.7-312 will prepare written orders, listing in detail the property to be transferred, copies of which will be furnished to the Accountable Property Officer and the receiving officers. Such orders will contain a request that the authority directing the transfer be advised of any discrepancies between the order and the property shipped or received. A copy of such orders will be used as a valid debit or credit voucher to property accounts. It will not be necessary to list for fiscal or property accounting purposes dollar values of property transferred without reimbursement.

§ 83.7-314 *Gifts and loans of drawings and other property.* (a) The chiefs of the technical services are authorized, without further approval, to give or lend drawings, manufacturing and other information and samples of supplies and equipment to be manufactured or furnished, to contractors and private firms which are or may likely be manufacturers or furnishers of supplies and equipment for the use of the War Department under approved production plans.

(b) Whenever they determine that such action will facilitate the prosecution of the war, the chiefs to technical services are authorized to give or lend, by appropriate written agreement reciting such determination, to organizations engaged in experimental research, testing, or developing, such items and any other material, supplies or equipments for use in connection therewith: *Provided,* That if in the case of a gift the estimated value of the property in question exceeds $1,000, or, in the case of a loan, $50,000, the approval of the Director, Readjustment Division, Headquarters, Army Service Forces, will first be obtained.

(c) The Commanding General, Army Air Forces, whenever he determines that such action will facilitate the prosecution of the war, may authorize the transfer, loan, bailment or lease, by appropriate written agreement reciting such determination, of aircraft, aircraft engines, or aircraft equipment or matériel, without limitation as to the value thereof, to Army Air Forces contractors for the purpose of experimental research, testing or development, training of contractor's personnel, or urgent transportation requirements of such contractors in connection with the performance of their war contracts.

§ 83.7-315 *Exchange of property.* The chiefs of technical services are authorized to make any exchanges of property which are authorized by the following statutes: 39 Stat. 635, 10 U.S.C. 1271, 40 Stat. 43, 849, 10 U.S.C. 1272; 38 Stat. 1064, 10 U.S.C. 1273; 38 Stat. 1161, 41 U.S.C. 26; 50 Stat. 64, 5 U.S.C. 118d; 53 Stat. 739, 10 U.S.C. 1271 (a) 44 Stat. 680, 10 U.S.C. 1209, 1210 Act of July 2, 1940, Public 703, 76th Congress, as extended by the Act of June 5, 1942, Public 580, 77th Congress; section 203 of the Act approved June 26, 1943, Public Law No. 90, 78th Congress. Any other exchanges will be submitted for the approval of the Director, Readjustment Division, Headquarters, Army Service Forces.

*Disposition of Non-Repairable Property*

§ 83.7-400 *Scope of section:* This section provides the authority and procedures for disposing of non-repairable property. It is of special importance in connection with the disposition of termination inventories as it covers the disposal of property classified as scrap. The memorandum of the Under Secretary of War set forth in § 88.15-350 (b) and the provisions of § 88.15-855 state the policy of the War Department with respect to the scrapping of termination inventory.

§ 83.7-401 *Non-military property other than current production scrap.* (a) Government-owned non-military property other than current production scrap may be classified as non-repairable by the submission of a list of the property involved to an authorized officer and the execution thereon by such officer of the following certificate:

It is my opinion that the property listed hereon is (include (1) or (2), whichever is appropriate)

(1) Used or damaged beyond economic repair

(2) Obsolete or so specialized in design or otherwise of such a nature that it has no reasonable use except as scrap and is therefor properly classified as non-repairable, non-military property in accordance with the provisions of Procurement Regulation No. 7 (§§ 83.7-700 to 83.7-710) and that its condition is not due to fault or neglect.

Where the property is new but nevertheless properly classified as non-repairable, as will be the case with many obsolete items and items of work in process, the phrase following the last comma may be omitted.

The certifying officer will inspect the property or require the submission of such statement of fact and report of inspection as he deems necessary as a basis for the execution of the certificate.

(b) A copy of such list with the certificate will be furnished to the accountable property officer, and will operate as a credit voucher discharging accountability.

(c) Property so certified, except property in the possession of a contractor which is to be disposed of under § 83.7-403, will be turned over to a salvage officer with a copy of the list and certificate.

(d) Non-repairable property in the possession of a cost-plus-a-fixed-fee contractor may be either (1) sold to or by the contractor in accordance with the provisions of § 83.7-403 below, or (2) turned over to a salvage officer for disposal. In either case the certificate prescribed in sub-paragraph (1) above will not be required. In such cases, the credit voucher to the property account will consist of a copy of the list of property

turned over to a salvage officer or approved by the contracting officer for sale by the contractor, supported by the contracting officer's written advice to the accountable property officer as prescribed in paragraph 1004 (a) of the War Department Industrial Property Accounting Manual, or, if there is no question as to the responsibility of the contractor for the condition of the property, supported by written order of the contracting officer directing transfer to the salvage officer or approving the sale by the contractor.

§ 83.7–402 *Current production scrap.* Current production scrap, which is industrial scrap resulting from the fabricating or processing of raw materials (such as chips, cuttings, borings, and short ends of ferrous and non-ferrous metals, clippings and cuttings from wool and cotton fabric, residues from chemicals and plastics, rubber and treated fabric offal, glass, paper and lumber offal, damaged and unsuitable packing materials and containers) other than that disposed of by a cost-plus-a-fixed-fee contractor under contract provisions, will be turned over to a salvage officer, without the certification required under § 83.7–401.

§ 83.7–403 *Sale of non-repairable property by or to contractors.* Any non-military property in the possession of a cost-plus-a-fixed-fee contractor, which has been classified as non-repairable pursuant to § 83.7–401 above, and any contractor-owned property included in termination inventory as to which a determination to scrap has been made, may be sold by the contracting officer to the contractor, or retained or sold by the contractor with the approval of the contracting officer.

§ 83.7–404 *Military property, and non-military property not certified under § 83.7–401.* Military property, and non-military property which cannot be certified under § 83.7–401, may be classified as non-repairable and turned over to a salvage officer in accordance with the provisions of AR 35–6640, and War Department Circular No. 7, 1944.

§ 83.7–405 *Designation of salvage officer* Chiefs of technical services may designate the salvage officer to receive and dispose of non-repairable non-military property.

§ 83.7–406 *Disposition by salvage officers.* All property turned over to a salvage officer in accordance with this section will be disposed of in accordance with AR 700–25, TM–38–505, and any other applicable regulations.

§ 83.7–407 *Special procedure.* Non-repairable property included in termination inventory may be disposed of by contracting officers under regulations prescribed by the chief of the technical service concerned, in lieu of being turned over to a salvage officer, provided the approval of the Director, Readjustment Division, Headquarters, Army Service Forces, is first obtained.

§ 83.7–408 *Review and approval of scrapping.* Government-owned non-military property (other than that worn out through fair wear and tear) will not be certified as non-repairable property under § 83.7–401 of this regulation, nor will a determination to scrap contractor-owned property included in termination inventory be made, without the prior review and approval of a local Disposal Board if the cost (estimated if not known) of the property covered by the certificate or determination exceeds $50,000. Property will not be subdivided for the purpose of avoiding this limitation.

§ 83.7–409 *Review at chief of service level.* Disposal Boards established in the office of a chief of a technical service pursuant to § 83.7–106 may review certification of Government-owned non-repairable property under § 83.7–401, or determination to scrap contractor-owned property included in termination inventory, where the cost of the property involved (estimated if not known) exceeds $500,000.

§ 83.7–410 *Pricing policies on sales of non-repairable property included in termination inventory.* The following pricing policies prescribed by the Surplus War Property Administrator will apply to (1) the retention or sale by the contractor of non-repairable property included in termination inventory, and (2) the sale by contracting officers of such property when approval for such procedure has been obtained under § 83.7–407.

(a) *Where total amount in settlement is less than $10,000.* Sales of any non-repairable property included in termination inventories, in any case where the entire amount involved in the contract settlement before disposal credits is less than $10,000, will be made or approved at the best price obtainable in the judgment of the officer approving the sale, or in the case of subcontracts as to which the power of approving the termination settlement has been delegated to a contractor of a higher tier, in the judgment of such contractor.

(b) *Large termination inventories.* Sales of non-repairable property included in termination inventories where the entire amount involved in the contract settlement before disposal credits is $10,000 or more will be made in accordance with the following policies:

(1) The officer making or approving the sale or his representative shall determine, as nearly as may be possible by reasonable effort within a reasonable time, the going price of the type of scrap in question by reference to published trade indicators or inquiry among Government agencies, dealers, or other informed sources, taking into account transportation cost and sundry other charges.

(2) If it is possible to realize this price without competitive bidding the contracting officer may approve the sale.

(3) If it is not possible to obtain this price the contracting officer will arrange for sale of the property after competitive bids, reserving the right to reject all bids if in his judgment an adequate price is not offered.

(4) All sales of scrap, whatever method of sale is adopted, shall be subject to the following warranty:

> The purchaser represents and warrants to the United States that the property covered by this agreement was offered as scrap, purchased by him as scrap, and that he will sell or ship or use it as scrap either in its existing condition or after further preparation and only in conformity with all applicable regulations and orders of the Office of Price Administration and the War Production Board.

In the case of contractor sales, the phrase "to the United States" shall be omitted.

*Disposition of Serviceable Military Property*

§ 83.7–500 *Scope of section.* This section provides authority and procedures in addition to those in §§ 83.7–300 to 83.7–315 and 83.7–400 to 83.7–410 for the disposition of military property. In this connection, attention is called to the policy of the War Department requiring prompt disposition of excess property as stated in § 83.7–103.

§ 83.7–501 *Declaration of surplus.* The chiefs of the technical services are authorized to declare serviceable military property surplus with the approval of, or subject to regulations prescribed by, the Commanding General, Army Service Forces (Requirements Division), or the Commanding General, Army Air Forces, or his delegate or delegates, as to property of the Army Air Forces, and to dispose of such property in the manner provided in this section V notwithstanding the provisions of section 14a, Chapter 440, of Title 1 of the Act of June 28, 1940 (54 Stat. 681, 10 U. S. C. 1262a). The regulations prescribed by the Commanding General, Army Service Forces, governing the declaration of military property as surplus are set forth in ASF Circulars Nos. 67 (section I) and 101 (section II) 1944.

§ 83.7–502 *Mutilation and disposition of certain military property that is unsuitable for civilian use.* Because of their peculiarly military characteristics, certain items such as lethal weapons, ammunition, certain aeronautical equipment, classified articles (see AR 380–5) and distinctive articles of the uniform, cannot be released for civilian use when they are declared surplus, but must be mutilated and scrapped, disarmed, stripped of their military characteristics, altered and declassified, or otherwise made suitable for non-military use before they are disposed of. When such items are declared surplus, the authority declaring them surplus will give specific directions for the mutilation, alteration, disarming, stripping, cannibalization or other action to be accomplished before disposal; and will give further specific directions as follows:

(a) If, in his judgment, the items, or the residue thereof, will have no reasonable use except as scrap after such mutilation, etc., he will direct that the items, or the residue thereof, be turned over to the local salvage officer for disposal as scrap in accordance with applicable sal-

vage regulations. (See AR 35-6520, Par. 5b. (5) for accounting procedure.)

(b) If, in his judgment, the items or any part thereof will have value for civilian use after such mutilation, etc., he will direct that they be disposed of as surplus after the accomplishment of such mutilation, etc.

§ 83.7-503 *Disposition of surplus.* Military property declared surplus and not directed to be disposed of as scrap will be disposed of in accordance with §§ 83.7-700 to 83.7-710. (See AR 35-6520, Par. 5b. (4) for accounting procedure.)

*Disposition of Serviceable Non-Military Property Other Than Termination Inventory*

§ 83.7-600 *Scope of section.* This section provides authority and procedures for disposing of non-military property other than termination inventories, in addition to those set forth in §§ 83.7-300 to 83.7-315 and §§ 83.7-400 to 83.7-411. In this connection attention is called to the policy of the War Department set forth in § 83.7-103 requiring constant and active review of non-military property on hand and in the process of manufacture and prompt disposition of excess property.

§ 83.7-601 *Circularization.* When it has been determined that items of non-military property are not required for an immediately or definitely foreseeable need at the point of use, action will be immediately taken to redistribute such items within the technical service concerned or to return the property to a direct war use in accordance with §§ 83.7-300 to 83.7-315. When such items cannot be so redistributed promptly to fill known requirements or requirements that can be ascertained by informal inquiry (which should be localized and expedited to the greatest extent practicable) the circularization procedures established in §§ 83.7-600 to 83.7-605 will be promptly instituted and vigorously pursued. It is intended that circularization will be effected contemporaneously within the technical service of origin and among other technical services, to the fullest extent practicable. The chiefs of the technical services will designate the offices within their respective services which will originate circularization lists and the intervals of time at which circularization lists will be originated. In no event will any item of production or utility equipment (see paragraph (b)) be withheld from circularization for a period in excess of 60 days after it becomes idle, unless (1) it is comprised in a complete industrial installation that has been reported as excess under War Department Circular No. 8, 1944, (see paragraph (e) of this section) or that has been authorized to be held as standby, or (2) it has been placed on a schedule of items authorized to be held as War Reserve, or (3) the Director, Readjustment Division, Headquarters, Army Service Forces, has been advised that the equipment is being withheld from circularization for a stated future use, or for other stated reasons.

(a) *Circularization lists.* Circularization lists will be divided into Part 1, Part 2, Part 3, Part 4, and Part X. Property listed under the respective subdivisions will be referred to as "part 1 property" "part 2 property" and so forth.

(1) Part 1 will include all items of production equipment and utility equipment.

(i) Production equipment includes the following:

Machine tools.
Metal working machinery.
Cleaning and spraying equipment.
Compressors and vacuum pumps.
Industrial pumps.
Industrial conveying machinery.
Engines and turbines, general purpose.
Heat exchangers.
Optical machinery.
Industrial cranes and hoists.
Thermal driers and dehydraters.
Fans, blowers and exhausters, industrial types.
Pressure and vacuum filters.
Pressure vessels (other than boilers).
Electric motors, integral horsepower, and electric motor controls.
Power conversion equipment.
Foundry equipment.
Heat treating equipment.
Welding and cutting equipment, industrial types.
Crushing, pulverizing, screening and mixing equipment and machinery, industrial types.
Special industry machinery (specialized machinery for food products, pulp and paper, printing trades, rubber working, petroleum, ceramics, glass, shoemaking, textile, tanning, pharmaceutical, chemical and other special industries).

(ii) Utility equipment includes major items of equipment used in the generating, processing, transmission or distribution of electricity, gas and water, and in the disposal of sewage.

(2) Part 2 will include all construction equipment of a standard type not so restricted in design as to render it unsuitable for nonmilitary use of a recurring nature. Such construction equipment includes, but is not limited to, drilling and boring equipment, earth and rock, including core drills, rock drills, churn drills, earth borers and horizontal augers; power cranes and shovels, drag lines, buckets, stiff-leg derricks, and dredges; scrapers, maintainers, and graders; tractors, track-laying and wheel types; tractor-mounted construction equipment including angledozers, bulldozers, and power control units; winches and hoists, contractors elevating, road brooms, concrete buggies and carts, bins, centerline marking equipment, road discs, ditchers, aggregate dryers, joint and crack filling machinery, road forms, form tamping machines, mud jacks, portable snow loaders, tamping rollers, scarifiers, concrete towers, contractors' crawler wagons, and similar equipment; construction material mixers, spreaders, pavers, surfacers, finishers, tampers, vibrators, and related construction machinery construction material processing equipment, including asphalt plants and portable crushers.

(3) Part 3 will include all items not included in Parts 1, 2, or 4, which, in the judgment of the technical service concerned, have a reasonably foreseeable use for industrial or military purposes or for civilian supply and which cannot practicably and expeditiously be redistributed without wide circularization.

(4) Part 4 will include controlled materials in the forms and shapes and in the minimum quantities set forth in § 83.7-901. Part 4 will be subdivided into: Part 4A, consisting of steel; Part 4B, consisting of copper and copper base alloy and Part 4C, consisting of aluminum. Circularization lists of Part 4 property will be prepared substantially in the form set forth in §83.7-901 (a) (b) and (c)

(5) Part X will include all items not included in Parts 1, 2, 3, and 4.

(b) *Description and coding.* (1) Circularization lists will be on 8 x 10½ paper and will contain the following information:

(i) Name of issuing office together with the station identification number and appropriate letter symbol of the technical service concerned.

(ii) Serial number of list. Each issuing office will serially number each list circularized beginning with the number 1.

(iii) Date of circularization, which will be the date of transmittal required under paragraph (c) of this section.

(iv) Serial number of items or lots. Items or lots will be serially numbered under each part of each list.

(v) Description of items or lots. Descriptions will comprise such information as would be required by the controlling technical service if it were procuring the property, including, when pertinent, name of manufacturer, manufacturer's catalog number if available, identification numbers, location, age, condition, quantity and cost per unit if available.

(vi) Specific instructions by which an interested agency may be guided in negotiating sale or transfer of property reported. Names, mail and telephone addresses of officers authorized to carry on negotiations, may be either included in each list circularized or published in bulletin form by the technical service concerned to all recipients of the lists.

(2) For the purpose of convenient abbreviation in communications regarding property circularized, items may be identified by code, which will include in sequence, the station identification number and the letter symbol of the issuing office, serial number of list, part of list, serial number of item. For example a particular heat exchanger listed as the second item of Part 1 of the third list circularized by an office of Ordnance Department, having station identification number "12345" would be identified as "12345-Ord-3-1-2."

(c) *Transmittal of lists.* Circularization will be accomplished by transmitting copies of Circularization Lists as follows:

(1) Parts 1 and 3 to the offices listed in § 83.7-902.

(2) Part 2 to the Redistribution and Salvage Officer, Office of the Chief of Engineers (3 copies) and to Readjustment Division, Headquarters, Army Service Forces (3 copies)

(3) Part 4 to Readjustment Division, Headquarters, Army Service Forces, (3 copies) and to the Regional Office of War Production Board for the Region

in which the property is located. The addresses of such Regional Offices and the territories within their jurisdiction are set forth in § 83.7-903.

(4) Part X to Readjustment Division, Headquarters, Army Service Forces, to procurements offices of other technical services at such levels and within such geographical areas as the technical service concerned deems desirable, and to the Regional Office of War Production Board for the region in which the property is located.

(5) Transmittal of Circularization Lists to War Production Board is required for the sole purpose of advertising the availability of excess property to military agencies, war contractors and others to whom disposition is permitted under §§ 83.7-300 to 83.7-315 of this regulation. Such transmittal does not impose any restrictions upon the movement of the property included therein that are not otherwise imposed by applicable regulations of War Production Board, nor does it impose any obligation to sell or transfer to any prospective purchaser or transferee referred by the War Production Board to the War Department representative responsible for disposal or to accord them any favored treatment whatever.

(d) *Certain items as to which circularization may be limited or eliminated.* The following types of non-military property (in addition to termination inventories) may be omitted from general circularization lists:

(1) Items that are peculiar to a technical service and which, in the judgment of the chief of the technical service concerned, have no value to other technical services or their contractors. Such items, when determined, by means of limited circularization or otherwise, to be excess to the technical service concerned, will be deemed surplus without further action and disposed of in accordance with §§ 83.7-700 to 83.7-710.

(2) Single items or groups of items, where the cost, estimated if not known, of all substantially similar items in excess at any one time and at any one place does not exceed $100. Such items will be deemed surplus without further action and disposed of in accordance with § 83.7-701.

(e) *Certain equipment not to be circularized without prior approval.* Part 1 property comprised in a complete industrial installation reported as excess under War Department Circular No. 8, 1944, will not be circularized under §§ 83.7-600 to 83.7-605 unless such circularization has been approved or directed by the Director, Readjustment Division, Headquarters, Army Service Forces.

(f) *Certain equipment that may be turned over to another technical service for redistribution.* Production equipment may be turned over to Ordnance Department, and utility equipment and construction equipment may be turned over to the Corps of Engineers, when such equipment is determined, by means of limited circularization or otherwise, to be excess to the technical service concerned. The Chief of Ordnance and the Chief of Engineers, respectively, will accept physical delivery, accountability and responsibility for utilization, storage as necessary, redistribution and disposal of equipment so turned over. If general circularization under § 83.7-601 has been initiated by the technical service of origin prior to turning over the property, the action required by §§ 83.7-600 to 83.7-605 will be completed by the Chief of Ordnance or the Chief of Engineers, as the case may be. If general circularization under § 83.7-601 has not been initiated by the technical service of origin prior to turning over the property, the action required by §§ 83.7-600 to 83.7-605 will be promptly initiated by the Chief of Ordnance as to items turned over to Ordnance Department for which requirements cannot be promptly ascertained, and by the Chief of Engineers as to items turned over to the Corps of Engineers for which requirements cannot be promptly ascertained. The procedure for turning over such equipment to Ordnance Department is set forth in section VIII, ASF Circular No. 4, 1944, and to the Corps of Engineers in section III, ASF Circular No. 28, 1944.

(g) *Circularization period.* The period of 60 days after transmittal of Circularization Lists is established as the circularization period for Part 1 property, and the period of 30 days after the transmittal of Circularization Lists is established as the circularization period for Parts 2, 3 and 4, and X property.

§ 83.7-602 *Disposition during circularization period.* Before the termination of the circularization period, the technical service concerned will determine what property included in Circularization Lists should be retained for present or definitely forseeable needs within such service for military or industrial purposes, or for authorized stockpile or War Reserve, and will withdraw such property from availability. Property which is not so withdrawn may be disposed of during the circularization period in accordance with the provisions of §§ 83.7-300 to 83.7-315 of this regulation. The Chief of Engineers is specifically charged with acquiring items of Part 2 property not withdrawn under the first sentence of this paragraph which are suitable for troop use or tactical operations.

§ 83.7-603 *Disposition after circularization period.* Upon the termination of the circularization period industrial property which has not been withdrawn or disposed of under § 83.7-602 will be deemed surplus, without further action, and disposed of in accordance with §§ 83.7-700 to 83.7-710.

§ 83.7-604 *Deviation from regulations in exceptional cases.* When adherence to the regulations prescribed in these §§ 83.7-600 to 83.7-605 would impede the expeditious return of unneeded industrial property to use in the war effort, the Director, Readjustment Division, Headquarters, Army Service Forces, is authorized to permit deviation therefrom with respect to the disposition of classes or particular items of industrial property. Applications under this paragraph will include the following:

(a) A description of the class of items, or in the case of particular items, a reference to the list in which the items have been listed, or a description of the items in accordance with paragraph (b) (1) (v) if they have not been listed.

(b) A statement of the circumstances indicating the desirability of deviation from the procedures established in §§ 83.7-600 to 83.7-605.

§ 83.7-605 *Non-military property peculiar to Army Air Forces.* Sections 83.7-600 to 83.7-605 does not apply to non-military property peculiar to aircraft production to the extent that any of the provisions hereof may be inconsistent with procedures established for the redistribution of such property by or under the direction of the Aircraft Resources Control Office of the Aircraft Production Board or the Surplus War Property Administration.

*Disposal of Surplus Property*

§ 83.7-700 *General.* Under its Regulation No. 1, effective 15 May 1944, the Surplus War Property Administration has assigned responsibility for disposal of surplus property among Disposal Agencies as indicated in § 83.7-804 and has established procedures for reporting surplus property to these Disposal Agencies. When property has been determined to be surplus under the procedures established under §§ 83.7-200 to 83.7-210, §§ 83.7-500 to 83.7-503 and §§ 83.7-600 to 83.7-605 of this regulation, action will be promptly taken to dispose of nominal quantities of property in accordance with § 83.7-701 and to report the remaining surplus property to the appropriate Disposal Agencies in accordance with § 83.7-702.

§ 83.7-701 *Disposal of nominal quantities.* Single items or groups of items of surplus property, where the cost, estimated if not known, of all substantially similar items in surplus at any one time and at any one place does not exceed $100, will be turned over to the local salvage officer (or to the contracting officer, where there is no local salvage officer) for sale. Sales of such property by the local salvage officer will be made in accordance with regulations applicable to the sale of salvage, except that all documents relating to such sales will be clearly marked to indicate sale of surplus property. Sales of such property by the contracting officer will be made in accordance with regulations prescribed by the chief of the technical service concerned.

§ 83.7-702 *Reporting to Disposing Agency.* Surplus property other than that required to be disposed of under § 83.7-701 will be promptly reported to Disposal Agencies as follows:

(a) *Ships, small watercraft and related property.* Surplus ships of commercial design or susceptible to commercial use will be reported to the United States Maritime Commission, Attention: Captain R. J. Moran, Director, Division of Small Vessel Procurement, Washington 25, D. C. Before reporting, detailed instructions as to descriptive matter and other information to be supplied will be obtained from that office. Small

watercraft and other property assigned to the Maritime Commission as set forth in § 83.7-904 will be reported to the United States Maritime Commission, Attention: Mr. E. W Gorman, Assistant to the Director of the Procurement Division, Washington 25, D. C.

(b) *Aircraft and related property.* Surplus aircraft and gliders, aircraft engines, propellers, and spare parts, special components, and subassemblies of aircraft and gliders, will be reported to the Reconstruction Finance Corporation, Attention: Surplus Property Director, Washington 25, D. C.

(c) *Food and related property.* Surplus food and related property assigned to War Food Administration as set forth in § 83.7-904 will be reported to the Regional Office of the War Food Administration for the region in which the property is located. The address of the Regional Offices of the War Food Administration and the territories within their jurisdiction are set forth in § 83.7-906.

(d) *Military property other than aircraft, food and ships.* Military property other than aircraft, food and commercial ships will be reported to Reconstruction Finance Corporation or Procurement Division, Treasury Department, in accordance with the assignments set forth in § 83.7-904. By far the greater part of such property will consist of items of the type assigned to Procurement Division, Treasury Department for disposal. Where it is considered impracticable to segregate items of military property assigned to Reconstruction Finance Corporation, they may be included in reports to the Procurement Division, Treasury Department.

Reports will be made to the Regional Office of the appropriate Disposal Agency for the region in which the property is located. The addresses of the Regional Offices of the Reconstruction Finance Corporation and Procurement Division, Treasury Department, respectively, and the territories within their jurisdiction, are set forth in §§ 83.7-907 and 83.7-908.

Surplus military property under the jurisdiction of technical services of Army Service Forces (see ASF Circular No. 67, section I, 1944) which is in stock at depots and at installations below depot level will be reported by the depot. Installations below depot level will furnish the appropriate depot with information necessary for the reporting of surplus property in stock below depot level. Surplus military property under the jurisdiction of commanding generals of Army Service Forces service commands (see ASF Circular No. 101, Section II, 1944) will be reported by the service commander.

(e) *Non-military property other than termination inventories*—(1) *Part 1 property; production and utility equipment.* Surplus Part 1 property will be reported to the Reconstruction Finance Corporation, Attention: George F. Buskie, 811 Vermont Avenue, NW., Washington 25, D. C. As an interim procedure, reports of surplus Part 1 property will be submitted through Readjustment Division, Headquarters, Army Service Forces. Three copies will be transmitted to Readjustment Division, two of which will be forwarded to the Reconstruction Finance Corporation, and one retained for information purposes.

(2) *Part 2 property; construction equipment.* Surplus Part 2 property will be reported to the Regional Office of the Procurement Division, Treasury Department, for the region in which the property is located.

(3) *Part 4 property; controlled materials.* Surplus Part 4 property will be reported to the Regional Office of Reconstruction Finance Corporation for the region in which the property is located.

(4) *Part 3 and X property.* Surplus Part 3 and X property other than aircraft, food and commercial ships, will be reported to Reconstruction Finance Corporation or Procurement Division, Treasury Department in accordance with the assignments set forth in § 83.7-904. Reports will be transmitted to the Regional Office of the appropriate Disposal Agency for the region in which the property is located. The assignments of those items likely to be included in Parts 3 and X are as follows:

Procurement Division, Treasury Department:
- Paper and paper products.
- Cotton, wool and linen basic textiles, and fabricated textile products.
- Basic metal products as follows:
  - Barbed and twisted wire.
  - Woven wire and chain link fencing and fence posts.
  - Insect screening.
  - Wire springs.
  - Wire hoops.
  - Chain and attachments.
  - Nails, tacks and staples.
  - Bolts, nuts, screws, rivets, washers, turnbuckles, eyelets and grommets.
  - Strapping.
  - Builders basic hardware and casket, furniture, and trunk and luggage hardware.
- Glass, pottery and ceramic basic materials and products.
- Rubber fabricated materials and products.
- Containers, closures and packing materials.
- Industrial trucks, tractors, trailers, stackers and accessories.
- Agricultural machinery and implements.
- Motor vehicles, engines, parts, components, assemblies and accessories.
- Plumbing and heating materials and equipment.
- Commercial and household electric appliances, lamps and dry cell and storage batteries.
- Commercial and domestic air-conditioning and refrigerating equipment.
- Hand tools and mechanics measuring tools.
- Office machines, typewriters, cash registers, calculating and computing scales.
- Furniture and fixtures.
- Professional and scientific instruments and apparatus.
- Apparel and footwear.

Reconstruction Finance Corporation:
- Leather, and boot and shoe cut stock and findings.
- Lumber, veneer, plywood and millwork.
- Petroleum and petroleum products.
- Chemicals.
- Paints, varnishes, lacquers, japans, thinners, pigments, driers, fillers and related products.
- Ferro and nonferrous additive alloys.
- Nonferrous metals (except aluminum, copper, and copper-base alloy).
- Fabricated structural iron and steel and architectural metal work.
- Power boilers.
- Storage tanks.
- Insulated wire and cable.

Reconstruction Finance Corporation—Con.
- Basic non-metallic structural products.
- Abrasives
- Asbestos basic products.
- Graphite and carbon basic products.
- Refractories.
- Mechanical power-transmission equipment and bearings.
- Electric motors, fractional horsepower.
- Electrical building supplies.
- Communication equipment.
- Railroad transportation equipment.
- Indicating, recording and controlling instruments.

(f) *Termination inventory.* Surplus termination inventory will be reported to the appropriate Disposal Agency in accordance with the assignments set forth in § 83.7-904. By far the greater part of such property will consist of items of the type assigned to Reconstruction Finance Corporation for disposal. Where it is considered impracticable to segregate items of termination inventory assigned to Disposal Agencies other than Reconstruction Finance Corporation, they may be included in reports to Reconstruction Finance Corporation.

Reports will be made to the Regional Office of the appropriate Disposal Agency for the region in which the property is located.

§ 83.7-703 *Report forms.* All reports of surplus property to Disposal Agencies will be made on Forms SWPA-1 and SWPA-1 (A) Copies of these forms, together with instructions for preparation, are set forth in § 83.7-905. Chiefs of technical services may obtain an initial supply of these forms from Readjustment Division, Headquarters, Army Service Forces. Optional use of Treasury Department Form 812 is permitted on all reports transmitted to Procurement Division, Treasury Department, up to 1 July 1944.

§ 83.7-704 *Transmittal of reports.* Reports of surplus property will be transmitted to Procurement Division, Treasury Department, in triplicate and to other Disposal Agencies in duplicate, with information copy to the Director, Readjustment Division, Headquarters, Army Service Forces.

§ 83.7-705 *Action after reporting.* After the property has been reported to a Disposal Agency, the field installation concerned will hold the property subject to disposition instructions from the Disposal Agency.

§ 83.7-706 *Withdrawal for further use.* Property which has been reported to a Disposal Agency may be withdrawn for further use by the technical service of origin or for transfer to another component of the War Department, with the consent of the Disposal Agency to which the property was reported. Immediately upon the withdrawal of property under this paragraph, a withdrawal report will be transmitted to the Disposal Agency to which the property was originally reported as surplus. Withdrawal reports will be prepared and transmitted in the same manner as surplus reports, except that the word "withdrawal" will be entered conspicuously at the top right hand margin of the report form.

§ 83.7–707 *Disposal by Disposal Agency.* The Disposal Agencies will dispose of all property reported as surplus that is not withdrawn under § 83.7–706 (except as provided in § 83.7–710) Disposal may be effected directly from War Department storage or after removal to storage facilities of the Disposal Agencies. All echelons will extend the fullest cooperation to the Disposal Agencies in this connection. Liaison will be promptly established between field establishments handling surplus property and the field agencies of the Disposal Agencies. Provisions will be made for furnishing additional information to Disposal Agencies and exhibiting the property to the fullest extent practicable upon request of a Disposal Agency.

§ 83.7–707 *Shipment after disposal.* When property has been disposed of by a Disposal Agency, or when the Disposal Agency takes custody of the property prior to disposal, the Disposal Agency will issue appropriate shipping instructions to the office designated in the surplus report as the "shipping office" The War Department is not required to, and should not, repair, recondition or reprocess surplus property, nor assume the expense of transportation, although the use of War Department transportation facilities in moving surplus property into storage facilities of a Disposal Agency is authorized when the convenience of the War Department will be served thereby and when the use of such transportation facilities will not interfere with the normal military functions of the installation concerned. Although the Disposal Agency, or the consignee to whom delivery is directed, will ordinarily bear the expenses of preparation for shipment, the field installation concerned may prepare the property for shipment without reimbursement, if it so desires. When requested by the Disposal Agency, copies of bills of lading or other shipping documents and advice as to date of shipment will be furnished the Disposal Agency.

§ 83.7–709 *Fiscal procedures.* The War Department will not be reimbursed for surplus property delivered to or upon the direction of a Disposal Agency. A copy of the shipping document, together with a copy of the shipping instructions received from the Disposal Agency will constitute a valid credit voucher to property accounts.

§ 83.7–710 *Clearance for sale by War Department.* When special circumstances, such as danger of deterioration or sanitary or other hazard, or urgent requirement for storage space for military supplies, make immediate sale by the War Department desirable, application may be made to the appropriate Disposal Agency for clearance of the property for direct sale by the War Department. Such applications will only be made through or with the approval of the Director, Readjustment Division, Headquarters, Army Service Forces.

(a) *Sale after clearance.* Property which a Disposal Agency has cleared for sale may be sold by negotiated sale. The chief of the technical service obtaining clearance may direct that the property be sold by a particular officer, or that it be sold in a particular manner. In the absence of such directions, sales will be made by the local salvage officer in accordance with regulations applicable to the sale of salvage, except that all documents relating to such sales will be clearly marked to indicate sale of surplus property.

APPENDIX

§ 83.7–901 *Items to be included in lists of Part 4 property.*

| *Forms and shapes* | *Minimum quantity per item of a single size and grade* |
|---|---|
| Part 4A—Carbon and alloy steel: | |
| Carbon steel: | |
| Bars, cold finished | 2,000 pounds. |
| Bars, hot rolled | |
| Ingots, billets, blooms, slabs, tube rounds, skelp and sheet and tin bar | |
| Pipe (new only) | |
| Plates | |
| Sheets and strip | |
| Structural shapes and piling | |
| Tin plate, terneplate, and tin mill black plate | |
| Wire rods, wire .0475 inch diameter and up, and other wire products | |
| Tubing, 1½ inch diameter and up (new only) | |
| Tubing under 1½ inch diameter (new only) | 1,000 feet. |
| Wire under .0475 inch diameter | 500 pounds. |
| All tool steel | 100 pounds. |
| Alloy steel: | |
| Bars, cold finished | 2,000 pounds. |
| Bars, hot rolled | |
| Ingots, billets, blooms, slabs, tube rounds, sheet bar | |
| Pipe (new only) | |
| Plates and structural shapes | |
| Sheets and strip | |
| Wire rods, wire .0475 inch diameter and up, and other wire products | 2,000 pounds. |
| Tubing 1½ inch diameter and up | 1,000 feet. |
| Tubing under 1½ inch diameter | |
| Wire under .0475 inch diameter | 500 pounds. |
| All stainless steel | |
| All tool steel | 100 pounds. |
| Part 4B—Copper and copper base alloy: | |
| Brass mill copper base alloy products: | |
| Sheet and strip | 500 pounds. |
| Rods, bars and wire (including extruded shapes, not including slugs) | |
| Tubing and pipe | |
| Brass mill copper products: | |
| Plate, sheets and strip | |
| Rods, bars and extruded shapes (excluding wire bars and ingots bars) | |
| Tube and pipe | |
| Wire mill copper products: | |
| Wire and cable (including insulated wire and cable) | |
| Foundry copper and copper base alloy products: | |
| Castings | |
| Part 4C—Aluminum: | |
| Rod, bar, wire and cable | 300 pounds. |
| Forgings, pressings and impact extrusions | |
| Castings | |
| Shapes, rolled or extruded | |
| Sheet, strip, plate and foil | |
| Tubing | |
| Ingot and powder | |
| Rivets | |

NOTE: Smaller quantities than those above listed, but not less than the following, may be included in Part 4, if desired by the Technical Service concerned:

| | |
|---|---|
| Carbon steel: | |
| Structural and plates | 500 pounds. |
| Bar, sheet and strip, pipe and tube, and wire | 100 pounds. |
| Tool steel | 25 pounds. |
| Alloy steel: | |
| Tool steel | 25 pounds. |
| All other | 100 pounds. |
| Copper and copper base alloy | 100 pounds. |
| Aluminum | 100 pounds. |

(a) *Form of Circularization List for Part 4A property.*

Report of excess steel, Part 4A.
Reporting station
Station No. Address
Officer in charge of disposition

List No. Page
Date transmitted to WPB
Reported to
(Regional Office, WPB)
Location of property

[On additional pages show Part 4A, list number and page number only]

| Code No.[1] | Pieces | Total weight (pounds) | Size | Length (L) or coil (C) | Form and shape | Aise, Ne, Sae, Wd, or brand | Finish[2] | Physical properties[2] | Clean or rusty |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

[1] Show station, service, list and part code at top of column (e.g. 123-Ord-4A-12-), followed by item numbers only.
[2] Use Symbols: ODG&P-Cold Drawn Ground, Polished (2); HRA&P-Hot Rolled Annealed, Pickled (2); HRT&P-Hot Rolled Turned, Polished (2); HR-Hot Rolled (2); HRA-Hot Rolled Annealed (2); CR-Cold Rolled (2); OD-Cold Drawn (2); FQ-Forging Quality (3); HT-Heat Treated (3).

(b) *Form of Circularization List for Part 4B property.*

Report of excess copper and copper base alloy, part 4B.
Reporting Station
Station No. Address
Officer in charge of disposition

List No. Page
Date transmitted to WPB
Reported to
(Regional Office, WPB)
Location of property

[On additional pages show part 4B, list number and page number only]

| Code No.[1] | Item and specification | Pieces | Total weight (pounds) | Size | Lgth (L) or coil (C) | Form | Temper | Original manufacturer |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

[1] Show station, service, list and part code at top of column (e. g. 123-Ord-4B-12-), followed by item number only.

(c) *Form of Circularization List for Part 4C property.*

Report of excess aluminum, part 4C.
Reporting station
Station No. Address
Officer in charge of disposition

List No. Page
Date transmitted to WPB
Reported to
(Regional Office WPB)
Location of property

[On additional pages show part 4C, list number and page number only]

| Code No.[1] | Alloy and temper | Pieces | Total weight (pounds) | Dimensions and/or standard extrusion die No. | Form shape | Specification | Original manufacturer |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

[1] Show station, service, list and part code at top of column (e. g. 123-Ord-4C-12-), followed by item numbers only.

§ 83.7-902 *Offices to receive Part 1 and 3 circularization lists.*

| | *Number of copies* |
|---|---|
| Readjustment Division, Headquarters, Army Service Forces, The Pentagon, Washington 25, D. C. | 2 |
| *Office of the Chief of Ordnance* | |
| Redistribution and Salvage Officer, Office of the Chief of Ordnance, Room 2-E-424, The Pentagon, Washington 25, D. C. | 8 |
| *Office of the Chief of Ordnance*—Continued | |
| Birmingham Ordnance District, 700 Frank Nelson Bldg., Birmingham 1, Ala. | 1 |
| Boston Ordnance District, Room 1501-1516 Federal St., Boston 10, Mass. | 1 |
| Chicago Ordnance District, 38 South Dearborn St., Chicago 8, Ill. | 1 |
| Cincinnati Ordnance District, The Big Four Bldg., Cincinnati 1, Ohio | 1 |
| *Office of the Chief of Ordnance*—Continued | |
| Cleveland Ordnance District, 1006 Terminal Tower Bldg., Cleveland 13, Ohio | 1 |
| Detroit Ordnance District, 1832 National Bank Bldg., Detroit 32, Mich. | 1 |
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| Philadelphia Ordnance District, 150 South Broad St., Philadelphia 2, Pa. | 1 |
| Pittsburgh Ordnance District, 1202 Chamber of Commerce Bldg., Pittsburgh 19, Pa. | 1 |
| Rochester Ordnance District, 1238 Mercantile Bldg., Rochester, N. Y. | 1 |
| San Francisco Ordnance District, 402 Empire Hotel, San Francisco, Calif. | 1 |
| St. Louis Ordnance District, 8663 Lindell Blvd., St. Louis 8, Mo. | 1 |
| Springfield Ordnance District, 95 State St., Springfield 3, Mass. | 1 |
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| Commanding Officer, Picatinny Arsenal, Dover, N. J. | 1 |
| Commanding Office, Redstone Arsenal, Huntsville, Ala. | 1 |
| Commanding General, Rock Island Arsenal, Rock Island, Ill. | 1 |
| Commanding Officer, Springfield Armory, Springfield 1, Mass. | 1 |
| Commanding Officer, Watertown Arsenal, Watertown, Mass. | 1 |
| Commanding General, Watervliet Arsenal, Watervliet, N. J. | 1 |
| Tank Automotive Center, Union Guardian Bldg., Detroit 32, Mich. | 1 |
| Field Director of Ammunition Plants, 3637 Lindell Blvd., St. Louis 8, Mo. | 1 |
| Small Arms Ammunition Sub-Office, N. Y. Ayer Bldg., West Washington Square, Philadelphia 6, Pa. | 1 |
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| Redistribution and Salvage Officer, Office of the Chief of Engineers, Room 6257 New War Bldg., 21st and Virginia Ave. NW., Washington 25, D. C. | 3 |
| Division Engineer, Great Lakes Division, 20 North Wacker Drive, Chicago 6, Ill. | 1 |
| Division Engineer, Lower Mississippi Valley Division, P. O. Box 80, Vicksburg, Miss. | 1 |
| Division Engineer, Middle Atlantic Division, Room 909, 101 East Fayette St., Baltimore 2, Md. | 1 |
| Division Engineer, Missouri River Division, Farm Credit Bldg., 19th and Douglas, Omaha 1, Nebr. | 1 |
| Division Engineer, New England Division, 75 Federal St., Boston 10, Mass. | 1 |
| Division Engineer, North Atlantic Division, 21st Floor, 270 Broadway, New York 7, N. Y. | 1 |
| Division Engineer, Northwest Division, 114, #12 128th St., Edmonton, Alberta, Canada | 1 |
| Division Engineer, Ohio River Division, 1120 Huntington Bank Bldg., Columbus 16, Ohio | 1 |
| Division Engineer, Pacific Division, 222 South West Temple St., Salt Lake City 1, Utah | 1 |
| Division Engineer, South Atlantic Division, 50 Whitehall St., Atlanta 2, Ga. | 1 |
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| Officer in Charge, Plant Engineering Agency, SPSLP-82, Architects Bldg., 17th and Sanson, Philadelphia 3, Pa | 1 |

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| District Supervisor, Central Procurement District, Attention: Redistribution and Salvage Officer, 8505 West Warren Ave., Detroit, Mich | 1 |
| District Supervisor, Midwestern Procurement District, Attention: Redistribution and Salvage Officer, Municipal Airport, P. O. Box 117, Wichita, Kans | 1 |
| District Supervisor, Western Procurement District, Attention: Redistribution and Salvage Officer, 3636 Beverly Blvd., Los Angeles, Calif | 1 |
| District Supervisor, Midcentral Procurement District, Attention: Redistribution and Salvage Officer, 111 West Jackson Blvd., Chicago, Ill | 1 |
| District Supervisor, Southeastern Procurmenet District, Attention: Redistribution and Salvage Officer, 86 Edgewood Ave. NE., Atlanta, Ga | 1 |
| Redistribution and Salvage Officer, Air Service Command, Patterson Field, Fairfield, Ohio | 11 |

*Navy Department*

| | |
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| Chief of the Bureau of Supplies and Accounts, Navy Department, Attention: S. P. D.-17, Washington 25, D. C. | 20 |

*War Production Board*

| | |
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| Redistribution Division, War Production Board, New Municipal Bldg., 3rd and Indiana Ave. NW., Washington 25, D. C | 10 |

§ 83.7-903 *Regional Offices of War Production Board.*

*Region I.* Regional Office, Regional Manager, Redistribution Division, War Production Board,, 17 Court St., Boston, Mass..

Maine, New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island.

*Region II.* Regional Manager, Redistribution Division, War Production Board, Empire State Bldg., New York City:

New York, northern New Jersey (Sussex, Passaic, Bergen, Warren, Morris, Essex, Hudson, Hunterdon, Somerset, Union, Middlesex, and Monmouth Counties).

*Region III.* Regional Manager, Redistribution Division, War Production Board, 1617 Pennsylvania Blvd., Philadelphia, Pa..

Maryland, Virginia, Delaware, eastern Pennsylvania (Tioga, Bradford, Susquehanna, Wayne, Lycoming, Sullivan, Wyoming, Pike, Union, Northumberland, Montour, Columbia, Luzerne, Lackawanna, Monroe, Mifflin, Juniata, Perry, Snyder, Cumberland, Adams, Dauphin, Schuylkill, York, Lebanon, Lancaster, Berks, Lehigh, Northampton, Chester, Delaware, Montgomery, and Bucks Counties), southern New Jersey (Mercer, Ocean, Burlington, Camden, Gloucester, Atlantic, Salem, Cumberland, and Cape May Counties).

*Region IV* Regional Manager, Redistribution Division, War Production Board, Candler Bldg., Atlanta, Ga..

Tennessee, North Carolina, Mississippi, Alabama, Georgia, South Carolina, and Florida.

*Region V* Regional Manager, Facilities Department, War Production Board, Union Commerce Bldg., Cleveland, Ohio:

Kentucky, West Virginia, Ohio (except Lucas County), western Pennsylvania (Erie, Crawford, Warren, McKean, Potter, Mercer, Venango, Forest, Elk, Cameron, Clinton, Lawrence, Butler, Clarion, Armstrong, Jefferson, Indiana, Clearfield, Centre, Beaver, Allegheny, Westmoreland, Cambria, Blair, Huntington, Washington, Greene, Fayette, Somerset, Bedford, Fulton, and Franklin Counties).

*Region VI.* Regional Manager, Redistribution Division, War Production Board, 226 West Jackson Blvd., Chicago, Ill..

Indiana, Illinois, Iowa, Wisconsin, and upper Peninsula of Michigan (Gogebic, Ontonagon, Houghton, Keweenaw, Baraga, Iron, Marquette, Dickinson, Menominee, Delta, Alger, and Schoolcraft Counties only).

*Region VII.* Regional Manager, Facilities Department, War Production Board, Mutual Interstate Bldg., Kansas City, Mo..

Arkansas, Missouri, Kansas, and Nebraska.

*Region VIII.* Regional Manager, Redistribution Division, War Production Board, 1131 Mercantile Bldg., Dallas 2, Tex..

Louisiana, Oklahoma, and Texas.

*Region IX.* Regional Manager, Redistribution Division, War Production Board, 621 Continental Oil Bldg., Denver, Col..

Montana, Wyoming, Utah, Colorado, and New Mexico.

*Region X.* Regional Manager, Redistribution Division, War Production Board, 1355 Market St., San Francisco, Calif..

California, Nevada, Arizona, and Idaho (south of Salmon River).

*Region XI.* Regional Manager, Redistribution Division, War Production Board, 7310 Woodward Ave., Detroit 2, Mich..

Upper Peninsula of Michigan (Luce, Chippewa, and Mackinac Counties only) and all Michigan counties not listed under Region VI Ohio (Lucas County only).

*Region XII.* Regional Manager, Redistribution Division, War Production Board, Midland Bank Bldg., Minneapolis, Minn..

Minnesota, North Dakota, and South Dakota.

*Region XIII.* Regional Office, Regional Manager, Redistribution Division, War Production Board, White-Henry-Stuart Bldg., Seattle, Wash..

Washington, Oregon, and Idaho (north of Salmon River).

§ 83.7-904 *Assignment of property to Disposal Agencies.* Assignment of property to Disposal Agencies is set forth in this paragraph as published in Exhibit I to Regulation No. 1 of the Surplus War Property Administration under the following prefatory notes:

The assignments herein contained are based on the classifications contained in the Standard Commodity Classification (Government Printing Office, May 1943 and February 1944). That Classification contains a number of so-called major groups, which are designated by two digits only (such as 01—Live Animals; 65—Drugs and Medicines). These major groups in turn are broken down into classes of property represented by the two digits of the major group plus additional digits (such as 65 43—Marine Liver oil, etc.). All of the major groups now being assigned are listed in this Exhibit, but only such of the lesser groups are listed as are necessary to carve out of a major group assigned to one agency types of property included therein which are assigned to another. For a complete breakdown of each major group, reference must be made to the Standard Commodity Classification itself.

It should further be noted that for reporting purposes, while reference to this Exhibit is necessary to ascertain the proper disposal agency, one report may include all property in a major group (two digits) at one location which is assigned to a single disposal agency.

| Reconstruction Finance Corporation | | Treasury Procurement Division | | War Food Administration | |
|---|---|---|---|---|---|
| | | 01 | Live Animals, other than food animals | 01 | Live Animals except non food animals |
| | | | | 02 | Crude Animal Products Edible. |
| 03 | Crude animal products In edible, Except Fibers. | | | 03 | Crude Vegetable Products Edible. |
| 05 5 | Crude rubber and allied gums | | | 05 | Crude Vegetable Products, Inedible, except Fibers (except as indicated) |
| 05 6280 | Lac | | | | |
| 05 7 | Crude medicinal herbs roots barks and other plant parts, except U S. P , N F and similar grades | | | | |
| 05 93 | Crude cork. | | | 06 1 | Cotton. |
| 05 94 | Loofa sponges. | | | 06 22 | Flax (Only Domestic Production). |
| | | | | 06 23 | Hemp (Cannabes Sotiva). |
| 06 | Fibers vegetable and animal, unmanufactured (except as indicated) (note inclusion of foreign wool and mohair) | | | 06 5 | Wool and related specialty Hair (only domestic production) |
| 07 | Coal, crude petroleum, and related crude hydrocarbons. | | | | |
| 08 | Metallic ores, tailings concentrates and their unrefined metallic products. | | | | |
| 09 | Crude nonmetallic minerals except coal and petroleum | | | | |
| 11 | Leather. | | | | |
| 12 | Boot and shoe cut stock and shoe findings. | | | | |
| 13 | Wood basic materials except pulpwood (except as indicated) | 13 91 | Cooperage stock, fabricated | | |
| | | 13 92 | Rattan, Willow and Bamboo Stock | | |
| | | 13 94 | Box and Crate Shook | | |
| | | 13 97 | Handles. | | |
| 14 1 | Pulpwood | 14 | Pulp, paper and paperboard (except as indicated) | | |
| 14 2 | Paper base stocks except pulp | | | | |
| 14 3 | Woodpulp. | | | | |
| 14 4 | Other pulp. | | | | |
| 14 6 | Building paper | | | | |
| 14 8 | Building board. | | | | |
| 15 2 | Jute basic textiles. | 15 | Textile Basic Manufactures (except as indicated) | | |
| 15 66 | Curles hair (similar to 06 7) | | | | |
| 15 71 | Silk semi manufactures | | | | |
| 15 72 | Silk yarn. | | | | |
| 15 81 | Rayon, nylon, etc. semi manufactures. | | | | |
| 15 82 | Rayon, nylon, etc., yarn. | | | | |
| 15 912 | Jute cordage (except sizes less than ¼" cross sectional diameter). | | | | |
| 15 913 | Soft fiber cordage (except sizes less than ¼" cross sectional diameter). | | | | |
| 15 914 | Hard fiber cordage and twine (All). | | | | |
| 16 52 | Industrial molasses | | | 16 | Food and beverage basic materials (except as indicated). |
| 17 7 | Waxes, animal and vegetable | | | 17 | Oils, fats waxes and derivatives animal and vegetable |
| 18 | Petroleum and coal products (except raw materials for chemical industries) | | | | |
| 19 | Chemicals (except as indicated) | 19 | Chemicals, to the extent of materials packaged for delivery to retail outlets | 19 271 | Rosins |
| | | | | 19 272 | Turpentine |
| | | | | 19 274 | Pine Oil. |
| | | | | 19 275 | Pine Pitch |
| | | | | 19 276 | Pine Tar |
| 21 | Iron. | | | | |
| 22 | Steel (except as indicated). | 22 52 | Barbed and twisted wire | | |
| 23 | Ferro and nonferrous additive alloys. | | | | |
| 24 | Nonferrous metals. | | | | |
| 25 | Fabricated metal basic products (except as indicated) | 25 42 | Truck tanks | | |
| | | 25 51 | Builders basic hardware | | |
| | | 25 54 | Motor vehicle hardware | | |
| | | 25 56 | Casket hardware | | |

| U S Maritime Commission | |
|---|---|
| 25 53 | Marine basic hardware |
| 25 31 | Power boilers marine |

| Reconstruction Finance Corporation | | Treasury Procurement Division | | U S Maritime Commission | |
|---|---|---|---|---|---|
| | | 25 57 | Furniture hardware. | | |
| | | 25 58 | Trunk and luggage hardware. | | |
| | | 25 59 | Miscellaneous basic hardware | | |
| | | 25 61 | Automotive vehicle bodies | | |
| | | 25 64 | Combat vehicle bodies. | | |
| | | 25 75 | Insect screening. | | |
| | | 25 76 | Woven wire fencing. | | |
| | | 25 77 | Wire nails tacks and staples. | | |
| | | 25 78 | Wire springs | | |
| | | 25 7001 | Wire chain | | |
| | | 25 7003 | Chain link fencing | | |
| | | 25 7006 | Wire hoops. | | |
| | | 25 91 | Chain and attachments. | | |
| | | 25 94 | Bolts nuts screws rivets etc. | | |
| | | 25 98 | Cut nails, tacks and spikes. | | |
| | | 25 99 | Miscellaneous fabricated products | | |
| 26 | Nonmetallic mineral basic products—Chiefly structural (except as indicated). | 26 3 | Glass basic products | | |
| 27 | Nonmetallic mineral basic products—Chiefly non structural (except as indicated) | 27 1 | Glass basic products (except 3 items 27 1431, Railroad, 27 152 Radio Tubes (glass only) 27 16 Insulators). | | |
| | | 27 2 | Abrasive basic products, natural and synthetic, manufactured—to the extent the materials are packaged for retail sale or can be considered hand tools. | | |
| | | 27 32 | Asbestos and asbestos metallic packing and gaskets, to the extent of automotive parts. | | |
| | | 27 33 | Asbestos woven or mould friction material, to the extent of automotive parts (principally brake linings and clutch facings) | | |
| | | 27 92 | Pottery | | |
| | | 27 93 | Pottery supplies | | |
| | | 27 94 | Ceramic products. | | |
| 29 | Miscellaneous basic materials (except as indicated) | 29 1 | Rubber fabricated materials. | | |
| | | 29 23 | Automotive plastic parts, also any motor vehicle items elsewhere in 29 2. | | |
| | | 29 91 | Button blanks, moulds and other parts. | | |
| | | 29 92 | Beads, bugles and spangles | | |
| | | 29 95 | Catgut and wormgut. | | |
| 31 | General purpose industrial machinery and equipment | 31 6 | Industrial trucks, tractors trailers, stackers and accessories. | 31 582 | Windlasses. |
| | | | | 31 583 | Anchor winches |
| | | | | 31 584 | Capstans |
| | | 31 97 | Lubrication equipment—to the extent the items are for use in connection with motor vehicles. | | |
| 32 | Electrical machinery and apparatus (except as indicated | 32 412 | Battery charging generators (except aircraft) | | |
| | | 32 432 | Starter motors except aircraft | | |
| | | 32 45 | Motor ignition equipment (except aircraft) | | |
| | | 32 514 | Plug fuses | | |
| | | 32 53 | Lamp sockets. | | |
| | | 32 7 | Lamps (except 32 73 aviation service lamps). | | |
| | | 32 8 | Electric appliances, household and commercial. | | |
| | | 32 91 | Dry cell batteries | | |
| | | 32 92 | Storage batteries. | | |
| 33 | Special industry machinery | 33 54 | Tire repairing machinery and equipment. | | |
| | | 33 995 | Automotive service station equipment | | |

| Reconstruction Finance Corporation | | Treasury Procurement Division | | U S Maritime Commission | |
|---|---|---|---|---|---|
| 34 | Metal working machinery | | | | |
| | | 35 | Agricultural machinery and implements | | |
| | | 36 | Construction, mining, excavating and related machinery. | | |
| | | 37 | Tractors. | | |
| | | 38 | Office machines. | | |
| 39 | Miscellaneous machinery (except as indicated) | 39 11 | Home type laundry equipment. | | |
| | | 39 20 | Home sewing machines. | | |
| | | 39 43 | Calculating and computing scales | | |
| | | 39 44 | Coin operated scales. | | |
| | | 39 45 | Spring scales, household | | |
| | | 39 50 | Cash registers | | |
| | | 39 60 | Coin operated machines. | | |
| 41 | Communications equipment and electronic devices (except as indicated) | 41 1 | Radio broadcast receivers | | |
| | | | | 43 | Ships, small watercraft and marine propulsion machinery |
| 44 | Railroad transportation equipment | | | | |
| | | 45 | Motor vehicles | | |
| | | 49 | Miscellaneous transportation equipment. | | |
| | | 51 | Plumbing and heating equipment | | |
| 52 7 | Ice making and cold storage plant systems, components and accessories. | 52 | Air conditioning and refrigerator equipment (except as indicated) | | |
| 52 92 | Industrial refrigeration units. | | | | |
| 52 12 | Central station air conditioning systems. | | | | |
| 53 32 | Railroad signal fixtures | 53 | Lighting fixtures (except as indicated) | 53 2 | Marine fixtures. |
| 53 7 | Airport, airway and seadrome lighting. | | | | |
| 53 81 | Train lighting fixtures | | | | |
| 53 86 | Aircraft lighting fixtures | | | | |
| | | 54 | Furniture and fixtures. | | |
| | | 55 | Photographic goods and processed motion pictures | | |
| | | 56 | Optical instruments and apparatus. | | |
| 57 | Indicating, recording and controlling instruments and accessories except watches and clocks (except as indicated) | 57 11 | Thermometers. | 57 65 | Compasses and accessories (marine) |
| | | 57 14 | Heating and ventilating controls and accessories. | | |
| | | 57 56 | Taximeters and parking meters. | 57 66 | Azimuths sextants and octants. |
| | | 57 341 | Household refrigeration controls. | 57 691 | Taffrail logs. |
| | | 58 | Professional and scientific instruments and apparatus. | | |
| 59 15 | Hazard measuring devices | 59 | Miscellaneous equipment (except as indicated) | | |
| 59 18 | Machine guards. | | | | |
| 59 20 | Water purification equipment except 59, 241 Home water softeners. | | | | |
| 59 55 | Sprinkler system components. | | | | |
| 59 77 | Railroad signal controls. | | | | |
| | | | | War Food Administration | |
| | | | | 61 | Food manufactured |
| | | | | 62 | Food, manufactured |
| | | | | 63 | Beverages and ice. |
| | | | | 64 | Tobacco manufactures. |
| 65 | Drugs, and medicines, to the extent that they are not prepared or packaged for sale to retail outlets or institutions. (Bulk unfinished drugs and medicines requiring processing or packaging not ordinarily done by a wholesale or retail store) (except as indicated) | 65 | Drugs and medicines (except as indicated) | 65 481 | Marine liver oil, derivatives, and preparations except Marine liver oil Concentrates in Solution, m. g. |
| | | | | 65 68 | Vitamins, vitamin-active compounds and preparations containing one and more than one vitamin, m g |

| Reconstruction Finance Corporation | | Treasury Procurement Division | | War Food Administration |
|---|---|---|---|---|
| | | 66 | Toiletries, cosmetics, soap, and household chemical preparations. | |
| | | 67 | Apparel, except footwear | |
| | | 68 | Footwear. | |
| | | 69 | Fabricated textile products except apparel. | |
| | | 71 | End products of leather except apparel footwear and luggage. | |
| | | 72 | Converted paper products and pulp goods. | |
| | | 73 | Products of printing and publishing industries | U S Maritime Commission |
| | | 74 | Rubber end products. | |
| | | 75 | End products of metal industries. | 75 953 Cargo nets, wire rope |
| 76 51 | Lasts for boots and shoes | 76 | Finished wood products, except furniture and mill work (except as indicated) | 75 951 Wire rope slings |
| 76 52 | Last sole patterns | | | |
| | | 77 | End products of glass clay and stone. | |
| | | 79 | Miscellaneous end products of manufacturing industries. | |
| | | 81 | Small arms and components | |
| | | 83 | Small arms ammunition and specifically adapted components | |

§ 83 7-905 *Surplus War Property Administration report forms*—(a) *Form SWPA-1*

Form SWPA-1, 1 May 1944
Form Approved ..
Budget Bureau No 16-R001

Date of Report
Page No Of --

UNITED STATES OF AMERICA
SURPLUS WAR PROPERTY ADMINISTRATION
REPORT OF SURPLUS PROPERTY

| | | | |
|---|---|---|---|
| To | Name and address of Regional Office of Disposal Agency including street city zone and State | Disposal Agency No | Standard Commodity Classification Code No<br>Group |
| From | Name and address of Reporting Office including street city zone and State | Reporting Agency No | Total cost of this report |
| Location | Custodian and address at which property is located | Signature and title of authorized reporting official | |

| Line No (A) | Description (B) | Standard commodity class (C) | Condition (D) | Unit (E) | Number of units (F) | Unit cost (G) | Total cost (H) |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

*Instructions Appearing on Reverse of Form SWPA-1.* Instructions for preparation of report of surplus property, Forms SWPA-1 and SWPA-1 (a). The property listed on any one report will be confined to property at a single location, to be reported to one disposal agency, and classified in a single major group (two digits) of Standard Commodity Classification (Government Printing Office, May 1943 and February 1944).

If used to report withdrawals, the word "withdrawal" will be entered conspicuously at top and right-hand margin of each Form.

*From.* Include department, bureau, or similar subdivision. Also, if different from reporting office, state agent or office and address to which shipping instructions should be sent.

*Location.* Include title or other identification of property custodian.

*Standard Commodity Classification Code No.* Enter the code number (two digits) for the major group of Standard Commodity Classification covered by the report.

*Line No.* Enter consecutive numbers (starting with "I" on each page) for each property item listed.

*Description.* Describe each item in commercial terms in sufficient detail for transfer or sale purposes, including customary trade specifications and descriptions used in purchasing. Descriptions of much length should be written straight across columns (b) and (h) inclusive; entries in all columns shall be clearly identifiable with the related line number (property item). See separate instructions.

Leave a blank line space across all columns between successive line numbers or property items.

*Standard Commodity Classification, Column (c).* Detailed classification code will be entered by reporting agency when it determines that such procedure is most practicable. In all other cases, the detailed code will be entered by the disposal agency.

*Condition.* Indicate condition of property as prescribed by separate instructions.

*Unit.* Indicate unit of measure for container, package, or other customary sales unit, such as, each, doz., ft., bbl., etc. Distinguish between long, short, and metric tons. Standard, clearly understandable abbreviations may be used.

*Unit cost.* Estimate cost when actual cost is not known. Estimated unit costs will be indicated by the prefix (E). In case of machine tools, other metal working machinery, and production equipment, enter unit costs f. o. b. manufacturer or vendor.

(b) *Form SWPA-1 (A)*

Form SWPA-1 (A), 1 May 1944
Form Approved Budget Bureau No.
Budget Bureau No. 16-R001

Reporting Agency No. _____
Disposal Agency No. _____
Page No. _____ Of _____

UNITED STATES OF AMERICA

SURPLUS WAR PROPERTY ADMINISTRATION

REPORT OF SURPLUS PROPERTY

(Continuation Sheet)

| Line No. (A) | Description (B) | Standard commodity class (C) | Condition (D) | Unit (E) | Number of units (F) | Unit cost (G) | Total cost (H) |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

(c) *Instructions covering preparation of report of surplus property.* Instructions covering preparation of report of surplus property as published in Exhibit III to Regulation No. 1 of the Surplus War Property Administration are set forth below with certain bracketed matter supplied:

FORMS TO BE USED IN REPORTING PERSONAL PROPERTY

1. The "Report of Surplus Property" (Forms SWPA-1 and SWPA-1 (A)) will be used as follows for reporting surplus personal property to the designated disposal agencies:

GENERAL INSTRUCTIONS

2. As the actual schedule of personal property items reported "Surplus" by reporting agency.

3. As the "cover-transmittal" sheet (block headings of Form SWPA-1 should be filled in as prescribed below) for supporting schedules prepared by means of mechanical accounting when the mechanical acounting form has been approved by the Surplus War Property Administrator. In such cases, the columnar arrangement and design of the mechanical type of forms shall correspond generally with Form SWPA-1.

4. As the "cover-transmittal" sheet (block headings of Form SWPA-1 should be filled in so far as possible) for reporting personal property surplus as the result of terminated contracts on "contract termination inventory sheets" when such sheets meet all of the following requirements:

(a) Contain all descriptive and other data required by this regulation in columns "a" through "h" of Form SWPA-1;

(b) Have been previously approved as to form for use as supporting schedules by the Surplus War Property Administrator;

(c) Duplicate copies are submitted to the disposal agency;

(d) The total number of lines for property items reported as surplus on the "contract termination inventory sheets" (after lining out or otherwise deleting from such sheets any items disposed of by reason of contract settlements or otherwise) are stated on the covering Form SWPA-1.

5. The property listed on any one report shall be confined to property at a single location, to be reported to one disposal agency, and classified in a single major group (two digits) of Standard Commodity Classification (Government Printing Office, May 1943 and February 1944).

6. The "Report of Surplus Property" (and any supporting schedules) will be submitted in duplicate to the appropriate office of the designated disposal agency, for the region in which the property is located or other designated office listed in Exhibit II. [See §§ 83.7-906, 83.7-907 and 83.7-908 for addresses of Regional Offices or Disposal Agencies. As an interim procedure, reports to Treasurer Procurement Division will be submitted in triplicate, until further notice.]

7. When Form SWPA-1 is used as the actual schedule of property (as in 2 above), "continuation sheets" Form SWPA-(A) will be used for all pages except the first page.

8. *Withdrawals.* An owning agency will report the withdrawal of property which it has previously reported as surplus by forwarding duplicate copies of complete (all blocks and columns filled in as when previously reported) Forms SWPA-1 and SWPA-1 (A) for such property withdrawn, the word "Withdrawal" will be entered conspicuously at the top and right-hand margin of such forms.

BLOCK AND COLUMN INSTRUCTIONS

*To.* State the name and address (including street, city, zone and state) of the office of the disposal agency to which the property is being reported.

*Disposal Agency Number.* For use by disposal agency only.

*From.* State the name and address (including street number, city, zone and state) of the office at which the report was prepared. Always show department, bureau, office or other similar sub-division involved. Also, if different, state agent or office and address to which shipping instructions should be sent.

*Location.* State the address (including street number, city, zone and state) at which the property is located and the title or other identification of the property custodian.

*Authorized Reporting Official.* The signature of the reporting officer approving the report of surplus property shall appear in this space on the original form and his typewritten name on all copies of the form.

*Title.* Enter the title of the "authorized reporting official" described above.

*Reporting Agency Number.* Enter the report number assigned by the reporting agency to identify each report. [War Department reports will be numbered as follows: station identification number of field installation having jurisdiction of the property, followed by letter symbol of technical service, followed by serial number of report.]

*Standard Commodity Classification Code No.* Enter the code number (two digits) for the major group of Standard Commodity Classification covered by the report.

*Page No. of.* To identify each page and state local number of pages in each report.

*Report Date.* Enter date report is forwarded to disposal agency.

*Total Cost This Report.* The sum of all amounts in column "h" (total cost) of all pages of the report (and supporting schedules) will be determined and entered in this block.

(a) *Line No.* Enter consecutive numbers (starting with "1" on each page) for each property item listed.

(b) *Description.* Describe each item in commercial terms, in sufficient detail for transfer or sale purposes, including customary trade specifications and descriptions ordinarily used in purchasing. When possible, include manufacturer's or vendor's catalog and catalog stock number.

State reporting agency's stock number in all cases where recorded in stock accounting records.

To the extent applicable, state color and brand. Also described exactly the type of any containers or packages and the quantities in each.

In case of machine tools, other metal-working machinery and production equipment, give date of initial use, if possible, or approximate length of time of use; also show characteristics as follows:

(1) Type of machine, serial number and year built; (2) Maker's designation, work size capacity; (3) State if machine is complete with standard equipment as furnished by the manufacturer, and describe any extra attachments, special features, or mechanisms; (4) Power and type of drive (if electric, give particulars of motor, starter, including horsepower, voltage and all other current characteristics.)

All descriptions of much length should be written straight across columns (b) to (h) inclusive, making sure that the entries in all columns are clearly identifiable with the particular line number (property item). Leave a blank line space between line numbers (for use of disposal agency).

(c) *Standard commodity classification.* The detailed classification code numbers for each item according to the Standard Commodity Classification (Gov't. Printing Office, May 1943 and February 1944) will be entered by the reporting agency when it determines that such procedure is most practicable. In all other cases, the detailed code numbers will be entered by the disposal agency.

(d) *Condition.* Indicate condition of property by the following letter-number code.

| *Code* | *Means* |
|---|---|
| N | New. |
| E | used-reconditioned. |
| O | Used-usable without repairs. |
| R | Used-repairs required. |
| X | Items of no further value for use as originally intended, but of possible value other than as scrap. |
| 1 | Excellent. |
| 2 | Good. |
| 3 | Fair. |
| 4 | Poor. |

Except in case of code X, a letter-number combination must always be used to describe condition: For example: N1 (that is, new and in excellent condition); R3 (that is, used, minor repairs required).

(e) *Unit.* Indicate unit of measure for the container, package or other applicable customary sales unit, such as each, pounds, tons, dozen, gross, thousand, ream, bushel, feet, etc. Distinguish between long, short and metric tons. Standard, clearly understandable abbreviations may be used.

(f) *No. of unit.* Specify the quantities of each item reported surplus in terms of the "Unit" used in "e" above.

(g) *Unit cost.* Estimated cost when actual cost is not known. Estimated unit costs shall be indicated by the prefix (E). In case of machine tools, other metal-working machinery and production equipment, enter unit cost F. O. B. manufacturer or vendor to owning agency.

(h) *Total cost.* Compute total cost, i. e., "No. of Units" multiplied by "Unit Cost" equals "Total Cost."

*Acknowledgment of receipt.* The receipt of each "Report of Surplus" by the Disposal agency will be acknowledged to the reporting office, e. g., by a post card notice stating the reporting agency's number, date of report, and the disposal agency's number.

### § 83.7-906 *Regional Offices of War Food Administration.*

*Northeast region.* Regional Director, War Food Administration, 150 Broadway, New York 7, N Y. (Mr. Francis D. Cronin).

Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and West Virginia.

*Southern region.* Regional Director, War Food Administration, Western Union Building, Atlanta 3, Ga. (Col. James H. Palmer)

Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

*Southwest region.* Regional Director, War Food Administration, 425 Wilson Building, Dallas 1, Tex. (Mr. L. J. Cappleman)

Arkansas, Colorado, Kansas, Louisiana, New Mexico, Oklahoma, and Texas.

*Midwest region.* Regional Director, War Food Administration, Room 1714, 5 South Wabash Avenue, Chicago 3, Ill. (Mr. E. O. Pollock)

Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

*Western region.* Regional Director, War Food Administration, 821 Market Street, San Francisco 3, Calif. (Mr. Buell Maben)

Arizona, California, Idaho, Nevada, Montana, Oregon, Utah, Washington, Wyoming, and Territory of Hawaii.

### § 83.7-907 *Regional Offices of Reconstruction Finance Corporation.*

*Atlanta region.* Regional Manager, Reconstruction Finance Corporation, Healey Building, Atlanta 3, Ga. (Mr. M. E. Everett, Manager)

Georgia, Alabama, Tennessee, and Florida.

*Boston region.* Regional Manager, Reconstruction Finance Corporation, 40 Broad Street, Boston 9, Mass. (Mr. John J. Hagerty, Manager)

Maine, New Hampshire, and Vermont.

*Charlotte region.* Regional Manager, Reconstruction Finance Corporation, Wilson Building, 109 West Third Street, Charlotte 1, N. C. (Mr. John A. Campbell, Jr., Manager)

North Carolina and South Carolina.

*Chicago region.* Regional Manager, Reconstruction Finance Corporation, 203 South LaSalle Street, Chicago 4, Ill. (Mr. B. A. Mattingly, Manager):

Illinois, Indiana, and Iowa.

*Cleveland region.* Regional Manager, Reconstruction Finance Corporation, Federal Reserve Bank Building, Cleveland 1, Ohio (Mr. J. A. Fraser, Manager)

Ohio and West Virginia.

*Dallas region.* Regional Manager, Reconstruction Finance Corporation, Cotton Exchange Building, Dallas 1, Tex. (Mr. L. B. Glidden, Manager)

Northern and Western Texas including counties of Andrews, Archer, Armstrong, Bailey, Baylor, Bell, Borden, Bosque, Bowie, Briscoe, Brown, Burnet, Callahan, Camp, Carson, Cass, Castro, Childress, Clay, Cochran, Coke, Coleman, Collin, Collingsworth, Comanche, Concho, Cooke, Coryell, Cottle, Crane, Crockett, Crosby, Culbertson, Dallam, Dallas, Dawson, Deaf Smith, Delta, Denton, Dickens, Donley, Eastland, Ector, Ellis, El Paso, Erath, Falls, Fannin, Fisher, Floyd, Foard, Franklin, Freestone, Gaines, Garza, Glasscock, Gray, Grayson, Gregg, Hale, Hall, Hamilton, Hansford, Hardeman, Harrison, Hartley, Haskell, Hemphill, Henderson, Hill, Hockley, Hood, Hopkins, Howard, Hudspeth, Hunt, Hutchinson, Irion, Jack, Jeff Davis, Johnson, Jones, Kaufman, Kent, King, Knox, Lamar, Lamb, Lampasas, Leon, Limestone, Lipscomb, Loving, Lubbock, Lynn, McCulloch, McLennan, Marion, Martin, Menard, Midland, Milam, Mills, Mitchell, Montague, Moore, Morris, Motley, Navarro, Nolan, Ochiltree, Oldham, Palo Pinto, Panola, Parker, Parmer, Pecos, Potter, Rains, Randall, Reagan, Red River, Reeves, Roberts, Robertson, Rockwall, Runnels, Rusk, San Saba, Schleicher, Scurry, Shackelford, Sherman, Smith, Somervell, Stephens, Sterling, Stonewall, Sutton, Swisher, Tarrant, Taylor, Terry, Throckmorton Titus, Tom Green, Upshur, Upton, Van Zandt, Ward, Wheeler, Wichita, Winkler, Wilbarger, Williamson, Wise, Wood, Yoakum, and Young.

*Denver region.* Regional Manager, Reconstruction Finance Corporation, Boston Building, Denver 2, Colo. (Mr. Ross L. Hudson)

Colorado and New Mexico.

*Detroit region.* Regional Manager, Reconstruction Finance Corporation, 607 Shelby Street, Detroit 26, Mich. (Mr. Arthur J. Fushman)

Michigan, except upper peninsula.

*Houston region.* Regional Manager, Reconstruction Finance Corporation, Rusk Building, 723 Main Street, Houston 2, Tex. (Mr. W. Y. Phillips)

Southeastern Texas, including counties of Anderson, Angelina, Austin, Bastrop, Brazoria, Brazos, Burleson, Calhoun, Chambers, Cherokee, Colorado, Fayette, Fort Bend, Galveston, Grimes, Hardin, Harris, Houston, Jackson, Jasper, Jefferson, Lavaca, Lee, Liberty, Madison, Matagorda, Montgomery, Nacagdoches, Newton, Orange, Polk, Refugio, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Victoria, Walker, Waller, Washington, and Wharton.

*Kansas City region.* Regional Manager, Reconstruction Finance Corporation, Federal Reserve Bank Building, Kansas City 6, Mo. (Mr. Albert L. Strong):

Kansas and Oklahoma.

*Los Angeles region.* Regional manager, Reconstruction Finance Corporation, Pacific Mutual Building, Los Angeles 14, Calif. (Mr. Hector C. Haight)

Arizona, Southern California, including counties of Imperial, Inyo, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura.

*Minneapolis region.* Regional Manager, Reconstruction Finance Corporation, McKnight Building, Minneapolis 1, Minn. (Mr. China R. Clarke)

Minnesota, Wisconsin, North Dakota, and South Dakota.

*New Orleans region.* Regional Manager, Reconstruction Finance Corporation, Union Building, 837 Gravier Street, New Orleans 12, La. (Mr. George W. Robertson)

Louisiana and Mississippi.

*New York region.* Regional Manager, Reconstruction Finance Corporation, Federal Reserve Bank Building, 33 Liberty Street, New York 5, N. Y. (Mr. Thomas J. Ahearn, Jr.):

New York and New Jersey.

*Omaha region.* Regional Manager, Reconstruction Finance Corporation, Woodmen of the World Building, Omaha 2, Nebr. (Mr. Herbert S. Daniel):

Wyoming and Nebraska.

*Philadelphia region.* Regional Manager, Reconstruction Finance Corporation, 1523 Walnut Street, Philadelphia 2, Pa. (Mr. E. Raymond Scott).

Pennsylvania and Delaware.

*Portland region.* Regional Manager, Reconstruction Finance Corporation, Pittock Building, Portland 5, Oreg. (Mr. William Kennedy)

Washington, Idaho, Montana, and Oregon.

*Richmond Region.* Regional Manager, Reconstruction Finance Corporation, Richmond Trust Building, 7th and Main Streets, Richmond 19, Va. (Mr. W. B. Cloe).

Maryland, Virginia, and Washington, D. C.

*St. Louis Region.* Regional Manager, Reconstruction Finance Corporation, Landreth Building, 320 North Fourth Street, St. Louis 2, Mo. (Mr. B. Glenn Culledge)

Missouri, Kentucky, and Arkansas.

*San Antonio Region.* Regional Manager, Reconstruction Finance Corporation, Alamo National Building, San Antonio 5, Tex. (Mr. L. C. Andrews)

Southern Texas, including the counties of Arkansas, Atascosa, Bandera, Bee, Bexar, Blanco, Brewster, Brooks, Caldwell, Cameron,

Comal, De Witt, Dimmit, Duval, Edwards, Frio, Gillespie, Goliad, Gonzales, Gaudalupe, Hayes, Hidalgo, Jim Hogg, Jim Wells, Karnes, Kendell, Kenedy, Kerr, Kimble, Kinney, Kleburg, La Salle, Live Oak, Llano, McMullen, Mason, Maverick, Medina, Nueces, Presidio, Real, San Patricio, Starr, Terrell, Travis, Uvalde, Van Verde, Webb, Willacy, Wilson, Zapata, and Zavalla.

*San Francisco region.* Regional Manager, Reconstruction Finance Corporation, 200 Bush Street, San Francisco 4, Calif., (Mr. John S. McCullough)

Nevada, Northern California including the counties of Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, Eldorado, Fresno, Glenn, Humboldt, Kern, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Clara, Santa Cruz, Shasta, Siskiyou, Solano, Sonomo, Stanislaus, Sutter, Tehama, Trinity, Tulard, Tuolumne, Yolo, and Yoba.

*Salt Lake City region.* Regional Manager, Reconstruction Finance Corporation, Dooley Building, Salt Lake City 1, Utah, (Mr. Gerald L. Leaver)

Utah.

§ 83.7–908 *Regional Offices of Procurement Division, Treasury Department.*

*Region I.* Regional Director, Procurement Division, U. S. Treasury Department, Park Square Building, Boston 16, Mass. (Mr. Donald A. Mackay, Phone: Hubbard 2870)

Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

*Region II.* Regional Director, Procurement Division, U. S. Treasury Department, 76 Ninth Avenue, New York 11, N. Y. (Mr. F. S. Albrecht, Phone: Chelsea 3–8950)

Pennsylvania, New Jersey, and New York.

*Region III.* Regional Director, Procurement Division, U. S. Treasury Department, 1229 Twentieth Street NW., Washington 25, D. C. (Mr. J. J. Connor, Phone: Executive 6400 Exts. 5035 and 5036)

District of Columbia, Delaware, Maryland, North Carolina, and Virginia.

*Region IV* Regional Director, Procurement Division, U. S. Treasury Department, Faller Bldg., Eighth and Walnut Streets, Cincinnati 14, Ohio (Mr. J. H. Little, Phone: Parkway 7160)

Indiana, Kentucky, Ohio, and West Virginia.

*Region V* Regional Director, Procurement Division, U. S. Treasury Department, Room 300, 209 South LaSalle Street, Chicago 4, Ill. (Mr. F. A. Mapes, Pohne: Delaware 8300)

Illinois, Michigan, Minnesota, North Dakota, South Dakota, and Wisconsin.

*Region VI.* Regional Director, Procurement Division, U. S. Treasury Department, 10 Forsyth Street Building, Atlanta 3, Ga. (Mr. John D. Tompkins, Phone: Walnut 5081)

Alabama, Florida, Georgia, Mississippi, South Carolina, and Tennessee.

*Region VII.* Regional Director, Procurement Division, U. S. Treasury Department, 609 Neil P. Anderson Building, Fort Worth 2, Tex. (Mr. Hamilton Morton, Phone: 2–1287).

Arkansas, Louisiana, Oklahoma, and Texas.

*Region VIII.* Regional Director, Procurement Division, U. S. Treasury Department, 2605 Walnut Street, Kansas City 2, Mo. (Mr. W. B. Edgar, Phone: Westport 4903)

Iowa, Kansas, Missouri, and Nebraska.

*Region IX.* Regional Director, Procurement Division, U. S. Treasury Department, 7th Floor, Exchange Building, 1030 Fifteenth Street, Denver 2, Colo. (Mr. Alden W. Pool, Phone: Keystone 4151)

Colorado, New Mexico, Utah, and Wyoming.

*Region X.* Regional Director, Procurement Division, U. S. Treasury Department, 335 Fell Street, San Francisco 2, Calif. (Mr. Thomas C. Stephens, Phone: Underhill 1922)

Arizona, California, and Nevada.

*Region XI.* Regional Director, Procurement Division, U. S. Treasury Department, 2005 Fifth Avenue, Seattle 1, Wash. (Mr. Orrin C. Bradeen, Phone: Main 2782)

Idaho, Oregon, Montana, and Washington.

§ 83.7–909 *Stockpile materials.*

| Material | Minimum quantity | Specific types and grades |
|---|---|---|
| Agar | 250 lbs | Medical Department Supply Catalog, Item Numbers 10460, 10460-12, 10460-32, 10460-40, 10460-48, 10460-50, 10460-88, 1K90020, 10460-46 Bulk Agar. |
| Aluminum Ingot | 50,000 lbs | Primary or secondary refined metal (99% minimum Al). |
| Antimony | 25 sh. tons | Refined metal, needle antimony, antimony sulfide, antimony ores and concentrates. |
| Asbestos: | | |
| Rhodesian Chrysolite | 5 sh. tons | Commercial grades C & G/1, C & G/2 Unfabricated. |
| South African Amosite | 5 sh. tons | Commercial grades B-1, B-3, D-3, 3DM-1 Unfabricated. |
| Bauxite | 25 lg. tons | Commercial Grade A. |
| Beryl | 5 sh. tons | Beryl ore (minimum 8%BeO), beryllium oxide, beryllium metal. |
| Bismuth | 5 lbs | Bismuth metal, pharmaceutical compounds. |
| Cadmium | 5 lbs | Metal in sticks, ingots, slabs, ball anodes or other refined forms. |
| Calcite, Optical | 100 lbs | Clear, flawless crystals, Minimum 1½" di. |
| Chromite: | | |
| Chemical Grade | 25 lg. tons | Commercial ore or concentrates. Dry chromium chemicals. |
| Metallurgical Grade | 25 lg. tons | Ore (42% minimum $Cr_2O_3$, 2.8 minimum Cr/Fe ratio), ferrochromium, chromium metal. |
| Refractory Grade | 25 lg. tons | All commercial grades. |
| Chalk, English | 10 sh. tons | Any. |
| Clay, English China | 10 sh. tons | All commercial grades. |
| Cobalt | 2,000 lbs. cobalt content | Refined metal oxide, ores, concentrates, crudes. |
| Columbite | 500 lbs. columbite content | Ore (45% minimum $Cb_2O_5$ Ferrocolumbium). |
| Copper | 25 sh. tons | All primary copper refinery forms. Ingots and other heavy mill forms. Also cartridge (70-30) brass ingot, mill forms. |
| Cordage fibers: Manila and sisal | 400 lbs. or 1 bale | Fiber or new cordage. |
| Corundum | 10,000 lbs | Ore or grain. |
| Cryolite, natural | 25 lg. tons | Natural ore. |
| Diamonds, Industrial | No minimum | Stones (unset), powder, dust. |
| Diamond dies | No minimum | Finished dies. |
| Emery | 25 sh. tons | Ore or grain. Turkish or Greek origin only. |
| Emetine | 100 oz | Medical Department Supply Catalog, Item Numbers 11720, A320800, A320930, A321000, A321010. Emetine in bulk. |
| Ergot | 250 lbs | Material in bulk quantities. |
| Fluorspar: Acid or Metallurgical | 25 sh. tons | Commercial grades. |
| Graphite: Amorphous lump, 97% minimum. | 5 sh. tons | Any amorphous lump (97% minimum C). |
| Crystalline fines | 25 sh. tons | Madagascar; or domestic grades A, 1A and 1B, smaller than 60 mesh. |
| Flake | 5 sh. tons | Madagascar flake, 60 mesh or larger. |
| Hyoscine | 25 oz | Hyoscine hydrobromide in bulk or standard packages. |
| Indium | 100 troy oz | Metal in refinery forms. Plating salts. |
| Iodine | 2,000 lbs | Crude iodine. |
| Jewel bearings: Instrument rings sapphire vees, watch rings, and other instrument and watch jewels. | No minimum | Set or unset. |
| Kapok | 100 lbs | Raw fiber. |
| Kyanite, Indian | 25 sh. tons | Ore. |
| Lead | 25 sh. tons | Antimonial, common or corroding grade metal in all refinery forms. Ores and concentrates. |
| Manganese: | | |
| Battery grade | 25 lg. tons | Commercial battery ore, lump or pulverized Battery mixes not acceptable. |
| Metallurgical grade | 25 lg. tons | Ore (45% minimum Mn). |
| Mercury | 10 flasks | Metallic or contained in chemicals. |
| Mica: | | |
| Muscovite block and film, good stained and better. | No minimum | Commercial grade, larger than 1 sq. inch. |
| Muscovite block, stained and lower. | No minimum | Commercial grade, larger than 1 sq. inch. |
| Muscovite splittings | No minimum | Commercial grades, unbonded. |
| Phlogopite (Amber) splittings | No minimum | Commercial grades, unbonded. |
| Phlogopite (Amber) block | No minimum | Commercial grade, larger than 1 sq. inch. |
| Molybdenum | 10,000 lbs. molybdenum content | Molybdenum concentrates, oxide, calcium molybdate, ferromolybdenum, ammonium molybdate, molybdenum powder. |
| Monazite | 5 sh. tons | Ore. |
| Nickel (including monel) | 10,000 lbs. nickel content | Refined metal in any form. |
| Pepper | 1,000 lbs | Commercial grades, ground or unground. |
| Platinum group metals: | | |
| Iridium | No minimum | Refined iridium or alloys with other platinum group metals. Crudes or semi-refined forms. |
| Osmium | No minimum | Refined osmium or alloys with other platinum group metals. Crudes or semi-finished forms. |
| Palladium | No minimum | Refined palladium or alloys with other platinum group metals. Crudes or semi-refined forms. |
| Platinum | No minimum | Refined platinum or alloys with other platinum group metals. Crudes or semi-refined forms. |
| Rhodium | No minimum | Refined rhodium or alloys with other platinum group metals. Crudes or semi-refined forms. |

| Material | Minimum quantity | Specific types and grades |
|---|---|---|
| Platinum group metals—Continued. | | |
| Ruthenium | No minimum | Refined ruthenium or alloys with other platinum group metals. Crudes or semi-finished forms. |
| Quartz crystals: Radio grade | No minimum | Oscillator plates and blanks (active) NBS grades 1, 2 and 3 crude quartz crystals. |
| Quebracho | 5 lg. tons | Extract in bulk. |
| Quinidine Sulfate | 25 oz | Medical Department Supply Catalog, Item No. 15570, Material in bulk. |
| Quinine | 100 oz | Medical Department Supply Catalog, Item Numbers 15000, 15010, 15000-14, 15000-03, 15000-05, A-717000, A-716000, A-716500. Quinine sulfate or hydrochloride in bulk. |
| Rubber: Crude rubber and natural rubber, latex. | 5 lg. tons | Any. |
| Rutile | 5 sh. tons | Ore or concentrates. |
| Sapphire (natural and synthetic) | No minimum | Any suitable for jewel bearings. |
| Selenium | 1,000 lbs | Commercial forms or compounds. |
| Shellac | 10,000 lbs | Bulk shellac of all grades (dry flake). |
| Strontium, Celestite | 25 sh. tons | Ores. |
| Talc: | | |
| Stearite, block or lava | 10 sh. tons | Quality suitable for electronic tube spacers. Minimum 3-lb. pieces. |
| Stearite, ground | 5 sh. tons | Any. |
| Tantalite | 100 lbs. tantalite content | Tantalite ore, potassium tantalum fluoride, tantalum oxide, tantalum metal powder. |
| Tin | 100 lbs | Concentrates. Pig tin. |
| Tungsten | 10,000 lbs. tungsten content | Ores and concentrates, 65% minimum $WO_3$ commercial ferrotungsten, tungsten powder. |
| Vanadium | 10,000 lbs. vanadium content | Vanadium oxide, 70% minimum $V_2O_5$ ferrovanadium. |
| Wool | 300 lbs | Raw wool, greasy or cleaned. |
| Zinc | 25 sh. tons | Slab zinc, all grades. Zinc ores and concentrates, zinc oxide. |
| Zirconium: Baddeleyite and Zircon | 5 sh. tons | Ores or concentrates. |

[Procurement Reg. 9]

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

LABOR, WAGE AND SALARY STABILIZATION

In § 81.979 paragraphs (b) (2) (m) (n) (o) and (r) are amended as follows:

§ 81.979 *Jurisdiction and procedure of Regional War Labor Boards.* * * *

(b) *Procedure in dispute cases not including wages or salaries.* * * *

(2) Upon receipt of the certification, the case will be considered by a New Case Committee of the regional war labor board, composed of the chairman or vice-chairman, one industry, and one labor member, and the disputes director. The New Case Committee, in determining what action to take, will consult with the regional representative of the conciliation service. If the committee does not consider the case ready for a hearing, it may refer the case back to the parties for further negotiation or to the regional representative of the Conciliation Service for further information or further investigation or conciliation. If the case is deemed ready for a hearing, the committee will designate a tripartite panel to hear the case. The labor representative on the panel shall be of the same affiliation (AFL or CIO) as the union involved. If an independent union is involved, the labor representative on the panel shall be associated with another independent union. If the parties agree to have the case heard by a single person, the regional war labor board will designate one of the public panel members or some other suitable person to hear the case. Wherever the term "panel" is hereafter used, it will be deemed to include a single hearing officer in the cases just mentioned.

* * * * *

(m) *Directive orders in dispute cases.* (1) Regional War Labor Boards are authorized to issue directive orders in dispute cases in conformity with the policy of the National War Labor Board. Each such directive order shall bear the date of its actual issue and shall be issued to the parties when made. The issuance of any provision of a directive order, however, which relates to a wage or salary adjustment, may be stayed if two or more public members of the Regional Board dissent from the provision and request that its issuance be stayed. In such event a copy of the directive order and the request for the stay, together with a statement of the reasons for such request, shall be immediately transmitted to the National War Labor Board. The provisions so sought to be stayed shall not be issued to the parties until the expiration of ten days after receipt in Washington of the request for the stay, unless (i) the issuance of such provision is earlier approved by the National War Labor Board or (ii) within such ten day period the National War Labor Board sets the case down for review. In the latter event, the Executive Assistant to the National War Labor Board shall communicate the Board's action to the Regional Board, and the stay shall continue in effect until the case is finally disposed of.

(2) If after the issuance of a directive order no timely petition for review is filed, (as provided in paragraph (n) of this section) and if the National War Labor Board within such a period does not review the order on its own motion, the order shall on the day following the last day for filing such a petition stand confirmed as the order of the National War Labor Board and shall immediately be effective according to its terms: *Provided,* That the National War Labor Board may at any time prior to the expiration of the time for the filing a petition for review make such an order, or any part thereof, immediately effective pending any further proceedings. If a timely petition for review of a directive order of a Regional Board is filed by a party, or if the National War Labor Board reviews such an order on its own motion, the entire order shall be suspended, unless and until the National War Labor Board directs, or has directed, otherwise, or unless the parties otherwise agree. However, the date of expiration of the escape period fixed in a directive order of a Regional Board granting a maintenance of membership provision shall not be affected by the filing of a petition for review of this or any other provision of the order. If only a part of the order is sought to be reviewed, any party may petition the National War Labor Board to make the rest of the order immediately effective according to its terms. The parties may in any case mutually agree upon the date when the order, or any part thereof, shall take effect, except that where a wage or salary adjustment is made subject to the approval of the Economic Stabilization Director, the parties may not by their agreement make such adjustment effective prior to the date of such approval.

(3) Copies of all directive orders and of any accompanying opinions (together with such other material as the Wage Stabilization Division may require) shall, when issued, be filed with the National War Labor Board.

(n) *Petitions for review.* Within fourteen days after a regional board mails to a party a directive order in a dispute case, or a ruling denying or modifying an application for approval of a voluntary wage or salary adjustment, such party may mail to the Regional Board an original and four copies of a petition, including supporting documents, seeking review by the National War Labor Board of such ruling or directive order. The petition shall (1) state the petitioner's reasons for believing that one or more of the criteria set forth below is satisfied, (2) set forth fully and in detail the contentions of the petitioner with respect to the merits of each issue raised by the petition, with specific references to any pertinent portions of the record in the case, and (3) state that a copy of the petition has been served upon the other parties to the case and the date of such service. No such petition seeking review by the National War Labor Board of a ruling or directive order of a Regional Board shall be granted unless the petitioner has demonstrated by substantial proof that (1) the ruling or order exceeds the National War Labor Board's justification, or (2) the ruling or order contravenes the established policies of the National War Labor Board, or (3) a novel question is involved of such importance as to warrant national action, or (4) the procedure resulting in the ruling or order was unfair to the petitioner and has caused substantial hardship. The party filing a petition shall at the same time serve a copy thereof, together with any supporting documents, upon each of the other parties to the proceeding.

(o) *The answer.* Within fourteen days after a copy of such a petition for review is mailed by the petitioning

party to any other party to the case, such other party may mail an answer to the petition to the Regional Board which issued the directive order or ruling. An original and five copies of the answer shall be transmitted to the Regional Board and a copy shall at the same time be served upon each of the other parties to the case. Such an answer shall include a statement that a copy thereof has been served as required above, and shall show the date of such service. An answer may not contain a request for review of an order or any part thereof; such a request must be filed, if at all, in the form of a petition for review in the manner and within the time limit provided in paragraph (n) of this section. Each answer should state fully but concisely the respondent's reasons for believing (1) that the petition ought not to be entertained, and (2) that, if the National War Labor Board decides to entertain the petition, the petition should be denied on the merits.

* * * * *

(r) *Reconsideration of Directive orders and rulings.* (1) Regional War Labor Boards may reconsider directive orders or rulings on their own motion or on petition, except, while the case is under consideration by the National Board following the granting of a petition for review, or the taking of review by the National Board on its own motion.

(2) The party petitioning for reconsideration shall serve a copy of the petition on all other parties at the same time that it is filed with the Regional Board. The filing of such petition does not preclude the filing of a petition for review, but shall not extend the time for filing a petition for review nor change the date when the directive order takes effect.

(3) The Regional Board shall not act on any petition for reconsideration of a directive order or ruling unless (i) the petition is mailed to the Regional Board within fourteen days after the mailing by the Regional Board of the order or ruling in question and sets forth with particularity the grounds upon which the petition is based, or, (ii) the petition is filed promptly upon the petitioner's discovering material and substantial evidence which the petitioner was unable, despite due diligence, to discover in time to present to the Regional Board before it issued its order or ruling, and sets forth with particularity such evidence, or (iii) the petition is filed promptly upon the occurrence of events after the date of the order or ruling which make the order or ruling harsh or unfair, and set forth with particularity such events. If a petition for reconsideration is filed under subdivision (ii) or (iii) of this subparagraph, and the Regional Board deems that the evidence submitted warrants reconsideration of the directive order or ruling, it shall provide the parties a hearing on such new matters.

(4) Regional Boards may adopt rules further restricting reconsideration. Refusal of reconsideration by a Regional Board shall have no bearing on the validity of a petition for review.

(5) If the ruling or directive order issued by the Regional Board is modified by the Regional Board in response to a petition for reconsideration or upon its own motion, the Regional Board shall issue to the parties such ruling or order, as modified, in the same manner and with the same effect as is provided in paragraphs (l) and (m) of this section. The order or ruling as modified shall be subject to review in accordance with the provisions of paragraph (n) except that the period prescribed therein for filing a petition for review or answer thereto shall be seven instead of fourteen days.

In § 81.980d, paragraph (d) (18) is added as follows:

§ 81.980d *General Order No. 4.* * * *

(d) * * *

(18) All employees engaged in the automotive repair industry in the Tenth Region of the National War Labor Board, embracing the states of California, Nevada and Arizona, other than gasoline stations, tire and vulcanizing services.

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[Procurement Reg. 12]

PART 81—PROCUREMENT OF MILITARY SUPPLIES AND ANIMALS

RENEGOTIATION AND PRICE ADJUSTMENT

Section 81.1235a is added as follows:

§ 81.1235a *Article for optional periodic adjustment of price*—(a) *Purpose of article.* The purpose of the article (see § 81.360a) is much the same as in the case of the article for negotiated price revision set out in § 81.360 (a) except that no fixed periods for negotiated price revision are included in the article set out in § 81.360a, and negotiations for price revision takes place under the article only when one party or the other requests such negotiations.

(b) *Nature of article.* Under this article (see § 81.360a) the original price is set out in the contract. At any time after the expiration of 90 days from the date of the contract or from the effective date of a previous demand by either party, and not later than 90 days before the anticipated completion of the contractor's deliveries of items covered by the contract, the price on subsequent deliveries of items may be revised by negotiation. The article is intended to make it unnecessary for either the contractor or the contracting officer to request a price revision unless one or the other is of the opinion that substantial changes in conditions have taken place making negotiations desirable. Like the article set out in § 81.360 (a) the article set out in § 81.360a assumes that the original price can be fairly fixed for a reasonable period but that future conditions cannot be adequately predicted. However, by including the changes in and additions to the article set out in § 81.360a (a) the article may be adapted to use in cases where the original price cannot be fairly fixed for a reasonable period, because of lack of experience in the particular production called for by the contract or for other reasons.

(c) *Use and operation of the article.* In using this article (see § 81.360a) the following principles will be observed:

(1) The contracting officer should satisfy himself that the contractor can and will supply reliable data on which to negotiate any requested price revisions. This involves, among other things, assurance that the contractor's cost accounting methods are reasonably satisfactory and accurate and adapted to developing the type of data appropriate to the use of the article.

(2) In appropriate cases the required interval of 90 days between demands for price revision may be increased or decreased, if the chief of the technical service is of the opinion that a period other than 90 days is appropriate in the case.

(3) In return for the use of this article, the contractor will be required (i) to make cost estimates on a basis sufficiently low to give incentive to the contractor to perform the contract economically and efficiently, (ii) to eliminate from his original price substantially all allowance for contingencies and (iii) to keep estimated allowances for profit at a moderate level which reflects the reduced risks incurred by the contractor when this article is used.

(4) Negotiations to revise the price will be carried on promptly after each demand for such revision, allowing only sufficient time to obtain adequate information from the contractor and other sources to permit a proper negotiation. If necessary, the contracting officer may examine the books and records of the contractor. He will conduct negotiations on much the same principles as in the case of the original negotiations and will give full weight to the principles discussed in § 81.1224 (b) (5) and in ASF Manual M-601. In the event of delay in reaching an agreement as to a revised price that will be determined promptly by order as provided in paragraph (i) of the article.

(5) In negotiating a price revision under the article the contracting officer ordinarily should not agree to revise any price upward by more than the excess of (i) any increases in costs beyond the contractor's control, over (ii) any offsetting unanticipated reductions in the contractor's costs. However, this rule should not be applied to deprive a contractor of a reasonable reward, in the form of an increased estimated allowance for profit, for especially efficient and economical production.

(6) In negotiating a price revision the contracting officer and the contractor should recognize that wage increases and increases in the prices of materials will not necessarily immediately increase the costs of items to be delivered by the contractor. For example, some of the labor on work in process at the time of a wage increase may have been performed while lower rates of wages were in effect. Similarly, a contractor may have an inventory on hand or materials on order at prices on a basis which does not reflect current increases in the price of such materials.

(7) Any agreed revised price will be set forth promptly in a supplemental agreement as provided in the article.

(8) Except as provided in paragraph (h) the contract article does not obligate the Government to increase the price on the basis of actual costs or of any other formula or to do more than to negotiate in good faith to revise the price.

(d) *Where the contractor has had no adequate experience in the production of the items called for by the contract.* The article set forth in § 81.360a may be modified by the changes and additions set out in paragraph (b) of § 81.360a to make it appropriate for use in contracts where the contractor has had no adequate prior experience in the production of the item called for by the contract. The article set out in § 81.360a as modified by the changes and additions set out in paragraph (b) of § 81.360a permits the revision of the whole price for all deliveries, both past and future, on demand of either party at any time prior to the delivery of 30% of the principal items to be furnished under the contract. Such a revision does not prevent a later revision of the price for deliveries after the effective date of the demand for such later revision, if such a later revision shall in fact be requested by either party.

The article (§ 81.360a) as so modified (see § 81.360a (b)) will be used only in those cases where the developmental or experimental nature of the item, the lack of previous production experience with the item on the part of the contractor or other causes, prevent the making of reliable estimates of cost when the contract is executed and make it desirable to provide in the contract for later revision of the initial price, to be applicable to deliveries during the early stages of the contract, in the light of actual production experience.

New sections, designated §§ 81.1270 to 81.1283, are inserted as follows:

*Mandatory Pricing and Repricing of Articles and Services*

§ 81.1270 *Statutory basis for mandatory pricing and repricing.* Section 801 of Title VIII of the Revenue Act of 1943 ("Repricing of War Contracts") provides as follows:

(a) As used in this section the terms "Department," "Secretary," and "article" shall have the same meanings as in subsection (a) of the Renegotiation Act. [See Revenue Act of 1943, sec. 701; see § 81.1201.]

(b) When the Secretary of a Department deems that the price of any article or service of any kind, which is required by his Department or directly or indirectly required, furnished, or offered in connection with, or as a part of, the performance or procurement of any contract with his Department or of any subcontract thereunder, is unreasonable or unfair, the Secretary may require the person furnishing or offering to furnish such article or service to negotiate to fix a fair and reasonable price therefor. If such person refuses to agree to a price for such article or service which the Secretary considers fair and reasonable, the Secretary by order may fix the price payable to such person for furnishing such article or service after the effective date of the order, whether under existing agreements or otherwise. The order may prescribe the period during which the price so fixed shall be effective and such other terms and conditions as the Secretary deems appropriate.

(c) Any person aggrieved by an order fixing a price under this section may sue the United States in any appropriate court. In such suit, such person shall be entitled to recover from the United States the amount of any difference between (1) fair and just compensation for the articles and services furnished under the terms of the order and (2) the price fixed for such articles and services by the order; but if the prices so fixed by the order are found to exceed fair and just compensation for such articles and services, such person shall be liable to the United States in such suit for the amount of this excess. Any such suit shall be brought within six months after the order by the Secretary on which it is based, or after the expiration of the period or periods specified in such order, whichever last occurs. Such a suit shall not stay the order involved.

(d) Whenever any person wilfully refuses or wilfully fails to furnish any such articles or services at the price fixed by an order of the Secretary in accordance with this section, the President shall have power to take immediate possession of the plant or plants of such person and to operate them in accordance with Section 9 of the Selective Training and Service Act of 1940 as amended.

(e) The authority and discretion herein conferred upon the Secretary of each Department may be delegated in whole or in part by him to such individuals or agencies as he may designate in his Department, or in any other Department with the consent of the Secretary of that Department, and he may authorize such individuals or agencies to make further delegations of such authority and discretion.

(f) Every purchase order or agreement, or contract to make or furnish any article or service of any kind, which is required by a Department or directly or indirectly required, furnished, or offered in connection with, or as a part of, the performance or procurement of any contract with such Department or of any subcontract thereunder, shall, if made thirty days or more after the date of the enactment of this Act, be deemed to contain a provision under which the person making or furnishing such article or service agrees that notwithstanding other provisions of the purchase order, agreement, or contract, he shall be entitled to receive for such article or service only the fair and just compensation provided for in subsection (c)

§ 81.1271 *Delegations of authority.* The Secretary of War has assigned and delegated all of the powers, functions, duties and discretion conferred upon him by section 801 to the Under Secretary of War.

(a) Under date of 17 May 1944, the Under Secretary of War issued the following memoranda:

(1) Memorandum for The Commanding General, Army Service Forces.

Subject: Delegation of authority under Section 801 of the Revenue Act of 1943.

1. The Secretary of War has assigned and delegated to me all of the powers, functions, duties and discretion conferred upon him by Section 801 of the Revenue Act of 1943.

2. I hereby delegate to you with respect to the Army Service Forces and to procurement dealt with by the Army Service Forces the powers, functions, duties and discretion conferred upon the Secretary of War by Section 801 of the Revenue Act of 1943, and by him delegated to me.

3. The Commanding General, Army Service Forces, may prescribe, by Procurement Regulations, manuals, or otherwise, rules and regulations, which have been cleared with the Army Air Forces in the manner provided in § 81.107 (d) of War Department Procurement Regulations, governing the exercise throughout the War Department of the authority granted to the Secretary of War under Title VIII of the Revenue Act of 1943, and, without any limitation of the generality of the foregoing, such rules and regulations may require that (a) matters arising under said Title VIII of the Revenue Act of 1943 be submitted for approval or instructions to, and (b) that any proposed redelegations of such authority be subject to the approval of, the Director, Purchases Division, Headquarters, Army Service Forces, or whomsoever the Director, Purchases Division, may designate.

4. Any of the powers, functions, duties and discretion hereby delegated to you may be exercised by you through such officers, civilian employees or agencies of the War Department as may be designated in writing by you or by any person whom you have authorized to make such designation with such powers or delegation and successive redelegation as you may deem appropriate.

ROBERT P. PATTERSON,
*Under Secretary of War.*

(2) Memorandum for Brigadier General Albert J. Browning, Special Representative of the Under Secretary of War and to any person acting for the time being as such Special Representative.

Subject: Delegation of authority under Section 801 of the Revenue Act of 1943.

1. The Secretary of War has assigned and delegated to me all of the powers, functions, duties and discretion conferred upon him by Section 801 of the Revenue Act of 1943.

2. I hereby delegate to you with respect to the Army Air Forces and to procurement dealt with by the Army Air Forces the powers, functions, duties and discretion conferred upon the Secretary of War by Section 801 of the Revenue Act of 1943 and by him delegated to me, *Provided, however,* That any regulations, directives, or instructions of general application issued by you shall be subject to and in conformity with such rules and regulations as may be issued pursuant to paragraph 3 of a memorandum for the Commanding General, Army Service Forces, subject as above, dated 17 May 1944.

3. Any of the powers, functions, duties and discretion hereby delegated to you may be exercised by you through such officers, civilian employees or agencies of the War Department as may be designated in writing by you or by any person whom you have authorized to make such designation with such powers of delegation and successive redelegation as you may deem appropriate.

4. Any person acting at any time as Director, Purchases Division, Headquarters, Army Service Forces, may exercise all the powers, functions, duties and discretion hereby delegated, and act as my Special Representative.

ROBERT P. PATTERSON,
*Under Secretary of War.*

(b) *Authority delegated by these Procurement Regulations.* Subject to any restrictions provided by these Procurement Regulations (see paragraph (c) of this section) or by manuals, rules or regulations issued pursuant to paragraph 3 of the memorandum for the Commanding General, Army Service Forces, dated 17 May 1944 (see paragraph (a) (1) of this section) upon the exercise of the authority delegated in this paragraph, there are hereby delegated to each of the chiefs of the technical services the powers, functions, duties, and discretion heretofore delegated by paragraph 2 of the memorandum set forth in paragraph (a) of this section from the Under Secretary of War to the Commanding General, Army Service

Forces and to his Special Representative. The powers, functions, duties and discretion herein delegated may be exercised by the chiefs of the technical services through such officers, civilian employees or agencies under their supervision as may be designated in writing by them, or by any person authorized by them to make such designation, with such powers of delegation or redelegation as they deem appropriate.

(c) *Limitation upon redelegation of authority.* All redelegations of the authority delegated by paragraph (b) of this section made by the chiefs of the technical services will be subject to the prior written approval of the Director, Purchases Division, or whomsoever he may designate, except,

(1) Redelegations to persons in the headquarters offices of the Army Air Forces,

(2) Redelegations to persons in the headquarters offices of the major commands within the Army Air Forces, and

(3) Redelegations to persons in the headquarters offices of the chiefs of the technical services of the Army Service Forces.

§ 81.1272 *Definition.* When used in §§ 81.1270 to 81.1290 of this Procurement Regulation:

(a) The term "section 801" means Title VIII, section 801 of the Revenue Act of 1943.

(b) The term "article" means "article and service" or "article or service" as may be appropriate.

(c) The term "deems that a price is unfair or unreasonable" means is of the opinion of tentative judgment, in the light of available and pertinent information, that the price is unfair or unreasonable.

(d) The term "subcontract" means any contract, purchase order or other agreement to make or furnish any article or to perform any service required for the performance, directly or indirectly, for, or in connection with, the performance of any contract with the War Department.

(e) The term "Director, Purchases Division" means the Director, Purchases Division, Headquarters, Army Service Forces, acting as such or, in respect of Army Air Force matters, as the Special Representative of the Under Secretary of War, or any person whom he may have authorized to act for him.

(f) The term "chief of a technical service" has the meaning set out in §§ 81.107 (i) 81.108 (d) and (e) except that delegations of the authority conferred by section 801 shall be subject to the limitations and restrictions stated in §§ 81.1271 (b) and (c) and shall include any person to whom he has delegated, with the approval provided for in § 81.1271 (c) the authority delegated to him under section 801, and the term "technical service" shall be deemed to include the plural as well as the singular when consistent with the context.

§ 81.1273 *Scope of statute.* (a) Section 801 authorizes the Secretary of War, in any case in which he deems the price of any article or service which is directly or indirectly required by the War Department to be unreasonable or unfair (1) to require the person furnishing or offering to furnish such article or service to negotiate to fix a fair and reasonable price therefor and (2) in the event such person refuses to agree to a price which the Secretary of War considers fair and reasonable, to fix by order the price payable to such person for furnishing such article or service after the effective date of the order.

(b) Section 801 authorizes such action with respect to prices of specific articles (which are defined by the statute as "any material, part, assembly, machinery, equipment, or other personal property") and services (which include among others, engineering and other services furnished by a licensor in connection with a patent license) rather than with respect to total contract values or profits which may be realized under the contract. The authority conferred is exercisable with respect to the prices of such articles or services (1) generally or (2) under the terms or circumstances of a particular contract, subcontract or procurement; or (3) of a particular type of quality or in a particular quantity; or (4) under other particular circumstances.

(c) The authority conferred by the section may be exercised to obtain fair and reasonable prices for any article of service required by the War Department, either directly from a prime contractor or indirectly from a subcontractor of any tier; and whether being furnished under a prime contract or subcontract entered into either before or after the enactment of the section (25 February 1944) or being offered in connection with or as a part of the performance or procurement of any such prime contract or subcontract. There is no need to include in contracts or subcontracts heretofore or hereafter executed any special contract article making reference to section 801. Exercise of the authority conferred by the section is not dependent upon the presence of any such contract article. As an additional support to action under the section, however, subsection (f) thereof provides that contracts and subcontracts made after 25 March 1944 shall

be deemed to contain a provision under which the person making or furnishing such article or service agrees that, notwithstanding other provisions of the purchase order, agreement, or contract, he shall be entitled to receive for such article or service only the fair and just compensation provided for in subsection (c).

(d) The authority conferred by the section may be exercised with respect to articles or services being furnished under or in connection with fixed price prime contracts or subcontracts or cost-plus-a-fixed-fee prime contracts or subcontracts.

(e) An exercise of any authority conferred by the section with respect to any article or service does not preclude a later and further exercise of such authority in respect of the same article of service.

(f) The statutory requirement that a person so furnishing or offering to furnish such article or service negotiate to fix a fair and reasonable price therefor upon notice from the Secretary of War so to do also requires, by necessary implication, that such person furnish such data and information within his possession as may be pertinent to the determination of such fair and reasonable price. The obligation of the contractor in this respect also may be enforced in appropriate situations by action under Title XIII of the Second War Powers Act (see § 81.1260)

(g) Any order of the Secretary of War fixing a fair and reasonable price for any article or service may prescribe the period during which the price so fixed shall be effective and, in addition, may prescribe such other terms and conditions in connection therewith as the Secretary of War deems appropriate. The price fixed by any such order is effective only with respect to such articles or services (1) as are furnished after the effective date of the order and (2) as to which the order is stated to be applicable.

(h) The authority and discretion conferred by the Section upon the Secretary of War may be delegated in whole or in part to such individuals or agencies in the War Department or, with the consent of the Secretary of that Department, in any other Department, and he may authorize such individuals or agencies to make further delegation of such authority and discretion. The Secretary of War has delegated such authority and discretion as provided in § 81.1271.

§ 81.1274 *General application of the statute.* (a) Section 801 gives support to the War Department's established policy of obtaining fair and reasonable prices from its contractors and permits the extension of that policy to subcontractors of any tier. The enactment of section 801 will in no way modify the War Department's policy of endeavoring to obtain fair and reasonable prices through voluntary negotiation based upon all available and pertinent information and conducted in accordance with any applicable principles set forth in these Procurement regulations and Army Service Forces Manual M-601. The authority conferred by the Section will be invoked only after every reasonable effort to obtain fair and reasonable prices by voluntary negotiation has been exhausted. In cases where voluntary negotiation is unavailing, however, the authority conferred by the section will be exercised without delay.

(b) The authority of the section when invoked will be exercised in such manner as to promote, rather than impair, existing and prospective cooperative and mutually beneficial relations between the War Department and its contractors and subcontractors. To this end, contract prices which were fair and reasonable at the time they were negotiated will not be made the subject of renegotiation or repricing pursuant to section 801 so long as the conditions which indicate such price then to be fair and reasonable remain substantially unchanged. Further, all reasonable efforts consistent with accomplishment of the objectives of the section will be made to minimize the occasions upon which any contractor or subcontractor will be required, pursuant to the provisions of the section, to negotiate with respect to the price of any

article or service being directly or indirectly furnished by him to any of the technical services of the War Department and the other Departments of the Government. In order to establish reasonable control in this respect all proposed Requirements to Negotiate under the section for the time being will be required to be cleared with the Director, Purchases Division, before service.

(c) Accomplishment of the objectives of the section do not require a review of all existing contracts and subcontracts to ascertain the fairness and reasonableness of the prices included therein. Such a review would not be feasible with the available manpower nor is it necessary in many instances. However, such prices will be reviewed whenever it is believed that they may no longer be fair and reasonable on the basis of indications from:

(1) Further information as to comparative or individual prices or costs, or prices or cost trends;

(2) The results of statutory renegotiation of the contractor or subcontractor;

(3) A review of prices as result of voluntary repricing of a contract;

(4) Information received as to subcontractors' prices upon negotiation of prime contracts; and

(5) Other appropriate occasions.

It is the responsibility of the individual technical services to maintain and improve general procedures for reviewing and analyzing prices to the extent necessary to carry out the War Department's pricing policy.

(d) Since the price which the section authorizes the Secretary of War to fix by order is one which he considers to be fair and reasonable under the circumstances of the procurement, or the terms and conditions of the order, no such order will be issued in any case in which there is insufficient information available or obtainable to permit of the fixing of a price which reasonably can be justified as being a fair and reasonable price at the time fixed.

(e) The fair and reasonable price which will be incorporated in any section 801 order which may be issued will be one arrived at through proper application of appropriate pricing principles (see e. g. Army Service Forces Manual M-601) and one deemed to be fair, both to the contractor and the Government, under all the terms and circumstances of the particular procurement. In general it should be a price which a buyer, ready and willing to buy, but under no compulsion to buy, would pay by voluntary agreement to a seller ready and willing to sell, but under no compulsion to sell. It should give appropriate consideration to any risks to be assumed by the Government and the contractor, respectively, in the particular case. It should be high enough to constitute reasonable compensation under all the circumstances for the benefits to be received by the Government, *Provided*, The contractor performs the contract with prudence and in accordance with good production practice. It should be low enough to give the contractor reasonable incentive to efficient and economical performance.

§ 81.1275 *Voluntary negotiation with respect to prices deemed to be unfair or unreasonable.* Whenever a technical service deems that the price of any article or service under an existing prime contract with the technical service is unfair or unreasonable to the Government, the contractor will be asked voluntarily to negotiate for a fair and reasonable price therefor; and whenever a technical service deems that the price of any article or service being furnished by a subcontractor for use in the performance of a prime contract with such technical service, or a subcontract thereunder, is unfair or unreasonable, the technical service will urge and assist the prime contractor or subcontractor voluntarily to negotiate with such subcontractor an appropriate reduction in such price.

§ 81.1276 *Mandatorily requiring negotiation*—(a) *By prime contractors.* (1) Whenever a technical service deems that the price of any article or service under an existing prime contract with the technical service is unfair or unreasonable to the Government and the contractor refuses to enter into, or promptly to continue to conclusion, voluntary negotiation of a fair and reasonable price therefor, the technical service will prepare a Requirement to Negotiate Fair and Reasonable Prices substantially in the form set forth in § 81.1282, and will transmit to the Director, Purchases Division, a copy thereof together with a memorandum of the chief of the technical service setting forth in reasonable detail (i) the reasons why the existing price is deemed to be unfair or unreasonable for future deliveries; (ii) the extent of the efforts made voluntarily to negotiate a fair and reasonable price therefor; (iii) so far as the technical service has information in this respect, a statement as to the extent to which the contractor is furnishing the article or service or other articles or services to other technical services and other Departments of the Government; (iv) why it is believed, if such is the case, that negotiation should be conducted solely with respect to the article and service sought to be repriced by the technical service rather than with respect to all the articles or services being furnished by the contractor to the War Department. No such Requirement to Negotiate will be served upon the contractor until the Director, Purchases Division, shall have approved such service.

(2) In the event it is determined, after consultation with other technical services and, in appropriate cases, other Departments, that the negotiation should be conducted also with respect to articles or services being furnished by the contractor to other technical services or Departments, the Director, Purchases Division, will so advise the technical service transmitting the Requirement to Negotiate. He also will advise whether representatives of such other technical services or Departments will participate in the negotiation or whether the technical service alone will conduct the negotiation. In such latter event, the Director, Purchases Division, will obtain and transmit to the technical service such delegation of authority as may be necessary or appropriate to permit it to act for such other Departments.

(3) Service of the Requirement to Negotiate, when approved by the Director, Purchases Division will be made in the manner provided in § 81.1281.

(4) Negotiations with the contractor pursuant to any such Requirement to Negotiate will be conducted in accordance with any applicable principles set forth in these Procurement Regulations, in Army Service Forces Manual M 601 and any instructions of the Director, Purchases Division, as to the particular case. The contractor will be given reasonable opportunity to furnish such data and information in his possession as may be pertinent to the fixing of a fair and reasonable price as defined in § 81.1274 (e)

(b) *By subcontractors.* (1) Whenever a technical service deems that the price of any article or service being furnished by a subcontractor for use in the performance of a prime contract with such technical service, or a subcontract thereunder, is unfair or unreasonable and the subcontractor refuses to enter into, or promptly to continue to conclusion, voluntary negotiation of a fair and reasonable price, the technical service will prepare a Requirement to Negotiate Fair and Reasonable Prices, substantially in the form set forth in § 81.1282, and will transmit to the Director, Purchases Division, a copy thereof. This will be accompanied by a memorandum of the chief of the technical service setting forth the information mentioned in § 81.1276 (a) unless the technical service, before entering into, or during the course of, voluntary negotiation with the subcontractor concludes that other articles and services which the subcontractor is furnishing directly or indirectly to the War Department should also be repriced, in which event the chief of the technical service setting forth the information men-belief and will list the other technical services or Departments of the Government which he believes may be interested in such repricing. No such Requirement to Negotiate will be served upon the subcontractor until the Director, Purchases Division, shall have approved such service.

(2) Service of the Requirement to Negotiate, when approved by the Director, Purchases Division, will be made as provided in § 81.1281 and negotiation for a fair and reasonable price will be conducted in accordance with § 81.1276 (a) (4).

(3) In the event it is determined, after consultation with other technical services and, in appropriate cases, other Departments, that the negotiation should be conducted with respect to articles or services being furnished to other technical services or Departments, the Director, Purchases Division, will advise the technical service to this effect and to the extent other technical services and Departments will participate in such negotiation. In the event it is determined that the repricing should be on an overall basis, the Director, Purchases Division, may assign the subcontractor

to any of the technical services for such over-all repricing and will advise such technical service of the scope and conduct of the negotiation.

(c) *In connection with placement of prime contracts and subcontracts.* Persons with whom a technical service seeks to place a prime contract for any article or service who refuse to negotiate or agree to a price therefor which the technical service deems to be fair and reasonable normally will not be served with Requirement to Negotiate a fair and reasonable price, nor will the price of the article or service normally be fixed by a section 801 order. In such cases resort usually will be had to a mandatory order under section 9 of the Selective Training and Service Act of 1940 (see § 81.1450) even where the contractor refuses to accept a contract solely because of disagreement as to price. However, if a prime contractor or subcontractor (1) should desire and be willing to agree to all the other desired terms of the procurement, and (2) be further willing to agree in writing that the price shall be fixed by a section 801 order and (3) that the price so fixed shall be applicable to all deliveries under the contract, the chief of the technical service may execute or approve the execution of such an agreement. In that event the technical service promptly will prepare an appropriate order fixing fair and reasonable prices, substantially in the form set forth in § 81.1283 and will transmit a copy thereof together with a memorandum of the chief of the technical service setting forth the information provided for in § 81.1278 (a) and, in addition, a statement as to why such procedure was believed desirable. Service of such order, when authorized by the Director, Purchases Division, will be made as provided in § 81.1281.

§ 81.1277 *Agreements resulting from voluntary or mandatory negotiation.* If negotiation conducted voluntarily or pursuant to any such Requirement to Negotiate with any prime contractor or subcontractor results in agreement as to a reduced price which the technical service participating in the negotiation (and, in the case of negotiations with a subcontractor, the prime contractor or subcontractor to whom the article or service is being furnished) considers to be fair and reasonable, such agreement as to reduced price will be incorporated in such supplemental agreement or agreements with the prime contractor and, in the case of a reduction in a subcontractor's price, such agreement or agreements with the subcontractor, the prime contractor or subcontractor to whom the article or service is being furnished and the technical service, as shall be appropriate to effect such reduction. Such agreement or agreements shall provide such direct or indirect benefit to the United States of the reduction as the technical service shall deem appropriate under the circumstances of the particular case. It is recognized that in some cases it will be neither practicable nor to the interest of the Government to attempt to carry the reduction through to a reduction in price under the affected prime contract or contracts with the War Department and in such cases other appropriate arrangements should be made to secure to the United States, so far as reasonably feasible, the benefits of such price reduction. The technical service may consult with the Director, Purchases Division, as to the nature and terms of any such proposed agreement and will so consult with him before making an agreement with a subcontractor which provided for rebates or preferential discounts on articles or services furnished indirectly by him for war use. In any case in which the technical service ascertains or is advised that the article or service repriced also is being furnished by the prime contractor or subcontractor directly or indirectly to any other technical service not participating in the negotiation and the reduction is effective with respect to the articles or services being furnished to such other technical service, such other technical service will be advised of the reductions effected and, to the extent practicable in the particular case, the nature and terms of any proposed agreement between the technical service and a subcontractor will be discussed with such other technical service before the agreement is executed. Direct communication with other technical services is authorized for this purpose. Copies of all such agreements between the technical service and a subcontractor will be transmitted to the Director, Purchases Division, for purposes of record.

§ 81.1278 *Issuance of order fixing fair and reasonable price.* (a) If (1) voluntary negotiation conducted in accordance with § 81.1275 clearly indicates a reduced price for the article or service being repriced to be fair and reasonable and the prime contractor or subcontractor refuses to enter into, or unreasonably delays the execution of, an appropriate agreement or agreements affecting such reduction in price, or (2) a prime contractor or any subcontractor refuses to enter into, or to continue to conclusion, negotiation under section 801 for a fair and reasonable price, or unreasonably or unnecessarily delays the beginning or conclusion of such negotiations, or refuses to enter into or unreasonably delays the execution of an appropriate agreement effecting the reduction in prices which the technical service considers to be fair and reasonable, then an appropriate order or appropriate orders fixing fair and reasonable prices, substantially in the form set forth in § 81.1283 will be prepared and transmitted to the Director, Purchases Division, together with a memorandum of the chief of the technical service setting forth in reasonable detail (i) the nature and extent of the negotiation had with the contractor or subcontractor, (ii) a summary statement and analysis of the data considered in arriving at the price so proposed to be fixed by order; (iii) the price which the contractor or subcontractor demands and the basis of his objections to the price which the technical service deems to be fair and reasonable and (iv) such considerations as he believes justify the price desired to be fixed by order, with such discussion of the terms and conditions of the contract or of the proposed order as may be pertinent thereto. No such order will be served until such service is approved by the Director, Purchases Division.

(b) The price to be fixed by any such order will be one which is fair and reasonable in view of all the terms and conditions of the existing contract or contracts under which it is being furnished (if the price is being fixed with relation to such contract or contracts) and the terms and conditions to be included in the order. The order will fix the price for the longest period for which a fair and reasonable price reasonably can be projected under the applicable terms and conditions and circumstances and, where feasible, for the remaining period of any contract or contracts under which the article or service is being furnished and with relation to which the price is being fixed. Articles and services customarily furnished under short term contracts or purchase orders normally will not be repriced with respect to any particular contract or order but will be repriced generally in view of the terms and conditions upon which they are usually procured, which terms and conditions will be incorporated as terms and conditions of the order.

(c) All section 801 orders will reserve to the Secretary of War the right at any time to refix the price under section 801 as to future deliveries, either upon his own initiative or upon request of the contractor or subcontractor supported by data indicating that, because of changed circumstances since the effective date of the order, the price fixed is no longer fair and reasonable.

(d) Service of each such order, when approved by the Director, Purchases Division, will be made as provided in § 81.1281.

(e) In any case in which a price was fixed by a section 801 order with respect to a particular contract and the terms and conditions of such contract are subsequently so changed as equitably to require an adjustment in the fixed price, the chief of the technical service may make an equitable adjustment of the price fixed by the order either (1) by a change order in accordance with the "Changes" article of the contract if any (see e. g., §§ 81.329a and 81.1301 (b)) (2) by the service of an amended section 801 order on the contractor refixing the price to effect such equitable adjustment, or (3) by supplemental agreement, as shall be appropriate in the particular case. Such amended section 801 orders need not be submitted to the Director, Purchases Division, before service so long as they merely make adjustments in the price necessitated by changes in the specifications, quantities, delivery schedules and similar terms of the contract and so long as the adjustment in the price is clearly related only to such changes. In any other case in which a technical service believes that the price fixed by a section 801 order is too high or too low and is therefore no longer fair and reasonable and in any case in which a contractor or subcontractor upon whom such an order has been served re-

quests a refixing of the price in view of changed circumstances, the chief of the technical service will so advise the Director, Purchases Division, with recommendation as to the action to be taken. The Director, Purchases Division may authorize such upward or downward revision of the price fixed by the order as may be appropriate.

§ 81.1279 *Notification of technical services of service of Order* The Director, Purchases Division, promptly will notify the technical services of the fact that he has approved service of a section 801 order which may affect procurements being made or which may be made by them. Such technical services promptly will effect such modifications in their outstanding prime contracts as may be appropriate by reason of such ord

§ 81.1280 *Preservation of data upon which orders are based.* In each case in which a fair and reasonable price is fixed by order the technical service will maintain a complete file of the data and information and the various factors considered in arriving at such fair and reasonable price in order that all such matters will be readily available in the event that the contractor institutes court action to contest the fairness of the price fixed.

§ 81.1281 *Method of service.* (a) Where practicable, each Requirement to Negotiate an order will be served by hand by a commissioned officer or a United States Marshal or Deputy Marshal upon the contractor or subcontractor. If the contractor or subcontractor is a partnership, such service will be made upon a partner thereof; if a corporation, upon any officer or agent authorized to act for, or bind, or accept service for, such corporation. If personal service is impracticable or will involve unreasonable delay, service may be made by mailing by registered mail, return receipt requested, the Requirement to Negotiate or order, addressed to the company at its usual place of business.

(b) Promptly after service of a Requirement to Negotiate or order, the officer making service thereof will execute an affidavit as to the time and method of service, the original of which, together with the registered mail receipt, if any, will be attached to the true copy of the Requirement to Negotiate or order, as served, to be retained in the files of the technical service.

(c) Where a Requirement to Negotiate or order affects particular contracts which have been assigned or with respect to which bonds have been furnished, it will be desirable to make service or a copy of the Requirement to Negotiate or order upon the assignee or surety, as the case may be.

§ 81.1282 *Form of requirement to negotiate fair and reasonable prices.* The following form will be used, with any necessary variations, to notify a contractor or subcontractor that he must negotiate for fair and reasonable prices under section 801.

REQUIREMENT TO NEGOTIATE FAIR AND REASONABLE PRICES

Date_____

Contractor's Name_____

Address_____

GENTLEMEN: The price being charged or quoted by you for the following articles and services:

[Fill in description of articles or services] which are required directly or indirectly by the War Department and being [furnished by you under the following contracts] [offered by you]:

[Fill in description of contract, subcontract or purchase order.] [1]

is deemed to be unreasonable or unfair.

You are advised that you are hereby required, under the authority conferred by Section 801 of the Revenue Act of 1943, to negotiate to fix a fair and reasonable price for such article and service. A duly authorized representative of the Secretary of War will meet with you or your representatives at _____ (place) _____ on (date)_____ at (time)_____ to engage in such negotiation. You are directed to bring to such meeting, and all further meetings for this purpose, or to make available, all data and information in your possession which are or may be pertinent to the determination of such fair and reasonable price.

Said Section 801 provides that if you refuse to agree to a price for such article or service which the Secretary of War, or his representative, considers fair and reasonable, the price thereof may be fixed by order. You are advised that your refusal to negotiate, or any unreasonable delay on your part in concluding the negotiation or in consummating appropriate agreements incorporating an agreed price will be construed as a refusal to agree to a fair and reasonable price.

By authority of the Secretary of War:

_____

(Signature of authorized representative)

_____

(Grade, service, office and address)

§ 81.1283 *Form of order fixing fair and reasonable price.* The following is a suggested form to be used, with any necessary variations, to fix fair and reasonable prices under the authority of section 801.

ORDER FIXING FAIR AND REASONABLE PRICES

Date: _____

Contractor's Name_____

Address_____

GENTLEMEN: Pursuant to the authority conferred upon the Secretary of War by Section 801 of the Revenue Act of 1943, and duly delegated to me, I hereby fix the following prices for the following articles and services which are required directly or indirectly by the War Department and being furnished or offered by you in connection with War Department procurement:

| *Articles and Services* | *Prices* |
|---|---|
| | |
| | |

which respective prices I consider to be fair and reasonable under the terms and conditions hereafter stated.

Such fixed prices will be effective in respect of all deliveries of such articles and all performance of such services during the period beginning_____ 194___ (hereafter referred to as the effective date of this Order) and ending_____

Such prices will be effective as to all such deliveries or performance made under the following conditions, upon which the price was based, and you shall neither charge nor receive higher price than those so fixed for, or in respect of, any such deliveries or performance.

(Here list the terms and conditions in the light of which the prices were fixed. If they were fixed with relation to and in the light of the provisions of a particular contract or subcontract and are to be effective as to deliveries thereunder, this will be stated. If they were fixed generally, without relation to any particular contract or subcontract, but in the light of the terms and conditions stated in the order this will be stated. The terms and conditions of the order in this respect should be as specific as practicable under the circumstances of the case).

The Secretary of War expressly reserves the right to re-fix any price fixed hereby at any time during the period for which such price is stated above to be effective. In the event you believe at any time that conditions affecting any price hereby fixed have so substantially changed since the effective date of this order as to make such price no longer fair and reasonable, you may submit to the undersigned any information and data which in your opinion indicates both the appropriateness or re-fixing such price for future deliveries and the price which you believe to be fair and reasonable for such deliveries, together with a request that such price be so re-fixed.

You are notified that the price fixed herein, and the terms and conditions stated, are based solely upon Section 801 of the Revenue Act of 1943, and will not to any degree preclude other and further action under other Federal statutes, including the Renegotiation Act, Executive Orders, or regulations issued pursuant thereto, nor does it alter in any, except as herein expressly provided, the provisions of any contract or subcontract to which you are a party.

By authority of the Secretary of War:

_____

(Signature of authorized representative)

_____

(Grade, service, office and address)

[1] In any case in which the price is to be negotiated with respect to the terms and conditions of a particular contract, subcontract or purchase order, reference should appropriately be made to such contract, subcontract or purchase order.

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[Procurement Reg. 15]

## PART 88—TERMINATION OF CONTRACTS

### TERMINATION OF CONTRACTS FOR THE CONVENIENCE OF THE GOVERNMENT

Sections 88.15–101 to 88.15–103, inclusive, are amended as follows:

§ 88.15–101 *Necessity for terminations and other cutbacks.* Adjustment of the Army Supply Program takes place as the supply requirements of the armed forces change. These changes normally occur because of strategic changes, development of new projects, invention of new items of war material, reallocation of scarce raw materials and other similar factors arising under the changing circumstances of modern war. In the case of curtailment of procurement schedules, resulting cutbacks in production will involve either termination of outstanding contracts or reduction in purchases under outstanding contracts, or both.

§ 88.15-102 *Importance of manner of affecting cutbacks.* Cutbacks in production resulting from curtailment of procurement schedules will be distributed in such manner as to facilitate the attainment of essential war production. Careful consideration of how reduction in procurement schedules and termination of contracts are to be achieved is essential in order to prevent dislocation of the national economy and to minimize disruption of living conditions and employment in particular areas. Complete records must be maintained to indicate that careful, formal and serious consideration has in fact entered into such decisions.

§ 88.15-103 *General policies as to distribution of cutbacks.* In selecting contracts to accomplish any necessary readjustment or curtailment of production, the following general policies will, to the extent feasible, be followed until there is a major change in the war situation such as the cessation of hostilities in a major theater.

(a) Wherever practicable, priority of retention in a program will be given to plants not located in Group I or Group II Areas (see § 81.223 (b)) inasmuch as displaced labor in Group I and II Areas can be most readily absorbed in other war production.

(b) The intent of the Smaller War Plants Act (see § 81.225 (a)) will be carried out by retaining in a program, wherever practicable, smaller war plants (i. e., independent concerns with 500 wage earners or less) Likewise, large contractors whose volume is reduced in a curtailment program will be urged not to cut their subcontracting volume to smaller war plants by an amount greater proportionately than their own reductions.

(c) In order to cause a minimum disturbance to the national economy and in the interest of resuming production as promptly as possible if required by future changes in program, consideration will be given to making as large a portion of the cutback in government-owned facilities as is consistent with cost and future requirements. An exception to this is the case where a cutback of a privately-owned facility which is having difficulty fulfilling its schedules will enable such facility to improve its performance on the remaining contracts. The wishes of private contractors in this regard should be given due consideration.

(d) Government-owned facilities in which production is materially curtailed or terminated will be kept in standby until their productive capacity is clearly no longer required for military needs.

(e) In scheduling the release of plants or industries due consideration will be given to:

(1) Security considerations.

(2) The effect on public transportation; that is, accessibility to the source of raw materials, components, depots or storage facilities, and ultimate destination.

(3) The relative unit cost of production to the Government.

(f) As requirements change, prompt action is necessary to cutback contracts in order to avoid the accumulation of excesses. Therefore, prescribed procedures must be performed with a minimum of delay at each echelon so that appropriate adjustments in production schedules may be made at the earliest possible moment.

(g) In connection with all cutbacks, records will be maintained in the files of the technical services evidencing the application in the administration of each case, of the appropriate procedures, with special reference to the general policies outlined above.

Sections 88.15-201 to 88.15-203, inclusive, are amended as follows:

§ 88.15-201 *Policy with respect to terminations.* The duty of formulating policy with respect to terminations has been placed by the Under Secretary of War in the Director, Readjustment Division, Headquarters, Army Service Forces, acting under the supervision of the Director of Materiel in matters relating to the Army Service Forces, and as the Special Representative of the Under Secretary of War in matters relating to the Army Air Forces.

§ 88.15-202 *Staff supervision.* Staff supervision of terminations in the Army Service Forces is assigned to the Director of Materiel who will coordinate the activities of all headquarters staff divisions relating to this subject through the Readjustment Division. With respect to the Army Air Forces, staff supervision of terminations is vested in the Commanding General, Army Air Forces who acts with respect to such matters through the Assistant Chief of Air Staff, Materiel, Maintenance and Distribution.

§ 88.15-203 *Policy of decentralization.* It is the policy of the War Department to decentralize to the chiefs of the several technical services administration of contract terminations as fully as possible. The extent to which they in turn will decentralize such administration is left to each chief of a technical service (see § 88.15-150 (a)) for his determination subject to the provisions of this regulation as from time to time in force. The chief of each technical service will make periodic checks of the progress of terminations and the settlement thereof, to insure that no unreasonable delays occur.

Section 88.15-222 is amended as follows:

§ 88.15-222 *Records to support final settlement.* It is the responsibility of the chiefs of the technical service to assure that adequate records will be kept in accordance with the standards of prudent business judgment to substantiate settlements made by contracting officers. Such records will be kept for at least five years subsequent to the final settlement of the terminated contract.

(a) Chiefs of technical services will prescribe the manner in which termination settlement records are to be kept and the location where the records will be kept. Normally and whenever practicable termination settlement records for each settlement should be maintained in a single file.

(b) Unnecessarily voluminous files should not be accumulated, particularly in the case of small settlements. In determining the specific records to be maintained in each case consideration will be given to the need for prompt settlement. Below are indicated records or information which should be kept in each case to the extent applicable. Certain of this information will be included in the Standard Forms filed by the Contractor (see § 88.15-937) making separate records of such information unnecessary.

(1) Copy of prime contract.

(2) Copies of supplemental agreements which are material to the termination settlement or which add or change the termination article.

(3) Copy of the notice of termination.

(4) Proposals for settlement submitted by the prime contractor, including related certificates, statements of charges and inventory schedules.

(5) Copy or record of subcontract settlement agreements expressly approved or ratified by the contracting officer, and copy of any report of investigation made pursuant to § 88.15-437 by Government personnel of settlements with subcontractors.

(6) Record of partial payments or other interim financing.

(7) Copies of authorizations to contractors for final settlement of subcontractors' claims, and for disposal of property.

(8) Reports of audit or office reviews.

(9) Records of disposal credits.

(10) Memorandum or other pertinent information concerning important conferences with contractor at which decisions were made affecting the settlement.

(11) Memorandum setting forth the factors considered by the contracting officer in reaching the conclusion that the settlement is fair and reasonable to the Government and to the contractor.

(12) Record of any actions by settlement advisory boards, property disposal boards, review boards, and appeal boards.

(13) Additional records in the case of formula settlements as required. (See § 88.15-560.)

(14) Any other records necessary in particular cases.

Section 88.15-324 is rescinded and the following substituted therefor:

§ 88.15-324 *Preparation and release of information concerning cutbacks.* When production is to be substantially decreased through cutbacks, resulting from reduction of a procurement schedules or termination of contracts, the procedures set forth in paragraphs (b) to (c) inclusive, will be carried out.

(a) *Coordinated release of publicity; information to War Production Board and War Manpower Commission.* Adequate provision must be made for the coordinated release of publicity and the furnishing of information to the War Production Board and the War Manpower Commission. Such data will be made available at the earliest possible moment after final decision to decrease production in a given facility has been reached, so that those agencies can assist in arranging for the prompt reemployment of released workers and facilities in other production which is essential to the war effort.

(b) *Notice to contractors and workers; cooperation by contractors with War Manpower Commission and United States Employment Service.* The matters provided in this paragraph are to be observed in order to avoid impairment of management and labor morale, and to avoid any mistaken public impression that curtailments are due to inefficient management or unsatisfactory work by the employees displaced. Notice of the proposed cutback will be given, as far in advance as possible, to each contractor whose production is to be substantially decreased. Particular care will be taken to include in this notice as detailed a statement of the reasons as appears advisable. The technical service concerned will urge the contractor to include a statement of the reasons for the cutback in a notification to the workers and their union representative, and to request his subcontractors and suppliers to take similar action. The contractor also will be urged to cooperate with the War Manpower Commission by making known his new net labor requirements and allowing the United States Employment Service representative to conduct job interviews at the plant if sufficiently large numbers of workers are to be displaced.

(c) *Preparation of official statements.* When, in the opinion of the chief of the technical service concerned, the case is of sufficient public interest, the office of the chief of the technical service will prepare an official statement to serve as the basis for a press release announcing the curtailment and the reasons for it. This statement will include the name of the municipality in which the plant or facility is located, the name of the plant or plants affected, the effective date of the curtailment, the end items or items effected, and the probable effect on future employment. At an appropriate time, copies of this statement will be furnished to the following:

(1) The Bureau of Public Relations, War Department.

(2) The Legislative and Liaison Division, War Department Special Staff.

(3) The Industrial Personnel Division, Headquarters, Army Service Forces.

(4) The Director of Matériel, Headquarters, Army Service Forces.

(5) The appropriate field office of the technical service concerned for preparation of the press release and its release in the affected locality.

Copies of this statement will also be furnished to such other offices as may be prescribed by an appropriate headquarters.

Section 88.15–326 is rescinded.

§ 88.15–326 *Notification to War Production Board required in connection with termination of contracts and cutbacks in production.* [Rescinded]

In § 88.15–560 paragraps (k) and (l) are added as follows:

§ 88.15.560 *Where settlement by negotiation proves impossible: Formula settlement.* * * *

(k) (1) Within 30 days after delivering to the contractor the findings and determination referred to in paragraph (d) above the contracting officer, upon the execution of a supplemental agreement similar in form to that set forth in § 88.15–922, but with modifications as hereinafter provided, will authorize a partial payment to the contractor of 75% of the amount determined by him to be due, after deducting from said 75% the amount of any outstanding interim financing applicable to the contract in process of termination, including any previous partial payments. The contracting officer before approving such a partial payment, may require a statement by the contractor that the payment requested has not been assigned, and if it has been assigned, will require the written consent of the assignee to the making of the payment, so provided under §88.15–501 (d)

(2) In preparing a supplemental agreement for the purposes of a partial payment under this paragraph (k), the third and fourth recitals of the form of supplemental agreement set forth in § 88.15–922 will be revised to read as follows:

Whereas, under the terms of the said Contract, under the First War Powers Act, 1941, and Executive Orders Numbers 9001 and 9112, payments may be made to the contractor pending final payment of the amount to which the contractor will be entitled by reason of such termination, and

Whereas, the contractor hereby represents to the Government that at least the sum of $_____ is due the contractor by reason of the termination of said contract and the Government desires to make a payment to the contractor pending final settlement of such contract.

The first two sentences of Article III of such form of supplemental agreement will be revised to read as follows:

Article III. Said payments shall be applied against the amount finally payable by the Government to the contractor in connection with such termination. If such payments exceed the amount finally payable to the contractor in connection with such termination, the contractor agrees to repay the excess to the Government on demand together with interest thereon at the rate of 6% per annum from the date of receipt of such excess payment by the contractor to the date of the repayment of such excess

(l) After a final determination of the amount due to the contractor has been made by the War Department in accordance with paragraphs (f) or (g), if the contractor is prepared to accept that determination, a voucher should be prepared in the usual manner, covering such portion of the determined amount as remains unpaid and will be presented to the finance officer. Normally, this unpaid amount will be the 25% remaining after the 75% partial payment authorized by paragraph (k) The finance officer will forward to the Office of the Fiscal Director, Headquarters, Army Service Forces, the voucher, together with the findings of fact, determination and supporting papers referred to in paragraph (d) and also any finding on appeal which may have been made (see paragraph (g) above) The Office of the Fiscal Director will review the file and take such steps as are necessary to establish the sufficiency of supporting papers. When this has been done, the file will be returned by the Office of the Fiscal Director to the finance officer with appropriate instructions, and any amount due will be paid to the contractor after the execution of a supplemental agreement which will constitute a release by the contractor of all further charges under the contract.

[SEAL] J. A. ULIO,
*Major General,*
*The Adjutant General.*

[F. R. Doc. 44-8659; Filed, June 14, 1944; 3:01 p. m.]

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## Chapter X—Areas Restricted for National Defense Purposes

[Public Proclamation 7]

### PART 105—ESTABLISHMENT OF MILITARY AREAS

PROHIBITED AND RESTRICTED ZONES: EASTERN DEFENSE COMMAND, GOVERNORS ISLAND, N. Y.[1]

MAY 22, 1944.

To: The people within the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida east of the Apalachicola River and the District of Columbia.

Whereas, the Eastern Military Area was prescribed by Public Proclamation No. 1, this Headquarters, dated May 16, 1942, under authority contained in Executive Order of the President, No. 9066, dated February 19, 1942; and

Whereas, the present situation requires as a matter of military necessity that restrictions be imposed and prohibited and restricted zones designated, in addition to restrictions already imposed and zones already designated by public proclamations of this Headquarters;

Now, therefore, I, George Grunert, Lieutenant General, U. S. Army, by virtue of the authority vested in me by the President of the United States and by the Secretary of War and my powers and prerogatives as Commanding General of the Eastern Defense Command, charged with the defense of the Eastern Seaboard, do hereby declare, order and proclaim that:

§ 105.6 *Prohibited and restricted zones: Eastern Defense Command, Governors Island, N. Y.* (a) Within the Eastern Military Area there are hereby designated Prohibited Zones A–1652 to A–1878, A–2842 to A–2958, A–3772 to A–3808, A–4169 to A–4181, and A–5034 to A–5037, all numbers inclusive. The location and extent of said prohibited zones shall be described and defined by the posting of appropriate signs at the entrances to and exits from such zones, along the outside boundaries thereof, and at such other places therein as shall give full and complete notice of the area included. Effective from the date of this proclamation, the restrictions governing the right of any person to enter, remain in, or leave said zones are the restrictions already prescribed by § 105.2 (i) (4) (5),

[1] Exhibits 1 and 2 filed as part of the original document.

(6) and (7) (paragraphs 9 d, e, f, and g of Public Proclamation No. 2) as applicable to the prohibited zones therein designated.

(b) Within the Eastern Military Area there are hereby designated Restricted Zones B-1011 to B-1165, B-2260 to B-2437, B-3220 to B-3249, B-4015, and B-5025 to B-5027, all numbers inclusive. The location and extent of said restricted zones shall be described and defined in the manner provided in paragraph (a) hereof for the description and definition of the prohibited zones therein designated. Effective from the date of this proclamation, the restrictions governing the right of any person to enter, remain in, or leave said zones, are the restrictions already prescribed by paragraphs § 105.2 (i) (5) (iv) (v) (vii) (ix) (xi) (6) (9) (10) (12) and (13) (9e (4) (5) (7) (9) (11) 9f, 9i, 9j, 9l and 9m of Public Proclamation No. 2) as applicable to certain zones therein designated.

(c) Included in the prohibited and restricted zones designated by this proclamation are Army and Navy installations, industrial plants and facilities, highway bridges, railroad facilities, water supply facilities, power facilities, warehouses, airports, and other facilities essential to the war effort.

(d) In addition to the prohibited and restricted zones designated by this and other public proclamations of this Headquarters, additional prohibited and restricted zones may hereafter be designated by order of this Headquarters, when required by military necessity, without publication by public proclamation. The location and extent of such prohibited and restricted zones shall be described and defined in the manner provided in paragraph (a) hereof for the description and definition of the prohibited zones therein designated. The restrictions governing the right of any person to enter, remain in, or leave, such prohibited zones shall be the restrictions already prescribed by § 105.2 (i) (iv) (v) (vi) and (vii) (paragraphs 9d, e, f, and g of Public Proclamation No. 2) as applicable to certain zones therein designated; and the restrictions governing the right of any person to enter, remain in, or leave such restricted zones shall be the restrictions already prescribed by (§ 105.2 (i) (5) (iv) (v) (vii) (ix) (xi) (6) (9) (10) (12) and (13)) (paragraphs 9e (4) (5) (7) (9) (11) 9f, 9i, 9j, 9l, and 9m of Public Proclamation No. 2) as applicable to certain zones therein designated.

(e) From and after the date of this proclamation, the restriction contained in § 105.5 (c) (2) (paragraph 3b of Public Proclamation No. 5) prohibiting the making of any photograph, photographic negative, sketch, or other representation of certain designated areas or objects within any such areas, and the restriction contained in § 105.2 (i) (10) (paragraph 9j of Public Proclamation No. 2) which under existing proclamations prohibits the use or operation of cameras in certain restricted zones, shall no longer apply with respect to Restricted Zones B-1 and B-4 to B-74, inclusive. Federal law prohibiting the photographing of objects and areas related to the national defense remains in full force and effect and is not in any way to be deemed affected hereby.

(f) Current military necessity requiring such action, the location and extent of certain prohibited zones designated by § 105.2 (Public Proclamation No. 2) of this Headquarters, are hereby changed. As so changed, the location and extent of these prohibited zones shall be described and defined in the manner provided in paragraph (a) hereof for the description and definition of the prohibited zones therein designated.

(g) Any person who violates any restriction or order issued or adopted by the Commanding General, Eastern Defense Command, pursuant to the authority cited in the preamble of this proclamation, applicable to the whole or any part of the Eastern Military Area, is subject to immediate exclusion from the Eastern Military Area, or any part or zone thereof, and to the penalties provided by Title 18, section 97A, United States Code. In addition, if two or more persons conspire to violate this section and one or more do any act to effect the object of such conspiracy, each of the parties will be subject to the penalties provided by Title 18, section 88, United States Code. In the case of an alien enemy, such person will, in addition, be subject to immediate apprehension and internment.

(h) A copy of this proclamation shall be displayed for public inspection at every Selective Service Local Board; at every Post Office; at every Court House; and at every Town Hall within the Eastern Military Area. It shall be the duty of every person found within the Eastern Military Area to familiarize himself with the terms of every proclamation, announcement or restriction issued by this Headquarters.

[SEAL] GEORGE GRUNERT,
*Lt. Gen., U. S. Army,*
*Commanding.*

Confirmed:
J. A. ULIO,
*Major General,*
*The Adjutant General.*

[F. R. Doc. 44-8762; Filed, June 16, 1944; 10:39 a. m.]

## TITLE 14—CIVIL AVIATION

### Chapter I—Civil Aeronautics Board

[Regs., Serial No. 310]

ROUTE COMPETENCY REQUIREMENTS FOR CERTAIN PILOTS OF PENNSLYVANIA-CENTRAL AIRLINES FOR ROUTE BETWEEN MUSKEGON, MICH., AND CHICAGO, ILL.

SPECIAL CIVIL AIR REGULATION

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 13th day of June 1944.

The following Special Civil Air Regulation is made and promulgated to become effective June 15, 1944:

Any first pilot listed in Pennsylvania-Central Airlines air carrier operating certificate on June 15, 1944, as qualified to operate aircraft in scheduled air transportation between Detroit, Michigan, and Milwaukee, Wisconsin, via Grand Rapids and Muskegon, Michigan, and who was qualified on June 1, 1942, for the route between Detroit, Michigan, and Chicago, Illinois, via Grand Rapids and Muskegon, will be deemed competent to pilot aircraft in scheduled air transportation between Muskegon, Michigan and Chicago, Illinois, upon completion of two one-way trips accompanied by a company check pilot: *Provided,* That one landing at Chicago is accomplished under contact flight conditions with visibility of at least three miles.

(52 Stat. 984, 1007; 49 U.S.C. 425, 551)

By the Civil Aeronautics Board.

[SEAL] FRED A. TOOMBS,
*Secretary.*

[F. R. Doc. 44-8764; Filed, June 16, 1944; 11:06 a. m.]

## TITLE 29—LABOR

### Chapter IX—War Food Administration (Agricultural Labor)

[Specific Wage Ceiling Reg. 11]

PART 1109—SALARIES AND WAGES OF AGRICULTURAL LABOR IN THE STATE OF DELAWARE

WORKERS ENGAGED IN CUTTING, BUNCHING, AND PACKING ASPARAGUS IN KENT AND SUSSEX COUNTIES, DEL.

§ 1109.1 *Wages of workers engaged in cutting, bunching, and packing asparagus in counties of Kent and Sussex, State of Deleware.* Pursuant to § 4001.7 of the regulations of the Director of the Office of Economic Stabilization relating to wages and salaries issued August 28, 1943 (8 F.R. 11960, 12139) as amended on December 9, 1943 (8 F.R. 16702) and June 1, 1944 (9 F.R. 6035) and to the regulations of the War Food Administrator issued January 20, 1944 (9 F.R. 831) entitled "Specific Wage Ceiling Regulations" and based upon relevant facts submitted by the Delaware WFA Wage Board and obtained from other sources, it is hereby determined that:

(a) *Areas, crops, and classes of workers.* Persons engaged in cutting, bunching, and packing asparagus in the counties of Kent and Sussex, State of Delaware, are agricultural labor as defined in § 4001.1 (1) of the regulations of the Director of the Office of Economic Stabilization issued on August 28, 1943 (8 F.R. 11960, 12139) as amended on December 9, 1943 (8 F.R. 16702) and June 1, 1944 (9 F.R. 6035)

(b) *Wage rates; maximum wage rates for cutting asparagus.*

(1) Hourly rate—40¢ per hour in both Kent and Sussex counties except that in the Bridgeville area (defined as follows: as far north as Greenwood, as far west as the Delaware-Maryland line, as far south as Cannon's Crossing, and as far east as the road intersecting Route No. 16 on the north and Route No. 18 on the south at an average distance of about 4½ miles), the hourly rate shall be 45¢.

Meals may not be furnished in addition to the rates specified above but housing may be furnished.

(2) Piece work rate—8¢ per bunch for complete operation of cutting, bunching, and packing in the field—this rate to apply in all parts of Kent and Sussex counties

(c) *Administration.* The Delaware WFA Wage Board located at the University of Delaware, Newark, Delaware, will have charge of the administration of this order in accordance with the provisions of the specific wage ceiling regulations issued by the War Food Administrator January 20, 1944 (9 F.R. 831)

(d) *Applicability of specific wage ceiling regulations.* This specific wage ceiling regulation No. 11 shall be deemed to be a part of the specific wage ceiling regulations issued by the War Food Administrator on January 20, 1944 (9 F.R. 831) and the provisions of such regulations shall be applicable to this specific wage ceiling regulation No. 11 and any violation of this specific wage ceiling regulation No. 11 shall constitute a violation of such specific wage ceiling regulations.

(56 Stat. 765, 50 U.S.C. App. 961 et seq., Pub. Law 34, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681, regulations of the Director of Economic Stabilization, 8 F.R. 11960, 12139, 16702, 9 F.R. 6035; regulations of the War Food Administrator, 9 F.R. 655, 6011, 9 F.R. 831)

Issued this 15th day of June 1944.

PHILIP BRUTON,
*Director of Office of Labor*

[F. R. Doc. 44-8770; Filed, June 16, 1944; 11:14 a. m.]

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[Specific Wage Ceiling Reg. 12]

PART 1110—SALARIES AND WAGES OF AGRICULTURAL LABOR IN THE STATE OF OREGON

WORKERS ENGAGED IN PICKING GREEN PEAS FOR MARKET IN MALHEUR COUNTY, OREG.

§ 1110.1 *Wages of workers engaged in picking green peas for market in Malheur County, State of Oregon.* Pursuant to § 4001.7 of the regulations of the Director of the Office of Economic Stabilization relating to wages and salaries issued August 28, 1943 (8 F.R. 11960, 12139) as amended on December 9, 1943 (8 F.R. 16702) and June 1, 1944 (9 F.R. 6035) and to the regulations of the War Food Administrator issued January 20, 1944 (9 F.R. 831) entitled "Specific Wage Ceiling Regulations" and based upon relevant facts submitted by the Oregon WFA Wage Board and obtained from other sources, it is hereby determined that:

(a) *Areas, crops, and classes of workers.* Persons engaged in picking green peas for market in Malheur County, State of Oregon, are agricultural labor as defined in § 4001.1 (1) of the regulations of the Director of the Office of Economic Stabilization issued on August 28, 1943 (8 F.R. 11960, 12139) as amended on December 9, 1943 (8 F.R. 16702) and June 1, 1944 (9 F.R. 6035)

(b) *Wage rates; maximum wage rates for picking all varieties of green peas for market.*

60¢ per full bushel hamper.

(c) *Administration.* The Oregon WFA Wage Board located at the Mayer Building, Portland, Oregon, will have charge of the administration of this order in accordance with the provisions of the specific wage ceiling regulations issued by the War Food Administrator January 20, 1944 (9 F.R. 831)

(d) *Applicability of specific wage ceiling regulations.* This specific wage ceiling regulation No. 12 shall be deemed to be a part of the specific wage ceiling regulations issued by the War Food Administrator on January 20, 1944 (9 F.R. 831) and the provisions of such regulations shall be applicable to this specific wage ceiling regulation No. 12 and any violation of this specific wage ceiling regulation No. 12 shall constitute a violation of such specific wage ceiling regulations.

(56 Stat. 765, 50 U.S.C., App. 961 et seq., Pub. Law 34, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681, regulations of the Director of Economic Stabilization, 8 F.R. 11960, 12139, 16702, 9 F.R. 6035; regulations of the War Food Administrator, 9 F.R. 655, 6011, 9 F.R. 831)

Issued this 15th day of June 1944.

PHILIP BRUTON,
*Director of Office of Labor.*

[F. R. Doc. 44-8771; Filed, June 16, 1944; 11:14 a. m.]

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## TITLE 32—NATIONAL DEFENSE

### Chapter VI—Selective Service System

[No. 252]

NOTICE OF CALL, ETC.

ORDER PRESCRIBING FORMS

Pursuant to authority contained in the Selective Training and Service Act of 1940, as amended, I hereby prescribed the following changes in DSS Forms:

Revision of DSS Form 10, entitled "Notice of Call," effective immediately upon the filing hereof with the Division of the Federal Register.[1] Upon receipt of the revised DSS Form 10, the use of the former supply of DSS Form 10 will be discontinued and all unused copies will be disposed of.

Revision of DSS Form 12, entitled "Notice of Call on State," effective immediately upon the filing hereof with the Division of the Federal Register.[1] Upon receipt of the revised DSS Form 12, the use of the former supply of DSS Form 12 will be discontinued and all unused copies will be disposed of.

Revision of DSS Form 217, entitled "Physical Examination List," effective immediately upon the filing hereof with the Division of the Federal Register.[1] Upon receipt of the revised DSS Form 217, the use of the former supply of DSS Form 217 will be discontinued and all unused copies will be disposed of.

Revision of DSS Form 218, entitled "Certificate of Fitness," effective immediately upon the filing hereof with the Division of the Federal Register.[1] Upon receipt of the revised DSS Form 218, the use of the former supply of DSS Form 218 will be discontinued and all unused copies will be disposed of.

The foregoing revisions shall become a part of the Selective Service regulations effective within the continental United States immediately upon the filing hereof with the Division of the Federal Register and shall be effective outside the continental limits of the United States on the 30th day after the date of filing hereof with the Division of the Federal Register.

LEWIS B. HERSHEY,
*Director.*

JUNE 8, 1944.

[1] Filed as part of the original document.

[F. R. Doc. 44-8753; Filed, June 15, 1944; 4:59 p. m.]

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### Chapter IX—War Production Board

Subchapter B—Executive Vice-Chairman

AUTHORITY: Regulations in this subchapter issued under sec. 2 (a), 54 Stat. 676, as amended by 55 Stat. 236 and 56 Stat. 176; E.O. 9024, 7 F.R. 329; E.O. 9125, 7 F.R. 2719; W.P.B. Reg. 1 as amended March 24, 1943, 8 F.R. 3633, 3636; Pri. Reg. 1 as amended May 15, 1943, 8 F.R. 6727.

PART 937—ZINC

[General Preference Order M-11-a, as Amended June 16, 1944]

ZINC OXIDE

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of zinc oxide for defense, for private account, and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 937.2 *General Preference Order M-11-a*—(a) *Scope of this order.* This order controls deliveries of lead-free zinc oxide from a producer or dealer. No producer or dealer shall deliver lead-free zinc oxide to any person, and no person shall accept delivery of lead-free zinc oxide from any producer or dealer, except as provided in this order. The order also restricts the use which may be made of the lead-free zinc oxide after it is received. The permitted uses will be found listed below in paragraph (e) Production of zinc oxide under toll agreement is restricted.

(b) *Definitions.* For the purposes of this order:

(1) "Zinc oxide" means all grades of zinc oxide, including lead-free and leaded, produced, from ores, concentrates, metallic zinc, or other primary material and from scrap, dross, ashes, skimmings, or other secondary material.

(2) "Lead-free zinc oxide" means all grades of zinc oxide containing 98 per cent or more of zinc as ZnO.

(3) "Producer" means any person producing zinc oxide and any person who has zinc oxide produced for him under a toll agreement.

(4) "Toll agreement" means any agreement by which title to material remains vested in a person other than the one processing the material.

(5) "Dealer" means any person who regularly receives physical delivery of zinc oxide and sells or holds the same for resale without change in form.

(6) "Production" means a producer's total production of zinc oxide as packed for sale.

(c) *Deliveries of lead-free zinc oxide.* Producers and dealers may deliver lead-

free zinc oxide, and persons may accept delivery of lead-free zinc oxide from a producer or dealer in the following cases only:

(1) *Small order delivery.* Deliveries from a producer or dealer may be accepted without the necessity of obtaining any specific authorization from the War Production Board if (i) The delivery in question, combined with all other deliveries of lead-free zinc oxide to the purchaser during that calendar month, from whatever source, will not aggregate more than two tons; (ii) The purchaser has not requested from the War Production Board authorization for that particular month to accept delivery of lead-free zinc oxide in any quantity—see paragraph (c) (5) below (a request to the War Production Board shall be deemed a request within the meaning of this paragraph, regardless of whether it has been granted or denied) (iii) The lead-free zinc oxide purchased will be used in the manufacture of the items or for the purposes specified in paragraph (e) of this order and not for resale; and (iv) The inventory of the purchaser is not, and will not upon acceptance of the delivery become, in excess of a forty-five day supply on the basis of his current method and rate of operation. The producer or dealer may make deliveries without any specific authorization from the War Production Board unless he knows or has reason to believe, that the delivery will be in violation of the provisions of this paragraph (c) (1) or that the lead-free zinc oxide delivered is to be used in violation of the restrictions of this or other applicable orders of the War Production Board.

(2) *Deliveries to dealers.* Deliveries may be made to and accepted by dealers.

(3) *Deliveries to Metals Reserve Company.* Deliveries may be made to and accepted by Metals Reserve Company for the sole purpose of stockpiling or redistribution.

(4) *Lead-free zinc oxide for export.* Deliveries may be made to and accepted by a person for export without change in the form of the lead-free zinc oxide provided the delivery is accepted pursuant to an export license from the Foreign Economic Administration.

(5) *WPB authorization.* Other deliveries may be made only on specific authorization of the War Production Board and in accordance with an authorization certificate issued by the War Production Board on Form WPB-410. Deliveries so specifically authorized shall take precedence over any preference rating which may be assigned to deliveries on other contracts or orders. Authorization certificates will be issued on or about the first of each month for this purpose. An authorization certificate will authorize the holder to accept from a producer or dealer deliveries of specified amounts of lead-free zinc oxide shipped during the month for which the certificate is issued. The producer or dealer may ship on notification from the purchaser of the date and serial number of the authorization certificate. Any person wishing to apply for an authorization certificate should file an application on Form WPB-410 not later than the fifteenth day of the month preceding the month in which the authorization to purchase is desired. A producer need not accept a new order (other than a new order bearing a AAA, preference rating) although supported by a preference rating or an authorization certificate, if his entire production for the month is committed and he has reason to believe that other purchase orders will be presented during the month by the person or persons to whom his production is committed in amounts at least equal to his production.

(d) *Restriction on toll agreements.* Unless specifically authorized in writing by the War Production Board, no person shall produce any zinc oxide under any existing or future toll agreement.

(e) *Use of lead-free zinc oxide.* No person shall use any lead-free zinc oxide except for the manufacture of the items, or for one or more of the purposes, following:

1. Abrasive wheels.
2. Adhesive and surgical tapes.
3. Agriculture sprays and insecticides.
4. Artists colors.
5. Chemical treatment for metal surfaces.
6. Dental cement.
7. Explosives for industrial use only.
8. Glass (except ornamental or non-utility ware).
9. Glazes (except for ornamental purposes).
10. Insulated wire and cable.
11. Linoleum and printed floor covering.
12. Lubricants.
13. Matches.
14. Paint for food can coatings and closure coatings.
15. Paint (Marine).
16. Paint—other.
    i. Industrial interior mill whites and fume proof;
    ii. Industrial finishes of the type used for product finishing;
    iii. For sale only to oil refineries on a purchase order accompanied by the symbol MRO-P-3 placed pursuant to Preference Rating Order P-98-B.
17. Pharmaceuticals and cosmetics.
18. Printing and lithographing inks (to the extent necessary for color stability in tints and for maintaining light fastness).
19. Rayon.
20. Rubber products made from natural or synthetic hydrocarbons.
21. Vitreous enamels.
22. Zinc borate.
23. Zinc chromate.
24. Zinc plating.
25. Zinc stearate, resinates and other zinc organic chemical compounds.
26. Laboratory reagent chemicals.
27. Cellulose nitrate plastics.
28. Vulcanized fibre.
29. Toilet soap.

NOTE: Subparagraph 30, formerly 26, redesignated June 16, 1944.

30. Any other product, or any component to be physically incorporated into such product, which is being produced by or for the account of, or for use by the Army or Navy of the United States, the United States Maritime Commission, or the War Shipping Administration, and for which lead-free zinc oxide is expressly specified in composition specifications or for which lead-free zinc oxide is required to fulfill the requirements of performance specifications, applicable to the contract, subcontract or purchase orders.

(f) *Special directions.* The War Production Board may, from time to time, issue special directions to any person as to the source, destination, or amounts of zinc oxide to be shipped and delivered by any producer or dealer or received by any person.

(g) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable regulations of the War Production Board, as amended from time to time.

(h) *Reports.* All dealers shall file a report on Form WPB-3570 not later than the 15th day of each month. All producers, dealers and users of zinc oxide shall file, subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942, such other reports as the War Production Board may from time to time prescribe.

(i) *Appeals and Communications.* Any appeal from the provisions of paragraph (e) of this order should be filed by letter, in triplicate, with the field office of the War Production Board for the district in which is located the plant or branch of the appellant to which the appeal relates. All other applications, statements or communications filed pursuant to this order or concerning the subject matter hereof, should be addressed to: War Production Board, Zinc Division, WPB Dept. 7515, Washington 25, D. C., Ref.. M-11-a.

(j) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime, and, upon conviction, may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control, and may be deprived of priorities assistance.

Issued this 16th day of June, 1944.

WAR PRODUCTION BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

[F R. Doc. 44-8768; Filed, June 16, 1944; 11:09 a. m.]

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PART 944—REGULATIONS APPLICABLE TO THE OPERATIONS OF THE PRIORITIES SYSTEM

[Priorities Reg. 1, Direction 3]

CONCENTRATION OR TRANSFER OF PRODUCTION BY WAR, NAVY, MARITIME COMMISSION, WAR SHIPPING ADMINISTRATION, ARMY AIR FORCES OR BUREAU OF AERONAUTICS

The following direction is issued pursuant to Priorities Regulation 1.

(a) In cases where several contractors are producing similar products, assemblies, subassemblies or parts in a program for one of the above procuring agencies and the procuring agency terminates or modifies the contract with one or more of these contractors either directly or through a prime contractor or

where the production is transferred from one contractor to another, a contractor continuing the production may receive for use in the same major program from such other contractors whose contracts have been terminated or modified or from their suppliers or from the procuring agency non-controlled materials, work in process, assemblies, sub-assemblies or parts idle as a result of the termination or modification action, subject to the following conditions:

(1) Special items which are not readily usable in the manufacture of other products, assemblies or sub-assemblies and which would in the opinion of the procuring agency have only a scrap value if not so used may be received from a contractor or his suppliers or the procuring agency if:

(i) The procuring agency so authorizes in writing, and

(ii) The amounts of any items so received do not exceed the contractor's contract requirements after taking into consideration amounts of the item presently on hand plus the amount on order which cannot be cancelled.

(2) Standard materials and products. Materials and products which are not special to this particular production may be received from another manufacturer or from his suppliers or from the procuring agency providing the procuring agency so authorizes in writing and the amount of any item so received is not in excess of four months' requirements for the particular program and the total on hand after receipt will not exceed his succeeding six months' requirements.

(3) This direction applies in cases where the procuring agency authorizes in writing a contractor whose contract has been cancelled or modified to deliver idle materials either direct or through the procuring agency to another contractor who is producing a product in the same major program for the same procuring agency.

(4) The manufacturer is required after determination of availability and usability of the materials so received, to promptly cancel, reduce or postpone further deliveries from his suppliers so that his inventory of the particular items is reduced as quickly as possible to a practicable minimum working level.

(b) This direction constitutes the authority for the sale or exchange of these materials under the provisions of paragraph (c) (3) of Priorities Regulation No. 13.

Inventory Direction 17 under CMP Regulation 2 states similar rules for controlled materials.

Issued this 16th day of June 1944.

WAR PRODUCTION BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

[F. R. Doc. 44-8767; Filed, June 16, 1944; 11:09 a. m.]

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PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED MATERIALS PLAN

[CMP Reg. 9A, Direction 3]

ALASKAN AIRCRAFT REPAIR SHOPS

The following direction is issued pursuant to CMP Reg. 9A.

Repair shops located in Alaska whose principal business is the repair of civilian or military aircraft may use the preference rating AA-1 and the allotment symbol S-1 in ordering controlled materials and other materials and products needed for the maintenance and repair of aircraft. No material so ordered may be accepted if, in the case of controlled materials, the repair shop's inventory will exceed the amounts permitted by CMP Regulation No. 2 or, in the case of other materials and products, its inventory will exceed the amounts permitted by § 944.14 of Priorities Regulation No. 1. Material so ordered may be used only for purposes permitted by paragraph (c) of CMP Regulation 9A.

Issued this 16th day of June 1944.

WAR PRODUCTION BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

[F. R. Doc. 44-8769; Filed, June 16, 1944; 11:09 a. m.]

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PART 3290—TEXTILE, CLOTHING AND LEATHER

[Limitation Order L-99, as Amended June 16, 1944]

COTTON TEXTILE PRODUCTION

§ 3290.46 *Limitation Order L-99*—(a) *Operations of spinning machinery and looms producing cotton textiles.* No person shall, regardless of the presentation of rated orders, operate spinning machinery or looms contrary to the provisions in the schedules of this order. These restrictions shall not prohibit, after written notification to the War Production Board, the manufacture of any construction in any group in the schedules of lower pick than the lowest pick specified in Column IV as to such group, unless the War Production Board by a specific direction prohibits that manufacture.

NOTE: Paragraphs (b), (c), (d), (e), (f) and (g) formerly (d), (f), (g), (a), (b) and (i), redesignated June 16, 1944.

(b) *Further restrictions.* (1) No producer or converter of cotton textiles shall produce, convert or deliver cotton textiles and no person shall accept delivery of cotton textiles from a producer or converter, contrary to any specific direction which may be issued from time to time by the War Production Board.

(2) General Conservation Order M-317 provides that each producer must make cotton sale yarn, there defined, available for distribution in accordance with the Cotton Yarns, Cordage and Twine Distribution Schedule annexed to that order. This order (L-99) requires each producer to make at least as much sale yarn as he produced in his base period. His base period is the calendar quarter in 1943 in which he delivered to purchasers the largest percentage of his cotton yarn production.

Accordingly, each producer must in the calendar quarter beginning April 1, 1944 and in each subsequent calendar quarter produce at least the same poundage of sale yarn, by Schedule E groups, as he produced in these groups in the base period.

(3) Each producer must in the week beginning May 21, 1944 and in each subsequent week deliver duck yarns of at least the same poundage as he delivered in the week in 1944 in which he delivered the largest quantity of duck yarns.

Producers who have facilities which can produce additional quantities of duck yarns may receive special directions from the War Production Board to deliver specific amounts to designated weavers.

(4) No spinner shall use or dispose of roving except for spinning or on rated orders, unless specifically authorized in writing by the War Production Board. An authorization to use roving for other purposes may be granted if the War Production Board finds that the roving produced by spinners, who do not have spinning spindles, is not needed to fill rated orders, or in cases where spinners show that their spinning spindles are operating at maximum capacity. To secure such authorization an application must be made by letter to the War Production Board also stating the quantity of roving which the applicant wishes to use or dispose of for other than spinning or the filling of rated orders; and the hours per week which each spinning machine is being operated.

(5) No person shall operate in the period from June 1, 1944, through August 31, 1944, at a rate which will result in the production of less Army tent twill (U. S. Army specification JQD-48) than the aggregate lineal yardage of the drills, twills and sateens listed below, delivered by him on unrated orders in the period from January 1, 1944 through March 31, 1944, viz:

All drills 30" to 36" inclusive (6 oz. sq. yd. or heavier).
All four leaf twills 29" to 36" inclusive.
All sateens 30" to 36" inclusive.

This requirement shall not prevent the production of any cotton textile for orders rated AA-2X or higher which were accepted before May 10, 1944.

(6) Each loom which on April 1, 1944, produced or was assigned to the production of bed ticking and which is now required (Schedule D Group 1) to produce Army tent twill shall be operated at least as many hours per week as the loom which is operated the most hours per week at the same plant.

(7) Army tent twill (excepting cuts shorter than 25 yards produced in the normal course of manufacture) may be delivered only to the Army or Navy of the U. S., unless it has been rejected in writing after having been offered in the gray state to the Office of the Quartermaster General, Procurement Division, Washington, D. C.

(c) *Reports and records.* All persons operating spindles or looms for the production of cotton textiles of any kind shall file at the times specified in the reporting form with the War Production Board reports on Form WPB 658-A, B, C, D and E, giving the information therein required. All persons affected by this order shall keep and preserve for a period of not less than two years, accurate and complete records

concerning inventories, production and sales. The reporting requirements of this order have been approved by the Bureau of the Budget under the Federal Reports Act of 1942.

(d) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

An appeal for suspension of the requirement of paragraph (b) may be made on the ground that compliance will result in production at a loss, provided that an application for price relief on that ground is first filed with the Secretary of the Office of Price Administration, Washington, D. C., and a copy is filed with the WPB appeal. If the WPB appeal is granted, the requirement of that paragraph for increases above current production will be suspended until the decision by the Office of Price Administration upon the application for price relief. This paragraph does not indicate or limit the extent or kind of price relief, if any which may be granted by the Office of Price Administration.

(e) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable regulations of the War Production Board, as amended from time to time.

(f) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control and may be deprived of priorities assistance.

(g) *Communications to the War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Textile, Clothing and Leather Bureau, Washington 25, D. C., Ref., L-99.

Issued this 16th day of June 1944.

WAR PRODUCTION BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

SCHEDULE A

| Col. I<br>Group | Column II<br>Looms producing or assigned to produce the constructions listed below in the period from January 2, 1943, to March 6, 1943, inclusive, and which may produce only the constructions specified in column IV | Column III<br>Percentages to be applied to the daily average number of looms producing or assigned to produce the constructions specified in column II in the period therein specified. Such percentage of looms shall produce constructions specified in column IV | Column IV<br>Constructions to be produced by looms specified in column II | Column V<br>Effective dates |
|---|---|---|---|---|
| 1 | Class A sheetings (constructions designated in lines 12 through 15 of Form WPB 658-B (12-31-42)) | 100 percent | 36" 48 x 44 2.85 yd.<br>40" 48 x 44 2.85 yd.<br>40" 48 x 44 2.50 yd.<br>Pro rata widths of like count and weight. | Apr. 20, 1943 |
| 2 | Class B sheetings (constructions designated in lines 16 through 21 of Form WPB 658-B (12-31-42)). | 100 percent | 40" 48 x 40 3.25 yd.<br>40" 48 x 40 3.75 yd.<br>37" 48 x 44 4.00 yd.<br>40" 44 x 40 4.25 yd.<br>31" 48 x 44 5.00 yd.<br>Pro rata widths of like count and weight. | Apr. 20, 1943 |
| 3 | Class C sheetings (constructions designated in lines 22 through 33 of Form WPB 658-B (12-31-42)): | 100 percent | 36" 64 x 64 3.50 yd.<br>36" 60 x 52 or 56 x 56 4.00 yd.<br>36" 48 x 40 or 44 x 40 5.50 yd.<br>36" 44 x 40 or 40 x 40 6.05 to 6.15 yd.<br>40" 64 x 64 3.15 yd.<br>40" 60 x 52 or 56 x 54 3.60 yd.<br>40" 44 x 40 5.50 yd.<br>40" 56 x 48 4.30 yd.<br>40" 36 x 40 5.55 yd.<br>Pro rata widths of like count and weight.<br>Bandoleer and Navy Mattress Cover Sheeting in lowest pickage consistent with specifications | Apr. 20, 1943 |
| 4a | 39" 80 x 80 4.00 yd. print cloth (constructions designated in line 75, and pro rata widths designated in lines 73, 79 and 80 of Form WPB 658-B (12-31-42)). | 12½ percent | 39" 80 x 80 4.00 yd.<br>Pro rata widths of like count and weight. | Apr. 2, 1944 |
| 4b | 39" 80 x 80 4.00 yd. print cloth (constructions designated in line 75, and pro rata widths designated in lines 73, 79 and 80 of Form WPB 658-B (12-31-42)). | 12½ percent | 39" 68 x 64 4.85 yd.<br>Pro rata widths of like count and weight. | Apr. 2, 1944 |
| 4c | 39" 80 x 80 4.00 yd. print cloth (constructions designated in line 75, and pro rata widths designated in lines 73, 79 and 80 of WPB 658-B (12-31-42)). | 25 percent | 38½" 64 x 56 5.50 yd.<br>Pro rata widths of like count and weight. | June 4, 1943 |
| 5 | 39" 68 x 72 4.75 yd. print cloth (constructions designated in line 76, and pro rata widths designated in lines 73, 79 and 80 of Form WPB 658-B (12-31-42)). | 100 percent | 39" 68 x 64 4.85 yd.<br>Pro rata widths of like count and weight. | Apr. 20, 1943 |
| 6 | 38½" 64 x 60 5.35 yd. print cloth (constructions designated in line 77, and pro rata widths designated in lines 72, 73, 79 and 80 of Form WPB 658-B (12-31-42)). | 100 percent | 38½" 64 x 56 5.50 yd.<br>Pro rata widths of like count and weight. | Apr. 20, 1943 |
| 7 | 38½" 60 x 48 6.25 yd. print cloth (constructions designated in line 78, and pro rata widths designated in lines 73, 79 and 80 of Form WPB 658-B (12-31-42)). | 100 percent | 38½" 60 x 48 6.25 yd.<br>Pro rata widths of like count and weight. | May 1, 1943 |

SCHEDULE B

| Col. I<br>Group | Column II<br>Looms producing or assigned to produce the constructions listed below in the period from April 3, 1943, to May 1, 1943, inclusive, and which may produce only the constructions specified in column IV | Column III<br>Percentages to be applied to the daily average number of looms producing or assigned to produce the constructions specified in column II in the period therein specified. Such percentage of looms shall produce constructions specified in column IV | Column IV<br>Constructions to be produced by looms specified in column II | Column V<br>Effective dates |
|---|---|---|---|---|
| 8 | Osnaburgs (constructions designated in lines 1 through 7 of Form WPB 658-B (3-25-43)). | 100 percent | 49" 38 or 40 sley, 24 to 26 pick, 2.11 yd.<br>39" 38 or 40 sley, 24 to 26 pick, 2.35 yd.<br>39" 32 x 28 2.05 yd.<br>39" 24 to 26 sley, 16 to 20 pick, 3.20 yd.<br>49" 28 or 32 sley, 24 to 26 pick, 3.05 yd.<br>39" 38 or 40 sley, 23 pick, 2.35 yd.<br>Pro rata widths of like count and weight. | Aug. 1, 1943. |
| 9 | Window shade cloths (constructions designated in line 71 of Form WPB 658-B (3-25-43)). | 100 percent | Any width fabric of window shade quality woven from print cloth yarns in the following sley and pick per inch: 44 x 40, 50 x 44, 50 x 52, 64 x 56, 72 x 63, 80 x 72.<br>Or any other construction specified in column IV of groups 4b, 4c, 5, 6, 7, 10, 12, 13, 14 and 15, or any other construction specified in column IV of Groups 22 and 23. | June 15, 1943. |
| 10 | Pajama checks (constructions of which are designated in line 81 of Form WPB 658-B (3-25-43)). | 100 percent | 39½" 80 x 80 4.27 yd.<br>39½" 80 x 80 4.00 yd.<br>Pro rata widths of like count and weight.<br>Or any other construction specified in column IV of groups 4b, 4c, 5, 6, 7, 9, 12, 13, 14, and 15 or any other construction specified in column IV of Groups 22 and 23. | Aug. 1, 1943. |
| 11 | | | | |
| 12 | | | | |
| 13 | Carded broadcloths (constructions designated in lines 85 through 88 of Form WPB 658-B (3-25-43)). | 100 percent | Any width broadcloth woven from print cloth yarns counting from 80 to 120 ends per inch and not in excess of 60 picks per inch.<br>Or any other construction specified in column IV of groups 4b, 4c, 5, 6, 7, 9, 10, 12, 14 and 15 or any other construction specified in column IV of Groups 22 and 23. | June 15, 1943 |
| 14 | Carded poplins (constructions designated in line 89 of Form WPB 658-B (3-25-43)). | 100 percent | Any width poplin woven with print cloth warp yarns in the following sley and pick per inch: 90 x 44, 100 x 44, 112 x 44.<br>Or any other construction specified in column IV of groups 4b, 4c, 5, 6, 7, 9, 10, 12, 13 and 15 or any other construction specified in column IV of Groups 22 and 23. | June 15, 1943 |
| 15 | Gauze diaper cloth | 100 percent | Gauze diaper cloth | May 1, 1943 |
| 16 | All other fabrics woven from print cloth yarns not specified in column II of any other group in Schedule A B or C (constructions designated in lines 73, 79, 80, 81 and 90 of Form WPB 658-B (3-25-43)). | 100 percent | Any print cloth yarn fabric or fabrics specified in column II of this group (16), provided that the weighted average pick of the yardage in the constructions produced after the effective date specified in column V is reduced to 91 percent of the weighted average pick of the yardage in the constructions specified in column II, produced during the quarterly period ending Apr. 3, 1943.<br>Or any other construction specified in column IV of groups 4b, 4c, 5, 6, 7, 9, 10, 12, 13, 14 and 15, or any other construction specified in column IV of Groups 22 and 23. | Aug. 1, 1943 |
| 17 | Birdseye diaper cloth (constructions designated in line 70 of Form WPB 658-B (3-25-43)). | 100 percent | Birdseye diaper cloth | May 1, 1943 |
| 18 | Sheetings, 42" and wider, Classes A and B, except bed sheetings (constructions designated in lines 35 and 36 of Form WPB 658-B (3-25-43)). | 100 percent | Any Class A or Class B sheeting designated in Groups 1 and 2 above, in this Column IV, woven in pro rata widths most suitable for textile bag use consistent with width of loom.<br>Any suitable construction not less than 72" wide nor of more than 54 picks per inch manufactured for laundry use. | Aug. 1, 1943 |

SCHEDULE B—Continued

| Col. I<br>Group | Column II<br>Looms producing or assigned to produce the constructions listed below in the period from April 3, 1943, to May 1, 1943, inclusive, and which may produce only the constructions specified in column IV | Column III<br>Percentages to be applied to the daily average number of looms producing or assigned to produce the constructions specified in column II in the period therein specified. Such percentage of looms shall produce constructions specified in column IV | Column IV<br>Constructions to be produced by looms specified in column II | Column V<br>Effective dates |
|---|---|---|---|---|
| 19a | Sheetings, 42" and wider except bed sheetings (constructions designated in lines 34, 37, 38, 39 and 40 of Form WPB 658-B (3-25-43)). | 50 percent | 44" 48 x 48 4.00 yd.<br>52" 48 x 48 3.85 yd.<br>54" 40 sley, 36 to 38 pick, 5.25 yd.<br>60" 44 x 40 4.46 yd.<br>43" 36 x 40 5.80 yd.<br>Any narrow Class C sheeting heretofore designated in this Column IV, Group 3.<br>Pro rata widths of like count and weight. | Aug. 1, 1943 |
| 19b | Sheetings, 42" and wider, except bed sheetings (constructions designated in lines 34, 37, 38, 39 and 40 of Form WPB 658-B (3-25-43)). | 50 percent | Any Class A or Class B sheeting designated in Groups 1 and 2 above, in this Column IV, woven in pro rata widths most suitable for textile bag use consistent with width of loom. | Aug. 1, 1943 |
| 20 | Twills, drills, jeans, sateens and gabardines (constructions designated in lines 45 through 69 of Form WPB 658-B (3-25-43)). | 100 percent | *Drills*<br>37" 64 x 56, 1.50 yd.<br>30" 72 sley, not over 48 pick, 2.35 yd to 2.85 yd.<br>30" 76 sley, not over 54 pick, 2.35 yd to 2.85 yd.<br>Pro rata widths of like count and weight.<br>Any drill, irrespective of width or weight, having not more than 68 sley and not more than 40 pick.<br>*Jeans:*<br>38" 96 x 54 2.85 yd.<br>32" 96 x 64 3.28 yd.<br>31" 84 to 86 sley, 56 pick, 3.63 yd to 3.87 yd.<br>Pro rata widths of like count and weight.<br>*Twills:* 39" 68 x 70 2.58 yd or 3.00 yd.<br>Silesia twill in lowest pickage consistent with U. S. Army Quartermaster Specification 618-C.<br>37" 84 to 88 sley, 40 pick, 1.75 yd. to 2.85 yd.<br>37" 76 to 88 sley, 38 to 46 pick, 1.45 yd to 2.15 yd.<br>30" 88 sley, 50 to 52 pick, 1.90 yd. to 2.45 yd.<br>32" 98 x 44 2.00 yd.<br>34½" 98 x 54 2.00 yd to meet U. S. Navy Specification 27-T-25A.<br>31" approx. 88 sley, 56 pick, 1.50 to 1.65 yd (manufactured to meet specifications of U. S. Army or Navy for tents).<br>8.2 oz. Type IV carded uniform twill in lowest pickage consistent with Federal specifications.<br>8.5 oz. herringbone in lowest pickage consistent with Federal specifications for U. S. Army or Navy.<br>9 oz. herringbone twill in lowest pickage consistent with specifications for U. S. Marine Corps.<br>54" 76 x 52 1.14 yd.<br>54" 84 x 64 99 yd.<br>Pro rata widths of like count and weight.<br>*Sateens:* 30½" 112 to 118 sley, 64 pick, 2.25 yd.<br>34" 108 x 56 3.00 yd.<br>53" 96 x 60 1.12 yd.<br>53" 96 x 64 1.32 yd.<br>54" 96 x 56 1.05 yd.<br>54" 96 x 56 1.55 yd.<br>Pro rata widths of like count and weight.<br>*Gabardines:*<br>Not over 64 picks per inch. | June 15, 1943 |

SCHEDULE C

| Col. I<br>Group | Column II<br>Looms producing or assigned to produce the constructions listed below on July 3, 1943, and which may produce only the constructions specified in column IV | Column III<br>Percentages to be applied to the number of looms producing or assigned to produce the constructions specified in column II. Such percentage of looms shall produce constructions specified in column IV | Column IV<br>Construction to be produced by looms specified in column II | Column V<br>Effective dates |
|---|---|---|---|---|
| 21 | Plain print cloth of 80 sley and higher (constructions designated in lines 77, 78, 82 and 83 of Form WPB-638B (9-17-43)). | 100 percent | Plain print cloth of 80 sley and higher. | Dec. 24, 1943 |
| 22 | 38½" 44 x 36 8.60 yd bandage cloth and pro rata widths (constructions designated in line 87 of Form WPB-638B (9-17-43)). | 100 percent | 38½" 44 x 36 8.60 yd pro rata width of like count and weight. | July 3, 1943 |
| 23 | Bandage cloth other than 38½" 44 x 36 8.60 yd (constructions designated in line 88 Form WPB-638B (9-17-43)). | 100 percent | 38½" 44 x 36 8.60 yd<br>38½" 40 x 32 9.80 yd<br>38½" 48 x 44 7.46 yd<br>Pro rata widths of like count and weight. | July 3, 1943 |
| 24 | Tobacco and cheesecloth (constructions designated in lines 89 and 91 of Form WPB-638B (9-17-43)). | 100 percent | Any width fabric woven from print cloth yarns, in the following sley and pick per inch: 8 x 8, 14 x 10, 17 x 14, 15 x 12, 18 x 14, 20 x 12, 20 x 16, 24 x 20, 28 x 21, 32 x 28, 40 x 23. | Dec. 24, 1943 |
| 25 | Tobacco and cheesecloth, all widths, 17 to 18 sley, 12 to 14 pick (constructions designated in line 90 of Form WPB-638B (9-17-43)). | 100 percent | Tobacco and cheesecloth, all widths, 17 to 18 sley, 12 to 14 pick. | Dec. 24, 1943 |

SCHEDULE D

NOTE: Schedule D, formerly E, redesignated June 16, 1944.

| Column I<br>Group | Column II<br>Looms producing or assigned to produce the constructions listed below on April 1, 1944, and which may produce only the construction specified in Column IV | Column III<br>Percentage to be applied to the number of looms producing or assigned to produce the construction specified in Column II. Such percentage of looms shall produce the construction specified in Column IV | Column IV<br>Construction to be produced by looms specified | Column V<br>Effective date |
|---|---|---|---|---|
| 1 | Bed tickings (constructions designated in line 124 of Form WPB-638-B (3-17-44)). | 50 per cent | Army tent twill (U. S. Army spec. JQD-49). | June 19, 1944. |

SCHEDULE E

NOTE: Schedule E, formerly D, redesignated and amended June 16, 1944.

| Col. I<br>Group | Column II<br>Roving, ring, mule, or converted twister spindles producing or assigned to produce yarn and twine of the descriptions and counts listed below on July 3, 1943, and which may produce only yarn and twine of the descriptions and counts specified in column IV | Column III<br>Percentages to be applied to the number of spindles producing or assigned to produce yarn and twine of the descriptions and counts specified in column II. Such percentage of spindles shall produce yarn and twine of the descriptions and counts specified in column IV. | Column IV<br>Descriptions and counts to be produced by spindles specified in column II | Column V<br>Effective dates |
|---|---|---|---|---|
| 1 | Carded single machine knitting yarn (items designated in lines 16 through 18 of Form WPB 638-E (9-17-43)). | 100 percent | Carded single machine knitting yarn. | Dec. 24, 1943 |
| 2 | Carded single yarn, other than machine knitting, 20's and coarser (items designated in lines 1 through 3, 22, 23, 27 and 28 of Form WPB 638-E (9-17-43)). | 100 percent | Carded single yarn other than machine knitting, 20's and coarser. | Dec. 24, 1943 |
| 3 | Carded single yarn, other than machine knitting, finer than 20's (items designated in lines 4, 5, 27 and 29 of Form WPB 638-E (9-17-43)). | 100 percent | Carded single yarn, other than machine knitting, finer than 20's. | Dec. 24, 1943 |
| 4 | Carded ply yarn of any description or count (items designated in lines 6 through 13, 19, 20, 25, 26, 27 through 29 and 65 of Form WPB 638-E (9-17-43)). | 100 percent | Carded ply yarns of any description or count. | June 16, 1944 |
| 5 | Combed single or ply machine knitting yarn, 70's and coarser (items designated in lines 51 through 56 of Form WPB 638-E (9-17-43)). | 100 percent | Combed single or ply machine knitting yarn 70's and coarser. | Dec. 24, 1943 |

SCHEDULE E—Continued

| Col. I<br>Group | Column II<br>Spinning and twister spindles producing or assigned to produce yarn and twine of the descriptions and counts listed below on July 3, 1943, and which may produce only yarn and twine of the descriptions and counts specified in column IV | Column III<br>Percentages to be applied to the number of spindles producing or assigned to produce yarn and twine of the descriptions and counts specified in column II. Such percentage of spindles shall produce yarn and twine of the descriptions and counts specified in column IV | Column IV<br>Descriptions and counts to be produced by spindles specified in column II | Column V<br>Effective dates |
|---|---|---|---|---|
| 6 | Combed single or ply machine knitting yarns, finer than 70's (items designated in lines 57 through 60 of Form WPB 658-E (9-17-43)). | 100 percent | Combed single or ply machine knitting yarns, finer than 70's. | Dec. 24, 1943 |
| 7 | Combed single yarn other than machine knitting, 40's and coarser (items designated in lines 30 through 32, and 62 of Form WPB 658-E (9-17-43)). | 100 percent | Combed single yarn other than machine knitting, 40's and coarser. | Dec. 24, 1943 |
| 8 | Combed single yarn other than machine knitting, finer than 40's, up to, but not including, 71's. (Items designated in lines 23 through 35 and 62 of Form WPB 658-E (9-17-43)). | 100 percent | Combed single yarn other than machine knitting, finer than 40's, up to, but not including, 71's. | Dec. 24, 1943 |
| 9 | Combed single yarn other than machine knitting, 71's and finer (items designated in lines 36 through 39 and 62 of Form WPB 658-E (9-17-43)). | 100 percent | Combed single yarn other than machine knitting, 71's and finer. | Dec. 24, 1943 |
| 10 | Combed ply yarn other than machine knitting, 40's and coarser (items designated in lines 40 through 42, 50 and 62 of Form WPB 658-E (9-17-43)). | 100 percent | Combed ply yarn other than machine knitting, 40's and coarser. | Dec. 24, 1943 |
| 11 | Combed ply yarn other than machine knitting, finer than 40's, up to, but not including, 71's (items designated in lines 43 through 45, 50 and 62 of Form WPB 658-E (9-17-43)). | 100 percent | Combed ply yarn other than machine knitting, finer than 40's, up to, but not including, 71's. | Dec. 24, 1943 |
| 12 | Combed ply yarn other than machine knitting, 71's and finer (items designated in lines 46 through 50 and 62 of Form WPB 658-E (9-17-43)). | 100 percent | Combed ply yarn other than machine knitting, 71's and finer. | Dec. 24, 1943 |
| 13 | Seine twine and cable cords (including fishnet twine, trot line, staging twine, etc.) items designated in lines 74 and 75 of Form WPB 658-E (9-17-43)). | 100 percent | Seine twine and cable cords (including fishnet twine, trot line, staging twine, etc.). | Dec. 24, 1943 |
| 14 | Twines other than those specified in Group 13 (items designated in lines 76 through 78 of WPB 658-E (9-17-43)). | 100 percent | Twines other than those specified in Group 13. | Dec. 24, 1943 |
| 15 | Combed thread of any count or description (items designated in lines 61 and 66 of Form WPB 658 E (9-17-43)). | 100 percent | Combed thread of any count or description. | June 16, 1944 |

[F. R. Doc. 44-8766; Filed, June 16, 1944; 11:09 a. m.]

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## PART 3302—SERVICE EQUIPMENT

[General Limitation Order L-91, as Amended June 16, 1944]

### COMMERCIAL LAUNDRY EQUIPMENT, COMMERCIAL DRY CLEANING EQUIPMENT, AND TAILORS' PRESSING EQUIPMENT

§ 3302.16 *General Limitation Order L-91*—(a) *What this order does.* This order restricts the production and distribution of certain kinds of laundry equipment, dry cleaning equipment, and tailors' pressing equipment. This equipment is divided into two groups. The order restricts both production and distribution of the first group. Production of equipment in the second group is restricted, but distribution is not.

(b) *What equipment is in the first group.* The first group consists of the following kinds of laundry, dry cleaning and tailors' pressing equipment:

NOTE: "Conveyors, monorail" deleted June 16, 1944.

Blocking machines, garment
Boards, ironing
Boards, pressing
Boards, pressing, velvet and nap
Boards, shirt folding
Boards, steam
Boards, steam spotting
Cabinets, deodorizing, drying or sterilizing
Conveyors, bag (wet wash)
Conveyors, "go back"
Conveyors, shirt
Dry cleaning units, naphtha
Dry rooms, conveyor
Dryers, garment, hot air
Dryers, hosiery and sock
Dye machines
Extractors (including mechanical unloading)
Forms, collar
Forms, hosiery and sock
Forms, overall
Forms, sleeve
Forms, trouser
Filters, solvent, for drycleaning
Finishers, garment
Finishers, sleeve
Fluffers, handkerchief
Folding machines, automatic
Ironers, collar
Ironers, flatwork
Ironers, handkerchief
Ironer attachments:
  Canopies
  Feeding devices
Irons, puff
Listing machines
Marking machines
Presses
Shakers, flatwork
Shapers, sleeve
Shapers, trouser
Spreaders, flatwork
Stackers, flatwork, automatic
Stackers, handkerchief, automatic
Starch cookers
Starching and extracting machines
Starching machines
Steamers, garment
Steamers, velvet
Stills, vacuum, for drycleaning
Stretchers, trouser
Tables, marking
Tumblers
Washers (except glove)

(c) *What equipment is in the second group.* The second group consists of the following kinds of laundry, dry cleaning, and tailors' pressing equipment:

NOTE: List amended June 16, 1944.

Boards, spotting, except steam
Collar shapers
Collar tippers
Cuff cleaners
Dampeners, cloth
Dampeners, collar and seam
Dryers, blanket and curtain
Dryers, rug
Dryers, windwhip
Dry cleaning units, synthetic
Dry rooms, sectional
Dye kettles
Feather sanitizing machines
Fluting machines
Forms, glove
Fur cleaning equipment
Glazers, fur
Glove cleaning machines
Hangers, revolving shirt
Hatters' equipment
Holders, bag
Holders, net
Irons, rotary
Ironers, edger
Ironers, hat crown
Ironers, ruffle
Ironer attachments:
  String mark eliminators
Napping machines (carding machines for blanket finishing)
Puffers, steam
Rug cleaning machines (stationary)
Sand bags, hat
Seam cleaners
Shirt envelope machines
Sterilizers, feather
Stretchers, blanket and curtain
Stretchers, dress
Tables, steam
Tubs, scrub
Tubs, starch
Tubs, stationary laundry
Washers, glove

(d) *Production of both groups is restricted.* A person may produce the equipment listed in paragraph (b) and (c) only to the extent authorized by this order or by written instructions from the War Production Board.

(e) *Production is permitted to fill U. S. Army and Navy orders.* A person may produce equipment if he builds it according to United States Army or Navy specifications in order to fill a specific United States Army or Navy order. This includes orders placed by prime con-

tractors or subcontractors of the Army or Navy for equipment which will eventually be delivered to the Army or Navy and will be installed under Army or Navy supervision.

(f) *Production of equipment in first group is permitted to fill approved orders.* A person may produce equipment listed in paragraph (b) to fill orders approved for delivery under paragraph (k) and in addition to maintain an inventory of new equipment listed in paragraph (b) worth up to 5 per cent of the total value of new equipment listed in paragraph (b) which he billed to his customers during the calendar years 1939, 1940 and 1941. His total billings during that period and the value of his current inventory are to be calculated at his established prices f. o. b. shipping point. Production of equipment listed in paragraph (b) which was specifically authorized by the War Production Board, through the granting of appeals or otherwise, before May 22, 1944, may take place after that date only to the extent permitted by this paragraph.

In approving orders, and in processing applications for priorities assistance on Form CMP-4B, the War Production Board will be guided by the policy that the total production of the entire industry must not exceed the approved War Production Board program for the equipment listed in paragraph (b) and that the production in any one plant, or labor requirements therefor, must not interfere with war production in that plant or in any other plant located in the same area.

(g) *Production of equipment in second group is permitted to fill certain kinds of approved orders.* A person may assemble equipment listed in paragraph (c) to fill a specific order approved for delivery under paragraph (k) by assembling the equipment from parts completely fabricated before July 1, 1942. He may not make any parts for this purpose. Also, a person may produce equipment listed in paragraph (c) to fill a specific order approved for delivery under paragraph (k) for any of the following persons:

(1) The armed forces and maritime agencies of any foreign government friendly to the United States.

(2) The United States Maritime Commission.

(3) The War Shipping Administration.

(4) Privately owned ordnance plants.

(h) *Production of repair parts is permitted.* A person may make parts to use or sell for repairing, rebuilding or maintaining equipment.

(i) *Delivery of new equipment in first group is restricted.* A person may deliver new equipment listed in paragraph (b) only in those cases specified in the following paragraphs. There is no restriction on the delivery of secondhand equipment, including rebuilt equipment listed in paragraph (b) The delivery of both new and secondhand equipment listed in paragraph (c) is unrestricted.

(j) *Delivery to the United States Army and Navy is permitted.* A person may deliver new equipment listed in paragraph (b) to the United States Army or the United States Navy. A person may also deliver this equipment to a prime contractor or subcontractor of the Army or Navy, if the equipment will eventually be delivered to the Army or Navy and will be installed under Army or Navy supervision.

(k) *Approved deliveries are permitted.* A person may deliver new equipment listed in paragraph (b) to anyone whose order has been approved for delivery on Form WPB-924, issued before July 1, 1944, or a Form WPB-1319, or a Form GA-1456.

Form GA-1456 will be used to approve delivery to persons who request such approval when applying for authority to begin construction, and for priority assistance in obtaining materials for construction. Orders approved for delivery on Form GA-1456 should be accompanied by the following certification (in addition to the certification in Priorities Regulation 7)

Delivery approved on Form GA-1456.

Those who want to get their orders approved when construction is not involved should send an application to the War Production Board, Service Equipment Division, Washington 25, D. C., Ref. L-91. Applications submitted before June 1, 1944, should be on Form WPB-924. Applications submitted after that date should be on Form WPB-1319. If the War Production Board approves an order for delivery on either of those forms, the approved form must be given to the person making the delivery before the equipment may be delivered. Moreover, if the form is not given to this person within thirty days after the date of official approval, the War Production Board's permission to deliver the equipment automatically expires.

(l) *Deliveries for resale are permitted.* A person may deliver new equipment listed in paragraph (b) to anyone who needs the equipment to fill an order or part of an order approved for delivery under paragraph (k) A person may also deliver this equipment to anyone who is acquiring the equipment only for resale within the United States (48 States and the District of Columbia) In the latter case the person delivering the equipment must continue to count it as part of his inventory under paragraph (f) until the equipment is redelivered to the United States Army, the United States Navy, or a person whose order has been approved for delivery under paragraph (k).

(m) *Use of equipment by manufacturers or dealers is restricted.* No person who produces equipment for sale or acquires new equipment listed in paragraph (b) for resale may put that equipment into use, unless the War Production Board gives him written permission to do so.

(n) *Emergency repair loans are sometimes permitted.* The War Production Board will consider written or telegraphic requests for permission to lend equipment listed in paragraph (b) to someone whose own equipment is undergoing emergency repairs. If the War Production Board gives permission in writing, a person may deliver equipment to another person for use while the latter's equipment is being repaired. When the repairs are finished, the borrowed equipment must be returned to the person who lent it. Equipment listed in paragraph (b) is still considered new equipment even though it has been used for repair loans of the sort contemplated by this paragraph, and is still subject to the restrictions of paragraph (i) after it has been returned to the person who lent it.

(o) *Use of metal parts for rebuilding equipment is restricted.* A person may use metal parts, including cast iron, for rebuilding equipment listed in paragraph (b) or paragraph (c) only to the following extent:

A person rebuilding equipment for the United States Army, the United States Navy, the United States Maritime Commission, or the War Shipping Administration, may use metal parts to the extent necessary to meet their specifications.

A person may also use metal parts in rebuilding a piece of equipment if their total weight will be less than 40 per cent of the total weight of the piece of equipment rebuilt, after the job is finished. A person may use additional metal parts for rebuilding a piece of equipment to the extent specifically authorized by the War Production Board in writing.

(p) *Reports on Form WPB-923 are required monthly.* Before the fifteenth of each month every person in the business of producing equipment listed in paragraph (b) or (c) and every person in the business of selling new equipment listed in paragraph (b) must send to the War Production Board a report on Form WPB-923. This reporting requirement has the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(q) *Miscellaneous reports.* Subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942, each person affected by this order must execute and file with the War Production Board whatever reports, information, and answers to questionnaires the War Production Board from time to time requests.

(r) *Applicability of regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the regulations of the War Production Board as amended from time to time.

(s) *Violations.* Any person who wilfully violates any provisions of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control,

and may be deprived of priorities assistance.

(t) *Appeals.* Any appeal from this order shall be made by filing a letter, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(u) *Communications to War Production Board.* All reports required by this order, and all communications concerning its provisions should be addressed to: War Production Board, Service Equipment Division, Washington 25, D. C., Ref: L-91.

Issued this 16th day of June 1944.

WAR PRODUCTION BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

INTERPRETATION 1

LAUNDRY, DRY CLEANING AND TAILORS' PRESSES

General Limitation Order L-91 restricts the production and distribution of certain kinds of laundry equipment, dry cleaning equipment, and tailors' pressing equipment. The first group of such equipment listed in paragraph (b) includes "presses" All presses of the types commonly known as laundry, dry cleaning or tailors' presses are controlled by Order L-91, including those produced or delivered for purposes other than laundering, dry cleaning or tailoring. For example, all pants top presses, pants leg presses, off pressing machines with bucks 38 inches long or longer, and 38 inch to 45 inch utility presses, are restricted by Order L-91 regardless of whether they are being produced and delivered to dry cleaning plants or to clothing manufacturers. On the other hand, Order L-91 is inapplicable to the following types of presses, since they are not commonly known as laundry, dry cleaning, or tailors' presses:

Back and blade presses.
Canvas front presses.
Coat front presses.
Collar presses.
Double bosom presses of the type used by shirt manufacturers.
Edge presses.
Fuse ply presses of the type used by shirt manufacturers.
Knit goods presses.
Off pressing machines, except those with bucks 38 inches long or longer,
Pocket presses.
Seam opening and under pressing presses.
Shoulder presses.
Side and back presses.
Sleeve and shrinking presses.
Vest presses.
Vest back presses.
Vest front presses.
Vest, neck and shoulder presses.

(Issued May 22, 1944.)

[F. R. Doc. 44-8765; Filed, June 16, 1944; 11:09 a. m.]

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PART 3175—REGULATIONS APPLICABLE TO THE CONTROLLED-MATERIALS PLAN

[CMP Reg. 2, Inventory Direction 17]

CONCENTRATION OR TRANSFER OF PRODUCTION BY WAR, NAVY, MARITIME COMMISSION, WAR SHIPPING ADMINISTRATION, ARMY AIR FORCES OR BUREAU OF AERONAUTICS[1]

§ 3175.117 *Inventory Direction No. 17* Pursuant to paragraph (b) (2) of CMP Regulation 2, and notwithstanding the provisions of paragraph (b) (1) of that regulation, *It is hereby ordered,* That:

(a) In cases where several users of controlled materials are producing similar products, assemblies, sub-assemblies or parts in a program for one of the above procuring agencies and the procuring agency terminates or modifies the contract with one or more of these users either directly or through a prime contractor or where the production is transferred from one user to another, a user continuing the production may receive for use in the same major program from such other users whose contracts have been terminated or modified, or from their suppliers, or from the procuring agency, controlled materials idle as a result of the termination or modification action, subject to the following conditions and limitations:

(1) Special items (as defined in Interpretation #2 to CMP Regulation 2) which are not readily usable in the manufacture of other products, assemblies, or sub-assemblies and which would, in the opinion of the procuring agency, have only a scrap value if not so used may be received from a user or his suppliers or the procuring agency if:

(i) The procuring agency so authorizes in writing, and

(ii) The amounts of any item so received do not exceed the user's contract requirements after taking into consideration amounts of the item presently on hand plus the amount on order which cannot be cancelled.

(2) Standard materials. Controlled materials which are not special items and which may be used in the production of other products, may be received from another user or from his suppliers or from the procuring agency providing the procuring agency so authorizes in writing and the amount of any item so received is not in excess of four months' requirements for the particular program and the total on hand after receipt will not exceed his succeeding six months' requirements.

(3) This direction applies in cases where the procuring agency authorizes in writing a user whose contract has been cancelled or modified, to deliver idle materials either direct or through the procuring agency to another user who is producing a product in the same major program for the same procuring agency.

(4) The user is required after determination of availability and usability of the materials so received, to promptly cancel, reduce or postpone further deliveries from his suppliers so that his inventory of the particular items is reduced as quickly as possible to a practicable minimum working level.

(5) The user shall return any allotments unused as a result of receiving these materials.

(b) This direction constitutes the authority for the sale or exchange of these materials under the provisions of paragraph (c) (3) of Priorities Regulation No. 13.

Direction 3 to Priorities Regulation 1 states similar rules for non-controlled materials.

Issued this 16th day of June 1944.

WAR PRODUCTION BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

[F. R. Doc. 44-8776; Filed, June 16, 1944; 11:55 a. m.]

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## Chapter XI—Office of Price Administration

PART 1396—FINE CHEMICALS, DRUGS AND COSMETICS

[MPR 472,[1] Amdt. 3]

CERTAIN ESSENTIAL OILS

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Maximum Price Regulation No. 472 is amended in the following respects:

1. Section 1 is amended by adding the following oil to the commodities listed therein:

Imported oil of lemon.

2. Section 7 is amended by substituting "Appendices A, B and C," for Appendices A and B" wherever it appears.

3. Section 11 (a) (6) is amended by the addition of the following definition:

(v) In the case of imported oil of lemon, any seller thereof except the United States or any agency thereof, a drug wholesaler, or a seller at retail.

4. Section 11 (a) is amended by the addition of the following definition:

(11) "Imported oil of lemon" means oil of lemon U. S. P. imported into the United States and all other types and grades of oil of lemon imported into the United States.

5. Appendix C is added to read as follows:

APPENDIX C—MAXIMUM PRICES FOR IMPORTED OIL OF LEMON

(a) *Sales by any person to industrial users or drug wholesalers.* The maximum prices per pound, f. o. b. seller's shipping point, for sales by any person to industrial users or drug wholesalers of imported oil of lemon are as follows:

| Quantity per container: | *Price per pound* |
|---|---|
| 25 lbs. and over | $3.25 |
| 10 lbs | 3.31 |
| 5 lbs | 3.33 |
| 1 lb | 3.40 |
| 8 oz | 3.50 |
| 4 oz | 3.57 |
| 1 oz | 3.89 |

The quantities specified above refer to the quantity contained in a single container. It shall be an evasion of the regulation however for a seller to require a buyer to purchase a given quantity in a number of small containers in order to obtain a higher price.

Where the container in which the oil is sold contains a quantity not specifically listed, the price which is applicable is the price for a sale in the next larger quantity which is specifically listed.

(b) *Sales by drug wholesalers.* The maximum prices for sales of imported oil of lemon by a drug wholesaler shall be the same as his maximum prices for sales of domestic oil of lemon as determined under the provisions of the General Maximum Price Regulation.

(c) *Sales by the United States or any agency therof to dealers.* The maximum price for sales by the United States or any agency thereof of imported oil of lemon to dealers shall be $2.925 per pound, f. o. b. seller's shipping point.

This amendment shall become effective June 15, 1944.

Issued this 15th day of June 1944.

CHESTER BOWLES,
*Administrator.*

[F. R. Doc. 44-8748; Filed, June 15, 1944; 2:59 p. m.]

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[1] 8 F.R. 13126; 9 F.R. 3426.

*Copies may be obtained from the Office of Price Administration.

PART 1439—UNPROCESSED AGRICULTURAL COMMODITIES

[MPR 426, Corr. to Amdt. 32]

FRESH FRUITS AND VEGETABLES FOR TABLE USE, SALES EXCEPT AT RETAIL

A statement of considerations involved in the issuance of this correction has been issued and filed with the Division of the Federal Register.*

In Amendment 32 to Maximum Price Regulation No. 426 in Columns 6 in Tables 1 and 1A the phrase "actual cost of transportation" is substituted for the word "freight" wherever that word appears.

This correction shall be effective as of June 9, 1944.

Issued this 15th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8749; Filed, June 15, 1944; 2:59 p. m.]

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PART 1347—PAPER, PAPER PRODUCTS, RAW MATERIALS FOR PAPER AND PAPER PRODUCTS, PRINTING AND PUBLISHING

[MPR 450,[1] Amdt. 3]

WRITING PAPER AND CERTAIN OTHER FINE PAPERS

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

Maximum Price Regulation No. 450 is amended in the following respect:

1. Appendix E is added to read as follows:

APPENDIX E—MAXIMUM PRICES FOR WRITING PAPERS AND OTHER FINE PAPERS WHICH CANNOT BE PRICED UNDER ANY OF THE FOREGOING APPENDICES

Any maximum price which cannot be determined under the Appendices of this regulation shall be determined by the Office of Price Administration in Washington, D. C., by order upon receipt of an application from the manufacturer setting forth a description of the grade and the reasons why it cannot be priced under any other provision of this regulation and including a completed Form 695:720 with respect to the costs of such grade. (Copies of Form 695:720 are available upon application to the Paper and Paper Products Branch, Office of Price Administration, Washington, D. C.)

2. Appendix B, paragraph (a) (2) (i) is amended to read as follows:

(i) Substance weights 11 pound up to 16 pound may be charged for at the price per ream of substance weight 16 pound. In computing the price per cwt. in rolls for such intermediate weights, the cwt. price shall be multiplied by 16 and divided by the substance ordered, figured to the nearest cent per cwt. for all grades except register bond, fanform, and salesbook bond in rolls. For register bond, fanform and salesbook bond in rolls substance weights, 10 pound up to 16 pound, a differential not in excess of 25¢ per cwt. for each pound below 16 pound may be added to the price for substance weight 16 pound.

3. Appendix B, paragraph (g) (1) is amended to read as follows:

(1) *Base prices.*

MAXIMUM BASE PRICE PER CWT. ZONE 1

| Grade | Over 16 pounds | 16 pounds |
|---|---|---|
| #1 Mimeo watermarked | $9.00 | $9.70 |
| #2 Mimeo unwatermarked | 8.25 | 8.85 |
| Plain mimeo unwatermarked | 7.60 | 8.20 |

This amendment shall become effective June 21, 1944.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8790; Filed, June 16, 1944; 11:48 a. m.]

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PART 1351—FOOD AND FOOD PRODUCTS

[FPR 1]

GENERAL PRICING PROVISIONS FOR CERTAIN FOOD PRODUCTS (GROUP I)

A statement of the considerations involved in the issuance of this regulation has been issued and filed with the Division of the Federal Register.*

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AUTHORITY: Secs. 1.1 to 3.16 inclusive, (§ 1351.374) issued under 56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681

EXPLANATION OF THE REGULATION

The purpose of this regulation is to gather into a single document the provisions most commonly used in fixing maximum prices for certain food products in sales by processors, repackers, primary distributors and intermediate sellers (but not wholesalers or retailers)

Taken by itself, the regulation names no maximum prices. These are printed in separate documents which are issued as "supplements" to the regulation. For example, the basic maximum prices for canned grapefruit juice are set forth in a separate supplement which contains the provisions which apply only to packed citrus products. It is only the more general provisions, applicable to a number of commodities, which are collected here. Compliance with maximum prices, it is expected, will be made easier by this standardization of generally applicable provisions and by including them in a single document rather than in many separate regulations.

Moreover, the provisions of this regulation apply to particular food products only as they become parts of these supplements. Thus, for example, whether or not section 1.5 (meaning of "primary distributor") becomes a part of a particular supplement depends upon whether section 1.5 is stated in that supplement to be part of it. Not all the sections of this regulation will apply to

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*Copies may be obtained from the Office of Price Administration.

[1] 8 F.R. 11522.

every supplement, and when particular sections are not listed in a supplement, they are to be disregarded for the purposes of that supplement.

NOTE: In many sections of this regulation, reference is made to "the effective date of the applicable supplement" Because food products may be added from time to time to a given supplement, "effective date of the applicable supplement" shall mean the date when the item being priced is first included in it.

ARTICLE I—GENERAL DEFINITIONS

NOTE: A seller is sometimes in doubt as to how to determine his maximum price because he is not certain what kind of seller he is under the regulation. This happens most frequently in those cases where the seller manufactures some of the products he sells, and buys the rest. For example, he may manufacture and sell catsup, but only distribute the spaghetti sauce, salad dressing, and other products he sells. When pricing his catsup, he may be in doubt whether to price it as a "distributor" (since that is his general business) or as a "processor" (since he is a manufacturer of catsup). It is desirable, therefore, to explain how the names used in this regulation and its supplements apply to various kinds of sellers.

When classifying a seller, this regulation is concerned only with the way he handles the particular kind and brand (if any) of product which he is pricing. For example, if he is pricing "Atlas" brand canned corn, the only question is how he handles "Atlas" brand corn. How he sells "Atlas" brand *peas* or *"Jones"* brand corn makes no difference. Thus, even if the seller is in the general business of wholesaling, and therefore ordinarily thinks of himself as merely a "wholesaler" he is a "processor" when pricing the "Atlas" canned corn he sells if he manufactures that brand of canned corn.

Moreover, the seller is a "processor" with a processor's maximum price, with respect to all the "Atlas" brand canned corn which he sells, even though he makes only a part of it. The reason for this rule is that if in each transaction the seller were to have more than one maximum price for the same product, the buyer would have no way of knowing which price was applicable and the lower ceiling would be unenforceable.

In other words, the important thing is whether the seller manufactures the particular kind and brand of product being priced and not how he carried on his general food business.

SECTION 1.1 *Meaning of "person"* "Person" means an individual, corporation, partnership, association, any other organized group of persons, and their legal successors or representatives. The term includes the United States, its agencies, other governments, their political subdivisions and their agencies.

SEC. 1.2 *Meaning of "processor"* "Processor" means a person who processes any part of what he sells of the kind and brand of product being priced. The term includes a person who has the goods "custom-packed" or "toll-packed" by another.

*Example:* (See note above to Article I)

SEC. 1.3 *Meaning of "distributor"* "Distributor" means a person who purchases all he sells (for his own account) of the kind and brand of product being priced and resells it without processing any part of it. However, the term does not include such a seller when he is reselling particular goods which he has repackaged (see section 1.4)

*Example:* (See note above to Article I)

SEC. 1.4 *Meaning of "repacker"* "Repacker" means a person, other than a processor, wholesaler or retailer, who purchases the particular goods being priced and resells them after repackaging.

*Example:* Smith buys maraschino cherries in barrels and without further processing packs them in consumer-size bottles for resale to wholesalers. Smith is a "repacker" as to the goods which he handles in this way.

SEC. 1.5 *Meaning of "primary distributor"* "Primary distributor" means a distributor, other than a wholesaler or retailer, who purchases all he sells (for his own account) of the kind and brand of product being priced and who customarily makes at least 50% of his purchases from the processor in carload quantities delivered for storage into a warehouse not owned or controlled by any of his customers, for resale by him in less-than-carload quantities.

In this section, "carload quantity" means any quantity of the kind of product being priced which equals or exceeds the carload minimum weight specified for the product in Consolidated Freight Classification No. 16, and amendments, issued by Agents Greenly (I. C. C.—O. C. No. 60) Dulaney (I. C. C. No. 92) Fyfe (I. C. C. No. 29), and Raasch (I. C. C. No. 566)

*Example:* The minimum carload quantity of canned grapefruit juice is 36,000 pounds (see Consolidated Freight Classification No. 16, p. 266, Item 18530). This is the minimum carload quantity even though lesser quantities sometimes take a carload rate.

SEC. 1.6 *Meaning of "wholesaler" and "retailer"*

NOTE: These definitions of "wholesaler" and "retailer" are derived from Maximum Price Regulations Nos. 421,[1] 422,[2] and 423,[3] the regulations which apply generally to sales of food products at wholesale and retail. At these levels of distribution, unlike those covered by this regulation and its supplements, sellers are classified on the basis of their overall food operations, and not according to the way they handle any particular product.

"Wholesaler" means a person the larger volume of whose food business is the purchase and resale of food products, without materially changing their form, for distribution out of warehouses to independent retail stores, or to commercial, industrial or institutional users.

"Retailer" means a person the larger volume of whose food business is the purchase and resale of food products, without materially changing their form, to ultimate consumers other than commercial, industrial and institutional users.

SEC. 1.7 *Meaning of "ultimate consumer"* "Ultimate consumer" means a person who buys the kind and brand of product being priced for direct consumption. The term includes commercial, industrial and institutional users.

[1] 8 F.R. 9388, 10569, 10987, 13293, 15250, 15607, 17367, 17368; 9 F.R. 2562.

[2] 8 F.R. 9395, 10569, 10987, 12443, 12611, 13294, 15251, 14853, 15586, 15607, 17369, 17370; 9 F.R. 95, 3510, 3648.

[3] 8 F.R. 9407, 10570, 10988, 12443, 12611, 13294, 14354, 15587, 15608, 16031, 17371; 9 F.R. 95, 3510, 3648.

SEC. 1.8 *Meaning of "item."* "Item" means a kind, variety, grade, brand, style of pack, container type and size of product.

SEC. 1.9 *Meaning of "container type"* "Container type" refers to the composition or style of the container used (a separate price must be figured for each container type)

*Examples:* Tin, glass and paper containers are all different container types. Likewise, a glass container of one design is a different container type from a glass container of a substantially different design.

SEC. 1.10 *Meaning of "sale"* "Sale" includes sales, dispositions, exchanges, leases and other transfers, and contracts and offers to do any of those things. The terms "sell" "seller" "buy" "buyer", "purchase" and "purchaser" shall be construed accordingly.

SEC. 1.11 *Meaning of "price"* "Price" means the consideration requested or received in connection with the sale of a commodity or the supplying of a service.

SEC. 1.12 *Meaning of "net delivered cost"* "Net delivered cost" means the lawful amount the seller pays for the item (in a purchase which is customary, for him, in quantity, type of supplier, receiving point and means of transportation) less all discounts allowed him, except the discount for prompt payment. However, except in the case of raw agricultural commodities, the expense of local trucking or unloading may not be included in figuring "net delivered cost"

SEC. 1.13 *Meaning of "delivered to the customary receiving point"* "Delivered to the customary receiving point" means delivered to the place where the particular buyer has customarily received the product. In any case where the buyer has no customary receiving point, "delivered to the customary receiving point" means delivered to that point where it is customary in the industry to receive the product. (Maximum prices named at the customary receiving point include all transportation to that point. Any amount the buyer himself pays to get the goods to that point must be subtracted from the maximum price named. Any amount the seller pays to move the goods beyond that point may be added to the maximum price.)

SEC. 1.14 *Meaning of "records"* "Records" means written evidences of transactions and includes books of account, sales lists, sales slips, orders, vouchers, contracts, receipts, invoices, bills of lading, and other papers and documents.

ARTICLE II—PRICING PROVISIONS

SECTION 2.1 *Processors who have two seasonal packs.* This section applies only to processors.

Any processor who has two seasonal packs of a food product during the calendar year may, if he wishes, figure maximum prices for it as if each pack were a separate commodity. If the maximum prices so figured for the two packs are different, the processor shall plainly indicate on the invoice in each case, and on each consumer package, whether the

product is the "spring pack" or the "fall pack."

SEC. 2.2 *Maximum prices for products in new container types or sizes.* This section applies to processors and repackers.

The maximum price per unit for any item which is packed in a new container type or size for which no maximum price is otherwise provided and which meets the requrements of paragraph (a) below, shall be figured under the following pricing method.

"New container type or size" in the case of products for which maximum prices are established on the basis of sales which the seller made during a base period named in the applicable supplement, means a container type or size which the seller did not sell during that period. In the case of products for which dollars-and-cents maximum prices are named, it means a container type or size for which no maximum price is named.

For each such item, the seller shall:

(a) *Determine the base container* If the seller has sold the same product (that is, the same kind, variety, grade, brand, and style of pack), but only in other container types or sizes, he shall first determine the most similar container type for which he is able to figure a maximum price for that product (even though he no longer sells that container type) From that container type he shall choose the nearest size which is 50% or less larger than the new size, or if there is no such size, 50% or less smaller (even though he no longer sells those sizes) This will be the base container. If there is no such smaller size, he shall go to the next most similar container type and proceed in the same manner to determine the base container. However, no container type and size which has been priced under this section shall be used as a base container.

NOTE: In most cases "the most similar container type" will be merely the container type which the seller is adding to or replacing, like the tin which he may be replacing with glass. Where there has been only a size change, "the most similar container type" will, of course, be the same container type. This is also true in the reverse situation; where there has been a change only in container type, the "nearest size" will be the same size.

(b) *Find the base price.* The seller shall take as the "base price" his maximum price under the applicable supplement for the product when packed in the base container. However, if this maximum price is a price delivered to the purchaser or to any point other than the seller's shipping point, the seller shall first convert it to a base price f. o. b. shipping point by deducting whatever transportation charges were included in it.

(c) *Deduct the container cost.* Taking his base price f. o. b. shipping point, the seller shall then subtract the direct cost of the base container. "Direct cost of the container" means the net cost, at the seller's plant, of the container, cap, label, and proportionate part of the outgoing shipping carton, but it does not include cost of filling, closing, labeling or packing.

(d) *Adjust for any difference in contents.* The figure obtained by this deduction shall then be adjusted, in the case of a size change, by dividing it by the number of units in the base container and multiplying the result by the number of the same units in the new container.

(e) *Add the new container cost to get the price f. o. b. shipping point.* Next, the seller shall add to the adjusted figure the "direct cost" of the container in the new type and size. If his maximum price for the commodity in the base container is an f. o. b. shipping point price, the resulting figure is the seller's maximum price f. o. b. shipping point.

(f) *Convert to a maximum delivered price, if the maximum price for the base container is on a delivered basis.* If the seller's maximum price for the product in the base container is a delivered price, he shall figure transportation charges to be added as follows: The seller shall take the transportation charges which he first deducted to get his base price and adjust them in exact proportion to the difference in shipping weight. If for any reason the product in the new container will move under a different freight tariff classification, the seller shall figure his transportation charges (by the same means of transportation and to the same destination) on the basis of the new shipping weight, but at the rate in effect for that freight tariff classification on March 17, 1942. Changes in tariff rates or transportation taxes made since March 17, 1942, shall not be taken into account. (Similar principles shall apply where shipping volume is the measure of the transportation charge.) The seller shall then add these transportation charges to his f. o. b. shipping point price for the commodity in the new container. The resulting figure is the processor's or repacker's maximum delivered price.

*Examples:* Case 1. *The maximum price f. o. b. factory if the base container is the same in size as the new container but different in type.* Assume the base container is a 16 oz. tin and the new container is a 16 oz. glass.

| | |
|---|---|
| Maximum price per doz. f. o. b. factory in base container ("base price") | $0.55 |
| Subtract "direct cost" of base container | —.20 |
| | .35 |
| Add "direct cost" of new container | +.34 |
| New maximum price (f. o. b. factory) | $0.69 |

Case 2. *The maximum price f. o. b. factory if the base container is different in size from the new container and either the same or different in type.* Assume the base container is a 10½ oz. tin and the new container is an 8 oz. tin or glass.

| | |
|---|---|
| Maximum price per doz. f. o. b. factory in base container ("base price") | $1.20 |
| Subtract "direct cost" of base container | —.15 |
| | 1.05 |
| Adjust to new container: | |
| Divide by number of ounces of commodity in base container | $1.05 ÷ 10½ |
| | .10 |
| Adjust to new container—Con. | |
| Multiply by number of ounces of commodity in new container | ×8 |
| | $0.80 |
| Add "direct cost" of new container (glass) | .26 |
| New maximum price (f. o. b. factory) | $1.06 |

Case 3. *The maximum delivered price if the base container is the same in size as the new container but different in type.* Assume the base container is a 16 oz. tin and the new container is a 16 oz. glass.

| | |
|---|---|
| Maximum delivered price per doz. in base container (figured carload) | $0.60 |
| Subtract transportation charges | —.05 |
| Price f. o. b. factory ("base price") | .55 |
| Subtract "direct cost" of container | —.20 |
| | .35 |
| Add "direct cost" of new container | +.34 |
| Add new transportation charges: | |
| $0.05 (old transportation charges) × $\frac{\text{40 lb. (new shipping weight/case)}}{\text{34 lb. (old shipping weight/case)}}$ = | .058 |
| New maximum delivered price | $0.75 |

Case 4. *Same except that the new container type puts the commodity in a different freight tariff classification.* Assume the base container is a 16 oz. tin and the new container is a 16 oz. glass.

| | |
|---|---|
| Maximum delivered price per doz. in base container (figured less than carload) | $0.60 |
| Subtract transportation charges | —.05 |
| Price f. o. b. factory ("base price") | .55 |
| Subtract "direct cost" of container | —.20 |
| | .35 |
| Add "direct cost" of new container | +.34 |
| Add new transportation charges: | |
| $\frac{\text{40 lb. (new shipping weight)}}{100}$ × 0.185 (rate per cwt. under new classification) = | .074 |
| New maximum delivered price (doz.) | $0.76 |

SEC. 2.3 *Adjustment of dollars-and-cents maximum prices for processors who perform the wholesale or retail function.* This section applies only to processors. Moreover, the adjustments provided by it apply only to dollars-and-cents maximum prices and not to maximum prices figured on a formula basis.

(a) *Sales by processors from branch warehouses.* Any processor who sells the item being priced, from a branch warehouse owned or controlled by him, to retailers or to commercial, industrial or institutional users, shall figure his maximum prices for these sales, f. o. b. branch warehouse, as follows: He shall add to his dollars-and-cents maximum price, f. o. b. factory, the freight, if any, incurred from factory to branch warehouse, and multiply the resulting figure by the markup named in Maximum Price Regulation No. 421 for cash-and-carry wholesalers or for service wholesalers, depending on whether delivery is made in the particular sale to the buyer's place of business. These markups shall be used only when the particular goods have been warehoused at the branch warehouse and are being sold in less-than-carload quantities. (A processor who has more than

one factory or branch warehouse may, if he wishes, figure freight on a weighted average basis from factory to branch warehouse, in the manner provided in section 2.8 of Food Products Regulation No. 1.)

"Branch warehouse" means a plant or warehouse (1) which is physically apart from the seller's factory and is separately operated for the principal purpose of selling (in contrast to storing) food products manufactured by him, (2) from which he sells a larger volume of the product to independent retail stores or commercial, industrial or institutional users than he sells to other classes of purchasers, and (3) at which he maintains a sales organization separate from the factory sales organization.

(b) *Sales by processors to ultimate consumers.* Processors who sell the items they manufacture to ultimate consumers, other than commercial, industrial and institutional users, are normally persons whose general business is selling at retail items manufactured by others. Retailers are covered by Maximum Price Regulations Nos. 422 and 423, which also provide special pricing methods for items that a retailer may happen to manufacture himself (see section 25 of MPR 422) Manufacturing retailers, therefore, shall figure their maximum prices under those regulations.

SEC. 2.4 *Elective pricing method for processors.* This section applies only to processors.

If the processor cannot otherwise determine his maximum price for an item under the pricing methods of the applicable supplement, he may, if he wishes, figure his maximum price under the pricing method of this section. However, if any ingredient is a raw agricultural commodity, he may use this pricing method only if each of the raw agricultural commodities actually used in the item is either subject to maximum prices, or is covered by announced prices (including support prices) recommended by the Department of Agriculture for payment to growers, or is covered by the Commodity Credit Corporation's purchase and resale program.

(a) *Pricing method for sales to purchasers other than government procurement agencies.* Under this section, the processor's maximum price per dozen or other unit for sales to purchasers other than government procurement agencies shall be figured as follows. He shall:

(1) *Figure the "direct cost" of the item.* The processor's "direct cost" per dozen or other unit of the item shall be figured by adding together the following:

(i) His actual cost per unit of all ingredients (other than raw agricultural commodities) and of packaging materials, for which maximum prices have been established, figured at no more than the current maximum prices applying to the class of purchasers to which he belongs;

(ii) His actual cost per unit of all other ingredients (other than raw agricultural commodities) and of packaging materials, for which no maximum prices have been established, figured at no more than their current market prices;

(iii) His actual cost per unit of all raw agricultural ingredients included in the Commodity Credit Corporation's purchase and resale program, figured at no more than the Commodity Credit Corporation's resale price for the area in which his factory is located;

(iv) His actual cost per unit of all other raw agricultural ingredients, for which maximum prices have been established, figured at no more than the current maximum prices applying to the class of purchasers to which he belongs;

(v) His actual cost per unit of all other raw agricultural ingredients, for which no maximum prices have been established but for which the Department of Agriculture has announced prices recommended for payment to growers, figured at no more than these prices;

(vi) His current direct labor cost per unit; and

(vii) Transportation charges per unit by the usual mode of transportation from his customary supply point to his customary receiving point, if the cost factors used in subdivisions (i) (ii) (iii) (iv) and (v) above, are not delivered costs and if these charges are customarily incurred.

(2) *Multiply by the "markup percentage."* The processor shall multiply his "direct cost" per dozen or other unit of the item by a "markup percentage," figured by dividing:

(i) The current maximum price per unit for sales of the most closely comparable commodity then being produced by him, to purchasers other than government procurement agencies, by

(ii) The current cost per unit of ingredients, packaging materials and direct labor of that commodity, figured in the same manner as he figures his "direct cost" under subparagraph (1) above, for the item being priced.

The resulting figure is the processor's unadjusted price for sales of the item to purchasers other than government procurement agencies.

(3) *Adjust for any applicable subsidy payment.* The processor shall finally adjust the maximum price by deducting any direct subsidy payment, payable per unit of the finished product, the amount of which has previously been announced by the Commodity Credit Corporation or other agency responsible for the administration of the subsidy and which is applicable to the particular goods being sold.

(b) *Meaning of "most closely comparable commodity."* As used in this section, "most closely comparable commodity" means a food product, covered by the same supplement, (1) whose maximum price does not exceed the percentage of its "direct cost" named in the applicable supplement; (2) whose current "direct cost" is closest to but not less than two-thirds of the "direct cost" of the item being priced; and (3) for which the methods employed in its sale and merchandising are similar to those which will be used in the sale and merchandising of the item being priced. As between two or more such commodities having the same "direct cost" the one whose maximum price represents the smallest percentage of its own "direct cost" shall be used.

(c) *Meaning of "current."* As used in this section, "current" means at the time of figuring the new maximum price.

(d) *Meaning of "actual cost per unit of all other raw agricultural ingredients."* "Actual cost per unit of all other raw agricultural ingredients" means net cost per dozen or other unit after the deduction of any direct subsidy payment, payable per unit of ingredients, the amount of which has previously been announced by the Commodity Credit Corporation or other agency responsible for the administration of the subsidy, and which is applicable to the ingredients used in the particular goods being sold.

(e) *Direct labor cost.* In deciding whether items of labor cost are to be treated as direct cost in figuring the price or are to be treated as overhead, the processor shall follow his customary practice. Thus, if a processor has treated cleaning labor as an item of overhead with respect to the comparable commodity used in determining the markup percentage, he shall continue to treat it in this way when figuring the maximum price.

(f) *Other cost factors.* The processor shall employ no cost factors, direct or indirect, in addition to those entering into the cost of the comparable commodity used in determining the markup percentage and he shall make no changes in the method of application of those factors which would result in a higher price.

(g) *Examples illustrating the method of selecting the "most closely comparable commodity"*

*Example 1: Pricing of a new item of pancake mix.* The processor is pricing Commodity A, for which the direct cost is $1.48, as itemized below. He also produces Commodities B and C, listed below, for which he has established maximum prices, under the applicable supplement, for sales to wholesalers. The maximum markup percentage named in the supplement is 165%. The sales unit is twenty-four 20-ounce packages, and sales of the new item are to be made to wholesalers only. All maximum prices are on an f. o. b. shipping point basis.

| | Commodity A (being priced) | Commodity B | Commodity C |
|---|---|---|---|
| Ingredients | $1.13 | $1.26 | $0.97 |
| Packaging materials | .24 | .24 | .24 |
| Direct labor | .11 | .13 | .10 |
| Total direct cost | 1.48 | 1.63 | 1.31 |
| Maximum price | | 2.63 | 2.10 |
| Markup percentage | | 165% | 165% |

The maximum price of neither Commodity B nor Commodity C exceeds 165% of direct cost; the direct cost of each is not less than two-thirds of Commodity A; and both are sold to wholesalers. However, the direct cost of Commodity B is closer than that of Commodity C to the direct cost of Commodity A.

Hence, Commodity B must be used. Application of its markup percentage of 155% ($2.53—1.63) to the $1.48 direct cost of the new item results in a maximum price of $2.29 per twenty-four 20-ounce packages of the new pancake mix, f. o. b. shipping point, for sales to wholesalers.

*Example 2: Pricing of a new item of blackberry preserves, made from fresh blackberries.* In 1944 the Department of Agriculture announced that 12 cents per pound was recommended to be a proper payment to growers for fresh blackberries. Hence, ingredient cost for fresh blackberries may not exceed that figure. The preserver packs the additional commodities listed below, for which he has established maximum prices under the same applicable supplement, for sales to wholesalers. The maximum markup percentage named in the supplement is 150%. The sales unit is one dozen 1-pound jars, and sales of the new item are to be made to wholesalers only. All maximum prices are on an f. o. b. factory basis.

| | Blackberry preserves (commodity being priced) | Apple jelly, Commodity A | Apricot preserves, Commodity B | Peach preserves, Commodity C | Boysenberry preserves, Commodity D | Loganberry preserves, Commodity E |
|---|---|---|---|---|---|---|
| Ingredients | $2.20 | $0.85 | $1.60 | $1.80 | $2.05 | $2.10 |
| Packaging materials | .30 | .20 | .20 | .20 | .20 | .20 |
| Direct labor | .20 | .15 | .15 | .15 | .25 | .20 |
| Total direct cost | 2.70 | 1.30 | 2.05 | 2.25 | 2.60 | 2.60 |
| Maximum price (to wholesalers) | | 1.65 | 3.20 | 3.00 | 3.25 | 3.25 |
| Markup percentage | | 127% | 156% | 133% | 125% | 125% |

The preserver also packs grape jelly, which he sells to retailers only. He may not use this commodity, regardless of other circumstances, since the methods employed in its sale and merchandising are not similar to those which will be used with respect to the new commodity.

Commodity A cannot be used because its direct cost is less than two-thirds of the direct cost of the new item.

Commodity B cannot be used because its maximum price exceeds 150% of its direct cost ($3.20—$2.05=156%).

Commodity C cannot be used because Commodities D and E have a direct cost closer than that of Commodity C to the direct cost of the new item.

Commodity E must be used instead of Commodity D, although each has the same direct cost, because the maximum price of Commodity E represents a smaller percentage of its direct cost than the percentage of direct cost represented by the maximum price of Commodity D. Thus, since the other necessary conditions are present, loganberry preserves must be used as the comparable commodity. Application of its markup percentage of 125% ($3.25—$2.60) to the $2.70 direct cost of the new item results in a maximum price of $3.375 per dozen one-pound jars of blackberry preserves, f. o. b. factory, for sales to wholesalers.

(h) *Refiguring the maximum price.* The processor shall refigure his maximum price under paragraph (a) for sales to purchasers other than government procurement agencies, in any case where the amount of any direct subsidy payment, applicable to the particular goods being sold, is announced by the Commodity Credit Corporation, or other agency responsible for the administration of the subsidy, after he has established his price. The refigured maximum price shall apply to sales of such goods made after the date of the announcement.

(i) *Pricing method for sales to government procurement agencies.* The processor's maximum price for sales of the item to government procurement agencies shall be determined as provided in section 2.12 of Food Products Regulation No. 1, which for this purpose shall be considered part of this section. However, if any other pricing method is provided in the applicable supplement for sales of the item to government procurement agencies, that pricing method shall be used.

(j) *Discounts and allowances.* The maximum price figured under this section shall be subject to discounts, transportation and other allowances and price differentials no less favorable than those given with respect to the comparable commodity used in determining the "markup percentage." However, the processor is not required to give a discount for prompt payment in the case of sales to government procurement agencies.

(k) *Reporting and approval of prices.* Before delivering the item to any purchaser, the processor shall file with the Office of Price Administration, Washington, D. C., a report setting forth the following:

(1) A description of the item for which he has figured a maximum price under this section and the reasons why the price cannot be otherwise determined by him;

(2) The maximum price so figured, together with a true copy of the calculations showing his determination of the price, and, for the purposes of comparison, itemized cost breakdowns of both the item being priced and the comparable commodity used in determining the markup percentage, showing separately, according to his own system of accounts or regularly prepared operating statements, all major component cost factors (e. g., direct costs, such as raw materials, packaging materials and direct labor; indirect costs, such as indirect labor, factory overhead and selling, advertising and administrative cost, together with an explanation showing the method of allocation of the indirect cost factors; and freight if sold on a delivered basis) indicating whether each cost item is an actual or estimated cost;

(3) The method of distribution to be employed by the processor in marketing the item (i. e., whether it is to be sold to wholesalers, retailers, ultimate consumers or other classes of purchasers)

(4) A list of his customary discounts, transportation and other allowances and price differentials; and

(5) The volume of the item which he has on hand and which he expects to produce during the following twelve months.

Upon receipt of the report, the Office of Price Administration will either approve the maximum price or disapprove it and authorize a maximum price. The maximum price approved or authorized will be one which bears a proper relationship to those for comparable commodities and sellers.

After filing the report, the processor may deliver the item, but he may not receive payment for it until a maximum price has been approved or authorized.

Where any cost factor set forth in the report is an estimated amount, the processor shall file with the Office of Price Administration, Washington, D. C., not earlier than three months nor later than six months after a maximum price has been approved or authorized, a statement showing the actual cost of that factor in his production of the item since the maximum price was approved or authorized.

Whenever a processor refigures a maximum price under paragraph (h) above, he shall file with the Office of Price Administration, Washington, D. C., within two weeks after the date of the announcement of the direct subsidy payment, a report stating his new maximum price and the amount of the subsidy.

Any maximum price established under this section shall be subject to revision at any time by the Office of Price Administration.

SEC. 2.5 *Individual authorization of maximum prices.* This section applies to processors and repackers.

If the processor or repacker cannot otherwise determine his maximum price for an item under the pricing methods of the applicable supplement and he cannot or elects not to price under section 2.4 of Food Products Regulation No. 1, before delivering the item to any purchaser he shall apply to the Office of Price Administration, Washington, D. C., for a maximum price. His application shall set forth:

(a) A description in detail of the item for which a maximum price is sought, including its grade and brand name (if any) to be used, the number of packages in each shipping case, and a statement of the facts which make it different from the most similar item for which he has determined a maximum price, identifying the similar item and stating its maximum price;

(b) An itemized current cost breakdown of the item to be priced, showing separately, according to his own system of accounts or regularly prepared operating statements, all major component cost factors (e. g., direct costs, such as raw materials, packaging materials and direct labor; indirect costs, such as indirect labor, factory overhead and selling, advertising and administrative cost, together with an explanation showing the method of allocation of the indirect cost factors; and freight if sold on a delivered basis) indicating whether each cost item is an actual or an estimated cost, and the identical current cost breakdown of the most closely comparable food

product which contributes substantially to his total volume of business;

(c) The proposed maximum price for the item, including a statement showing the necessity for that price, any discounts or allowances which should be made applicable to the proposed price, and (for comparison) the maximum price for the second product included in paragraph (b) of this section, including a list of his customary discounts, transportation and other allowances and price differentials;

(d) The method of distribution to be employed by the seller in marketing the item (i. e., whether it is to be sold to wholesalers, retailers, consumers or other classes of purchasers) and

(e) The volume of the item which he has on hand and which he expects to produce during the following twelve months.

Upon receipt of the application, the Office of Price Administration will authorize a maximum price, or a method of determining a maximum price, for the applicant or for the sellers of the item generally, including purchasers for resale or for a class of such resellers. The maximum price authorized will be one which bears a proper relationship to those for comparable commodities and sellers. Separate maximum prices will be authorized for sales to government procurement agencies.

After filing the application, the seller may deliver the item, but he may not receive payment for it until a maximum price is authorized.

Where any cost factor set forth in the application is an estimated amount, the processor shall file with the Office of Price Administration, Washington, D. C., not earlier than three months nor later than six months after a maximum price has been authorized, a statement showing the actual cost of that factor in his production of the item since the maximum price was authorized.

If the seller fails to apply for a maximum price under this section, when required to do so, the Office of Price Administration may authorize a maximum price for his sales of the item bearing a proper relationship to those for comparable commodities and sellers. This will not relieve the seller of his obligation to comply with this section or with any other provision of the applicable supplement, nor will it relieve him of any penalty for failure to do so.

Any maximum price established under this section shall be subject to revision at any time by the Office of Price Administration.

SEC. 2.6 *When the seller must figure a delivered price.* When this section applies to a supplement, it applies to all sellers covered by the supplement. However, it applies only to maximum prices based on sales which the seller made during a base period named in the supplement.

Any seller who regularly sold a purchaser the item being priced on a delivered basis during the base period named in the applicable supplement shall figure a maximum delivered price by adding to the maximum price for the item, figured f. o. b. shipping point, the amount of the transportation charge, per unit of that item, which he added to his f. o. b. shipping point price during that period (but only before March 18, 1942) The resulting price is the seller's maximum delivered price to that purchaser.

The seller, of course, is free to sell his goods on an f. o. b. shipping point basis. However, in that event, the f. o. b. price charged plus the actual transportation charges incurred by the buyer shall not exceed the seller's maximum price figured on a delivered basis.

SEC. 2.7 *Uniform prices where the processor or repacker has more than one factory.* This section applies to processors and repackers.

Any processor or repacker who processes or repacks the item being priced at more than one factory and whose maximum prices for the item vary by factory may, if he wishes, establish a uniform maximum price for the item for any group of factories by figuring a weighted average of their separate maximum prices.

For any two or more factories selected by the seller, this "weighted average maximum price" shall be figured by him as follows: He shall (a) determine the total estimated receipts which would have been obtained if his production of the item at those factories during the one-year period immediately preceding the date of calculation had been sold at the separate maximum prices which are in effect under the applicable supplement on the date of calculation, and (b) divide that figure by the total number of units of the item (like pounds, dozens, etc.) included in that production.

The seller shall refigure his weighted average maximum price at the end of each subsequent three-months' period on the basis of sales made during the one-year period immediately preceding the date of recalculation.

SEC. 2.8 *Uniform delivered prices where the seller has customarily been selling on an f. o. b. shipping point basis.* When this section applies to a supplement, it applies to all sellers covered by the supplement. However, it applies only to maximum prices based on sales which the seller made during a base period named in the supplement.

A seller whose maximum price for an item is on an f. o. b. shipping point basis may, if he wishes, establish a uniform maximum delivered price for the item, by zone or area, by adding to his f. o. b. shipping point price his weighted average transportation charge from shipping point to purchasers' receiving points.

For any zone or area, this "weighted average transportation charge" shall be figured by him as follows: He shall (a) determine the total estimated transportation charges which would have been incurred if the shipments of the item which he made during the one-year period immediately preceding the date of calculation, to purchasers in that zone or area, had been at rates in effect on that date, and (b) divide that figure by the total number of pounds or other units of the item included in those shipments. (Where more than one means of transportation is used, averages may be taken separately for each.)

The seller shall refigure his weighted average transportation charge at the end of each three-months' period on the basis of shipments made during the one-year period immediately preceding the date of recalculation and at rates in effect on that date.

SEC. 2.9 *Maximum prices for sales by primary distributors.* There are two pricing methods for primary distributors.

(a) *Pricing Method No. 1.* A primary distributor may use the following pricing method only if he sold the kind and variety of product being priced (as a primary distributor) before April 28, 1942, and he may use this pricing method only when he is selling, in less-than-carload quantities, merchandise which he has actually warehoused. (In normal situations the pricing method will give him the same dollars-and-cents margin that he previously had.)

If the processor's maximum price for the item under the applicable supplement is greater than the processor's maximum price under the maximum price regulation previously applicable to the processor, the primary distributor shall add the difference to the maximum price which he had immediately prior to the effective date of the applicable supplement. If the processor's maximum price for it under the applicable supplement is less than the processor's maximum price under the maximum price regulation previously applicable, the primary distributor shall subtract the difference from the maximum price which he had immediately prior to the effective date of the applicable supplement. However, in no event may the primary distributor's maximum price be greater than his net delivered cost (based upon purchases directly from the processor) plus the markup named in the applicable supplement. The resulting figure is the primary distributor's maximum price for the item when warehoused by him and sold in less-than-carload quantities.

If the primary distributor sold the kind and variety of product being priced, before April 28, 1942, but did not sell the particular grade, brand, style of pack, container type or size being priced before the effective date of the applicable supplement, his maximum price for the new item shall be his net delivered cost (based on his first purchase of the item after that date direct from the processor) multiplied by a markup factor. This markup factor shall be figured by dividing his maximum price (as figured under this section) for the most closely comparable item of that kind and variety of product already handled by him by the current net delivered cost to him of that item. He may apply this markup factor only when he is selling, in less-than-carload quantities, goods which he has actually warehoused.

(b) *Pricing Method No. 2.* For all items, and for sales of such items, which are not covered by Pricing Method No. 1, the primary distributor's maximum price, f. o. b. shipping point, shall be the

maximum price of his supplier, f. o. b. shipping point, plus incoming freight paid by him.

*Examples:* The processor's ceiling price for grapefruit juice under MPR 509 and under the applicable supplement are the same. Therefore, the primary distributor's maximum price remains the same under the applicable supplement as it was under MPR 509.

The processor's ceiling price under MPR 306 for asparagus (all green spears) in No. 2 size cans was $3.55 per dozen for colossal size, A-fancy grade. Under the applicable supplement it is now $3.85 per dozen. The primary distributor therefore adds the increase of 30 cents to his own ceiling price under MPR 306, provided that the maximum price so determined does not exceed his net delivered cost plus the markup named in the supplement.

The primary distributor handled packed grapefruit juice as a primary distributor before April 28, 1942. He added packed orange juice to his line in October 1942. Although he may use Pricing Method No. 1 for packed grapefruit juice, he must use Pricing Method No. 2 for packed orange juice because he did not sell it as a primary distributor before April 28, 1942.

Before April 28, 1942, the primary distributor handled "X" brand fancy sweetened grapefruit juice in No. 2 size cans, for which his maximum price under MPR 509 and the applicable supplement is $1.24 per dozen and his current net delivered cost is $1.15 per dozen. He now adds to his line "X" brand fancy sweetened grapefruit juice in No. 3 cyl. cans, for which the net delivered cost of his first purchase from the processor is $2.60 per dozen. Because the No. 2 can size is the most closely comparable item of the same kind and variety, he divides $1.24 by $1.15 and obtains a markup factor of 108%. Application of 108% to $2.60 results in a figure of $2.81, which is his maximum price for the new item when he sells, in less-than-carload quantities, goods which he has actually warehoused.

SEC. 2.10 *Maximum prices for sales by distributors who are not primary distributors, wholesalers or retailers.* The maximum price, f. o. b. shipping point, of a distributor who is not a primary distributor, wholesaler, or retailer shall be the maximum price of his supplier, f. o. b. shipping point, plus incoming freight paid by him.

SEC. 2.11 *Payment of brokers.* When this section applies to a supplement, it applies to all sellers covered by the supplement.

In accordance with trade custom, every broker shall be considered as the agent of the seller and not the agent of the buyer. In each case, the amount paid by the buyer to the seller plus any amount paid by the buyer to the broker shall not exceed the seller's maximum price, including allowable transportation actually paid by the seller or by the broker. In other words, the seller may not collect from the buyer any more than the maximum price, including allowable transportation so paid, less any amount which the buyer pays the broker.

The term "broker" includes a "finder."

SEC. 2.12 *Maximum prices for sales to government procurement agencies in certain cases.* When this section applies to a supplement, it applies to all sellers covered by the supplement. However, it applies only where no maximum price is specifically provided by the applicable supplement for sales of an item to government procurement agencies.

(a) The seller's maximum price, f. o. b. shipping point, for sales to government procurement agencies shall be 96% of his maximum price, f. o. b. shipping point, to purchasers other than government procurement agencies (for processors and repackers, "f. o. b. shipping point" means "f. o. b. factory") after that maximum price has been adjusted, where necessary, as follows:

(1) If the seller is a processor and if any raw agricultural ingredient used in the commodity is covered by the Commodity Credit Corporation's purchase and resale program, the processor shall first increase the maximum price per dozen or other unit, f. o. b. factory, by the difference, per dozen or other unit, between the Commodity Credit Corporation's purchase price for the area in which he received delivery of the raw materials and its resale price for the area in which his factory is located.

(2) If the seller is a processor, he shall increase the maximum price per dozen or other unit, f. o. b. factory, by the amount of any direct subsidy payment the amount of which has previously been announced by the Commodity Credit Corporation or other agency responsible for the administration of the subsidy and which is applicable to the particular goods being sold or their ingredients.

(b) If a processor or repacker has no maximum price for sales f. o. b. factory to persons other than government procurement agencies, he shall apply to the Office of Price Administration, Washington, D. C., for a maximum price for sales to government procurement agencies.

SEC. 2.13 *Special packing expenses which may be reflected in maximum prices for sales to government procurement agencies.*

NOTES: This section is derived from, and for the purposes of the applicable supplement supersedes, Supplementary Order No. 34, issued by the Office of Price Administration.

When this section applies to a supplement, it applies to all sellers covered by the supplement.

(a) *Conditions under which special packing expenses may be reflected in maximum prices.* Special packing expenses are a basis for increasing maximum prices for sales to government procurement agencies only if all the following conditions are satisfied:

(1) The buyer must specifically require that the commodity be packed, or unpacked and repacked, to the buyer's specifications.

(2) The seller must show separately in his contract of sale, or on the invoice furnished to the buyer, the net charge being made for the packing (and any unpacking and repacking) specified by the buyer.

(3) In addition to the records required by the applicable supplement, the seller must prepare and keep for inspection by the Office of Price Administration, for so long as the Emergency Price Control Act of 1942, as amended, remains in effect, accurate records showing the total additional cost required by the special packing (and any unpacking and repacking) specified by the buyer, and the value of materials salvaged in the process.

(b) *Maximum prices for sales which meet the conditions of paragraph (a)* For sales to a government procurement agency which meet the conditions of paragraph (a) the maximum prices of the seller and of any subcontractor under the seller's contract of sale with the government procurement agency shall be the maximum prices otherwise applicable, increased by the following amounts:

(1) If the packing specified by the buyer differs from standard packing, the difference between the total cost of packing to the specifications of the buyer and the total cost of standard packing, or

(2) If the commodity has already been packed in standard packing and if repacking to the specifications of the buyer is required, the total cost incurred in unpacking and repacking, less the reasonable value of salvaged materials, or

(3) If the commodity has initially been packed to the specifications of the buyer in accordance with subparagraph (1) and if repacking to new specifications of the buyer is required, the amount permitted by subparagraph (1) plus the total cost of unpacking and repacking less the reasonable value of salvaged materials.

(c) *Meaning of "total cost."* "Total cost" means the direct material costs, direct labor costs, factory overhead, and other expenses actually incurred in performing the operations described above. However, where these operations are performed for the seller or subcontractor by an independent contractor (not affiliated with the seller) who does not process or sell the commodity, but only packs it or prepares it for packing, the amount actually paid to the independent contractor shall be considered to be the "total cost" of such operations.

(d) *Meaning of "packing" and "standard packing."* "Packing" means the providing of wrappings, inner containers, or outer containers; the placing of commodities in such wrappings or containers; and the application of any special coverings or coatings.

"Standard packing" means that packing the cost of which was included in figuring the maximum price established by the applicable supplement, or any other type of packing expressly referred to and expressly priced in the applicable supplement.

SEC. 2.14 *Treatment of federal and state taxes.* When this section applies to a supplement, it applies to all sellers covered by the supplement. However, paragraph (b) applies only to maximum prices based on sales which the seller made during a base period named in the supplement.

(a) *As to the tax on transportation of property imposed by section 620 of the Revenue Act of 1942.* The tax on transportation of property imposed by section 620 of the Revenue Act of 1942 shall,

[4] 8 F.R. 12404, 14073.

for the purposes of determining the maximum price of any item, be treated as if it were an increase of 3% in the amount charged by persons engaged in the business of transporting property for hire. It shall not be treated as a tax for which a charge may be made in addition to the maximum price. (This provision is derived from, and for the purposes of the applicable supplement supersedes, Supplementary Order No. 31, issued by the Office of Price Administration.)

(b) *As to taxes other than the tax on transportation of property imposed by section 620 of the Revenue Act of 1942.* Any tax incident to the sale, delivery, processing, or use of an item, imposed by any statute or ordinance (other than the tax on transportation of property imposed by section 620 of the Revenue Act of 1942) shall be treated as follows in determining the seller's maximum price for the item, and in preparing the records required by the applicable supplement:

(1) *As to a tax in effect during the base period.* (i) If the seller paid the tax or if the tax was paid by any prior seller, irrespective of whether the amount was separately stated and collected from the seller, but during the base period named in the applicable supplement he did not customarily state and collect, separately from the purchase price, the amount of tax paid by him (or tax reimbursement collected from him by his supplier) the seller may not collect the amount in addition to the maximum price under the applicable supplement.

(ii) In all other cases, if at the time the seller determines his maximum price the statute or ordinance imposing the tax does not prohibit him from stating and collecting the tax separately from the purchase price, and he does state it separately, he may collect, in addition to the maximum price, the amount of the tax actually paid by him (or an amount equal to the amount of tax paid by any prior seller and separately stated and collected from the seller by his supplier) In this case the seller shall not include the amount in determining his maximum price under the applicable supplement.

(2) *As to a tax or tax increase which becomes effective after the base period.* If the statute or ordinance imposing a tax or tax increase effective after the base period named in the applicable supplement does not prohibit the seller from stating and collecting the tax or increase separately from the purchase price, and he does separately state it, he may collect, in addition to the maximum price, the amount of the tax or increase actually paid by him (or an amount equal to the amount of tax paid by any prior seller and separately stated and collected from the seller by his supplier)

SEC. 2.15 *Units of sale and fractions of a cent.* When this section applies to a supplement, it applies to all sellers covered by the supplement.

(a) Maximum prices shall be stated in terms of the same general units (like pounds, dozens, etc.) in which the seller has customarily quoted prices for the product, except when the applicable pricing method shows that another unit shall be used.

(b) Amounts computed in the process of figuring a maximum price (other than the maximum price itself) shall be carried to four decimal places (hundredths of a cent) For sales to government procurement agencies, the maximum price itself shall be carried to four decimal places. If any figured maximum price (other than for sales to government procurement agencies) includes a fraction of a cent, the seller shall adjust the maximum price to the nearest fractional unit of a cent (like 1¢, ½¢, etc.) in which he has customarily quoted prices for the product.

SEC. 2.16 *Maintenance of customary discounts and allowances.* When this section applies to a supplement, it applies to all sellers covered by the supplement.

No person shall change any customary allowance, discount or other price differential to a purchaser or class of purchasers, if the change results in a higher net price to that purchaser or class. However, in the case of sales to government procurement agencies, the seller is not required to give a discount for prompt payment.

ARTICLE III—MISCELLANEOUS PROVISIONS

SECTION 3.1 *Restrictions on sales to primary distributors.* For sales of the 1943 and 1944 production of any item, made after the effective date of the applicable supplement, no processor shall sell to primary distributors a greater percentage (by volume) than he sold to primary distributors during the one-year period ending April 28, 1942.

SEC. 3.2 *Weights.* Where label weights are used, prices figured by weight shall be based on the weights named on the label and not on actual fill.

SEC. 3.3 *Storage.* Storage costs incurred by the seller on goods owned by him shall not be added to his maximum prices. Storage by the seller of goods owned by the buyer may be charged for in accordance with the maximum price regulation applicable to such services.

SEC. 3.4 *Export sales.* The maximum price at which a person may export any item covered by the applicable supplement shall be determined in accordance with the Second Revised Maximum Export Price Regulation,[6] and amendments.

SEC. 3.5 *Notification of new maximum price.* With the first delivery of an item after the effective date of any provision changing the seller's maximum price, he shall:

(a) Supply each wholesaler and retailer who purchases from him with written notice, reading as follows:

(Insert date)

NOTICE TO WHOLESALERS AND RETAILERS

Our OPA ceiling price for (*describe item by kind, variety, grade, brand, style of pack, and container type and size*) has been changed by the Office of Price Administration. We are authorized to inform you that if you are a wholesaler or retailer pricing this item under Maximum Price Regulation No. 421, 422 or 423, you must refigure your ceiling price for this item on the first delivery of it to you from your customary type of supplier with this notification after (*insert effective date of the applicable supplement, amendment or order*). You must refigure your ceiling price following the rules in section 6 of Maximum Price Regulation No. 421, 422 or 423, whichever is applicable to you.

For a period of 60 days after determining the new maximum price for the item, and with the first shipment after the 60-day period to each person who has not made a purchase within that time, each processor or repacker shall include in each case, carton, or other receptacle containing the item, the written notice set forth above, or securely attach it to the outside. However, for sales direct to any retailer, the seller may supply the notice by attaching it to, or stating it on, the invoice covering the shipment, instead of providing it with the goods.

(b) Supply each purchaser of the item who is a distributor other than a wholesaler and retailer with written notice of the establishment of the new maximum price. The notice, which shall be attached to, or stated on, the invoice covering the first delivery to such purchaser after the effective date of the provision changing the maximum price, shall read as follows:

(Insert date)

NOTICE TO DISTRIBUTORS OTHER THAN WHOLESALERS AND RETAILERS

Our O. P. A. ceiling price for (*describe item by kind, variety, grade, brand, style of pack, and container type and size*) has been changed from $____ to $____ under the provisions of Supplement No. ____ to Food Products Regulation No. 1. You are required to notify all wholesalers and retailers for whom you are the customary type of supplier purchasing the item from you after (*insert effective date of the applicable supplement, amendment or order*) of any change in your maximum price. This notice must be made in the manner prescribed in section 3.5 of Food Products Regulation No. 1.

SEC. 3.6 *Records which must be kept.* Every person who makes sales covered by the applicable supplement shall:

(a) Make and preserve for examination by the Office of Price Administration, for so long as the Emergency Price Control Act of 1942, as amended, shall remain in effect, all records of the same kind as he has customarily kept, relating to the prices which he charged in those sales, and

(b) Preserve for examination by the Office of Price Administration, for the same period, all his existing records which were the basis of figuring his maximum prices in the manner directed by the applicable supplement, showing the method used in figuring the maximum prices.

SEC. 3.7 *Authority of regional and district offices to audit reports.* Any Regional Administrator of the Office of Price Administration, or any District Director authorized by his Regional Administrator, may (a) approve or disapprove reports filed with his office under the reporting provisions of this regulation and its supplements, and (b) require any seller filing a report with it which does not comply with the reporting provisions to correct and re-submit his report.

SEC. 3.8 *Sales slips and receipts.* Any seller who has customarily given a pur

[5] 7 F.R. 9894; 8 F.R. 1312, 3702, 9521.

[6] 8 F.R. 4132, 5987, 7662, 9998, 15193.

chaser a sales slip, receipt, or similar evidence of purchase, shall continue to do so. Upon request, any seller, regardless of previous custom, shall give the purchaser a receipt showing the date, the name and address of the seller, the name and quantity of each item sold, and the price received for it.

SEC. 3.9 *Transfers of business or stock in trade.* If the business, assets or stock in trade of a seller subject to the applicable supplement are sold or otherwise transferred on or after April 28, 1942, and the transferee carries on the business, or continues to deal in the same type of food product, in an establishment separate from any other establishment previously owned or operated by him, the maximum prices of the transferee shall be the same as those to which his transferor would have been subject if no such transfer had taken place, and his obligation to keep records sufficient to verify such prices shall be the same. The transferor shall either preserve and make available, or turn over, to the transferee all records of transactions prior to the transfer which are necessary to enable the transferee to comply with the record provisions of the applicable supplement.

SEC. 3.10 *How a figured maximum price is established and how an established maximum price may be changed.* On and after the effective date of the applicable supplement, a price figured for any item becomes established (that is, fixed) as the seller's maximum price as soon as he has either filed the price or disclosed it to any prospective customer, whether by sale, delivery, offer, or notice of any kind, provided that the figured price is not higher than the applicable pricing method allows. A maximum price for any item may be established only once, and it may not be changed by the seller except (a) with the written permission of the District Director of the Office of Price Administration for the area in which he is located in cases where the seller has figured his maximum price lower than the applicable pricing method allows, (b) in cases where a change in this regulation or the applicable supplement changes the seller's applicable pricing method, and (c) in cases where a provision of this regulation or the applicable supplement directs the seller to refigure his price. District Directors are authorized to give this permission.

If the seller wishes to disclose a price lower than the one he figured, he may establish the higher (figured) price as his maximum price at the time of disclosure only by recording it and naming it as such, in ink on his books, before he discloses the lower price. A seller who has not figured a price for an item may deliver the item, but he may not receive payment for it until he has established a maximum price in accordance with the rules of this section.

*Exception:* This section does not apply to prices figured under section 2.5 of Food Products Regulation No. 1 (elective pricing method for processors)

SEC. 3.11 *Adjustable pricing.* Any person may agree to sell at a price which can be increased up to the maximum price in effect at the time of delivery. But no person may, unless authorized by the Office of Price Administration, deliver or agree to deliver at prices to be adjusted upward in accordance with action taken by the Office of Price Administration after delivery. Such authorization may be given when a request for a change in the applicable maximum price is pending, but only if the authorization is necessary to promote distribution or production and if it will not interfere with the purposes of the Emergency Price Control Act of 1942, as amended. The authorization may be given by the Administrator or by any official of the Office of Price Administration having authority to act upon a pending request for a change in price or to give the authorization. The authorization will be given by order, except that it may be given by letter or telegram when the contemplated revision will be the granting of an individual application for adjustment.

SEC. 3.12 *Compliance with the applicable supplement*—(a) *No selling or buying above maximum prices.* Regardless of any contract or obligation no person shall sell or deliver, or buy or receive in the course of trade, any item at a price higher than the maximum price established for it by the applicable supplement. However, prices lower than the maximum price may be charged and paid.

However, the prohibition of this paragraph does not apply to (1) any war procurement agency of the United States, or its contracting or paying finance officers, or (2) the government (or its agencies) of any country the defense of which the President of the United States deems vital to the defense of the United States under the terms of the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States." No such purchaser or person shall be subject to the liabilities otherwise imposed by this section or by the Emergency Price Control Act of 1942. "War procurement agency" includes the War Department, the Department of the Navy, the United States Maritime Commission, the Lend-Lease Section of the Procurement Division of the Treasury Department, and the following subsidiaries of the Reconstruction Finance Corporation: the Defense Plant Corporation, the Rubber Reserve Corporation, the Metals Reserve Corporation, and the Defense Supplies Corporation, or any of their agencies. (This exception is derived from, and for the purpose of the applicable supplement supersedes, Supplementary Order No. 7,[7] issued by the Office of Price Administration.)

(b) *Evasion.* Nor shall any person evade a maximum price, directly or indirectly, whether by commission, service, transportation, or other charge or discount, premium or other privilege; by tying-requirement or other trade understanding; by any change of style of pack; by a business practice relating to grading, labeling, or packaging, or in any other way.

(c) *Enforcement.* Any person violating a provision of the applicable supplement is subject to the criminal penalties, civil enforcement actions, license suspension provision, and suits for treble damages provided by the Emergency Price Control Act of 1942, as amended.

(d) *Licensing.* The provisions of Licensing Order No. 1,[8] licensing all persons who make sales under price control, are applicable to all sellers subject to the applicable supplement. A seller's license may be suspended for violations of the license or one or more applicable price schedules or regulations. A person whose license is suspended may not, during the period of suspension, make any sale for which his license has been suspended.

SEC. 3.13 *Adjustment of maximum prices of food products under "Government contracts" or subcontracts.*

NOTE: This section is derived from, and for the purposes of the applicable supplement supersedes, Supplementary Order No. 9,[9] issued by the Office of Price Administration.

(a) The Office of Price Administration, either on its own motion or on application for adjustment in accordance with Procedural Regulation No. 6,[10] and amendments, may adjust the maximum price of any seller who has entered into or proposes to enter into a Government contract (or subcontract) for the sale of an item of a food product essential to the war program, whenever it appears that the maximum price impedes or threatens to impede its production, manufacture, or distribution. (The applicant's over-all profits will be an important consideration in determining the action to be taken.)

(b) From 5 days prior to the filing of an application for adjustment until its final disposition, contracts may be entered into or proposed and bids submitted at the price requested in the application, and deliveries may be made under such contracts. However, no amount by which the price exceeds the maximum price may be paid or received until an order granting a higher price has been issued. In each sale, contract to sell, or offer to sell, at a price requested in the application, the seller shall furnish the buyer with a statement showing the following:

(1) The maximum price for the item; and

(2) The filing of an appropriate application with the Office of Price Administration, or the intention to file it within five days.

(c) Any government agency may appear as an interested party in connection with the application.

(d) "Food product essential to the war program" means any food product purchased (1) for the ultimate use of the Army, the Navy, the Maritime Commission, or the War Shipping Administration of the United States, or the Lend-Lease Section of the Procurement Division of the Treasury Department, or (2) by the government (or its agencies) of any country whose defense the President deems vital to the defense of the United States under the terms of the

[7] 7 F.R. 5176.

[8] 8 F.R. 13240.

[9] 7 F.R. 5444, 6323; 8 F.R. 4510, 4785, 6175.

[10] 7 F.R. 5087, 5654; 8 F.R. 6173, 6174, 12024.

Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States," or (3) for use in the production or manufacture of any such food product.

"Government contract" means a contract with the United States, or an agency, or with the government (or its agencies) of any country whose defense the President deems vital to the defense of the United States under the terms of the Act named above.

"Subcontract" means a purchase order or agreement to perform all or part of the work required under, or to make or furnish any commodity needed for the performance of, another Government contract or subcontract.

SEC. 3.14 *Applications for adjustment by sellers who have been found to have violated the Robinson-Patman Act.*

NOTE: This section is derived from, and for the purposes of the applicable supplement supersedes, Supplementary Order No. 41,[11] issued by the Office of Price Administration.

(a) The Office of Price Administration may adjust the maximum price established for any seller in any case in which he shows:

(1) That he has been found by the Federal Trade Commission, or any court of competent jurisdiction, to have discriminated in price between different purchasers of commodities in violation of the provisions of the Robinson-Patman Act (49 Stat. 1526) or of any state statute prohibiting price discriminations; and

(2) That the elimination of the discrimination by lowering his price to the purchasers against whom he has been found to have discriminated would cause him substantial hardship; and

(3) That the elimination of the discrimination by increasing his price to the purchasers in whose favor he has been found to have discriminated is prohibited by the applicable supplement.

(b) Applications for adjustment under this provision shall be filed with the Office of Price Administration, Washington, D. C., in accordance with the provisions of Revised Procedural Regulation No. 1.[12]

SEC. 3.15 *Applications for adjustment and petitions for amendment based on wage or salary increases requiring approval of the National War Labor Board.* Any seller may file an application for adjustment of his maximum prices, or a petition for amendment of the applicable supplement, based on a wage or salary increase requiring the approval of the National War Labor Board before any such increase becomes effective, in accordance with Supplementary Order No. 28,[13] issued by the Office of Price Administration.

SEC. 3.16 *Petitions for amendment.* Any person seeking a general modification of this regulation or the applicable supplement may file a petition for amendment in accordance with Revised Procedural Regulation No. 1, issued by the Office of Price Administration.

*Effective date.* This regulation shall become effective June 21, 1944.

NOTE: All record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget, in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8778; Filed, June 16, 1944; 11:45 a. m.]

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PART 1351—FOOD AND FOOD PRODUCTS

[FPR 1, Supplement 1]

MACARONI PRODUCTS AND NOODLE PRODUCTS

A statement of the considerations involved in the issuance of this supplement has been issued and filed with the Division of the Federal Register.

SUPPLEMENT 1 TO FOOD PRODUCTS REGULATION 1—MACARONI PRODUCTS AND NOODLE PRODUCTS

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

Sec.
1. Explanation of the supplement.
2. Applicability of Food Products Regulation No. 1.
3. Definitions.

ARTICLE II—PRICING PROVISIONS

4. Maximum prices for sales of macaroni products and noodle products by processors.
5. Maximum prices for sales of macaroni products and noodle products by wagon wholesalers.
6. Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.

ARTICLE III—MISCELLANEOUS PROVISIONS

7. Reports which processors must file.
8. Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.

AUTHORITY: Secs. 1 to 8, inclusve, (§ 1351.375) issued under 56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681.

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

SECTION 1. *Explanation of the supplement.* (a) This supplement establishes maximum prices for sales of macaroni products and noodle products by all persons except wholesalers and retailers (wagon wholesalers, however, are included)

(b) This supplement applies in the forty-eight states of the United States and the District of Columbia.

(c) This supplement supersedes the General Maximum Price Regulation[1] and Maximum Price Regulations Nos. 262[2] and 326 as to the commodities and sellers covered. All orders issued under Maximum Price Regulation No. 326 shall remain in effect as orders under this supplement.

(d) This supplement becomes effective on June 21, 1944.

SEC. 2. *Applicability of Food Products Regulation No. 1.* Important: Not all of the provisions affecting the maximum prices of macaroni products and noodle products are stated in this supplement. Those which are not specifically set forth here are stated in Food Products Regulation No. 1, and they are just as much a part of this supplement as if they were printed here. The "Explanation of the regulation" is also a part of this supplement.

The particular sections of Food Products Regulation No. 1 which are applicable to this supplement are listed at appropriate places in the following provisions (in each case, the section number set forth in parenthesis is the appropriate section number of Food Products Regulation No. 1) When any applicable section of the regulation is amended, the amendment also is applicable to this supplement.

SEC. 3. *Definitions.* (a) When used in this supplement, the term:

"Macaroni products" means the class of food prepared by drying formed units of dough made from semolina, durum flour, farina, flour, or any combination of two or more of these, with water and with or without one or more of certain optional ingredients such as milk, whole wheat, soy flour, vegetables and salt, and as further defined in the proposed order of the Food and Drug Administration for Definitions or Standards of Identity of macaroni products, as printed in the Federal Register on December 22, 1942, 7 F.R. 10728 to 10734, inclusive. Plain noodles (but not chow mein noodles) shall be considered a macaroni product for the purposes of this supplement.

"Noodle products" means the class of food prepared by drying formed units of dough made from semolina, durum flour, farina, flour, or any combination of two or more of these, with liquid eggs, dried eggs, egg yolks, frozen yolks, or any combination of two or more of these, with or without water and with or without one or more of certain optional ingredients such as milk, whole wheat, soy flour, vegetables and salt, and as further defined in the proposed order of the Food and Drug Administration for Definitions or Standards of Identity of noodle products, as printed in the Federal Register on December 22, 1942, 7 F.R. 10728 to 10734, inclusive. The term "noodle products" does not include chow mein noodles.

"Farinaceous ingredient" means semolina, durum flour, farina, or wheat flour.

"Most closely competitive processor" means the processor who:

(1) Sells to the same class of buyer;

(2) Processes the same or similar quality range of the product;

(3) Has sold in the past the same kind of macaroni product or noodle product at approximately the same prices as the processor figuring a maximum price;

(4) Has used the same marketing methods; and

(5) Is located in the same general area, or, if there is no other such processor in

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[11] 8 F.R. 4732.

[12] 8 F.R. 3313, 3533, 6173, 11806.

[13] 7 F.R. 9619; 8 F.R. 7256.

*Copies may be obtained from the Office of Price Administration.

[1] 9 F.R. 1385.

[2] 7 F.R. 9244, 10844; 8 F.R. 262, 273, 437, 973, 2285, 5164, 9201, 10568, 11040, 11447, 14985, 15935, 16687, 17227; 9 F.R. 347.

[3] 8 F.R. 2098, 4346; 9 F.R. 1819.

the same general area, is located in the nearest area.

"Comparable commodity" means a macaroni product or noodle product of equal weight and quantity offering fairly equivalent utility and differing in ingredients or packaging materials from the macaroni product or noodle product processed in March 1942 by the seller or his most closely competitive processor only by changes to the best possible feasible substitutes for ingredients or packaging materials. A macaroni product shall not be considered comparable to a noodle product.

(b) The definitions of the following terms, set forth in the designated sections of Food Products Regulation No. 1, are applicable to this supplement:

"Person" (Section 1.1 of FPR 1).
"Processor" (Section 1.2 of FPR 1).
"Distributor" (Section 1.3 of FPR 1).
"Primary Distributor" (Section 1.5 of FPR 1).
"Wholesaler" and "retailer" (Section 1.6 of FPR 1).
"Ultimate consumer" (Section 1.7 of FPR 1).
"Item" (Section 1.8 of FPR 1).
"Container type" (Section 1.9 of FPR 1).
"Sale" (Section 1.10 of FPR 1).
"Price" (Section 1.11 of FPR 1).
"Net delivered cost" (Section 1.12 of FPR 1).
"Records" (Section 1.14 of FPR 1).

ARTICLE II—PRICING PROVISIONS

SEC. 4. *Maximum prices for sales of macaroni products and noodle products by processors.* (a) The processor's maximum price per dozen or other unit to any class of purchasers for an item of macaroni products or noodle products shall be his maximum price under the General Maximum Price Regulation plus the increase per dozen or other unit in his cost of the farinaceous and egg ingredients and packaging materials, determined by:

(1) Figuring his cost per dozen or other unit as of February 20, 1943, of the farinaceous and egg ingredients and packaging materials, in each case at the maximum price of his principal supplier to the class of purchasers to which he belongs, and

(2) Subtracting from that amount the sum of his weighted average actual costs per dozen or other unit of each farinaceous ingredient, egg ingredient and packaging material used to process the same item during March 1942.

"Cost," as used in subparagraph (1) above, if the maximum price of the processor's supplier is not a delivered price, means the maximum price plus cost of delivery of purchases in a usual amount to the processor's customary receiving point, from the customary shipping point by the usual mode of transportation.

"Weighted average actual cost," as used in subparagraph (2) above, means the total cost of the farinaceous ingredient, egg ingredient or packaging material figured on a delivered basis at his factory, divided by the number of units he used in processing all his macaroni products and noodle products.

EXAMPLE SHOWING METHOD OF COMPUTING NEW CEILING PRICE

Variety.....Egg noodles.
Type.....Home style.
Brand.....X Y Z.
Container size.....1 pound.
Container style.....Cellophane.
Selling unit.....1 dozen.

COSTS

| | Feb. 20, 1943 ceilings | March 1942 average costs |
|---|---|---|
| INGREDIENTS | (1) | (2) |
| Durum flour per barrel, delivered: | | |
| Per barrel f. o. b. Minneapolis | 6.60 | 5.20 |
| Plus freight to factory | .80 | ..... |
| Total | 7.40 | ..... |
| Egg yolks per pound delivered | .45 | .32 |
| PACKAGING MATERIAL | | |
| Cellophane bags per M delivered | 8.85 | 8.85 |
| Cellophane tape per roll delivered | .75 | .75 |
| Shipping case per M delivered | 70.00 | 60.00 |
| COMPUTATION OF INGREDIENT COST PER POUND | | |
| 200 pounds of durum flour | 11.8000 | 7.0000 |
| 24.5 pounds of egg yolks | 15.8700 | 11.0100 |
| Total cost of raw material | 27.1700 | 18.0200 |
| Divided by 220.750 pound net yield cost of raw material per pound | .0997 | .0834 |
| NOTE: Shrinkage for purposes of example 5% including filling loss. | | |
| PER DOZEN 1 POUND PACKAGES | (3) | (4) |
| Ingredients | 1.0834 | .7003 |
| Cellophane bags (waste allowance, —1) | .1150 | .1150 |
| Cellophane tape | .0100 | .0100 |
| Shipping case | .0700 | .0600 |
| Total cost of ingredients and packaging material per dozen | (5)1.2784 | (6).8853 |
| (5) | (5)1.2784<br>(6).8853 | ..... |
| Increased cost of ingredients and packaging material per dozen | .3970 | ..... |
| (8) Plus March 1942 ceiling price | 1.25 | ..... |
| (7) Equals new ceiling price | 1.6570<br>or 1.69 | ..... |

(b) The maximum price for each item of macaroni products or noodle products for a processor who owns more than one factory shall be determined separately for each factory. However uniform maximum prices may be established as provided in sections 6 (d) and 6 (e)

(c) If the processor's maximum price for an item of macaroni products or noodle products cannot be determined under paragraph (a) above, or under section 6 (a) of this supplement, his maximum price shall be the maximum price, as determined under (a), above, for a comparable commodity processed by him, or if he did not process such a comparable commodity, one processed by his most closely competitive processor.

SEC. 5. *Maximum prices for sales of macaroni products and noodle products by wagon wholesalers.* Wagon wholesalers shall figure their maximum prices per dozen or other unit for each item of macaroni products or noodle products by adding to their net delivered cost a markup of 25% of such cost. These maximum prices shall be refigured on receipt of an item whenever there is any change in the net delivered cost.

A "wagon wholesaler" is one who purchases the item being priced and distributes it to retailers or to commercial, industrial or institutional users from an inventory stocked in trucks or other conveyances which are under the supervision of driver salesmen who make delivery at the time and place of sale. Such a wholesaler is a wagon wholesaler only for sales made in this manner.

SEC. 6. *Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Maximum prices for products in new container types or sizes (section 2.2 of FPR 1). The "base period" is March 1942.
(b) Individual authorization of maximum prices (section 2.5 of FPR 1).
(c) When the seller must figure a delivered price (section 2.6 of FPR 1). The "base period" is March 1942.
(d) Uniform prices where the processor or repacker has more than one factory (section 2.7 of FPR 1).
(e) Uniform delivered prices where the seller has customarily been selling on an f. o. b. shipping point basis (section 2.8 of FPR 1).
(f) Maximum prices for sales by primary distributors (section 2.9 of FPR 1).
(g) Maximum prices for sales by distributors who are not primary distributors, wholesalers or retailers (section 2.10 FPR 1).
(h) Payment of brokers (section 2.11 of FPR 1).
(i) Maximum prices for sales to government procurement agencies in certain cases (section 2.12 of FPR 1).
(j) Special packing expenses which may be reflected in maximum prices for sales to government procurement agencies (section 2.13 of FPR 1).
(k) Treatment of Federal and state taxes (section 2.14 of FPR 1). The "base period" is March 1942.
(l) Units of sale and fractions of a cent (section 2.15 of FPR 1).
(m) Maintenance of customary discounts and allowances (section 2.16 of FPR 1).

ARTICLE III—MISCELLANEOUS PROVISIONS

SEC. 7. *Reports which processors must file.* (a) Every processor who determines a maximum price under this supplement shall, on or before July 12, 1944, or within twenty days after the maximum price has been established in the manner explained in section 3 (j) below, file with the district office of the Office of Price Administration for the area in which he is located a statement showing:

(1) For each item for which he figures his maximum price under section 4 (a),

(i) The name of each farinaceous and egg ingredient and packaging material and its maximum price as of February 20, 1943, per unit of purchase (if the maximum price is f. o. b. shipping point, show the shipping point and freight addition)

(ii) The weighted average actual cost per unit of purchase of each farinaceous and egg ingredient and packaging material used in processing the same com-

modity in March 1942 (if the cost is f. o. b. shipping point, show freight addition)

(iii) The per dozen or other unit cost of each farinaceous and egg ingredient and packaging material figured at maximum prices as stated in (i) above;

(iv) The per dozen or other unit cost of each farinaceous and egg ingredient and packaging material figured at March 1942 cost as stated in (ii) above;

(v) The result of subtracting the figures obtained in (iv) from those obtained in (iii)

(vi) The maximum price for the commodity figured in accordance with the General Maximum Price Regulation; and

(vii) The result of adding the figures obtained in (v) to those stated in (vi) which result shall be the processor's new maximum price for the item.

(2) For each item for which he figures his maximum price under section 4 (c)

(i) The maximum price so determined; and

(ii) If such price is the maximum price of a comparable commodity processed by him, the kind, variety, brand (if any) container type and size of the comparable commodity, or, if such price is the maximum price of a comparable commodity processed by his most closely competitive processor, the name of that competitive processor and the kind, variety, brand (if any) container type and size of that comparable commodity.

(3) For each item for which he figures his maximum price under section 6 (a) a true copy of the calculations showing his determination of such maximum price.

(b) If a processor reported a lawful maximum price under any provision of Maximum Price Regulation No. 326 and his maximum price is not changed by this supplement, he is not required to report that maximum price again under this section.

SEC. 8. *Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Restrictions on sales to primary distributors (section 3.1 of FPR 1).

(b) Weights (section 3.2 of FPR 1).

(c) Storage (section 3.3 of FPR 1).

(d) Export sales (section 3.4 of FPR 1).

(e) Notification of new maximum price (section 3.5 of FPR 1).

(f) Records which must be kept (section 3.6 of FPR 1).

(g) Authority of regional and district offices to audit reports (section 3.7 of FPR 1).

(h) Sales slips and receipts (section 3.8 of FPR 1).

(i) Transfers of business or stock in trade (section 3.9 of FPR 1).

(j) How a figured maximum price is established and how an established maximum price may be changed (section 3.10 of FPR 1).

(k) Adjustable pricing (section 3.11 of FPR 1).

(l) Compliance with the applicable supplement (section 3.12 of FPR 1).

(m) Adjustment of maximum prices of food products under "Government contracts" or subcontracts (section 3.13 of FPR 1).

(n) Applications for adjustment by sellers who have been found to have violated the Robinson-Patman Act (section 3.14 of FPR 1).

(o) Applications for adjustment and petitions for amendment based on wage or salary increases requiring approval of the National War Labor Board (section 3.15 of FPR 1).

(p) Petitions for amendment (section 3.16 of FPR 1).

This supplement shall become effective June 21, 1944.

NOTE: All reporting and record-keeping requirements of this supplement have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8179; Filed, June 16, 1944; 11:44 a. m.]

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PART 1351—FOOD AND FOOD PRODUCTS

[FPR 1, Supplement 2]

PROCESSED BEANS, PROCESSED MACARONI PRODUCTS AND PROCESSED NOODLE PRODUCTS

A statement of the considerations involved in the issuance of this supplement has been issued and filed with the Division of the Federal Register.*

SUPPLEMENT 2 TO FOOD PRODUCTS REGULATION NO. 1—PROCESSED BEANS, PROCESSED MACARONI PRODUCTS AND PROCESSED NOODLE PRODUCTS

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

Sec.
1. Explanation of the supplement.
2. Applicability of Food Products Regulation No. 1.
3. Definitions.

ARTICLE II—PRICING PROVISIONS

4. Maximum prices for sales of processed beans, processed macaroni products and processed noodle products by processors.
5. Maximum prices for sales of processed beans, processed macaroni products and processed noodle products by wagon wholesalers.
6. Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.
7. Reports which processors must file.
8. Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.

AUTHORITY: Secs. 1 to 8, inclusive (§ 1351.376), issued under 56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681.

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

SECTION 1. *Explanation of the supplement.* (a) This supplement establishes maximum prices for sales of processed beans, and of processed macaroni products and processed noodle products (that is, macaroni products and noodle products which have been cooked and combined with sauce) It does not govern sales of macaroni products and noodle products which have not been cooked and combined with sauce.

(b) This supplement applies to sales of processed beans, processed macaroni products and processed noodle products by all persons except wholesalers and retailers (wagon wholesalers, however, are included)

(c) This supplement applies in the 48 states of the United States and the District of Columbia.

(d) This supplement supersedes the General Maximum Price Regulation[1] and Maximum Price Regulation No. 427[2] as to the commodities and sellers covered. All orders issued under Maximum Price Regulation No. 427 shall remain in effect as orders under this supplement. In addition, any processor who prior to June 21, 1944, established a lawful maximum price under the elective pricing method of section 5 (a) of Maximum Price Regulation No. 427 may, if he wishes, keep that maximum price.

(e) This supplement becomes effective on June 21, 1944.

SEC. 2. *Applicability of Food Products Regulation No. 1.* Important: Not all of the provisions affecting the maximum prices of processed beans, processed macaroni products and processed noodle products are stated in this supplement. Those which are not specifically set forth here are stated in Food Products Regulation No. 1, and they are just as much a part of this supplement as if they were printed here. The "explanation of the regulation" is also a part of this supplement.

The particular sections of Food Products Regulation No. 1 which are applicable to this supplement are listed at appropriate places in the following provisions (in each case, the section number set forth in parenthesis is the appropriate section number of Food Products Regulation No. 1) When any applicable to this supplement are listed at amended, the amendment also is applicable to this supplement.

SEC. 3. *Definitions.* (a) When used in this supplement, the term:

"Processed beans" means dried beans of any variety cooked prior to packaging or in the package and packed with or without pork or sauce. Such beans shall also include dehydrated and frozen forms and may be packaged in any style container hermetically or nonhermetically sealed.

"Processed macaroni products" and "processed noodle products" mean macaroni products and noodle products which have been cooked and combined with sauce.

"Macaroni products" means the class of food prepared by drying formed units of dough made from semolina, durum flour, farina, flour, or any combination of two or more of these, with water and with or without one or more of certain optional ingredients such as milk, whole wheat, soy flour, vegetables and salt and as further defined in the proposed order for Definitions or Standards of Identity of macaroni products of the Food and Drug Administration, as printed in the FEDERAL REGISTER on December 22, 1942, 7 F.R. 10728 to 10734, inclusive. Plain noodles (but not chow mein noodles)

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*Copies may be obtained from the Office of Price Administration.

[1] 9 F.R. 1385.

[2] 8 F.R. 9775, 12620, 16991.

shall be considered to be a macaroni product for the purposes of this supplement.

"Noodle products" means the class of food prepared by drying formed units of dough made from semolina, durum flour, farina, flour, or any combination of two or more of these, with liquid eggs, dried eggs, egg yolks, frozen yolks, or any combination of two or more of these, with or without water and with or without one or more of certain optional ingredients such as milk, whole wheat, soy flour, vegetables and salt and as further defined in the proposed order for Definitions or Standards of Identity of noodle products of the Food and Drug Administration, as printed in the FEDERAL REGISTER on December 22, 1942, 7 F.R. 10728 to 10734, inclusive. The term "noodle products" does not include chow mein noodles.

(b) The definitions of the following terms, set forth in the designated sections of Food Products Regulation No. 1, are applicable to this supplement:

"Person" (section 1.1 of FPR 1).
"Processor" (section 1.2 of FPR 1).
"Distributor" (section 1.3 of FPR 1).
"Primary distributor" (section 1.5 of FPR 1).
"Wholesaler" and "retailer" (section 1.6 of FPR 1).
"Ultimate consumer" (section 1.7 of FPR 1).
"Item" (section 1.8 of FPR 1).
"Container type" (section 1.9 of FPR 1).
"Sale" (section 1.10 of FPR 1).
"Price" (section 1.11 of FPR 1).
"Net delivered cost" (section 1.12 of FPR 1).
"Records" (section 1.14 of FPR 1).

ARTICLE II—PRICING PROVISIONS

SEC. 4. *Maximum prices for sales of processed beans, processed macaroni products and processed noodle products by processors.* (a) The processor's maximum price per sales unit, f. o. b. shipping point, to any class of purchasers for an item of processed beans, processed macaroni products or processed noodle products which he made and sold at any time during the period October 1, 1941 to March 31, 1942, inclusive (this is the "base period") shall be:

(1) The weighted average price per sales unit, f. o. b. shipping point, charged the same class of purchasers by the processor for such item during the base period, plus

(2) The increase in the cost per sales unit of all the ingredients determined as follows:

(i) The cost per sales unit of the ingredients figured in each case at the maximum price as of July 20, 1943, of the processor's principal supplier to the class of purchasers to which the processor belongs, or, if there is no maximum price, the March 1942 market price; minus

(ii) The sum of the weighted average actual costs per sales unit of the ingredients used to produce the same item during the base period.

"Weighted average price," as used in subparagraph (1) above, means the total gross sales dollars charged a particular class of purchasers for the item being priced, f. o. b. shipping point, divided by the number of sales units of the item sold to that class of purchasers. All sales contracts made in the regular course of business during the base period shall be included, regardless of date of delivery. Sales contracts made before this period shall not be included, even though delivery was made during the period.

"Cost," as used in subparagraph (2) above, if the price of the processor's supplier is not a delivered price, means the price (maximum or March 1942 market, as the case may be) plus cost of delivery of purchases in a usual amount to the processor's customary receiving point, from the customary shipping point by the usual mode of transportation.

"Weighted average actual cost," as used in subparagraph (2) (ii) above, means the processor's total cost of each ingredient, figured on a delivered basis at his plant, for the quantity used in producing all his processed beans, processed macaroni products or processed noodle products, divided by the number of units produced.

(b) The processor's maximum price per sales unit for an item of processed beans, processed macaroni products or processed noodle products for which his maximum price originally was established under § 1499.3 (b) of the General Maximum Price Regulation shall be:

(1) The processor's maximum price per sales unit authorized by the Office of Price Administration by order under § 1499.3 (b) of the General Maximum Price Regulation for such item, plus

(2) The increase in the cost per sales unit of the ingredients thereof determined as follows:

(i) The cost per sales unit of the ingredients, figured in each case at the maximum price as of July 20, 1943, of the processor's principal supplier to the class of purchasers to which the processor belongs, or, if there is no maximum price, the March 1942 market price; minus

(ii) The ingredients cost per sales unit submitted to the Office of Price Administration in the application upon which the maximum price was established under § 1499.3 (b) of the General Maximum Price Regulation.

"Cost" as used in subparagraph (2) (i) above, if the price of the processor's supplier is not a delivered price, means the price (maximum or March 1942 market, as the case may be) plus cost of delivery of purchases in a usual amount to the processor's customary receiving point, from the customary shipping point by the usual mode of transportation.

SEC. 5. *Maximum prices for sales of processed beans, processed macaroni products and processed noodle products by wagon wholesalers.* Wagon wholesalers shall figure their maximum prices per sales unit for each item of processed beans, processed macaroni products or processed noodle products by adding to their net delivered cost a markup of 25 percent of such cost. These maximum prices shall be refigured upon receipt of an item whenever there is any change in the net delivered cost.

A "wagon wholesaler" is one who purchases the item being priced and distributes it to retailers or to commercial, industrial or institutional users from an inventory stocked in trucks or other conveyances which are under the supervision of driver salesmen who make delivery at the time and place of sale. Such a wholesalers is a wagon wholesaler only for sales made in this manner.

SEC. 6. *Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Maximum prices for products in new container types or sizes (section 2.2 of FPR 1). In those cases only where the processor has made a change in his container type from tin to glass, he shall add ⅔ cent per pound label weight of his finished product, after adding the "direct cost" of the container in the new type and size as provided by section 2.2(e) of Food Products Regulation No. 1.

(b) Elective pricing method (section 2.4 of FPR 1). The "markup percentage" figure is 160%.

(c) Individual authorization of maximum prices (section 2.5 of FPR 1.)

(d) When the seller must figure a delivered price (section 2.6 of FPR 1). However, when figuring a delivered price, any processor whose transportation charge during the period October 1, 1941 to March 17, 1942 was based on the use of his own trucks and who is now compelled to use a common or contract carrier, may add transportation charges figured by the new means of transportation, to the same destination and under the same freight tariff classification, but at the rate in effect during that period.

(e) Uniform prices where the processor or repacker has more than one factory (section 2.7 of FPR 1).

(f) Uniform delivered prices where the seller has customarily been selling on an f. o. b. shipping point basis (section 2.8 of FPR 1).

(g) Maximum prices for sales by primary distributors (section 2.9 of FPR 1).

(h) Maximum prices for sales by distributors who are not primarily distributors, wholesalers or retailers (section 2.10 of FPR 1).

(i) Payment of brokers (section 2.11 of FPR 1).

(j) Special packing expenses which may be reflected in maximum prices for sales to government procurement agencies (section 2.13 of FPR 1).

(k) Treatment of federal and state taxes (section 2.14 of FPR 1).

(l) Units of sales and fractions of a cent (section 2.15 of FPR 1).

(m) Maintenance of customary discounts and allowances (section 2.16 of FPR 1).

ARTICLE III—MISCELLANEOUS PROVISIONS

SEC. 7. *Reports which processors must file.* (a) Every processor who determines a maximum price under section 4 or 6 (a) of this supplement shall, on or before July 12, 1944, or within 20 days after the maximum price has been established in the manner explained in section 8 (j) below, file with the Office of Price Administration, Washington, D. C., a statement showing:

(1) For each item for which he figures his maximum price under section 4,

(i) The weighted average price per sales unit, figured f. o. b. shipping point, which he received for the item during the base period (October 1, 1941 to March 31, 1942, inclusive) or the maximum selling

price for the item authorized by order of the Office of Price Administration under § 1499.3 (b) of the General Maximum Price Regulation;

(ii) The maximum price which he figured for the item under this supplement (where any maximum price is figured on a delivered basis, he shall also show his maximum price figured on an f. o. b. shipping point basis) and

(iii) A list of all his customary allowances, discounts, and other price differentials.

(2) For each item for which he figures his maximum price under section 6 (a) a true copy of the calculations showing his determination of such maximum price.

(b) If a processor reported a lawful maximum price under any provision of Maximum Price Regulation No. 427 and his maximum price is not changed by this supplement, he is not required to report that maximum price again under this section.

SEC. 8. *Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Restrictions on sales to primary distributors (section 3.1 of FPR 1).

(b) Weights (section 3.2 of FPR 1).

(c) Storage (section 3.3 of FPR 1).

(d) Export sales (section 3.4 of FPR 1).

(e) Notification of new maximum price (section 3.5 of FPR 1).

(f) Records which must be kept (section 3.6 of FPR 1).

(g) Authority of regional and district offices to audit reports (section 3.7 of FPR 1).

(h) Sales slips and receipts (section 3.8 of FPR 1).

(i) Transfers of business or stock in trade (section 3.9 of FPR 1).

(j) How a figured maximum price is established and how an established maximum price may be changed (section 3.10 of FPR 1).

(k) Adjustable pricing (section 3.11 of FPR 1).

(l) Compliance with the applicable supplement (section 3.12 of FPR 1).

(m) Adjustment of maximum prices of food products under "Government contracts" or subcontracts (section 3.13 of FPR 1).

(n) Application for adjustment by sellers who have been found to have violated the Robinson-Patman Act (section 3.14 of FPR 1).

(o) Applications for adjustment and petitions for amendment based on wage or salary increases requiring the approval of the National War Labor Board (section 3.15 of FPR 1).

(p) Petitions for amendment (section 3.16 of FPR 1).

This supplement shall become effective June 21, 1944.

NOTE: All reporting and record-keeping requirements of this supplement have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8780; Filed, June 16, 1944; 11:43 a. m.]

## PART 1351—FOOD AND FOOD PRODUCTS

[FPR 1, Supplement 3]

### PREPARED FLOUR MIXES

A statement of the considerations involved in the issuance of this supplement has been issued and filed with the Division of the Federal Register.*

SUPPLEMENT 3 TO FOOD PRODUCTS REGULATION 1—PREPARED FLOUR MIXES

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

Sec.
1. Explanation of the supplement.
2. Applicability of Food Products Regulation No. 1.
3. Definitions.

ARTICLE II—PRICING PROVISIONS

4. Maximum prices for sales of pancake mix and waffle mix by processors.
5. Maximum prices for sales of pancake mix and waffle mix by wagon wholesalers.
6. Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.

ARTICLE III—MISCELLANEOUS PROVISIONS

7. Reports which sellers must file.
8. Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.

AUTHORITY: Secs. 1 to 8, inclusive (§ 1351.377) issued under 56 Stat. 23, 756; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681.

### ARTICLE I—EXPLANATION OF THE SUPPLEMENT

SECTION 1. *Explanation of the supplement.* (a) This supplement establishes maximum prices for the kinds of prepared flour mixes designated below, and processors shall figure their maximum prices in accordance with the provisions of the respective section listed for each kind. Further kinds may be added from time to time. The maximum prices take into consideration such factors as variety, brand, container type and size, unit of sale and class of purchasers. Additional factors may be specified for some kinds or items.

| Kind: | *Section* |
|---|---|
| Pancake mix | 4 |
| Waffle mix | 4 |

(b) This supplement applies to sales of the listed kinds of prepared flour mixes by all persons except wholesalers and retailers (wagon wholesalers, however, are included)

(c) This supplement applies in the 48 states of the United States and the District of Columbia.

(d) This supplement supersedes the General Maximum Price Regulation,[1] Maximum Price Regulation No. 280[2] and Maximum Price Regulation No. 462[3] as to the commodities and sellers covered. All orders issued under Maximum Price Regulation No. 462 shall remain in effect as orders under this supplement. In addition, any processor who prior to June 21, 1944 established a lawful maximum price under the elective pricing method of section 5 of Maximum Price Regulation No. 462 may, if he wishes, keep that maximum price.

(e) This supplement becomes effective on June 21, 1944.

SEC. 2. *Applicability of Food Products Regulation No. 1.* Important: Not all of the provisions affecting the maximum prices of the designated prepared flour mixes are stated in this supplement. Those which are not specifically set forth here are stated in Food Products Regulation No. 1, and they are just as much a part of this supplement as if they were printed here. The "explanation of the regulation" is also a part of this supplement.

The particular sections of Food Products Regulation No. 1 which are applicable to this supplement are listed at appropriate places in the following provisions (in each case, the section number set forth in parenthesis is the appropriate section number of Food Products Regulation No. 1) When any applicable section of the regulation is amended, the amendment also is applicable to this supplement.

SEC. 3. *Definitions.* (a) When used in this supplement, the term:

"Class of purchasers" refers to the practice followed by the seller in setting different prices for sales to different purchasers or kinds of purchasers.

"Flour" means the flour and the combinations of flour produced from wheat, rye, buckwheat, rice, corn, oats, barley, soy beans and potatoes. Included in this term are those flours and combinations which are bleached, bromated, enriched, phosphated and rendered self-rising.

"Kind" means a type of prepared flour mix such as pancake mix, waffle mix, etc.

"Mix," where used alone, means a finished collection of ingredients prior to and ready for packaging.

"Pancake mix" and "waffle mix" are the products customarily sold under the respective designations, requiring only the addition of liquid to produce a batter which becomes edible by applying heat to it on a single open plate in the case of pancake mix or within a pair of checkered irons in the case of waffle mix. The terms include mixes containing buckwheat flour.

"Prepared flour mix" means any combination of not less than 30% by weight of flour or flours with ingredients other than those used to make the flour. This percentage is based on the total weight of the finished mix. The term includes, but is not limited to, pancake mix, waffle mix, doughnut mix, muffin mix, biscuit mix, pie crust mix, ginger bread mix, coffee-cake mix, spice-cake mix, devil food cake mix, angel food cake mix, and yellow cake mix.

*Copies may be obtained from the Office of Price Administration.

[1] 9 F.R. 1385.

[2] 8 F.R. 5165, 7566, 6357, 7196, 7599, 7670, 8065, 8180, 9521, 9386, 9883, 10513, 11811, 11589, 13060, 13721, 16296, 16597, 16795; 9 F.R. 343, 753, 1622, 2238, 2176, 4027.

[3] 8 F.R. 12181, 15908.

"Variety" means a class of a particular kind of prepared flour mix, according to the formula used in its production.

(b) The definitions of the following terms, set forth in the designated sections of Food Products Regulation No. 1, are applicable to this supplement.

"Person" (section 1.1 of FPR 1).
"Processor" (section 1.2 of FPR 1).
"Distributor" (section 1.3 of FPR 1).
"Primary distributor" (section 1.5 of FPR 1).
"Wholesaler" and "retailer" (section 1.6 of FPR 1).
"Ultimate consumer" (section 1.7 of FPR 1).
"Item" (section 1.8 of FPR 1).
"Container type" (section 1.9 of FPR 1).
"Sale" (section 1.10 of FPR 1).
"Price" (section 1.11 of FPR 1).
"Net delivered cost" (section 1.12 of FPR 1).
"Records" (section 1.14 of FPR 1).

ARTICLE II—PRICING PROVISIONS

SEC. 4. *Maximum prices for sales of pancake mix and waffle mix by processors.* The pricing method of this section applies to all of the processor's sales of pancake mix or waffle mix, except those in which he is selling branded pancake mix or branded waffle mix no part of which he processes himself.

(a) *General pricing method.* The processor shall figure his maximum price per sales unit for each item of pancake mix or waffle mix, f. o. b. shipping point, to each class of purchasers, by adding together (1) the weighted average price, figured f. o. b. shipping point, which he charged for that item to the particular class of purchasers during the base period June 1, 1941, through August 31, 1941, and (2) the increase in cost of ingredients and packaging materials provided for in paragraph (c) below.

(b) *Meaning of "weighted average price."* The processor's "weighted average price" shall be figured by dividing the total gross sales dollars charged a particular class of purchasers for the item being priced by the number of sales units of the item sold to that class of purchasers. All sales contracts made in the regular course of business during the period June 1, 1941, through August 31, 1941, shall be included, regardless of date of delivery. Sales contracts made before this period shall not be included even though delivery was made during the period.

(c) *Increase in cost of ingredients and packaging materials.* The processor shall determine his increase in cost of ingredients and packaging materials (subject to the limitations in paragraph (d) below) by—

(1) Adding together (i) the cost per sales unit on September 8, 1943, at the processor's plant, of the ingredients and packaging materials subject to maximum prices established by the Office of Price Administration, figured at the maximum prices then applying to the class of purchasers to which he belongs, and (ii) the cost per sales unit, at the processor's plant, of the ingredients and packaging materials for which no maximum prices have been established by the Office of Price Administration, figured at the market prices thereof on September 8, 1943, and

(2) Subtracting from the figure obtained by the addition in (1), above, per sales unit, the sum of the weighted averages of the costs which he used for ingredients and for packaging materials in establishing his selling prices for the same item during the base period June 1, 1941, through August 31, 1941.

"Weighted average of the costs" for ingredients or for packaging materials means the total of the costs thereof which the processor used in establishing his prices for all sales of a particular unit during the named base period, divided by the total number of these units sold during that base period.

(d) *Limitation on increase in cost of ingredients.* The total increase in cost of ingredients provided for in (c) above, shall not exceed the amount listed below per one hundred pounds of mix:

| | |
|---|---|
| For pancake mix—plain | $1.50 |
| For pancake mix—buckwheat | 2.25 |
| For waffle mix | 2.00 |

SEC. 5. *Maximum prices for sales of pancake mix and waffle mix by wagon wholesalers.* A "wagon wholesaler" is one who purchases the item being priced and distributes it to retailers or to commercial, industrial or institutional users from an inventory stocked in trucks or other conveyances which are under the supervision of driver salesmen who make delivery at the time and place of sale. Such a wholesaler is a wagon wholesaler only for sales made in this manner.

The maximum price which a wagon wholesaler may charge for an item of pancake mix or waffle mix shall be determined as follows:

If his supplier's maximum price under this supplement is greater than the supplier's maximum price under the maximum price regulation previously applicable to the supplier, the wagon wholesaler shall add the difference to the maximum price which he had immediately prior to June 21, 1944. If his supplier's maximum price under this supplement is less than the supplier's maximum price under the maximum price regulation previously applicable, the wagon wholesaler shall subtract the difference from the maximum price which he had immediately prior to June 21, 1944.

If the wagon wholesaler handled the kind of prepared flour mix being priced before June 21, 1944, but did not handle the particular brand, size or container type being priced before that date, his maximum price for the new item shall be his net delivered cost (based on his first purchase of the item after June 20, 1944) multiplied by a markup factor. This markup factor shall be secured by dividing his ceiling price (as figured under this section) for the most closely comparable item of that kind of prepared flour mix already handled by him by the net delivered cost to him of that item.

If the wagon wholesaler cannot determine his maximum price under the foregoing pricing method, his maximum price shall be the maximum price of his supplier, f. o. b. shipping point, plus incoming freight paid by him.

SEC. 6. *Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Maximum prices for products in new container types or sizes (section 2.2 of FPR 1).
(b) Elective pricing method for processors (section 2.4 of FPR 1). The "markup percentage" figure is 165%.
(c) Individual authorization of maximum prices (section 2.5 of FPR 1).
(d) When a seller must figure a delivered price (section 2.6 of FPR 1).
(e) Uniform prices where the processor or repacker has more than one factory (section 2.7 of FPR 1).
(f) Uniform delivered prices where the seller has customarily been selling on an f. o. b. shipping point basis (section 2.8 of FPR 1).
(g) Maximum prices for sales by primary distributors (section 2.9 of FPR 1).
(h) Maximum prices for sales by distributors who are not primary distributors, wholesalers or retailers (section 2.10 of FPR 1).
(i) Payment of brokers (section 2.11 of FPR 1).
(j) Special packing expenses which may be reflected in maximum prices for sales to Government procurement agencies (section 2.13 of FPR 1).
(k) Treatment of federal and state taxes (section 2.14 of FPR 1).
(l) Units of sale and fractions of a cent (section 2.15 of FPR 1).
(m) Maintenance of customary discounts and allowances (section 2.16 of FPR 1).

ARTICLE III—MISCELLANEOUS PROVISIONS

SEC. 7. *Reports which sellers must file.* Every processor who determines a maximum price under section 4 or 6(a) of this supplement shall, on or before July 12, 1944, or within twenty days after the maximum price has been established in the manner explained in section 8(j) below, file with the district office of the Office of Price Administration for the area in which he is located a true copy of the calculations showing his determination of such maximum price. However, if a processor reported a lawful maximum price under any provision of Maximum Price Regulation No. 492 and his maximum price is not changed by this supplement, he is not required to report that maximum price again under this section.

SEC. 8. *Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Restrictions on sales to primary distributors (section 3.1 of FPR 1).
(b) Weights (section 3.2 of FPR 1).
(c) Storage (section 3.3 of FPR 1).
(d) Export sales (section 3.4 of FPR 1).
(e) Notification of new maximum price (section 3.5 of FPR 1).
(f) Records which must be kept (section 3.6 of FPR 1).
(g) Authority of regional and district offices to audit reports (section 3.7 of FPR 1).
(h) Sales slips and receipts (section 3.8 of FPR 1).
(i) Transfers of business or stock in trade (section 3.9 of FPR 1).

(j) How a figured maximum price is established and how an established maximum price may be changed (section 3.10 of FPR 1).

(k) Adjustable pricing (section 3.11 of FPR 1).

(l) Compliance with the applicable supplement (section 3.12 of FPR 1).

(m) Adjustment of maximum prices of food products under "Government contracts" or subcontracts (section 3.13 of FPR 1).

(n) Applications for adjustment by sellers who have been found to have violated the Robinson-Patman Act (section 3.14 of FPR 1).

(o) Application for adjustment and petitions for amendment based on wage or salary increases requiring approval of the National War Labor Board (section 3.15 of FPR 1).

(p) Petitions for amendment (section 3.16 of FPR 1).

This supplement shall become effective June 21, 1944.

NOTE: All reporting and record-keeping requirements of this supplement have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8781; Filed, June 16, 1944; 11:46 a. m.]

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## PART 1351—FOOD AND FOOD PRODUCTS

[FPR 1, Supplement 4]

PITTED AND MACERATED DOMESTIC DATES AND DOMESTIC DATE PRODUCTS (1943 CROP AND AFTER)

A statement of the considerations involved in the issuance of this supplement has been issued and filed with the Division of the Federal Register.*

SUPPLEMENT 4 TO FOOD PRODUCTS REGULATION NO. 1—PITTED AND MACERATED DOMESTIC DATES AND DATE PRODUCTS (1943 CROP AND AFTER)

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

Sec.
1. Explanation of the supplement.
2. Applicability of Food Products Regulation No. 1.
3. Definitions.

ARTICLE II—PRICING PROVISIONS

4. General pricing method.
5. Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.

ARTICLE III—MISCELLANEOUS PROVISIONS

6. Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.

AUTHORITY: Secs. 1 to 6, inclusive, (§ 1351.378) issued under 56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871, 8 F.R.

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

SECTION 1. *Explanation of the supplement.* (a) This supplement establishes maximum prices for sales of pitted and macerated domestic dates and domestic date products of the 1943 crop and after.

(b) This supplement applies to sales of pitted and macerated dates and domestic date products of the 1943 crop and after by all persons except wholesalers and retailers.

(c) This supplement applies in the 48 states of the United States and the District of Columbia.

(d) This supplement supersedes the General Maximum Price Regulation,[1] Maximum Price Regulation No. 243[2] and Maximum Price Regulation No. 521[3] as to the commodities and sellers covered. All orders issued under Maximum Price Regulation No. 521 shall remain in effect as orders under this supplement.

(e) This supplement becomes effective on June 21, 1944.

SEC. 2. *Applicability of Food Products Regulation No. 1.* Important: Not all of the provisions affecting the maximum prices of pitted and macerated domestic dates and domestic date products of the 1943 crop and after are stated in this supplement. Those which are not specifically set forth here are stated in Food Products Regulation No. 1, and they are just as much a part of this supplement as if they were printed here. The "Explanation of the Regulation" is also a part of this supplement.

The particular sections of Food Products Regulation No. 1 which are applicable to this supplement are listed at appropriate places in the following provisions (in each case, the section number set forth in parentheses is appropriate section number of Food Products Regulation No. 1) When any applicable section of the regulation is amended, the amendment also is applicable to this supplement.

SEC. 3. *Definitions.* (a) When used in this supplement the term:

"Pitted domestic dates" means domestic dates from which the pits have been removed, but which otherwise remain whole.

"Macerated domestic dates" means domestic dates from which the pits have been removed and which have been cut into two or more pieces or have been chopped, sliced or ground. The addition of other ingredients and further processing does not change the classification of macerated domestic dates unless such additional ingredients and further processing result in a completed confection ready for sale to ultimate consumers without further processing in such form as to come within the definition of "domestic date products."

"Domestic date products" means any completed confection containing ninety percent or more by weight of macerated domestic dates combined with other ingredients, prepared for sale to ultimate consumers without further processing.

(b) The definitions of the following terms, set forth in the designated sections of Food Products Regulation No. 1, are applicable to this supplement:

"Person" (section 1.1 of FPR 1).

"Processor" (section 1.2 of FPR 1). For this purpose, "process" means to pit, macerate or grind domestic dates.

"Distributor" (section 1.3 of FPR 1).

"Wholesaler" and "retailer" (section 1.6 of FPR 1).

"Ultimate consumer" (section 1.7 of FPR 1).

"Item" (section 1.8 of FPR 1).

"Sale (section 1.10 of FPR 1).

"Price" (section 1.11 of FPR 1).

"Net delivered cost" (section 1.12 of FPR 1).

"Records" (section 1.13 of FPR 1).

ARTICLE II—PRICING PROVISIONS

SEC. 4. *General Pricing method*—(a) *Maximum prices for sales by processors to purchasers other than government procurement agencies.*—(1) *Pitted domestic dates.* The processor's maximum price, f. o. b. factory, for sales to purchasers other than government procurement agencies, of pitted domestic dates in bulk or in packages containing more than one pound shall be 28¢ per pound. The processor's maximum price, f. o. b. factory, for sales to purchasers other than government procurement agencies, of pitted domestic dates packaged in containers of one pound or less shall be 28 cents per pound, plus 7 cents per package (packaging allowance)

(2) *Macerated domestic dates.* The processor's maximum price, f. o. b. factory, for sales to purchasers other than government procurement agencies, of macerated domestic dates shall be 21 cents per pound.

(3) *Domestic date products.* The processor's maximum price, f. o. b. factory, for sales to purchasers other than government procurement agencies, of domestic date products shall be 35⅓ cents per pound when sold in bulk or in packages containing more than one pound and 38 cents per pound when sold in packages containing one pound or less.

(b) *Maximum prices for sales to purchasers other than government procurement agencies by distributors other than wholesalers and retailers*—(1) *Pricing Method No. 1.* A distributor may use the pricing method of this subparagraph (1) only (i) if he sold pitted domestic dates, macerated domestic dates or domestic date products prior to April 28, 1942, (ii) when he is selling those products which he actually refrigerates and warehouses in a warehouse or other receiving station not owned or controlled by any of his customers, and (iii) when he is selling to wholesalers, or to institutional or commercial users.

The maximum price for sales to purchasers other than government procurement agencies by a distributor who meets the requirements of this Pricing Method No. 1 shall be his net delivered cost, plus 7% of such cost.

(2) *Pricing Method No. 2.* The maximum price for sales to purchasers other than government procurement agencies by a distributor who does not meet the requirements of Pricing Method No. 1 shall be the maximum price of his supplier, f. o. b. factory, plus incoming freight paid by him.

SEC. 5. *Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement:*

(a) Payment of brokers (section 2.11 of FPR 1).

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*Copies may be obtained from the Office of Price Administration.

[1] 9 F.R. 1385.

[2] 7 F.R. 8478, 8948, 10530.

[3] 9 F.R. 2911.

(b) Maximum prices for sales to government procurement agencies in certain cases (section 2.12 of FPR 1).

(c) Special packing expenses which may be reflected in maximum prices for sales to government procurement agencies (section 2.13 of FPR 1).

(d) Treatment of federal and state taxes (section 2.14 of FPR 1).

(e) Units of sale and fractions of a cent (section 2.15 of FPR 1).

(f) Maintenance of customary discounts and allowances (section 2.16 of FPR 1).

ARTICLE III—MISCELLANEOUS PROVISIONS

SEC. 6. *Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this suplement:

(a) Weights (section 3.2 of FPR 1).

(b) Storage (section 3.3 of FPR 1).

(c) Export sales (section 3.4 of FPR 1).

(d) Notification of new maximum price (section 3.5 of FPR 1).

(e) Records which must be kept (section 3.6 of FPR 1).

(f) Sales slips and receipts (section 3.8 of FPR 1).

(g) Adjustable pricing (section 3.11 of FPR 1).

(h) Compliance with the applicable supplement (section 3.12 of FPR 1).

(i) Adjustment of maximum prices of food products under "Government contracts" or subcontracts (section 3.13 of FPR 1).

(j) Applications for adjustment by sellers who have been found to have violated the Robinson-Patman Act (section 3.14 of FPR 1).

(k) Applications for adjustment and petitions for amendment based on wage or salary increases requiring approval of the National War Labor Board (section 3.15 of FPR 1).

(l) Petitions for amendment (section 3.16 of FPR 1).

This supplement shall become effective June 21, 1944.

NOTE: All reporting and record-keeping requirements of this supplement have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June, 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8782; Filed, June 16, 1944; 11:46 a. m.]

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## PART 1351—FOOD AND FOOD PRODUCTS

[FPR 1, Supplement 5]

### PACKED CITRUS PRODUCTS OF THE 1944 AND LATER PACKS

A statement of the considerations involved in the issuance of this supplement has been issued and filed with the Division of the Federal Register.*

SUPPLEMENT 5 TO FOOD PRODUCTS REGULATION 1—PACKED CITRUS PRODUCTS OF 1944 AND LATER PACKS

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

Sec.
1. Explanation of the supplement.
2. Applicability of Food Products Regulation No. 1.
3. Definitions.

ARTICLE II—PRICING PROVISIONS

4. Packed grapefruit juice.
5. Packed grapefruit segments.
6. Packed orange juice.
7. Packed orange-grapefruit juice blended (50% orange—50% grapefruit).
8. Sales between processors for purpose of fulfilling government set-aside requirements of War Food Order 22.
9. Label and labor allowances.
10. Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.

ARTICLE III—MISCELLANEOUS PROVISIONS

11. Grades and invoices.
12. Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.

AUTHORITY: Secs. 1 to 12, inclusive (§ 1351.-379) issued under 56 Stat. 23, 765; Pub. Law 151, 78th Cong.; E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4631.

ARTICLE I—EXPLANATION OF THE SUPPLEMENT

SECTION 1. *Explanation of the supplement.* (a) This supplement establishes maximum prices for the following citrus products processed and packed on and after October 1, 1943: Packed grapefruit juice, packed grapefruit segments, packed orange juice and packed orange-grapefruit juice blended (50% orange—50% grapefruit).

(b) This supplement applies to sales of the named packed citrus products by all persons except wholesalers and retailers.

(c) This supplement applies in the 48 states of the United States and the District of Columbia.

(d) This supplement supersedes Maximum Price Regulation Nos. 306[1] and 509[2] as to the commodities and sellers covered. All orders issued under Maximum Price Regulation No. 509 shall remain in effect as orders under this supplement.

(e) This supplement becomes effective on June 21, 1944.

SEC. 2. *Applicability of Food Products Regulation No. 1.* Important: Not all of the provisions affecting the maximum prices of packed citrus products are stated in this supplement. Those which are not specifically set forth here are stated in Food Products Regulation No. 1, and they are just as much a part of this supplement as if they were printed here. The "Explanation of the regulation" is also part of this supplement.

The particular sections of Food Products Regulation No. 1 which are applicable to this supplement are listed at appropriate places in the following provisions (in each case, the section number set forth in parentheses is the appropriate section number of Food Products Regulation No. 1). When any applicable section of the regulation is amended, the amendment also is applicable to this supplement.

SEC. 3. *Definitions.* (a) When used in this supplement, the term:

"Packed citrus products of the 1944 and later packs" means the commodities specified in Article II, processed and packed on and after October 1, 1943, in any container, whether or not hermetically sealed. However, it does not include frozen or dehydrated citrus products.

(b) The definitions of the following terms, set forth in the designated sections of Food Products Regulation No. 1, are applicable to this supplement:

"Person" (section 1.1 of FPR 1).
"Processor" (section 1.2 of FPR 1).
"Distributor" (section 1.3 of FPR 1).
"Primary distributor" (section 1.5 of FPR 1).
"Wholesaler" and "retailer" (section 1.6 of FPR 1).
"Ultimate consumer" (section 1.7 of FPR 1).
"Item" (section 1.8 of FPR 1).
"Container type" (section 1.9 of FPR 1).
"Sale" (section 1.10 of FPR 1).
"Price" (section 1.11 of FPR 1).
"Net delivered cost" (section 1.12 of FPR 1).
"Records" (section 1.14 of FPR 1).

ARTICLE II—PRICING PROVISIONS

SEC. 4. *Packed grapefruit juice*—(a) *General pricing provisions.* The processor's maximum prices per dozen containers, f. o. b. factory, for packed grapefruit juice shall be as follows:

| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | | Col. 6 | | Col. 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Container No. 2 can | | Container No. 3 cyl. can | | Container No. 10 can | |
| Item | State or area | Style of pack | Grade | Gov't. sales | Other sales | Gov't. sales | Other sales | Gov't. sales | Other sales |
| 1 | Florida and Texas. | Natural (unsweetened). | A or fancy | $1.290 | $1.125 | $3.17 | $2.55 | $3.37 | $3.00 |
| | | | C or standard | 1.319 | 1.075 | 3.07 | 2.45 | 6.17 | 4.80 |
| | | | Offgrade or substandard. | 1.290 | 1.025 | 2.97 | 2.35 | 5.97 | 4.60 |
| | | Sweetened | A or fancy | 1.335 | 1.150 | 3.22 | 2.60 | 6.32 | 5.15 |
| | | | C or standard | 1.335 | 1.100 | 3.12 | 2.50 | 6.02 | 4.95 |
| | | | Offgrade or substandard. | 1.235 | 1.050 | 3.02 | 2.40 | 6.12 | 4.75 |
| 2 | California and Arizona. | Natural (unsweetened). | A or fancy | 1.450 | 1.225 | 3.42 | 2.80 | 6.95 | 5.00 |
| | | | C or standard | 1.410 | 1.175 | 3.32 | 2.70 | 6.75 | 5.40 |
| | | | Offgrade or substandard. | 1.390 | 1.125 | 3.22 | 2.60 | 6.55 | 5.20 |
| | | Sweetened | A or fancy | 1.435 | 1.200 | 3.47 | 2.85 | 7.11 | 5.75 |
| | | | C or standard | 1.435 | 1.200 | 3.37 | 2.75 | 6.91 | 5.55 |
| | | | Offgrade or substandard. | 1.335 | 1.150 | 3.27 | 2.65 | 6.71 | 5.35 |

NOTE: The prices in this table for government sales must be adjusted in accordance with the provisions of paragraph (c), below.

The area named in Column 2 refers in each case to the area in which the fruit used in the pack was grown. (The location of the processor or his factory is not controlling). Where the processor's pack of grapefruit juice at any one factory is produced from fruit grown in more than one area and different prices are named for those areas, the processor shall apply to the Office of Price Administration, Washington, D. C., for author-

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*Copies may be obtained from the Office of Price Administration.

[1] 8 F.R. 16896, 17224, 17295, 17482; 9 F.R. 287, 96, 1710, 2237.

[2] 9 F.R. 1512, 2133, 2790.

ization of a maximum price, in accordance with the provisions of section 10(c)

(b) *Pricing provisions for certain container types and sizes.* (1) The maximum prices for grapefruit juice packed in glass containers, for sales to purchasers other than government procurement agencies, shall be as follows:

(i) For 8-ounce glass jars, Grade A or Fancy, 42½¢, for Grade C or Standard, 40¢, and for Offgrade or Sub-Standard, 37½¢, less than the maximum price for the same grade and style of pack in No. 2 cans, in the same area.

(ii) For 16-ounce glass jars, 7½¢ more than the maximum price for the same grade and style of pack in No. 2 cans, in the same area.

(iii) For 46-ounce glass jars, 17½¢ more than the maximum price for the same grade and style of pack in No. 3 cylinder cans, in the same area.

(2) If the processor cannot determine his maximum price for an item of packed grapefruit juice in a particular container size or type in accordance with the provisions of paragraphs (a) (b)(1) and (c) of this section, he shall determine his maximum price for the item in accordance with the provisions of section 10(a) and if he cannot determine a maximum price for the item under section 10(a) he shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price in accordance with the provisions of section 10(c)

(c) *Special pricing provisions relating to government sales.* (1) Processors' maximum prices for sales to government procurement agencies shall be the maximum prices named in paragraph (a) for such sales, less the amount of the applicable monthly area grapefruit juice cost reduction for the month in which such grapefruit juice was packed. However, the monthly area grapefruit juice cost reduction for the months of October and November, 1943 (not segregated according to separate month) shall be applicable to sales of grapefruit juice packed during the period from October 1, 1943, through November 30, 1943. The monthly area grapefruit juice cost reduction for the month of May 1944 shall be applicable to sales of grapefruit juice packed during the period from May 1, 1944, through September 30, 1944.

(2) The monthly area grapefruit juice cost reduction shall be established by order of the Office of Price Administration as soon as may be practicable after the period to which it applies. That amount is the difference between the cost for raw grapefruit reflected in the maximum prices for government sales set forth in paragraph (a) above, and the monthly area grapefruit cost determined by the Office of Price Administration, converted for the actual reduction in cost per dozen containers of the particular size and type packed during the month to which such monthly area grapefruit juice cost reduction is applicable.

(3) In the event that any monthly area grapefruit cost, determined by the Office of Price Administration as set forth above, shall be equal to or greater than the cost for raw grapefruit reflected in the maximum prices for government sales set forth in paragraph (a) above, the Office of Price Administration shall provide by order that no reduction shall be applicable to the maximum prices for grapefruit juice packed during the month to which such monthly area grapefruit cost is applicable.

NOTE: The provisions of this paragraph (c) shall not be construed as affecting the power of the Office of Price Administration to change the maximum prices established by this supplement at any time.

(d) *Records required.* In addition to other records required to be maintained under other provisions of this supplement, each processor shall, for as long as the Emergency Price Control Act of 1942, as amended, shall remain in effect, keep complete records of all grapefruit purchases in value and quantity during the period from October 1, 1943, through September 30, 1944; and such records shall be available for inspection by the Office of Price Administration or its authorized agents or representatives at any reasonable time.

SEC. 5. *Packed grapefruit segments*—(a) *General pricing provisions.* The processor's maximum prices per dozen containers, f. o. b. factory, for packed grapefruit segments shall be as follows:

| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 |
|---|---|---|---|---|
| Item No. | State or area | Style of pack | Grade | Container No. 2 can |
| | | | | Gov't. sales |
| 1 | Florida and Texas | Sweetened | A or fancy | $1.61 |
| | | | B or choice | 1.50 |
| | | | C standard or broken | 1.51 |

The area named in column 2 refers in each case to the area in which the fruit used in the pack was grown. (The location of the processor or his factory is not controlling.) Where the processor's pack of grapefruit segments at any one factory is produced from fruit grown in more than one area and different prices are named for those areas, the processor shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price, in accordance with the provisions of section 10 (c)

(b) *Pricing provisions for certain container types and sizes.* If the processor cannot determine his maximum price for an item of packed grapefruit segments in a particular container size or type in accordance with the provisions of paragraph (a) he shall determine his maximum price for the item in accordance with the provisions of section 10 (a) and if he cannot determine a maximum price for the item under section 10 (a) he shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price in accordance with the provisions of section 10 (c)

(c) *Records required.* Each processor of grapefruit segments shall keep records of grapefruit purchases as provided in section 4 (d)

SEC. 6. *Packed orange juice*—(a) *General pricing provisions.* The processor's maximum prices per dozen containers, f. o. b. factory, for packed orange juice shall be as follows:

| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | | Col. 6 | | Col. 7 | |
|---|---|---|---|---|---|---|---|---|---|
| Item | State or area | Style of pack | Grade | Container No. 2 can | | Container No. 3 cyl. can | | Container No. 10 can | |
| | | | | Gov't. sales | Other sales | Gov't. sales | Other sales | Gov't. sales | Other sales |
| 1 | Florida and Texas. | Natural (unsweetened). | A or fancy | $1.650 | $1.700 | $4.00 | $4.10 | $8.16 | $8.31 |
| | | | C or standard | 1.600 | 1.650 | 3.90 | 4.00 | 7.96 | 8.11 |
| | | | Offgrade or substandard. | 1.550 | 1.600 | 3.80 | 3.90 | 7.76 | 7.91 |
| | | Sweetened | A or fancy | 1.675 | 1.725 | 4.05 | 4.15 | 8.31 | 8.46 |
| | | | C or standard | 1.625 | 1.675 | 3.95 | 4.05 | 8.11 | 8.26 |
| | | | Offgrade or substandard. | 1.575 | 1.625 | 3.85 | 3.95 | 7.91 | 8.06 |
| 2 | California and Arizona. | Natural (unsweetened). | A or fancy | 1.950 | 2.000 | 4.75 | 4.85 | 9.60 | 9.75 |
| | | | C or standard | 1.900 | 1.950 | 4.65 | 4.75 | 9.40 | 9.55 |
| | | | Offgrade or substandard. | 1.850 | 1.900 | 4.55 | 4.65 | 9.20 | 9.35 |
| | | Sweetened | A or fancy | 1.975 | 2.025 | 4.80 | 4.90 | 9.75 | 9.90 |
| | | | C or standard | 1.925 | 1.975 | 4.70 | 4.80 | 9.55 | 9.70 |
| | | | Offgrade or substandard. | 1.875 | 1.925 | 4.60 | 4.70 | 9.35 | 9.50 |

The area named in column 2 refers in each case to the area in which the fruit used in the pack was grown. (The location of the processor or his factory is not controlling) Where the processor's pack of orange juice at any one factory is produced from fruit grown in more than one area and different prices are named for those areas, the processor shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price, in accordance with the provisions of section 10(c)

(b) *Pricing provisions for certain container types and sizes.* If the processor cannot determine his maximum price for an item of packed orange juice in a particular container size or type in accordance with the provisions of paragraph (a) he shall determine his maximum price for the item in accordance with the provisions of section 10(a) and if he cannot determine a maximum price for the item under section 10(a) he shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price in accordance with the provisions of section 10(c)

(c) *Records required.* In addition to other records required to be maintained

under other provisions of this supplement, each processor shall, for as long as the Emergency Price Control Act of 1942, as amended, shall remain in effect, keep complete records of all orange purchases in value and quantity during the period from October 1, 1943, through September 30, 1944; and such records shall be available for inspection by the Office of Price Administration or its authorized agents or representatives at any reasonable time.

SEC. 7. *Packed orange-grapefruit juice blended (50% orange–50% grapefruit)* — (a) *General pricing provisions.* The processor's maximum prices per dozen containers, f. o. b. factory, for packed orange-grapefruit juice blended shall be as follows:

| Col. 1 | Col. 2 | Col. 3 | Col. 4 | Col. 5 | | Col. 6 | | Col. 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Container No. 2 can | | Container No. 3 cyl. can | | Container No. 10 can | |
| Item | State or area | Style of pack | Grade | Gov't. sales | Other sales | Gov't. sales | Other sales | Gov't. sales | Other sales |
| 1 | Florida and Texas. | Natural (unsweetened). | A or fancy | $1.505 | $1.555 | $3.535 | $3.635 | $7.215 | $7.415 |
| | | | C or standard | 1.455 | 1.505 | 3.435 | 3.535 | 7.015 | 7.215 |
| | | | Offgrade or substandard. | 1.405 | 1.455 | 3.335 | 3.435 | 6.815 | 7.015 |
| | | Sweetened | A or fancy | 1.530 | 1.580 | 3.635 | 3.735 | 7.415 | 7.615 |
| | | | C or standard | 1.480 | 1.530 | 3.535 | 3.635 | 7.215 | 7.415 |
| | | | Offgrade or substandard. | 1.430 | 1.480 | 3.435 | 3.535 | 7.015 | 7.165 |
| 2 | California and Arizona. | Natural (unsweetened). | A or fancy | 1.705 | 1.755 | 4.035 | 4.135 | 8.220 | 8.420 |
| | | | C or standard | 1.655 | 1.705 | 3.935 | 4.035 | 8.020 | 8.220 |
| | | | Offgrade or substandard. | 1.605 | 1.655 | 3.835 | 3.935 | 7.820 | 8.020 |
| | | Sweetened | A or fancy | 1.730 | 1.780 | 4.135 | 4.235 | 8.420 | 8.620 |
| | | | C or standard | 1.680 | 1.730 | 4.035 | 4.135 | 8.220 | 8.320 |
| | | | Offgrade or substandard. | 1.630 | 1.680 | 3.935 | 4.035 | 8.020 | 8.120 |

The area named in column 2 refers in each case to the area in which the fruit used in the pack was grown. (The location of the processor or his factory is not controlling) Where the processor's pack of orange-grapefruit juice blended at any one factory is produced from fruit grown in more than one area and different prices are named for those areas, the processor shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price, in accordance with the provisions of section 10 (c)

(b) *Pricing provisions for certain container types and sizes.* If the processor cannot determine his maximum price for an item of packed orange-grapefruit juice blended in a particular container size or type in accordance with the provisions of paragraph (a) he shall determine his maximum price for the item in accordance with the provisions of section 10 (a) and if he cannot determine a maximum price for the item under section 10 (a) he shall apply to the Office of Price Administration, Washington, D. C., for authorization of a maximum price in accordance with the provisions of section 10 (c)

(c) *Records required.* Each processor of orange-grapefruit juice blended shall maintain the records of grapefruit and orange purchases as provided in sections 4 (d) and 6 (c)

SEC. 8. *Sales between processors for purpose of fulfilling government set-aside requirements of War Food Order 22.* The processor's maximum price per dozen containers, f. o. b. factory, for any item of packed citrus products of the 1944 and later packs, in sales to another processor of those products, which are to be used by the purchaser in making sales to government procurement agencies under the set-aside requirements of War Food Order 22, shall be the maximum price set forth in sections 4, 5, 6, and 7 for sales of the item to government procurement agencies.

SEC. 9. *Label and labor allowances.* (a) Label and labor allowances shall be made by processors in the following circumstances and in the following amounts:

(1) When the processor sells any item covered by this regulation, unlabeled or labeled with labels supplied by the purchaser, in containers no greater in content than a No. 10 can, the maximum price established under this supplement shall be reduced by $1.50 per thousand labels used (label allowance).

(2) When any item covered by this supplement is sold unlabeled in containers no greater in content that a No. 10 can, the maximum price established under this supplement shall be reduced by one cent per case (labor allowance) in addition to the allowance provided in subparagraph (1) above.

(b) In each sale to a purchaser other than a government procurement agency, where a processor makes an allowance for labels or labor under this section he shall state the amount and nature of such allowance on the invoice accompanying the sale.

SEC. 10. *Provisions of Article II of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Maximum prices for products in new container types or sizes (section 2.2 of FPR 1).

(b) Adjustment of dollars-and-cents maximum prices for processors who perform the wholesale or retail function (section 2.3 of FPR 1).

(c) Individual authorization of maximum prices (section 2.5 of FPR 1).

(d) Uniform delivered prices where the seller has customarily been selling on an f. o. b. shipping point basis (section 2.8 of FPR 1).

(e) Maximum prices for sales by primary distributors (section 2.9 of FPR 1). The maximum markup is 8%.

(f) Maximum prices for sales by distributors who are not primary distributors, wholesalers, or retailers (section 2.10 of FPR 1).

(g) Payment of brokers (section 2.11 of FPR 1).

(h) Special packing expenses which may be reflected in maximum prices for sales to government procurement agencies (section 2.13 of FPR 1).

(i) Treatment of federal and state taxes (section 2.14 of FPR 1). The "base period" applicable to primary distributors is March 1942.

(j) Units of sale and fraction of a cent (section 2.15 of FPR 1).

(k) Maintenance of customary discounts and allowances (section 2.16 of FPR 1).

ARTICLE III—MISCELLANEOUS PROVISIONS

SEC. 11. *Grades and invoices.* (a) The provisions of this section apply to all sellers, whether or not processors, who affix labels or cause them to be affixed to the packed citrus products covered by this supplement. However, the provisions of this section do not apply to products sold to government procurement agencies.

(b) The term "grade" when used in this supplement, means the grade, at the time of shipment by the seller, as defined and established by the United States Department of Agriculture.

(c) On and after February 4, 1944, each seller selling any item covered by this supplement shall furnish the purchaser, at or before the time of delivery, with an invoice describing the item and separately stating its grade.

(d) The grade of the item shall be shown on the invoice by use of the United States Department of Agriculture grade designation, by letter or descriptive term. For example, the grade of an item which conforms to the specifications for U. S. "Grade A" shall be designated either "Grade A" or "Fancy"

(e) In any case in which standards or definitions are established by the United States Department of Agriculture, or under authority of the Federal Food, Drug, and Cosmetic Act, for syrup or packing medium for any packed citrus product covered by this supplement, the statement of grade on the invoice shall show the syrup or packing medium and shall be described by the same description as that used in the applicable standard or definition.

(f) A processor shall not be subject to any criminal penalty, civil enforcement action or suit for treble damages under the Emergency Price Control Act of 1942, as amended, for failure of an item covered by this supplement to conform to the grade designated on the invoice issued with respect to it if (1) within 30 days prior to shipment of the item by the processor to the purchaser, the Office of Distribution of the War Food Administration (or any successor has issued to the processor a certificate of quality and condition for processed fruits and vegetables (or any similar

certificate) covering a lot which includes the item and from which samples have been drawn by official graders of the Office of Distribution of the War Food Administration (or any successor) and (2) the grade designated on the invoice conforms to the grade designated on the certificate.

(g) A person who purchases an item covered by this supplement from a processor and who relies in good faith upon the grade designated on the invoice furnished to him by the processor shall not be subject to any criminal penalty or civil enforcement action under the Emergency Price Control Act of 1942, as amended, in connection with the purchase for failure of the item to conform to the grade designated on the invoice. He may resell the item at the grade designated on the invoice and shall not be subject to any criminal penalty, civil enforcement action, or suit for treble damages under the Emergency Price Control Act of 1942, as amended, in connection with such resale.

(h) Nothing in this supplement shall be construed to change any of the requirements of the Federal Food, Drug, and Cosmetic Act, or any regulation issued under it.

SEC. 12. *Provisions of Article III of Food Products Regulation No. 1 applicable to this supplement.* The following provisions of Food Products Regulation No. 1 are applicable to this supplement:

(a) Restrictions on sales to primary distributors (section 3.1 of FPR 1).
(b) Weights (section 3.2 of FPR 1).
(c) Storage (section 3.3 of FPR 1).
(d) Export sales (section 3.4 of FPR 1).
(e) Notification of new maximum price (section 3.5 of FPR 1).
(f) Records which must be kept (section 3.6 of FPR 1).
(g) Sales slips and receipts (section 3.8 of FPR 1)
(h) Transfers of business or stock in trade (section 3.9 of FPR 1).
(i) How a figured maximum price is established and how an established maximum price may be changed (section 3.10 of FPR 1).
(j) Adjustable pricing (section 3.11 of FPR 1).
(k) Compliance with the applicable supplement (section 3.12 of FPR 1).
(l) Adjustment of maximum prices of food products under "Government contracts" or subcontracts' (section 3.13 of FPR 1).
(m) Applications for adjustment by sellers who have been found to have violated the Robinson-Patman Act (section 3.14 of FPR 1).
(n) Applications for adjustment and petitions for amendment based on wage or salary increases requiring approval of the National War Labor Board (section 3.15 of FPR 1).
(o) Petitions for amendment (section 3.16 of FPR 1).

This supplement shall become effective June 21, 1944.

NOTE: All reporting and record-keeping requirements of this supplement have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8783; Filed, June 16, 1944; 11:44 a. m.]

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PART 1364—FRESH, CURED AND CANNED MEAT AND FISH PRODUCTS

[MPR 389,[1] Amdt. 14]

CEILING PRICES FOR CERTAIN SAUSAGE ITEMS AT WHOLESALE

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.*

Maximum Price Regulation No. 389 is amended in the following respects:

1. Section 4 (b) (3) (ii) is amended by adding at the end thereof a sentence to read as follows:

For the purposes of the requirements of this paragraph (b) (3) (ii) only, the specific words such as "pork" "beef" "veal" "mutton" "hearts" "livers" "tripe" etc. shall also refer to meat passed for cooking; if meat passed for cooking is used, the label shall state expressly that the sausage contains product passed after cooking.

2. A definition of "Meat passed for cooking" inserted in the proper alphabetical place in section 13 (b) is added to read as follows:

"Meat passed for cooking" means meat or a meat by-product which has been passed for cooking by the Meat Inspection Service of the War Food Administration. For the purpose of this definition only, meat is considered to be that part of the striated muscle, with or without attached overlying fat, which is part of the dressed carcass of cattle, calves, swine, sheep or goats, and meat by-product is considered to be a dressed edible part other than such meat derived from cattle, calves, sheep, swine or goats.

3. The definition of "Sausage" in section 13 (b) is amended to read as follows:

"Sausage" means chopped, ground, or comminuted skeletal meat or meat by-products, or any combination thereof, seasoned with spices and/or condiments, and to which salt, sugar, sodium nitrate, sodium nitrite and extender may or may not be added, except that the following sausage products may contain chopped, ground or comminuted meat passed for cooking in addition to or in place of chopped, ground or comminuted skeletal meat, or meat by-products, or any combination thereof; sulze or souse, head cheese, chili con carne, Type 4 frankfurters or bologna containing no more than 3½ percent extender, Type 4 loaf, and Berliner or Berlin.

4. The definition of "Type 4 frankfurters or bologna" in section 13 (c) is amended to read as follows:

"Type 4 frankfurters or bologna" means sausage containing any proportions of skeletal meat, meat passed for cooking and meat by-products, including that derived from goats, and which may contain extender not exceeding 15 percent of the finished weight if meat passed for cooking is not used, or extender not exceeding 3½ percent of the finished weight if meat passed for cooking is used.

5. The definition of "Type 4 loaf" in section 13 (f) is amended to read as follows:

"Type 4 loaf" means a loaf which is made of any combination of skeletal meat, meat passed for cooking and meat by-products, including those derived from goats; which contains no more than 15 percent extender and which contains no more than 20 percent of added moisture or water.

6. The definitions of "Lebanon bologna" and "Berliner" or "Berlin" in section 13 (h) are amended respectively to read as follows:

"Lebanon bologna" means an all-beef sausage containing no meat other than beef and beef fat; which is stuffed in beef casings or artificial casings; which is smoked not less than 96 hours during the months of May through October and not less than 144 hours during the remaining months, except that if such sausage is made from beef which has been partially cured for at least 24 hours prior to smoking, the specified smoking time may be reduced 24 hours; which has a fat content not in excess of 12 percent; which has a yield not in excess of 88 percent; which contains no extender and which has been made under Federal inspection.

"Berliner" or "Berlin" means a sausage which is made of any combination of one or more of pork, beef, veal, pork cheek meat, pork head meat, mutton and meat passed for cooking, or any three of these items as major ingredients and one of hearts, beef head meat or beef cheek meat as a minor ingredient; which is stuffed in beef casings or artificial casings; which has a fat content not in excess of 25 percent; which contains no more than 5 percent of added moisture or water and which contains no more than 3½ percent of extender.

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*Copies may be obtained from the Office of Price Administration.

[1] 8 F.R. 5903, 6958, 6945, 8185, 8677, 10906, 10907, 11956, 13340, 15192.

This amendment shall become effective June 16, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator.*

[F. R. Doc. 44-8788; Filed, June 16, 1944; 11:45 a. m.]

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PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Rev. RO 16]

MEAT, FATS, FISH, AND CHEESE

Ration Order 16 and Amendments 1 through 143 thereto are compiled and re-issued as Revised Ration Order 16, to read as follows:

§ 1407.3026 *Rationing of meat, fats, fish, and cheeses.* Under the authority vested in the Administrator by Executive Order No. 9125, issued by the President on April 7, 1942; Directive No. 1 and Supplementary Directive No. 1-M of the War Production Board, issued on January 24, 1942 and September 12, 1942, respectively; Executive Order No. 9280, issued by the President on December 5, 1942; and War Food Orders No. 56, No. 58, No. 59, and No. 61 issued by the Secretary of Agriculture, Revised Ration Order No. 16 (Meat, Fats, Fish, and Cheeses) which is annexed hereto and made a part hereof, is hereby issued.

AUTHORITY: § 1407.3026 issued under Pub. Law 671, 76th Cong., as amended by Pub. Laws 89, 421, 507 and 729, 77th Cong.; E.O. 9125, 7 F.R. 2719; E.O. 9280, 7 F.R. 10179; W.P.B. Dir. 1, 7 F.R. 562, and Supp. Dir. 1-M, 7 F.R. 7234; War Food Order No. 56, 8 F.R. 2005, 9 F.R. 4319; War Food Order No. 58, 8 F.R. 2251, 9 F.R. 4319; War Food Order No. 59, 8 F.R. 3471, 9 F.R. 4319; War Food Order No. 61, 8 F.R. 3471, 9 F.R. 4319.

REVISED RATION ORDER NO. 16—MEAT, FATS, FISH, AND CHEESES

ARTICLE I—INTRODUCTION

Sec.
1.1 Foods covered by this order.
1.2 Meat, cheese, canned fish, fats and oils, and canned milk are rationed by the point system.
1.3 Form in which points are used.

ARTICLE II—CONSUMERS

2.1 When a person is a consumer.
2.2 Consumers may purchase after March 28, 1943, only for points.
2.3 How points are given up by a consumer.
2.4 Consumers who need more foods covered by this order because of illness may apply for more points.
2.5 Consumers who must purchase in quantity may apply for certificates.
2.6 Service men may get certificates to acquire foods covered by this order.
2.7 Consumers who must have more foods covered by this order for their subsistence may apply for more points.

ARTICLE III—HOME PRODUCERS

Sec.
3.1 Home producers may consume what they produce and may lend limited amounts.
3.2 Consumers may purchase larger quantities of meat at a time from farm slaughterers.
3.3 Consumers may arrange to have their food processed or otherwise prepared.
3.4 Livestock producers may have animals slaughtered by primary distributor, primarily for household consumption, and acquire the resulting foods point-free.
3.5 Person may have fish caught by members of his family unit canned by a primary distributor for household consumption.

ARTICLE IV—PRIMARY DISTRIBUTORS

4.1 Explanation of the term primary distributor.
4.2 Explanation of the term primary distributor establishment.
4.3 A place at which a food covered by this order is produced is a primary distributor establishment.
4.4 A place at which a food covered by this order is converted into another such food, is a primary distributor establishment.
4.5 A place to which foods covered by this order are imported is a primary distributor establishment.
4.6 A place where foods covered by this order are produced or imported may be a primary distributor establishment as to foods not produced or imported there.
4.7 A place where a person keeps foods may be a primary distributor establishment even if he does not produce or import there.
4.8 A place is a single primary distributor establishment even if a person engages in several operations there.
4.9 Butter and cheese assembly plant is a primary distributor establishment.
4.10 A place where foods are produced or imported for use only is not a primary distributor establishment.
4.11 Primary distributors must register and file reports.
4.12 Primary distributor may not do business if he does not file reports.
4.13 A primary distributor must surrender to the Office of Price Administration all points he is not permitted to use.
4.14 Primary distributors may get points to acquire foods.
4.15 A primary distributor who has more than one establishment must operate them separately.
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4.17 Policy against discrimination.

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5.2 Wholesalers must register.
5.3 Wholesaler may not do business unless he has registered.
5.4 Wholesalers must report their inventories.
5.5 Wholesalers must report their sales and points on hand.
5.6 A wholesaler is given an allowable inventory.
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5.9 Wholesalers who sell to consumers must post table of point values.
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ARTICLE VI—RETAILERS

6.1 Explanation of the terms retailer and retail establishment.
6.2 Retailer must register.
6.3 A retailer may not do business unless he has registered.
6.4 Retailers must report their inventories.
6.5 Retailers must report their sales and points on hand.
6.6 A retailer is given an allowable inventory.
6.8 Retailers must keep records.
6.9 Retailers must post point prices.
6.10 A retailer may sell at lower point value foods in imminent danger of spoilage.

ARTICLE VII—INDUSTRIAL USERS AND INDUSTRIAL CONSUMERS

7.1 Explanation of the terms industrial use, industrial user, and industrial user establishment
7.2 Industrial users must register.
7.3 Industrial user may not do business unless he has registered.
7.4 Industrial users must report their inventories.
7.5 Industrial users must report their use of foods during certain quarterly periods.
7.6 Industrial users' allotments.
7.7 Registration after March 10, 1943.
7.8 Restriction on use of foods by industrial users.
7.9 Industrial users must keep records.
7.10 Explanation of the terms industrial consumption and industrial consumer.
7.11 Industrial consumers may apply for points to acquire foods.
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8.1 A person who operates different types of establishments is treated as if he were different persons.
8.2 The same person may be both a wholesaler (or retailer) and an industrial user at the same place.
8.3 The same person may be both a wholesaler (or retailer) and an institutional user at the same place.
8.4 The same person may be both a primary distributor and a wholesaler (or retailer) at the same place.
8.5 The same place may be more than one establishment.

ARTICLE IX—RATION BANK ACCOUNTS

9.1 A ration bank account is an account in which points are deposited.
9.2 Who must open a ration bank account.
9.3 All points must be deposited in the account.
9.4 When points must be deposited.

ARTICLE X—SALES AND TRANSFERS OF FOODS COVERED BY THIS ORDER

10.1 Only retailers, wholesalers, and primary distributors may transfer foods covered by this order.

Sec.
10.2 Transfers to certain persons after March 28, 1943, may be made only for points.
10.3 Transfers to retailers, wholesalers and primary distributors after April 10, 1943, may be made only for points.
10.4 How foods covered by this order are transferred to consumers.
10.5 How foods covered by this order are transferred to persons other than consumers.
10.6 Point fractions are to be computed to nearest full point.
10.7 Transfers between establishments of different types or between separately registered establishments of the same type operated by the same person.
10.8 Transferor may not use points he receives in advance until foods are transferred.
10.9 Points may be returned for underdeliveries of foods covered by this order.
10.10 Points must be given up for imports of foods.
10.11 Sale at lower point values of canned fish, canned milk or canned meat in danger of spoilage.

ARTICLE XI—POINT-FREE TRANSFERS

11.1 Foods in transit to industrial or institutional users or industrial consumers on March 28, 1943, may be acquired point-free.
11.2 Foods in transit to primary distributors, wholesalers, or retailers on April 10, 1943, may be acquired point-free.
11.2a Foods which have a zero point value may be transferred without points.
11.3 Foods may be moved to establishment in whose inventory they are included, point-free.
11.4 Foods covered by this order may be exchanged for other such foods.
11.5 Lost or stolen foods may be returned, point-free.
11.6 Stocks of foods may be moved point-free between establishments of the same person which are registered together.
11.7 Foods may be stored and returned from storage, point-free.
11.8 Security interests in foods may be created and released, point-free.
11.9 Foods may be transferred, point-free, for liquidation, by operation of law, or in judicial proceedings.
11.10 Foods may be acquired, point-free, by insurers or for salvage.
11.11 Foods may be delivered to importer by customs official, point-free.
11.12 Foods may be transferred, point-free, in connection with transfer of a business.
11.13 Foods may be transferred, point-free, in the way permitted by section 3.4.
11.14 Foods may be transferred by and to consumers, point-free, for custom processing or other preparation.
11.15 Items in transit on the day before they are added to the foods covered by the order, may be acquired point-free.
11.16 Title to foods may be transferred point-free where the one who has title does not have possession.
11.17 Primary distributors may transfer canned fish and canned milk point-free to allow for spoilage.
11.18 Government agencies may transfer foods point-free to the Procurement Division of the Treasury Department.
11.19 Restriction on industrial and institutional users' inventory of rationed fats or oils having a zero point value.

ARTICLE XII—SALE OF BUSINESS

12.1 Sale or transfer of retail, wholesale, or primary distributor establishment.
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12.3 Where and how the transferee registers the establishments acquired by him.
12.4 Moving establishment to another place.

ARTICLE XIII—NEW BUSINESSES

13.1 New retail and wholesale establishments may be opened.
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13.3 In special cases, allotments may be granted for new industrial user establishments.
13.4 Where a person who opens a new establishment registers if he already has other establishments of the same type.

ARTICLE XIV—CLOSING OF BUSINESS

14.1 What a person who closes his establishment must do.

ARTICLE XV—ADJUSTMENTS

15.1 Adjustments for lost, destroyed, or stolen foods.
15.2 Applications may be made for other adjustments.
15.3 Wholesalers may receive points to replace inventory losses due to shrinkage (evaporation) or cutting.
15.4 Wholesalers may apply for allowable inventory adjustments.
15.5 Wholesalers and retailers of canned milk or soft cheeses may obtain adequate working inventories.
15.6 Adjustment in base-period use of industrial user whose production in fourth quarter of 1942 was limited by General Preference Order M-71.
15.7 Retailers may apply for allowable inventory adjustments.
15.8 Retailers and wholesalers may apply for temporary adjustments because of seasonal variations.

ARTICLE XVI—ISSUANCE AND USE OF CERTIFICATES, RATION COUPONS AND TOKENS

16.1 How certificates are issued.
16.2 Certificates may be used at any time.
16.3 A certificate must be endorsed.
16.5 Names of persons who have been given certificates may be posted.
16.6 Certificates are the property of the Office of Price Administration and may be revoked.
16.7 Sugar purchase certificates may be corrected and used instead of certificates on OPA Form R-1201.
16.8 How ration coupons are issued.
16.9 How ration tokens may be obtained by persons other than consumers.
16.10 How tokens are used.

ARTICLE XVII—RECORDS, REPORTS, AND INSPECTIONS

17.1 Records must be kept for two years.
17.2 Records may be inspected by Office of Price Administration.
17.3 Places where foods covered by this order are kept may be inspected.
17.4 Records and reports are confidential.
17.5 District Office may extend time for registration and reports.
17.6 Office of Price Administration may require applicants to give information.
17.7 Records, reports and registrations required by this order.

ARTICLE XVIII—ADDITIONAL RECORDS TO BE KEPT BY CHAINS

18.1 Chains must keep records of transfers of stocks and points between establishments.

ARTICLE XIX—APPEALS

19.1 Persons directly affected by action taken under this order can appeal.

ARTICLE XX—MISCELLANEOUS RULES AND PROHIBITIONS

Sec.
20.1 Additional prohibitions.
20.2 Stamps, tokens and certificates may not be taken by legal process or acquired by will.
20.3 Office of Price Administration must be notified of legal proceedings.
20.4 Definition of meat in price order or regulation governs under this order.
20.5 General Ration Order 5 governs wherever inconsistent with this order.
20.6 References to Ration Order 16 deemed references to Revised Ration Order 16.

ARTICLE XXI—EXPORTS

21.1 Foods covered by this order may be exported under General Ration Order 17.

ARTICLE XXII—EXEMPT AGENCIES AND OTHER SPECIAL CASES

22.1 Exempt agencies may acquire foods covered by this order.
22.2 How exempt agencies acquire foods covered by this order.
22.3 Post exchanges and ships' service departments ashore may acquire foods for points.
22.4 Sales commissaries, post exchanges and ships' service departments ashore may transfer foods for points.
22.5 Veterans' Administration and Coast and Geodetic Survey may apply for allotments under General Ration Order 5.
22.6 Industrial users may replenish foods used in products transferred to agencies designated in General Ration Order 11.
22.7 Ships' and planes' stores.
22.8 Governmental investigatory agencies may acquire foods needed in their investigations.
22.9 Area reduction in point value of farm butter.
22.11 Issuance of checks by Office of Distribution of War Food Administration for demonstrations.
22.12 Issuances and use of checks by Extension Service of Department of Agriculture.

ARTICLE XXIII—SUSPENSION ORDERS

23.1 Office of Price Administration may issue suspension orders.

ARTICLE XXV—ACQUISITION OF FOODS COVERED BY THIS ORDER BY RESIDENTS OF MEXICO

25.1 Residents of Mexico may acquire foods covered by this order in the United States.
25.2 Issuance of ration cards.
25.3 Issuance of ration cards to certain applicants by the District Office.
25.4 Value and use of coupons by residents of Mexico.
25.5 How suppliers may replace inventory of foods covered by this order transferred to residents of Mexico.
25.6 Surrender of points by suppliers from whom foods covered by this order were acquired before July 1, 1944.
25.7 Records of suppliers from whom foods covered by this order were acquired before July 1, 1944.
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ARTICLE XXVI—HOUSEHOLD SALVAGE FATS

26.1 Explanation of the terms renderer and rendering establishment.
26.2 Renderers must register between December 9 and December 11, 1943, inclusive.
26.3 Renderers may receive allotments.

Sec.
26.4 Renderers must file reports.
26.5 Renderers must keep records.
26.6 Explanation of the terms independent collector and independent collector establishment.
26.7 Independent collectors may register and apply for an allowable inventory.
26.8 Independent collectors must keep records.
26.9 Who may have ration bank accounts.
26.10 How household salvage fats bank accounts are used.
26.11 Points must be given up for household salvage fats.
26.12 Point-free transfers.
26.13 Other sections of this order apply.

ARTICLE XXVII—DEFINITIONS

27.1 Definitions.

ARTICLE XXX—APPENDIX

30.1 Items excluded from the definition of meat.
30.2 Reporting periods for wholesalers who transfer canned fish.

ARTICLE I—INTRODUCTION [1]

SECTION 1.1 *Foods covered by this order* (a) This order covers "meat" "canned fish" "rationed cheeses" "rationed fats or oils," and "canned milk."

(1) "Meat" means the carcass or any edible part of the carcass of cattle, calves, sheep, lambs or swine. It includes edible offal, bones and skins. It also includes any other edible product containing more than twenty per cent, by weight, of any of the above items. Meat does not include gelatin, glue or "lard" Neither does it include casings or visceral parts "acquired" by a person to be used by him in making casings. (Casings are visceral parts specially prepared for use in holding sausage or other foods.) Meat does not include rendering fats and bones (produced in disassembling a carcass, or in cutting a carcass or primal cut into smaller cuts, or in boning a carcass or cut) and lean trimmings commingled with these rendering fats and bones, if these parts of the carcass are acquired by a person to be used by him for animal feed, for rendering into inedible products or for other inedible purposes, or by a primary distributor to be used by him for rendering into rationed fats or oils, or for transfer to such a person for one of these purposes; however, rendering fats do not include fat backs, fat back pork, clear plates and jowls (including jowl squares) Neither does meat include cracklings containing no more than fifteen per cent, by weight, of fat. (Cracklings containing more than fifteen per cent, by weight, of fat are considered rendering fats.) Meat does not include the items listed in section 30.1 (a) (1) and (2) However, meat does include any of the items listed in section 30.1 (a) (2) when they are used in an edible product in combination with each other or with any of the other items defined as meat in this paragraph. Neither does meat include waste cooking waters, meat extracts, or bouillon cubes. (Waste cooking waters are produced in the cooking of meat. Meat extracts are produced by the evaporation of these cooking waters. Bouillon cubes are produced from such meat extracts.) Meat does not include a carcass, or any part of a carcass, which is condemned as unfit for human food by an authorized Federal, State or local government inspector, and which is either plainly marked to indicate that it has been so condemned or is denatured or otherwise destroyed for food purposes as may be required by law.

(2) "Canned fish" means any of the following heat-treated items, if packed in hermetically sealed containers: mackerel, oyster, salmon, sardine (including California pilchard) shrimp, tuna (including bonito and yellowtail) and any other edible product containing more than twenty per cent, by weight, of the above.

(3) "Rationed cheeses" include any natural cheese (but not "cottage cheese" or "creamed cottage cheese" which contains 5 percent or less of butterfat by weight) and any other edible product containing 30 percent or more, by weight, of natural cheese (other than cottage cheese, or creamed cottage cheese containing 5 percent or less butterfat by weight) It does not include "whey product" nor does it include any cheese in the manufacture of which neither cow's milk nor milk solids derived from cow's milk are used.

(4) "Rationed fats or oils" which are defined in detail in section 27.1, include, among other products, "butter" "margarine" "cooking and salad oils" and "shortening" Mayonnaise, salad dressing, USP vitamin oils, fish liver oil, sperm oil and "fats" resulting from cooking done by "consumers" and "institutional users" are not included.

(5) "Canned milk" includes evaporated milk and condensed milk, if packed in hermetically sealed containers.

(6) "Canned meat" means any meat packed in hermetically sealed containers and heat-treated.

(b) No item which is a processed food covered by Revised Ration Order 13 [2] or which is a pharmaceutical product, is rationed under this order, even if it comes within the above definitions.

(c) Puncturing or opening the container in which canned fish or canned milk is packed, or merely removing it from the container, does not cause it to cease to be a "food covered by this order."

(d) When a food covered by this order is prepared for service and served, it is no longer considered a food covered by this order. Thus, a "person" who is served meat loaf in a restaurant, as part of a meal, is not getting a food covered by this order. Furthermore, when a food covered by this order has been used in making a product which is not rationed under this order, it ceases to be a food covered by this order. For example, butter may be used in baking peach pie—that pie, and the butter in it, are not food covered by this order.

SEC. 1.2 *Meat, cheese, canned fish, fats and oils, and canned milk are rationed by the point system.* (a) All types of meat, rationed cheeses, canned fish, rationed fats or oils, and canned milk are rationed together, as a group, through the use of the point system of rationing. Each item is given a particular point value for each cut, pound or size in which it is sold. The point value of an article of these foods is the number of points that must be given up by any person who wants to get it, just as the money price of an article is the amount of money it costs. The point values will be fixed by the Office of Price Administration in a supplement to this order, containing the official tables of point values. These point values may be changed from time to time, as conditions require.

SEC. 1.3 *Form in which points are used.* (a) There are several forms of ration currency which represent points.

(b) The basic forms of ration currency are red stamps in War Ration Book Four and "tokens" which are designated by the Office of Price Administration to be used for the acquisition of all foods covered by this order. They are the form in which points are generally given up by "consumers"

(c) Other forms of ration currency authorized by the Office of Price Administration are "certificates" (OPA Form R-1201) ration coupons and ration checks drawn on ration bank accounts. A certificate or ration coupon is issued by the Office of Price Administration (or a person authorized by that office to issue it) and is worth the number of points stated on it. Ration checks are very much like ordinary checks. They are drawn on a bank account in which a person has deposited his points, just as an ordinary check is drawn on a bank account in which he has deposited his money.

ARTICLE II—CONSUMERS

SEC. 2.1 *When a person is a consumer* (a) Any "person" who buys or "acquires" "foods covered by this order" for his personal use or for use at a table at which he eats, is a "consumer" (When a person gets foods covered by this order in order to resell them or in order to use them in making other products for sale, he is not a consumer, since those are not personal uses. He is a consumer only so far as he does get foods covered by this order for personal use.)

SEC. 2.2 *Consumers may purchase after March 28, 1943, only for points.* (a) Beginning March 29, 1943, a consumer may buy or acquire foods covered by this order only by giving up points equal to the point value of the foods acquired. However, a consumer may exchange foods covered by this order with any other person for other such foods covered by this order of equal point value, without giving up points. Moreover, consumers may acquire, transfer, or use, without limitation or restriction, foods covered by this order which have a zero point value at the time of the acquisition, transfer, or use, respectively.

(b) Consumers may lend foods covered by this order to other consumers, and may get them back. However, they may not lend more than five pounds of such foods (other than foods which have a zero point value at the time of the loan) at any one time, except under the provisions of section 3.1 (b) They may also acquire foods from other con-

[1] Words which are specially defined in this order are shown in quotation marks the first time they appear in each Article. Definitions are given in section 27.1 of the order.

[2] 9 F.R. 3.

sumers for consumption at a common table with them. No points are to be given up for such transactions. (A transaction is not a loan if any charge is made.)

(c) A consumer who has acquired foods covered by this order for points may give them to another consumer point-free. He may also give such foods point-free to a religious, charitable, civic, or municipal organization, as his agent, to give them point-free to another consumer. (A transaction is not a gift if any charge is made.)

SEC. 2.3 *How points are given up by a consumer*—(a) *A consumer uses stamps.* A consumer gives up points, when he acquires foods covered by this order, by surrendering red "stamps" from his War Ration Book Four.

(b) *Stamps may be used only when they have been validated.* A consumer may use each red stamp in his War Ration Book Four as soon as it has been validated by the Office of Price Administration. The validation dates of these stamps will be fixed in a supplement to this order. (Transfers of "meat" by farm slaughterers to consumers, covered in section 3.2, are excepted from this rule.) (Nothing in this provision validates any stamps which have already expired in any War Ration Book.)

(c) *General rules for the use of stamps by consumers.* A consumer must give up stamps worth exactly the point value of the foods covered by this order which he acquires, except that fractional amounts are to be handled in the way described in section 10.6. Red stamps in War Ration Book Four are worth 10 points each, regardless of the number printed on them. Stamps must be given up at the time the foods are acquired. The stamps may be used by a consumer only if torn out of the war ration book in the presence of the person who is selling or transferring the foods. A stamp may be used only to get foods covered by this order for the consumer from whose book it is taken, or for use at a table at which he eats.

(d) *A consumer also uses certificates and ration coupons.* Any consumer to whom a "board" issues a "certificate" or ration coupon may use it to acquire foods covered by the order, just as stamps are used. However, a consumer may give up the certificate or ration coupon at or before the time when the foods are acquired. The number of points a certificate or ration coupon is worth is shown on that certificate or ration coupon. A consumer to whom a certificate has been issued must sign his name on the back before he may use it.

(e) *How mail order purchases are made.* A consumer who orders food covered by this order for delivery by mail may detach stamps from his war ration book and send them or "tokens" with his order. If the seller cannot fill all or any part of the order, he will return a ration check for the difference. The consumer may endorse that check and use it to get foods covered by this order.

(f) *Consumers may give up points before delivery of butter or rationed cheeses.* A consumer may also acquire "butter" or "rationed cheeses" from a mobile conveyance operated on a regular delivery route by giving up stamps or tokens before he acquires the foods. If the seller or transferor cannot fill all or any part of the order, he will return a ration check for the difference. The consumer may endorse that check and use it to get foods covered by this order.

(g) *How consumers acquire and use tokens.* If the consumer is unable to give up points exactly equal to the point value of the foods acquired by him because he does not have stamps, certificates, ration coupons, or ration checks of sufficiently small value to make up the proper amount, he may give up, and the transferor may accept, stamps, certificates, ration coupons, or ration checks of the nearest higher value, and the transferor must return the excess number of points to the consumer in the form of tokens. Tokens may be used by a consumer to acquire foods covered by this order only if he has received the tokens in this way from his transferor. A transferor may accept tokens from a consumer, unless he knows or has reason to believe that they were not acquired by the consumer in this way.

SEC. 2.4 *Consumers who need more foods covered by this order because of illness may apply for more points.* (a) Any consumer whose health requires that he have more foods covered by this order than he can get with his war ration book, may apply for additional points. The application must be made, on OPA Form R-315, by the consumer himself or by someone acting for him, and may be made in person or by mail. The application can be made only to the "board" for the place where the consumer lives. The application (on OPA Form R-315) must contain a written statement signed by a person licensed by the laws of the State in which the certification is made to prescribe for human medication all internal drugs which may be prescribed within that State. However, if the consumer is pregnant, a Public Health Nurse employed by a federal, state or community public health agency, may sign such a statement instead. The statement must contain a specific diagnosis of the applicant's illness or condition, and must show why the applicant must have more foods covered by this order, the amounts and types he needs during the next ten weeks (or a shorter period if the illness is of shorter duration) and the probable duration of the illness.

(b) If the diagnosis is diabetes mellitus, active tuberculosis, chronic nephritis (nephrotic type) cirrhosis of the liver, severe hepatitis, chronic suppurative diseases (this group includes empyema of the chest cavity, osteomyelitis, extensive suppurative lesions of soft parts, subcutaneous tissues or muscles, and those infections in which there is profuse pus formation) severe burns, gastro-intestinal lesions (including post-operative cases involving operations on the stomach, intestines or colon for ulcers or cancer) or pregnancy, and if the board finds that the applicant's health depends upon his getting more foods covered by this order, it shall issue to him one or more certificates for the number of points necessary to get the additional foods covered by this order which he needs during the next ten weeks. If the diagnosis is any illness other than one of those specified in this paragraph, or if the applicant requests more foods covered by this order than the board is authorized by the "Washington Office" to grant to him, the board shall send the application to the district office for decision. However, in emergency cases, if the board finds that the applicant needs additional foods covered by this order, it may issue to him one or more certificates to enable him to get those additional foods during the next two weeks. If the district office is unable to pass on the application, it shall send it to the regional office for decision, or take such other action as the regional office may authorize or direct.

(c) An applicant who requires additional foods covered by this order for a period longer than the ten weeks for which points are granted to him, may apply for additional points (in person or by mail) to the board at the end of the ten week period. However, the statement certifying the diagnosis of his illness need not be renewed more often than once a year, in cases of diabetes mellitus, active tuberculosis, chronic nephritis (nephrotic type) cirrhosis of the liver, and severe hepatitis. A statement certifying to the applicant's pregnancy need not be renewed during the term of the pregnancy. In cases where the statement certifying the diagnosis of the applicant's condition need not be renewed with each application for additional rations, his application for such additional rations shall be deemed to be a certification that he knows, or has reason to believe, the diagnosis of his condition remains, the same as set forth in the written statement attached to his original application. If the applicant changes his residence before the time when he would have to renew the statement certifying the diagnosis of his illness, he may obtain the statement from the board where it is filed and file it with the board for the place where he will live.

SEC. 2.5 *Consumers who must purchase in quantity may apply for certificates.* (a) Some consumers may not be able to get foods covered by this order during the period when their stamps are good, either because of transportation difficulties, or because they live an unusually long distance from their market. Such a consumer may apply for a certificate in exchange for some or all of the stamps in his war ration book, so that he can get the amount of foods to which he is entitled at a time when he is able to get them. The application must be made on OPA Form R-315, in person or by mail, to the board for the place where he lives. It must be made by the consumer himself or by someone acting for him.

(b) If the board finds that the consumer will suffer hardship because he cannot get the foods covered by this order to which he is entitled during the periods when his stamps are good (for the reasons set forth above) it may issue to him a certificate. The certificate may be for any number of points up to the

value of the remaining stamps in his war ration book. The board must remove from that book, and cancel stamps worth the amount of the certificate.

SEC. 2.6 *Service men may get certificates to acquire foods covered by this order* (a) Members of the Armed Forces of the United States and Allied Nations who do not have a war ration book and are not entitled to have it, may obtain certificates to get foods covered by this order under the circumstances and in accordance with the procedure set forth in General Ration Order 9.[3]

SEC. 2.7 *Consumers who must have more foods covered by this order for their subsistence may apply for more points.* (a) Consumers (including those who eat in Group I institutional user establishments, as defined in General Ration Order 5[4]) may apply for additional points if they cannot get enough fresh milk, or such other products as the Washington Office may designate to meet their nutritional needs, because (1) the place where they live or work is so located, or their business or occupation is of such a nature that a source of supply of such foods is not reasonably accessible, except at infrequent intervals, and (2) they have no facilities for storing such foods long enough and in the quantities required to supply such needs.

(b) Any consumer who needs more foods covered by this order for the reasons set forth in paragraph (a) of this section, may apply to his board, in person or by mail, on OPA Form R-315. One application may be made covering more than one consumer, but the name of each shall be listed on the application. The application must state in detail:

(1) Where the consumers included in the application will live and work during the period covered by the application and the current occupation of each of them;

(2) The nearest source of supply of fresh milk, and such other products as the Washington Office may designate;

(3) A description of the facilities they have for storing fresh milk and such other products as the Washington Office may designate;

(4) How many pounds of foods covered by this order they will need;

(5) For how long a period;

(6) How many pounds of foods covered by this order they have, at the time of application;

(7) The amounts of fresh milk and such other products as the Washington Office may designate which will be available to them during this period;

(8) How many pounds of foods covered by this order will be available to them during this period, point-free, under the provisions of sections 3.1 or 3.4. The applicant must also give any other information that the board may request. The applicant must also submit with his application the war ration books currently used to acquire foods covered by this order, of each person for whom the application is made.

[3] 8 F.R. 7107, 10079, 12796, 15378, 16115.

[4] 8 F.R. 10002, 11676, 11480, 11479, 12483, 12557, 12403, 12744, 13920, 14472, 15488, 16787, 17486; 9 F.R. 401, 455, 692, 2212, 2287, 2552, 2476.

(c) All regional offices are authorized to rule on applications under this section, and to authorize boards or district offices to rule on them. A board or district office may rule on such an application only if the regional office for the area where it is located has given it such authority. If the board has not been given such authority, it shall forward the application with its recommendation to the district office. If the district office has been given such authority, it shall indicate what action is to be taken, and return the file to the board. If the district office has not been given such authority, it shall forward the file to the regional office. The regional office shall then indicate what action is to be taken, and return the file to the board. All certificates to be issued under this section shall be issued by boards.

(d) The regional office, or board or district office which is authorized to rule on such applications, may issue or authorize the issuance of one or more certificates for the number of points that it finds should be allowed. No board or district or regional office shall issue or authorize the issuance of a certificate unless it finds that the applicants meet the tests set out in paragraph (a). In determining how many points to allow, consideration shall be given to the amount of foods covered by this order, fresh milk or such other products as the Washington Office may designate, which will be available to the applicants during the period covered by the application, and to the applicant's occupation. In addition, the board or district office shall be governed by any further instructions issued by the regional or Washington Office.

(e) Any board which issues certificates under this section shall enter a notation on the front cover of the books submitted with the application showing:

(1) Its address;
(2) The date it issued certificates under this section;
(3) The foods authorized to be acquired by such certificates;
(4) The point value of such certificates; and
(5) The period for which the supplemental ration was given.

ARTICLE III—HOME PRODUCERS

NOTE: The limitations (including limitations on amounts of foods which may be transferred), restrictions, conditions, record-keeping and reporting requirements set forth in this Article III do not apply to foods covered by this order while they have a zero point value. For the purposes of this article, such foods are treated and may be transferred or acquired, just as if they were not rationed at all.

SEC. 3.1 *Home producers may consume what they produce and may lend limited amounts*—(a) *Points need not be given up.* Any "person" who produces any "food covered by this order" primarily for consumption in his own household or on a farm he operates, may consume what he produces and may let those who eat at his table or on the farm consume it, without giving up points. However, a person who produces "meat" by slaughtering livestock (whether or not it is later processed) and a person who "acquires" meat from livestock slaughtered for him by a "primary distributor" in the way described in section 3.4, primarily for consumption in his own household or on a farm he operates, may consume the meat and may let those who eat at his table or on the farm consume it, without giving up points, only if:

(1) He either operates a farm at which he resides more than six months a year, or actually supervised the raising of the livestock and was on the premises on which the livestock was raised at least one third of the days during the applicable period specified in subparagraph (2) and

(2) The livestock was raised on premises operated by him:

(i) From birth to the moment of slaughter; or

(ii) For at least 60 days immediately preceding slaughter; or

(iii) For a period immediately preceding slaughter during which its weight was increased by at least 35% of its weight when acquired.

This paragraph does not apply to "institutional users." If a person who produces meat primarily for consumption in his own household or on a farm he operates, by slaughtering livestock, is not permitted, under the provisions of this paragraph, to consume such meat without giving up points, he must give up points equal to the point value of the meat if he consumes it. These points must be given up t the "board" for the place where such livestock was raised, not later than 10 days after the end of each calendar month during which the meat is consumed.

(b) *Loans.* Any person who produces foods covered by this order wholly from foods not covered by this order and is entitled to consume them point-free under the provisions of paragraph (a), or who acquires them from a primary distributor in the way described in section 3.4, may lend those foods to any other such person without the surrender of points. (A transaction is not a loan if any charge is made.) However, he may not, in any one calendar year, lend a total of more than four hundred pounds of beef and veal together, one hundred and fifty pounds of any other meat, and twenty-five pounds of any other foods covered by this order, which he so produces or acquires. Foods so loaned may not be sold by the person who receives them, or by anyone else. The loan must be returned within six months after the loan is made. However, the borrower may apply to his board for an extension of time to return it and the board may grant the extension if good cause is shown.

(c) *If the person is a primary distributor.* No "primary distributor" who reports or is required to report on OPA Forms R-1606 (Revised) R-1607, R-1626 may consume or lend foods pursuant to this section without the surrender of points.

(d) *This section applies whether or not foods are produced in the United States.* The provisions of this section apply whether or not the foods are produced within the forty-eight states of the United States and the District of Columbia.

SEC. 3.2 *Consumers may purchase larger quantities of meat at a time from farm slaughterers.* (a) A consumer may buy or acquire meat in exchange for "stamps" from his war ration book equal to the point value of the meat "transferred" even though the stamps are not yet good, from:

(1) A primary distributor (other than one who reports or is required to report on OPA Forms R-1606 (Revised) or R-1607) who holds a permit as a farm slaughterer issued by the Office of Distribution of War Food Administration or a primary distributor who slaughters swine without a permit under the provisions of § 1410.15 (b) (2) of Food Distribution Order No. 75; or

(2) A person who holds a permit as a farm slaughterer issued by the Office of Distribution of War Food Administration and who acquired the meat from a primary distributor in the way permitted in section 3.4.

(b) However, for the purposes of this section, a consumer may use, and a transferor may accept, only the eighteen stamps in War Ration Book Four which will become valid after the stamps which are valid for use by consumers generally at the time of the transfer. Stamps in War Ration Book Four will become valid in the following order: A8 to Z8; A5 to Z5; A2 to Z2; A1 to Z1.

SEC. 3.3 *Consumers may arrange to have their food processed or otherwise prepared.* (a) On or after May 24, 1943, any consumer may bring any of his food covered by this order to another person to be processed, cut, ground, boned, frozen, packaged or similarly prepared, and may get the same food back after it is so prepared, without any surrender of points by either person.

(b) If the consumer does not wait to get the food back, a "retailer" "wholesaler" or primary distributor who gets the food for processing or other preparation must keep a record showing the item received, its weight, the date he received it, and the name and address of the consumer. This record must be prepared when he gets the food from the consumer. When he returns the food to the consumer, he must add to this record the date he returned it.

SEC. 3.4 *Livestock producers may have animals slaughtered by primary distributor primarily for household consumption, and acquire the resulting foods point-free.* (a) A livestock producer, other than an institutional user, may desire to have his animal slaughtered by a primary distributor and acquire the resulting food covered by this order (whether or not it is also processed) from the primary distributor, without giving up points. The livestock producer may do so if he satisfies the conditions of this section, including the conditions stated in the certification required by paragraph (b)

(b) The livestock producer must sign and give up to the primary distributor two copies of a certification. The certification must show:

(1) The date of acquisition of the food from the primary distributor;

(2) The livestock producer's name;

(3) The address of the place where he resides;

(4) That he either operates a farm at which he resides more than six months of the year, or actually supervised the raising of the animal and was on the premises on which the animal was raised at least one third of the days during the applicable period specified in subparagraph (5) and

(5) That the animal was raised on premises operated by him:

(i) From birth to the moment of slaughter; or

(ii) For at least 60 days immediately preceding slaughter; or

(iii) For a period immediately preceding slaughter during which its weight was increased by at least 35% of its weight when acquired;

(6) That the resulting food is primarily for consumption in his own household or on a farm he operates;

(7) Whether he intends to sell or transfer any of the resulting food;

(8) The name and address of the board for the place where he resides.

(c) He must also prove his identity by showing to the primary distributor his permit issued by the Office of Distribution of War Food Administration. If he certifies that he does not intend to sell or transfer any of the resulting food he may prove his identity by showing his Agricultural Adjustment Administration plan, driver's license, automobile ownership registration card, selective service card, bank book or current utility bill, bearing the name and address shown in the certification. The primary distributor must make a notation on the certification of the type of document shown to him and the number designation contained in the document. (For example, in the case of a bank book, the number would be the account number.)

(d) If the primary distributor has received both copies of the required certification, has been shown the required proof of identity, and has made the required entries on the certification, and if he does not know or does not have any reason to believe that the certification is untrue, he may then transfer, without getting any points, the food resulting from the slaughter of the animal furnished by the livestock producer. He must, within five days after the transfer, send one copy of the certification to the board named therein, and file the other with his report on OPA Forms R-1606 (Revised) R-1607, or R-1609 (Revised) for the reporting period in which the transfer was made.

(e) If the livestock producer sells or transfers some of the resulting food, he must file a report on OPA Form R-1609 (Revised) with the board named in the certification and give up with it the points which he received for selling or transferring the food. In giving the information called for by the form, he must treat the food sold or transferred as if he produced it. He must also write on the bottom of the form that it is being filed in accordance with section 3.4 of the order. The report must be filed within fifteen days after the end of the calendar month in which he made the sales or transfers. It must cover all sales or transfers made during that month. The report must be signed by him or by his authorized agent, and is considered filed on time if the envelope in which it is enclosed is postmarked on or before the day it is due. If the livestock producer is a butcher under Food Distribution Order No. 27 of the Office of Distribution of War Food Administration and has certified that he does not intend to sell or transfer some of the resulting food, he may not sell or transfer any of the food unless he notifies the board named in the certification, in advance, that he intends to sell or transfer some of the food and states the approximate amount he intends to sell or transfer.

SEC. 3.5. *Person may have fish caught by members of his family unit canned by a primary distributor for household consumption*—(a) *He may acquire such canned fish point-free.* Any person, other than an institutional user, may acquire from a primary distributor, point-free, "canned fish" produced for him from fish caught by him or by members of his "family unit" if he supplies all the ingredients in an amount necessary to produce such canned fish. (A "family unit" consists of all persons related by blood, marriage, or adoption, who regularly reside in the same household.) Not more than 25 pounds of such canned fish per member may be acquired by or for any family unit under this section in any calendar year. He may consume such fish, and let the members of his household and others who eat at his table consume it, without giving up points. He may acquire such canned fish point-free only if he gives to the primary distributor a signed statement that the fish to be canned were caught by a member of his family unit, together with the names of each member of his family unit. The primary distributor shall retain this statement for one year.

(b) *He may sell only for points and must surrender points he gets to the board.* He may not sell or transfer any such canned fish unless he gets points equal to the point value of the canned fish so transferred. For this purpose, he need not register or make reports, but must keep a record of any transfer he makes, showing the amount and date of the transfer, and the name and address of the person to whom the transfer is made. If he makes any transfers during any month, he must give up to his board on or before the 10th day of the next month the points received for such transfers.

ARTICLE IV—PRIMARY DISTRIBUTORS

SEC. 4.1 *Explanation of the term primary distributor* (a) Any "person" who has a "primary distributor establishment" is called a "primary distributor" as to that establishment. If he has more than one such establishment, he is considered a separate primary distributor as to each of them.

SEC. 4.2 *Explanation of the term primary distributor establishment.* (a) There are three main types of primary distributor establishments:

(1) A place where a "food covered by this order" is produced entirely from products not covered by this order (described in section 4.3),

(2) A place where an item or kind of food covered by this order is produced, by a processing operation, wholly or partly from another item or kind of food covered by this order (described in section 4.4)

(3) A place to which foods covered by this order are imported (described in section 4.5)

In certain cases, places at which no production or processing operations are performed are, for reasons of trade convenience, also considered primary distributor establishments. (These establishments are described in sections 4.7 and 4.9) The rules which determine whether a place is a primary distributor establishment are set forth in the sections which follow.

SEC. 4.3 *A place at which a food covered by this order is produced is a primary distributor establishment*—(a) *Meat; slaughtering.* Any place at which a person slaughters cattle, calves, sheep, lambs or swine, for sale or other "transfer" is a primary distributor establishment.

(1) If a person slaughters livestock himself, the place where he does so is his primary distributor establishment. Even if he has the slaughtering done for him by an agent or employee, the place where it is done is his primary distributor establishment, unless it comes within the following description:

(i) That place is another person's primary distributor establishment (because of other slaughtering done there by or for that other person) and also

(ii) The agent or employee in question is that other person, or someone who works for that other person.

(b) *Canning fish.* Any place at which a person produces "canned fish" for sale or other transfer, is a primary distributor establishment. A person produces canned fish if he packs any of the items described in section 1.1 (a) (2) in hermetically sealed containers.

(c) *Production of rationed fats or oils, or rationed cheeses.* Any place at which a person produces a "rationed fat or oil" or "rationed cheeses" for sale or other transfer, is a primary distributor establishment.

(d) *Packing milk.* Any place at which a person produces "canned milk" for sale or other transfer, is a primary distributor establishment. A person produces canned milk if he packs it in hermetically sealed containers.

SEC. 4.4 *A place at which a food covered by this order is converted into another such food, is a primary distributor establishment.* (a) Any place at which a person, by processing, makes any item or kind of food covered by this order, wholly or in part from another item or kind of such food, for sale or other transfer, is a primary distributor establishment.

(1) The term "processing" does not include cutting, grinding, boning, freezing, packaging or repackaging. It does, however, include curing, smoking, cooking, pickling, canning, blending, mixing, rendering, extracting, drying, dehydrating, or any other similar process by which an item or kind of food covered by this order is converted into another item or kind of such food. It also includes the manufacture of sausage, scrapple, souse and similar products.

(b) A place at which a person "acquires" and processes foods covered by this order is, however, not a primary distributor establishment as to any of those foods acquired and processed there if all of the following conditions are met:

(1) No foods covered by this order are produced there (other than by processing) and not more than five thousand pounds of foods covered by this order are processed there in any month; and

(2) More than fifty percent, by weight, of the transfers from there of all foods covered by this order are made to "consumers"; and

(3) More than fifty percent, by weight, of the foods covered by this order which were acquired and processed there are transferred from there to consumers, or to that person's own "institutional user establishment"

(For example, a delicatessen store, which buys "meat" cures it and sells most of it to consumers, is not a primary distributor establishment. This would be so even if the owner of the store transfers some of the cured meat to his own restaurant and uses it in meals he serves there. Such a store would not be a primary distributor establishment, even though foods covered by this order are processed there. It would be a "retail establishment".)

SEC. 4.5 *A place to which foods covered by this order are imported is a primary distributor establishment.* (a) Any place (including space in a public warehouse) to which a person imports foods covered by this order into the United States, from any place outside the United States, for sale or transfer, is a primary distributor establishment.

SEC. 4.6 *Place where foods covered by this order are produced or imported may be a primary distributor establishment as to foods not produced or imported there.* (a) A person may produce, process, or import foods covered by this order, at a particular place, for sale or transfer. He may also regularly keep there, for sale or transfer, foods covered by this order which he did not produce, process, or import there. That place is a primary distributor establishment, since foods are produced, processed or imported there. It would also be a retail or a "wholesale establishment" (depending on its operation) since foods not produced, processed, or imported there are regularly kept there for sale or transfer. However, if ninety percent or more, by weight, of all the foods covered by this order which are transferred from there, were produced, processed, or imported there, it is considered to be only a primary distributor establishment, as to all foods covered by this order held there for sale or transfer. In that case, it would not also be a retail or wholesale establishment.

SEC. 4.7 *A place where a person keeps foods may be a primary distributor establishment even if he does not produce or import there.* (a) Any place (including space in a public warehouse) at which a person regularly keeps foods covered by this order not produced, processed or imported there, for sale or transfer, is a primary distributor establishment as to those foods even though it does not meet the tests described in section 4.6, if both of the following conditions are met:

(1) He himself produced, processed or imported ninety per cent or more, by weight, of those foods; and

(2) More than fifty per cent, by weight, of the foods covered by this order which he keeps there are transferred from there to persons other than "industrial users" "industrial consumers" "institutional users" "retailers" or consumers.

(b) There is also a general case in which a place where a person regularly keeps foods covered by this order which were produced, processed, or imported by someone else, is a primary distributor establishment as to those foods. If he uses ninety per cent or more, by weight, of those foods to make, by processing, other kinds or items of food covered by this order, the place where he keeps them is a primary distributor establishment. (For reasons of trade convenience, there is, in addition, a special rule covering certain places where "butter" or rationed cheeses are assembled. That rule is covered in section 4.9.)

(c) The rules set forth in this section apply whether or not the person also produces, processes or imports at that place foods covered by this order. The place is a primary distributor establishment as to any foods he produces, processes or imports there. This section, and sections 4.6 and 4.9, show when it is a primary distributor establishment as to foods he did not produce, process or import there.

SEC. 4.8 *A place is a single primary distributor establishment even if a person engages in several operations there.* (a) A place at which a person engages in more than one type of operation any one of which would make it a primary distributor establishment, is a single primary distributor establishment as to all such operations of that person. (Thus, if a person slaughters swine and cures hams at the same place, that place is treated as a single primary distributor establishment of that person.) The only exception to this rule is covered in section 4.9 (c).

SEC. 4.9 *Butter and cheese assembly plant is a primary distributor establishment.* (a) Any place at which a person regularly keeps, for sale or transfer, stocks of butter or rationed cheeses which he did not produce, process or import there, is a primary distributor establishment, as to those stocks, if more than fifty per cent of them, by weight, is sold or transferred from there to persons other than industrial or institutional users, industrial consumers, retailers or consumers. However, if he keeps the stocks which are not transferred to persons other than the above, just to supply his own establishments, it is a primary distributor establishment only if it supplies:

(1) At least one of his primary distributor establishments; or

(2) At least four of his wholesale establishments.

(b) This section applies only to a place which would not be a primary distributor establishment as to those stocks under section 4.6 or section 4.7.

(c) A place to which this section applies is, for all the purposes of this order, a separate primary distributor establishment as to those stocks of butter or rationed cheeses.

SEC. 4.10 *A place where foods are produced or imported for use only is not a primary distributor establishment.* (a) A place at which a person produces, processes or imports foods covered by this order only for his personal, institutional or industrial use or for his use as an industrial consumer, (whether or not they will be used at that place) and not for sale or transfer in the form of foods covered by this order, is not a primary distributor establishment. The place does not become a primary distributor establishment because the person lends some of the foods to others, as permitted by section 3.1 (b) unless he lends more than the amount permitted by that section.

SEC. 4.11 *Primary distributors must register and file reports*—(a) *Registration.* (1) Every primary distributor must register with the Office of Price Administration. A primary distributor who is required to report on OPA Forms R-1606 (Revised) R-1607, or R-1626 must register by filing an additional copy of his first report, along with that report. A primary distributor who is required to report on OPA Form R-1609 (Revised) is considered registered when he files his first report. A primary distributor who is already registered is not required to re-register when a change is made in the form on which he is required to report.

(2) (i) A primary distributor who has more than one primary distributor establishment may register two or more of those establishments together, in one or more groups, instead of registering each establishment separately, if, he maintained a central office, for each group of establishments to be registered together, at which he kept records of the inventory, production, acquisitions, and transfers (including transfers between the establishments in the group) of foods covered by this order at each of such establishments and from which he regularly sent invoices covering at least 90% of all transfers of those foods from each such establishment. However, he may not combine in the same group a primary distributor establishment of the type described in section 4.9 with any other kind of primary distributor establishment.

(ii) A primary distributor who has more than one primary distributor establishment and who wishes to register two or more of those establishments together, but who does not meet the tests set forth in subdivision (i) of this subparagraph may apply to the district office for the place where his principal business office is located for permission to register two or more of his establishments together. He must apply on OPA Form R-315 and he must show:

(*a*) That he maintains a central office for each group of establishments to be registered together, at which he keeps records of the current inventory, production, acquisitions, and transfers of foods covered by this order at each of such establishments; and

(*b*) That such central office is in fact the place from which the operations of the establishments in the group are directed.

The district office must forward the application to the "Washington Office" for decision or take such other action as the Washington Office may authorize or direct.

(3) If the establishments to be registered together are already registered separately under this order, he may re-register them by filing a combined report for the establishments in each such group as his report due in November 1943, or in the first month thereafter in which he wishes to register them together. The report is to be filed with the district office for the place where such central office is located. He must also notify each district office at which a re-registered establishment was originally registered that he is re-registering such establishment, and give the name and address of the district office at which the establishment will be re-registered. This notice must be sent to each such office prior to the date on which he must file the report referred to in this subparagraph.

(4) If after re-registering his establishments under the last paragraph he ceases to continue the central office or to satisfy the conditions described in paragraph (2) he must again register each establishment separately.

(b) *Reports.* (1) Every primary distributor must file a report covering the operation of his primary distributor establishment during each reporting period ending on or after April 30, 1943. His first report must include his operations from March 29, 1943, to the end of his reporting period. However, the first report of a primary distributor of an item which is added, after March 29, 1943, to the foods covered by this order, must include his operations with respect to that item from the date it is added, to the end of his reporting period. If he has more than one primary distributor establishment, he must file a separate report for each. However, if he has registered his establishments in one or more groups, in the way permitted by paragraph (a) (2) he may file a single report for all the establishments in each such group. A primary distributor who reports on OPA Form R-1609 (Revised) must file his report within fifteen days after the end of the reporting period it covers. A primary distributor who reports on OPA Form R-1606 (Revised) or OPA Form R-1607 must file his report within thirty days after the end of the reporting period it covers, but he may not file the report before the sixteenth day after the end of that period unless he has received all points due him for the transfers reported for that period and has paid all points owed by him for the acquisitions reported for that period. A primary distributor who reports on OPA Form R-1626 must file his report within ten days after the end of the reporting period it covers.

(2) A primary distributor who reports on OPA Form R-1606 (Revised) or OPA Form R-1607 may adopt any one of the following reporting periods:

(i) Calendar months; or

(ii) Consecutive four-week periods; or

(iii) A system which divides the fiscal year into either four or five periods of five consecutive weeks and either seven or eight periods of four consecutive weeks.

(3) A primary distributor who reports on OPA Form R-1609 (Revised) or OPA Form R-1626 must adopt calendar month reporting periods. If he has not been reporting on a calendar month reporting period basis, his first report on a calendar month reporting period basis on OPA Form R-1609 (Revised) or OPA Form R-1626 must include his operations from the end of the preceding reporting period to the end of the calendar month covered in the report.

(4) The report must be signed by him or by his authorized agent, and is considered filed on time if the envelope in which it is enclosed is postmarked on or before the day it is due.

(c) *Form to be used.* (1) A primary distributor who does not import foods covered by this order and who does not use points to acquire such foods, must report on OPA Form R-1609 (Revised) if his sales or transfers of such foods from the place where he produces them consist entirely of one or more of the following:

(i) Sales or transfers of meat he slaughtered under a War Food Administration Farm Slaughterer's Permit (including meat from his livestock which he has custom slaughtered)

(ii) Sales or transfers of butter he made from cream (or milk) which he produced, if the cream (or milk) was not neutralized or pasteurized;

(iii) Sales or transfers of cheese he made from milk which he produced; or

(iv) Sales or transfers of other foods covered by this order which he produced in an amount of not more than $200 during the month covered by the report.

(2) A primary distributor who is not required to report on OPA Form R-1609 (Revised) must report on OPA Form R-1626 for reporting periods, beginning on or after March 1, 1944, for each of his primary distributor establishments from which he sells or transfers "rationed dairy products" only. ("Rationed dairy products" means any food covered by this order which is made from cow's milk or from another food made from cow's milk, as, for example, rationed cheeses, butter or canned milk.) If he is permitted to combine in a single report on OPA Form R-1626 his sales and transfers from more than one of his primary distributor establishments, he must report all those sales and transfers on OPA Form R-1626, even though some of those establishments meet the conditions described in subparagraph (1) of this paragraph (c)

(3) Any primary distributor who is not required to report on OPA Form R-1609 (Revised) or OPA Form R-1626 may report on OPA Form R-1607 for each reporting period beginning on or after December 1, 1943, if he does not sell or transfer, during the period covered by the report, more than $2,000 worth of foods covered by this order, if he does not

import foods covered by this order, and if his acquisitions of such foods for his primary distributor operations during that period do not constitute more than 10 percent by weight of his total sales and transfers of such foods during the period.

(4) Any primary distributor who is not required to report on OPA Form R-1609 (Revised) or OPA Form R-1626 and who does not report on OPA Form R-1607 must report on OPA Form R-1606 (Revised) for each reporting period beginning on or after December 1, 1943. If he reports on OPA Form R-1606 (Revised) for an establishment from which he sells or transfers rationed dairy products, he must attach to his report for each reporting period ending after February 29, 1944, a copy of Dairy Products Report No. 1 covering his operations at that establishment. In addition, a primary distributor who reports on OPA Form R-1606 (Revised) and who transfers canned fish, must, at the same time and in the same manner that he makes his report on OPA Form R-1606 (Revised) report on OPA Form R-1606A.

(5) A primary distributor who has more than one primary distributor establishment which are or will be registered together, may file a single report on OPA Form R-1609 (Revised) or OPA Form R-1607 for those establishments only if all of them combined meet the requirements set forth in this section for reporting on such forms; he may file a single report on OPA Form R-1626 for those establishments if all of them sell or transfer only rationed dairy products.

(6) A primary distributor need not file a report for any reporting period during which he made no transfers of foods covered by this order (other than loans permitted by section 3.1 (b)) However, once a primary distributor reports on OPA Form R-1606 (Revised) OPA Form R-1607 or OPA Form R-1626, he must continue to use one of those forms. He may not thereafter report on OPA Form R-1609 (Revised)

(d) *Information to be given.* A primary distributor must give all information called for by the form on which he reports except that he need not give any information with respect to lard. A primary distributor, required to report on OPA Form R-1606 (Revised) or OPA Form R-1607, must, among other things, report his inventory of rationed foods at the establishment covered by the report, at the beginning and end of the reporting period.

(e) *Inventory.* A primary distributor's inventory at his primary distributor establishment consists of all foods covered by this order which are physically located there or in transit to it, including foods which he holds there on consignment. If he has any such foods at or in transit to any place which is not an establishment of any type under this order, he must include them in the inventories of his establishments under this order, but he may divide them among those establishments as he chooses. He must, in that case, report the place where those foods are kept and the amount kept there which he is including in the inventory of his establishment. However, the following items are not part of his inventory:

(1) Food stored for a person other than his customer or transferee, or held as security for a loan to someone else (or similar transaction) or in transit for either of those purposes;

(2) Foods included in the inventory of one of his other establishments of any type.

(f) *Place for filing report.* A primary distributor who reports on OPA Form R-1606 (Revised) or OPA Form R-1607, must file it with the district office for the place where his establishment is located or, if it is a report covering a group of establishments, with the district office at which that group is registered. If he reports on OPA Form R-1609 (Revised) he must file it with the "board" for that place. If he reports on OPA Form R-1626 he must mail it with his Dairy Products Report No. 1 to Post Office Box 6910A, Chicago, Illinois.

(g) *Change in reporting period.* A primary distributor who wishes to adopt reporting periods other than those which he is permitted to use under paragraph (b) of this section, or to change his reporting periods to conform to his accounting periods, may apply to the district office (or to the board) with which he is registered, for permission to do so. The application must be made on OPA Form R-315, and must give the reasons for the change desired. The district office (or the board) shall act on the application according to the circumstances of the case.

SEC. 4.12 *Primary distributor may not do business if he does not file reports.* (a) No primary distributor may transfer or acquire any food covered by this order after any date on which a report is due from him, until he has filed that report.

SEC. 4.13 *A primary distributor must surrender to the Office of Price Administration all points he is not permitted to use.* (a) A primary distributor must give up to the Office of Price Administration, for cancellation, all points he receives for sales or transfers of foods covered by this order, except for points he uses for a purpose permitted by paragraph (c) or (d) of this section. He must attach to his report for each reporting period all points not so used which he received during that period for sales or transfers of such foods. If he has, or is required to have, a ration bank account, he must give them up in the form of a certified ration check (payable to the Office of Price Administration) drawn on his ration bank account. If he has no account, he must give them up in the form he received them.

(b) A primary distributor who has received "stamps" which are not yet valid, in the way permitted by section 3.2, must enclose those stamps with his report for the period in which he received them. He may not use or deposit them.

(c) A primary distributor may use points only for the following purposes:

(1) To acquire foods covered by this order, for the purpose of processing them;

(2) To acquire, for sale or transfer without processing, foods produced, processed or imported by someone else, in an amount up to (but not exceeding) ten per cent by weight of his total transfers from his primary distributor establishment during the reporting period;

(3) To acquire, for his primary distributor establishment, foods which he produced, processed or imported elsewhere;

[NOTE: It is not a primary distributor establishment as to those foods unless it meets the tests described in section 4.6 (a) or 4.7 (a). If it does not meet one of those tests, its points may not be used to acquire such foods, except as permitted by (1), (4) and (5) of this paragraph.]

(4) To return points for underdeliveries of foods, as permitted by section 10.9;

(5) To get back foods he transferred.

(d) The points of a primary distributor establishment to which section 4.9 applies may, however, be used only for the following purposes:

(1) To acquire butter or rationed cheeses for that establishment;

(2) To return points for underdeliveries of butter or rationed cheeses as permitted by section 10.9;

(3) To get back butter or rationed cheeses transferred.

SEC. 4.14 *Primary distributors may get points to acquire foods.* (a) A primary distributor who, after April 18, 1943, needs more points to acquire foods covered by this order, for a purpose permitted by section 4.13 (c) or (d) than he has available may apply for additional points. The application must be made, on OPA Form R-315, to the district office with which his reports must be filed. The application must show the number of points he has, the reason he needs more, the number he needs and the time for which he needs them. If the district office finds that he needs more points for one or more of the purposes described in section 4.13 (c) or (d) it may issue to him a "certificate" (OPA Form R-1201) for the number of points he needs. If it finds that he needs them temporarily only, it may fix a time within which he is to return the points, and he must then return them at or before the time fixed.

SEC. 4.15 *A primary distributor who has more than one establishment must operate them separately.* (a) If a primary distributor has more than one primary distributor establishment, they are treated and must be operated separately, for all the purposes of this order, just as if they were owned by different persons (except if they have been registered in the way described in section 4.11 (a) (2))

SEC. 4.16 *Primary distributors must keep records.* (a) Beginning March 29, 1943, every primary distributor must keep, at his primary distributor establishment, a record showing his production, processing, acquisitions and transfers, by weight and point value, of each of the following foods: meat, canned

fish, rationed cheese, butter, "margarine" "shortening" and "cooking or salad oils." He must also keep a similar record with respect to any item which is added to the foods covered by this order, beginning on the date the item is added.

(b) In addition, at the time of any change in the point value of any item of food covered by this order, every primary distributor must make and keep at his establishment, a record of the amount of the item he has in his inventory, and of its point value before and after the change.

(c) However, the records required by paragraphs (a) and (b) need not be kept at each establishment if the establishment is one of a group which has been registered together, but may be kept at the central office for such group. They must, however, be kept separately for each establishment.

(d) A primary distributor who is required to report on OPA Form R-1606 (Revised) OPA Form R-1607 or OPA Form R-1626 must, for every reporting period beginning on or after December 1, 1943, keep a record at his establishment (or, if the establishment is one of a group which has been or will be registered together, at the central office for such group) showing, as of the beginning and end of each such period, the point value of his inventory, as defined in section 4.11 (e) of each of the following foods: Meat, shortening, margarine, cooking and salad oils, butter, rationed cheeses, canned milk and rationed canned fish. He must also keep a similar record with respect to any item which is added to the foods covered by this order, beginning on the date the item is added.

(e) A primary distributor who is required to report on OPA Form R-1606 (Revised) or OPA Form R-1607 must also keep (at the place where he keeps the other records required by this section) a record of the quantity and sizes of each item of canned fish in his inventory as of the beginning and end of each of his reporting periods beginning on or after December 1, 1943.

SEC. 4.17 *Policy against discrimination.* (a) It is the policy of this order that no slaughterer distributing meat through its own branch houses or comparable agencies of distribution, and no branch house or agency of any such slaughterer, shall discriminate in the sale or distribution of meat available for civilian consumption against any independent wholesaler, processor, hotel supplier, fabricator, peddler, purveyor, distributor, or other middleman customarily supplied by such slaughterer, branch house, or agency during the year immediately preceding October 1, 1942.

ARTICLE V—WHOLESALERS

SEC. 5.1 *Explanation of the terms wholesaler and wholesale establishment.* (a) Any place (including space in a public warehouse) where a "person" who deals in "foods covered by this order" regularly keeps stocks of those foods for sale or "transfer" (other than as a "primary distributor"), is a "wholesale establishment" if fifty per cent or more of those stocks are transferred from there directly to persons other than "consumers" However, if he keeps the stocks which are not transferred to consumers, just to supply his own establishments, it is a wholesale establishment only if it supplies:

(1) At least one of his wholesale establishments; or

(2) At least four of his "retail establishments"

(b) Any person dealing in foods covered by this order who has a wholesale establishment is called a "wholesaler", as to that establishment.

SEC. 5.2 *Wholesalers must register*—(a) *General.* Every wholesaler must register with the Office of Price Administration by filing two copies of OPA Form R-1602, at any time from May 3, 1943 to May 24, 1943, inclusive. Both copies of the form must be completed and signed by the wholesaler or his authorized agent. He must give all information called for by the form.

(b) *Filing by mail.* Where a registration form is filed by mail, it is considered filed on time if the envelope is postmarked on or before May 24, 1943.

(c) *Registration for single wholesale establishment.* A wholesaler who has only one wholesale establishment must file his registration with the "board" for the place where that establishment is located.

(d) *Registration for two or more wholesale establishments of the same person.* If a wholesaler has two or more wholesale establishments and has operated them separately under this order, just as if they were owned by different persons, he must either register each establishment separately on a separate OPA Form R-1602 or register all of them together on a single form, as he chooses. If he has not operated them separately under this order, he must register them together on the same form. (For example, he must register all of them together (1) if he has opened a single ration bank account for two or more of them; or (2) if he has drawn a ration check against an account serving one of them to "acquire" foods for another; or (3) if, after April 10, 1943, he transferred points, or foods covered by this order, from one to another without transferring foods or points of equal point value between them.

(e) *Where and how a wholesaler who has two or more wholesale establishments must register* If a wholesaler who has two or more wholesale establishments registers them together, he must furnish the required information for them on a single registration form and file two copies of that form with the board for the place where his principal business office is located. If he registers each of them separately, he must complete two copies of the form for each establishment and file them with the board for the place where that establishment is located.

(f) *Separately registered establishments are to be treated and operated separately.* If a wholesaler has more than one wholesale establishment and registers or is required to register them separately, each of those establishments is to be treated and operated separately for all the purposes of this order (including computation of allowable inventories) just as if the establishments were owned by different persons.

(g) *Persons who are wholesalers because an item is added to the foods covered by this order* A person who, at the time an item is added to the foods covered by this order, regularly deals in that item and therefore becomes a wholesaler under this order, is not required to register. If he has more than one wholesale establishment, each of those establishments is to be treated as if it was separately registered.

SEC. 5.3 *Wholesaler may not do business unless he has registered.* (a) No wholesaler may transfer or acquire foods covered by this order after May 24, 1943, until he has registered in the manner required.

SEC. 5.4 *Wholesalers must report their inventories.* (a) As part of his registration, a wholesaler must report, on OPA Form R-1602, the point value of his inventory of foods covered by this order at the close of business on May 1, 1943. If he has more than one wholesale establishment he must file a separate inventory report for each, whether or not they are registered separately. If any of his sales or transfers of foods covered by this order are not made from a fixed place (for example, if he sells foods from a mobile conveyance such as a truck) he need not file a separate inventory report for that conveyance.

(b) A wholesaler's inventory at his wholesale establishment consists of all foods covered by this order which are physically located at that establishment or in transit to it, including foods which he holds there on consignment. If he has any such foods at or in transit to any place which is not an establishment of any type under this order, he must include them in the inventories of his establishments under this order, but he may divide them among those establishments as he chooses. He must, in that case, report the place where those foods are kept and the amount kept there which he is including in the inventory of his establishment. However, the following items are not part of his inventory:

(1) Foods stored for a person other than his customer or transferee, or held as security for a loan to someone else (or similar transaction) or in transit for either of those purposes;

(2) Foods included in the inventory of one of his other establishments of any type.

SEC. 5.5 *Wholesalers must report their sales and points on hand*—(a) *Sales and transfers.* A wholesaler must report, as part of his registration, the pounds of all foods covered by this order which were transferred by him from April 25, 1943 to May 1, 1943, inclusive. (If he has more than one wholesale establishment and they are registered together, he must report the total for all.) However, he is not to include in this report any exchanges of such foods, or transfers from one to another of his wholesale establishments, or to any other wholesale es-

tablishment. The report must show his sales and transfers separately of each of the following classes of foods covered by this order:

(1) Fresh and frozen "meats".

(2) "Shortening" "cooking or salad oil" "canned meats" "canned fish".

(3) All other foods covered by this order, including "rationed cheeses" "butter" "margarine" sausage and types of meats not described in (1) or (2)

(b) *Points on hand.* A wholesaler must also report, as part of his registration, the total number of points which he has available for acquiring foods covered by this order at the close of business on May 1, 1943. He must include all points which he has on hand, all in his ration bank account (except those for which ration checks are outstanding) all which he has already given up for foods not yet shipped to him, and all which he has not yet received for foods he has already shipped. However, he is not to include points he has received for foods which he has not yet shipped, or points he owes for foods already shipped to him.

SEC. 5.6 *A wholesaler is given an allowable inventory* — (a) *General.* Every wholesaler is entitled to an operating inventory, called an allowable inventory, which is based on his sales and transfers of foods covered by this order from April 25, 1943 to May 1, 1943, inclusive. This allowable inventory is stated in terms of points.

(b) *Amount of allowable inventory.* To get a wholesaler's allowable inventory, the number of pounds of foods in each of the three classes specified in section 5.5 (a) transferred by him from April 25, 1943 to May 1, 1943, inclusive, is multiplied by a factor fixed for that class by the Office of Price Administration in a supplement to this order. The numbers which result are added, and the total is his allowable inventory. Exchanges of such foods, and transfers from one to another of his wholesale establishments, or to any other wholesale establishment, must not be included in this computation.

(c) *Point inventory.* (1) In order to determine how large a stock of foods covered by this order, a wholesaler has and is in a position to get, it is necessary to find out two things:

(i) The point value of his inventory and

(ii) The number of points he has available for acquiring such foods, since he can use these points to get additional stocks. These points include those referred to in section 5.5 (b)

(2) The sum of the above two figures, at a particular time, shows the amount of foods covered by this order he has and can get at that time. That sum is called his point inventory.

(d) *When a wholesaler is entitled to a certificate.* If a wholesaler's point inventory at the close of business on May 1, 1943 is less than his allowable inventory, he is entitled to receive a "certificate" for the number of points needed to make up the difference. The certificate will be issued by the board with which he registers.

(e) *What a wholesaler must do if he has excess inventory.* If a wholesaler's point inventory at the close of business on May 1, 1943, is greater than his allowable inventory, the difference is excess inventory. He must, in that case, give up to the board, for cancellation, points equal to his excess inventory. Points for that amount must be forwarded with his registration. He must give up the points in the form of a certified check drawn on his ration bank account, made payable to the Office of Price Administration. A wholesaler who does not have enough points at the time of registration must, within one week after the last day of each calendar month (beginning with the month of December 1943) give up to the board with which he is registered the points which he has on hand and in his ration bank account at the end of that month until he has, in this way, given up points equal to his excess inventory. He may, however, keep points equal to 15% of his allowable inventory. (Points for which ration checks are outstanding, points owed by him for acquisitions, during that month, of foods covered by this order and points owed for underdeliveries of foods are not considered to be points which he has "on hand".) He may not, until he has given up points equal to his excess inventory, buy or acquire during any one calendar week foods covered by this order having a point value of more than 15% of his allowable inventory.

SEC. 5.8 *Wholesalers must keep records.* (a) Every wholesaler must keep, at his wholesale establishment (or at his principal business office, if he has more than one and registers them together) a copy of his registration on OPA Form R-1602, and of any worksheets used by him in computing his allowable inventory, and his inventory. In addition, any wholesaler who is required by section 5.10 to file reports on OPA Form R-1310, must keep at that place a copy of each such report filed by him.

(b) In addition, at the time of any change in the point value of any item of food covered by this order, every wholesaler must make a record of the amount, in pounds, of that item which he has in his inventory. The record must show the point value of the item before and after the change, and the amount by which the point value of his inventory was increased or decreased as a result. In addition, at the time any item is added to or removed from the foods covered by this order, every wholesaler must keep a record of the amount, in pounds and point value, of that item which he has in his inventory. Even if he has more than one wholesale establishment registered together, he must make and keep such a record at each establishment.

(c) He must keep a record of his sales or transfers of foods covered by this order from April 25, 1943 to May 1, 1943, inclusive, according to the classes set forth in section 5.5 (a) The record is to separate from his other transfers, exchanges and transfers to wholesale establishments.

SEC. 5.9 *Wholesalers who sell to consumers must post table of point values.* (a) A wholesaler who makes sales or transfers to consumers at his wholesale establishment of foods covered by this order, must comply at that establishment with the provisions of section 10.4, as to the posting of the point values of the items he carries.

SEC. 5.10 *Wholesalers must report inventories of canned fish*—(a) *Who must report.* Every wholesaler who transfers canned fish must file a report on OPA Form R-1310 for each reporting period set forth in section 30.2, giving all the information called for by Schedule B of that form, for items included under the heading "Canned and bottled fish and shellfish."

(b) *Where reports must be filed.* The report must be signed by the wholesaler or by his authorized agent and must be filed by mailing to the Office of Price Administration, care of the Bureau of Census, Washington 25, D. C., within 8 days after the end of the reporting period. The form is considered filed on time if the envelope is postmarked on or before the last day it is due.

ARTICLE VI—RETAILERS

SEC. 6.1 *Explanation of the terms retailer and retail establishment.* (a) Any place (including space in a public warehouse) where a "person" who deals in "foods covered by this order" regularly keeps stocks of those foods for sale or "transfer" (other than as a "primary distributor") is a "retail establishment" if more than fifty percent of those stocks are sold or transferred from there directly to "consumers" It is also a retail establishment even if the amount sold or transferred to consumers is fifty percent or less, in the following case:

(1) If some of those stocks are transferred directly to consumers; and

(2) If the rest of those stocks are kept there just to supply his own establishments of any type; and

(3) If no "wholesale establishment" and not more than three retail establishments, are supplied from there.

(b) Any person dealing in food who has a retail establishment is called a "retailer" as to that establishment.

SEC. 6.2 *Retailers must register*—(a) *General.* Every retailer must register his retail establishments with the office of Price Administration at any time from May 3, 1943 to May 14, 1943, inclusive, on OPA Form R-1601. The registration form must be completed and signed by the retailer or his authorized agent. He must give all information called for by OPA Form R-1601.

(b) *Mailing.* Where a registration form is filed by mail it is considered filed on time if the envelope is postmarked on or before May 14, 1943.

(c) *Registration for single retail establishment.* A retailer who has only one retail establishment must file his registration with the "board" for the place where that establishment is located.

(d) *Registration for two or more retail establishments of the same person.* If a retailer has two or more retail establishments and has operated them separately under this order, just as if they were owned by different persons, he must either register each establishment separately on a separate OPA Form R-1601,

or together on a single form. If he has not operated them separately under this order, he must register them together on the same form. (For example, he must register them together (1) if he has opened a ration bank account for two or more of them; or (2) if he has drawn a ration check against an account serving one of them to "acquire" foods for another; or (3) if, after April 10, 1943, he transferred points, or foods covered by this order, from one of his retail establishments to another of his retail establishments without transferring foods or points of equal point value between them.)

(e) *Where and how a retailer owning two or more retail establishments must register* If a retailer who has two or more retail establishments registers them together, he must furnish the required information for them on a single registration form and file that form with the board for the place where his principal business office is located. If he registers each of them separately, he must file a separate registration form for each establishment with the board for the place where that establishment is located.

(f) *Separately registered establishments are to be treated and operated separately.* If a retailer has more than one retail establishment and registers them separately, each of those establishments is to be treated and operated separately for all the purposes of this order (including computation of allowable inventories) just as if the establishments were owned by different persons.

(g) *Persons who are retailers because an item is added to the foods covered by this order* A person who, at the time an item is added to the foods covered by this order, regularly deals in that item and therefore becomes a retailer under this order, is not required to register. If he has more than one retail establishment, each of those establishments is to be treated as if it was separately registered.

SEC. 6.3. *A retailer may not do business unless he has registered.* (a) No retailer may transfer or acquire foods covered by this order after May 14, 1943, until he has registered in the manner required.

SEC. 6.4 *Retailers must report their inventories.* (a) As part of his registration, a retailer must report, on OPA Form R-1601, the point value of his inventory of foods covered by this order at the close of business on May 1, 1943.

(b) A retailer's inventory at his retail establishment consists of all foods covered by this order which are physically located at that establishment or in transit to it, including foods which he holds there on consignment. If he has any such foods at or in transit to any place which is not an establishment of any type under this order, he must include them in the inventories of his establishments under this order, but he may divide them among those establishments as he chooses. He must, in that case, report the place where the foods are kept and the amount kept there which he is including in the inventory of his establishment. However, the following items are not part of his inventory:

(1) Foods stored for a person other than his customer or transferee, or held as security for a loan to someone else (or similar transaction) or in transit for either of those purposes;

(2) Foods included in the inventory of one of his other establishments of any type.

SEC. 6.5 *Retailers must report their sales and points on hand*—(a) *Sales and transfers.* A retailer must report, as part of his registration:

(1) The point value of all foods covered by this order which were transferred by him from April 25, 1943 to May 1, 1943, inclusive. If he has more than one retail establishment and they are registered together, he must report the total for all. (However, he shall not include in his report any exchanges of foods, or transfers of them from one to another of his retail establishments, or to any other retail establishment.) and

(2) The total number of points which he has available for acquiring food at the close of business on May 1, 1943. He must include all points which he has on hand, all in his ration bank account, if any (except those for which ration checks are outstanding) all which he has already given up for food not yet shipped to him, and all points which he has not yet received for foods he has already shipped. (However, he is not to include points he has received for foods which he has not yet shipped, or points he owes for foods already shipped to him.)

SEC. 6.6 *A retailer is given an allowable inventory*—(a) *General.* Every retailer is entitled to an operating inventory, called an allowable inventory; which is based on his sales and transfers of foods covered by this order from April 25, 1943 to May 1, 1943, inclusive. This allowable inventory is stated in terms of points.

(b) *Amount of allowable inventory.* To get a retailer's allowable inventory, the points received or receivable for all foods covered by this order transferred from his retail establishment from April 25, 1943 to May 1, 1943, inclusive, are multiplied by three. The result is his allowable inventory. Exchanges of foods, and transfers of them from one to another of his retail establishments, or to any other retail establishment, must not be included in this computation.

(c) *Point inventory.* (1) In order to determine how large a stock of foods covered by this order, a retailer has and is in a position to get, it is necessary to find out two things:

(i) The point value of his inventory and

(ii) The number of points which he has available for acquiring food, since he can use those points to get additional stocks. These points include all those referred to in section 6.5 (a) (2)

(2) The sum of the above two figures, at the close of business on May 1, 1943, shows the amount of foods covered by this order he has and can get at that time. That sum is called his point inventory.

(d) *When a retailer is entitled to a certificate.* If a retailer's point inventory at the close of business on May 1, 1943, is less than his allowable inventory, he is entitled to receive a "certificate" for the number of points needed to make up the difference. The certificate will be issued by the board with which he registers.

(e) *What a retailer must do if he has excess inventory.* If a retailer's point inventory at the close of business on May 1, 1943, is greater than his allowable inventory, the difference is excess inventory. He must, in that case, give up to the Office of Price Administration, for cancellation, points equal to his excess inventory. Points for that amount must be forwarded with his registration. If he does not have a ration bank account, he may give up the points in any form. If he has a ration bank account, he must give up the points in the form of a certified check drawn on that account, made payable to the Office of Price Administration. A retailer who does not have enough points at the time of registration must, within one week after the last day of each calendar month (beginning with the month of December 1943) give up to the board with which he is registered the points which he has on hand and in his ration bank account at the end of that month, until he has, in this way, given up points, equal to his excess inventory. He may, however, keep points equal to 25% of his allowable inventory. (Points for which ration checks are outstanding, points owed by him for acquisitions during that month of foods covered by this order, and points owed for under-deliveries of such foods are not considered to be points which he has "on hand".) He may not, until he has given up points in an amount equal to his excess inventory, buy or acquire during any calendar week foods covered by this order having a point value in excess of 25% of his allowable inventory.

SEC. 6.8 *Retailers must keep records.* (a) Every retailer must keep at his retail establishment a copy of his registration for that establishment. If he has more than one retail establishment and has registered them together, he must keep the copy at his principal business office. He must also keep there any work sheets used by him in computing his allowable inventory and his inventory.

(b) In addition, at the time of any change in the point value of any item of food covered by this order, every retailer must make a record of the amount, in pounds, of that item which he has in his inventory. The record must show the point value of the item before and after the change, and the amount by which the point value of his inventory was increased or decreased as a result. In addition, at the time any item is added to or removed from the foods covered by this order, every wholesaler must keep a record of the amount, in pounds and point value, of that item which he has in his inventory. He must keep this record at the place where he keeps the copy of his registration. Even if he has more than one retail establishment and they are registered together, he must make and keep such a record at each establishment.

(c) A retailer who processes foods covered by this order but who is not a primary distributor (because of the provisions of section 4.4 (b)) must keep a record of the amount and type of food covered by this order which he uses for processing, and the amount, point value and type of the item he produces by processing.

(d) Every retailer must also keep a record of the point value of the foods covered by this order transferred from his retail establishment during the week from April 25, 1943 to May 1, 1943, inclusive. The record is to separate from his other transfers, exchanges and transfers to retail establishments.

SEC. 6.9 *Retailers must post point prices.* (a) Beginning March 29, 1943, every retailer must post the current Official Tables of Consumer Point Values (OPA Forms R-1313 and R-1611) covering the items he sells, in his retail establishment in such manner that they can be plainly seen and read by consumers. If he sells from a truck or other mobile conveyance, the tables must be posted in it. If a retailer carries any item for sale or transfer in a form in which it appears on the Official Table of Trade Point Values and does not appear on either consumer point value table, he must keep the Official Table of Trade Point Values available for inspection by his purchasers.

(b) Every retailer must also post, at the place where he displays the items of foods covered by this order which he sells to his customers, the point value of every item of such food which he carries. The point value must be posted, in such manner that it can be plainly seen and read by consumers, in one or more of the following ways:

(1) On the item itself; or

(2) On the shelf or other place where the item is kept; or

(3) On a list attached to, or posted next to, the shelf or other place where the item is kept.

(c) When a change is made in the point value of any food covered by this order, a retailer is allowed one full business day after the change becomes effective in which to correct the point values which he has posted in compliance with paragraph (b) of this section.

SEC. 6.10 *A retailer may sell at lower point value foods in imminent danger of spoilage.* (a) If any foods covered by this order which a retailer has in his inventory are in imminent danger of spoilage and he finds, in good faith, that he connot dispose of them at their regular point value quickly enough so that they can be used before they spoil, he may sell or transfer them at less than their regular point value. He must, in doing so, comply with the conditions and follow the procedure set forth in this section. However, none of the provisions of this section apply to "canned fish" "canned milk" or "canned meat." (Transfers by retailers and others, of canned fish, canned milk and canned meat, which are in imminent danger of spoilage are covered by section 10.11.)

(b) A retailer may reduce the point value of a food covered by this order when permitted by this section, only to the extent necessary to dispose of it before it spoils. No retailer may sell or transfer a food covered by this order at less than its regular point value, unless he has reduced the money price of that food in the following way:

(1) No reduction in point value may be made unless the money price of the food has been reduced at least twenty-five per cent below its ceiling price established by applicable orders of the Office of Price Administration;

(2) No reduction in the point value of the food of more than twenty-five per cent below its regular point value may be made unless the money price of the food is reduced below its ceiling price in the same proportion. However, the money price need not be reduced, in any case, more than fifty per cent below its ceiling price.

(c) Whenever a retailer sells or transfers an item of food covered by this order at less than its regular point value, he must sell or transfer that item so long as he has it on hand to any person who is willing to buy or acquire it at that reduced point value which he has posted for it. He must also post a notice where it may be clearly seen and read by his customers showing:

(1) The item that he is selling at the lower point value;

(2) The point value at which he intends to sell it;

(3) That he is selling that item at less than its regular point value to prevent spoilage;

(4) The ceiling price of the item, and the reduced money price at which he intends to sell it.

(d) If a retailer sells or transfers a food covered by this order at less than the regular point value he must make a written report (by postcard or otherwise) within twenty-four hours after he begins to transfer it at the lower point value, to the board for the place where his establishment is located. The report must be signed by the retailer or his authorized agent, and must show:

(1) The name and address of the establishment at which the food is being transferred at less than its regular point value;

(2) The particular reasons why the food is being transferred at less than its regular point value;

(3) The quantity and type of food involved.

(e) (1) Within four days after he began to transfer the food at less than its regular point value he must make a further report in writing (by postcard or otherwise) to that board, showing:

(i) The name and address of the establishment at which the food was transferred at less than its regular point value;

(ii) The types and quantity of food sold or transferred at the lower point value;

(iii) The total point value of the food so transferred.

He must also certify in writing, in this report, that he reduced the money price of the food sold or transferred at the lower point value, in the way required by this section.

(2) If he has made such a sale or transfer to any person other than a consumer, he must also report to the board:

(i) The name and address of the buyer or transferee;

(ii) The type and quantity of food sold or transferred to him;

(iii) The number of points received from him for that food.

(f) Any person other than a consumer who buys or acquires foods covered by this order at less than their regular point value, and who resells or retransfers them at a higher point value than that at which he bought or acquired them, must surrender the excess points to his board.

(g) A retailer who sold or transferred a food covered by this order at less than its regular point value may apply, on OPA Form R-315, for a certificate to replace the points by which his point inventory was reduced as a result of such transfers. The application must be made to the board for the place where his establishment is located, and must be signed by the retailer or his authorized agent. It must show the time when he made such transfers, the regular point value of the foods so transferred, and the number of points received for them. It must also contain a certification in writing that he reduced the money price of the food sold or transferred at the lower point value, in the way required by this section. If the board finds that his point inventory was reduced by such transfers, it shall issue a certificate for the number of points by which it was reduced. However, no retailer may receive points under this section to replace point losses during any month in excess of two per cent of his allowable inventory. This paragraph does not apply to transfers made between March 29, 1943, and April 10, 1943, inclusive. Application to replace point losses must be made at or after registration. No application to replace point losses may be made after 30 days from the close of the month in which the point losses occurred.

(h) If a retailer suffers a point loss because, between April 11, 1943, and May 1, 1943, inclusive, he sold or transferred foods covered by this order at less than their regular point value, he must include the points so lost as part of his point inventory held at the close of business on May 1, 1943.

(i) The Army, Navy, Marine Corps or Coast Guard may, in accordance with arrangements made with the Washington Office, authorize army exchanges, post exchanges, ships' service departments ashore, sales commissaries and commissary stores to sell, at less than their full point value, foods covered by this order which cannot be sold at their full point value because they are in imminent danger of spoilage.

ARTICLE VII—INDUSTRIAL USERS AND INDUSTRIAL CONSUMERS

SEC. 7.1 *Explanation of the terms industrial use, industrial user and industrial user establishment.* (a) Any use by a "person" of "foods covered by this order" in producing or manufacturing, for sale or "transfer," a food for human consumption, which is not covered by this order, or a pharmaceutical, is an "industrial use". (For example, use by a

bakery of "shortening" in making bread, is an industrial use.)

(1) Industrial use also includes the use of a food covered by this order for experimental, educational, testing, or demonstration purposes, and the use of "rationed fats and oils" in the care and treatment of the sick. It does not include laboratory testing of his products by or for a primary distributor, for the purpose of determining whether they meet established formulas, standards, or specifications. (Where a primary distributor establishment sends samples of its products to a laboratory for the purpose of testing those products to determine whether they meet established formulas, standards, or specifications, the place at which the testing is done is, as to those samples, considered part of that primary distributor establishment.)

(2) If a food covered by this order is used for a purpose for which the order does not otherwise provide, such use is "industrial consumption" (The way foods covered by this order may be "acquired" for industrial consumption is covered in sections 7.10 and 7.11.)

(3) The use of foods covered by this order for demonstration purposes under the direction of the Department of Agriculture or the Extension Service of the Department of Agriculture is neither an industrial use nor industrial consumption.

(4) The use of foods covered by this order in the preparation of food for service, or in the service of food to "consumers" is an "institutional use" and not an industrial use. (An "institutional user" may obtain allotments of foods, and may use such foods, only in accordance with the provisions of General Ration Order 5.)

(b) Any place where a person makes an industrial use of foods covered by this order is an "industrial user establishment" and any person who has such an establishment is called an "industrial user" as to that establishment. An industrial user who ceases to make an industrial use of foods (other than temporarily) is not regarded as an industrial user after he ceases.

SEC. 7.2 *Industrial users must register*—(a) *General.* Every industrial user who operated his industrial user establishment at any time from January 1, 1942 to March 19, 1943, inclusive, must register his industrial user establishment with the Office of Price Administration, at any time from March 29, 1943 to April 10, 1943, inclusive, on OPA Form R-1605, in duplicate. The registration form must be completed and signed by the industrial user or his authorized agent.

(b) *Re-registration between December 15, 1943 and January 5, 1944.* Every industrial user who is registered under this order on December 14, 1943, must re-register his industrial user establishment by filing OPA Form R-1200 at any time from December 15, 1943 to January 5, 1944, inclusive, in accordance with General Ration Order 16.[5]

(c) *Industrial user must register all his establishments separately or as a unit.* An industrial user who has more than one industrial user establishment, must either register each establishment separately or all of them together. If he has more than one industrial user establishment, and registers them separately, each of those establishments must be treated and operated separately for all purposes of this order just as though the establishments were owned by different persons. If he registers them together, they must be treated as a unit for all purposes of this order. An industrial user who has more than one establishment which he registered together on OPA Form R-1605, may register all his establishments together or each separately when he re-registers them on OPA Form R-1200. Also, an industrial user who has more than one establishment which he registered separately on OPA Form R-1605, may register all his establishments together or each separately when he re-registers them on OPA Form R-1200.

(d) *Industrial user must register with the board.* Each industrial user must register with the "board" for the place where his industrial user establishment is located. If he has more than one industrial user establishment, and registers them together, the registration form must be filed with the board for the place where his principal business office is located. If he has more than one such industrial user establishment and registers them separately, the registration form for each must be filed with the board for the place where it is located.

(e) *Allocation of inventory and unused allotments.* An industrial user who has more than one industrial user establishment which he registers separately on OPA Form R-1200 may allocate any unused part of his prior allotments and the inventory of foods covered by this order which he has on the date of his re-registration among his various industrial user establishments as he wishes. An industrial user who has more than one industrial user establishment which were registered separately on OPA Form R-1605 and which he registers together on OPA Form R-1200, must assign all unused parts of prior allotments and the inventory of such foods which he has on the date of his re-registration for the use of all industrial user establishments as a unit.

(f) *Industrial users' place of registration may be changed by district office.* (1) Any district office, with the consent of the regional office, may require that any board located in its district transfer the registration of industrial users registered with it to another board or to the district office. The transfer shall be made by forwarding the registration file and all other records of the industrial users to the designated board or to the district office.

(2) Where an industrial user's registration is transferred under this section to a district office, the word "board" wherever used in this order to refer to the board with which an industrial user is registered, shall be deemed to refer to the district office where that industrial user is registered.

SEC. 7.3 *Industrial user may not do business unless he has registered.* (a) No industrial user may acquire or use foods covered by this order at his industrial user establishment, after April 10, 1943, unless he has registered as required.

(b) No industrial user may acquire or use foods covered by this order at his industrial user establishment after January 5, 1944, until he has re-registered as required by General Ration Order 16.

(c) However, any person may make an industrial use of foods covered by this order which have a zero point value without registering as an industrial user.

SEC. 7.4 *Industrial users must report their inventories.* (a) As part of his registration, on OPA Form R-1605, an industrial user must report his inventory of foods covered by this order, at the close of business on March 28, 1943. If he has more than one industrial user establishment and registers them together, he must report his total inventory for all his establishments on the same registration form.

(b) An industrial user's inventory at his industrial user establishment consists of all foods covered by this order which are physically located at that establishment, or in transit to it. He may, however, assign to and include in the inventory of one of his industrial user establishments foods physically located at or in transit to another of his industrial user establishments. If he has any such foods at, or in transit to, any place which is not his industrial user establishment, for industrial use at that establishment, he must include them in the inventory of that establishment. If he has any such foods at or in transit to any place which is not an establishment of any type under this order, he must include them in the inventories of his establishments under this order, but he may divide them among those establishments as he chooses. If he includes in the inventory of an industrial user establishment any foods not physically located at or in transit to it, he must report the place where those foods are kept and the amount kept there which he is including in the inventory of his establishment. However, the following items are not part of his inventory:

(1) Foods stored for a person other than his customer or transferee, or held as security for a loan to someone else (or similar transaction) or in transit for either of these purposes;

(2) Foods included in the inventory of one of his other establishments of any type.

(c) In addition, within twenty days of the date on which any item is added to the foods covered by this order, every industrial user must report to the board with which he is registered, his inventory of that item, in pounds and point value, as of the date on which it becomes a food covered by this order. His inventory of that item shall be treated as excess inventory. He may, at the same time, apply for an increase in his allotment (for the allotment period in which such item is added to the foods covered by this order) by reason of that addition, in accordance with section 7.7 of this order. However, an industrial user of "canned milk" may not receive an al-

[5] 8 F.R. 16840.

lotment under section 7.7, based on his use of canned milk.

SEC. 7.5 *Industrial users must report their use of foods during certain quarterly periods.* (a) As part of his registration on OPA Form R-1200, an industrial user must also report the number of pounds of foods covered by this order by classes, of which he made an industrial use at his industrial user establishment during 1942. These classes will be fixed by the Office of Price Administration in a supplement to this order. The report must show the amount he used during each of the following quarters in 1942, called base periods:

(1) *First quarter:* January to March, inclusive;

(2) *Second quarter:* April to June, inclusive;

(3) *Third quarter:* July to September, inclusive;

(4) *Fourth quarter:* October to December, inclusive.

He must include, in his report of his base-period use, any adjustments in that use authorized by the Office of Price Administration.

(b) If an industrial user establishment was not in operation for a full quarter, his industrial use of foods covered by this order at the establishment during that quarter is fixed, for all the purposes of this order, in the following way:

(1) If it was in operation during a part of the quarter:

(i) The amount of foods covered by this order so used there by him during that part of the quarter is determined;

(ii) That amount is divided by the number of days it was in operation during the quarter;

(iii) The result is multiplied by the number of days the establishment would have been operated during the quarter, if it had been a normal period of operation;

(iv) The resulting figure is treated as the amount so used during the quarter.

(2) If it was not in operation at all during the quarter but was in operation in any other part of 1942:

(i) The amount of foods covered by this order so used there by him during all of 1942 is determined;

(ii) That amount is divided by the number of days it was in operation during 1942;

(iii) The result is multiplied by the number of days the establishment would have been operated during the quarter, if it had been a normal period of operations;

(iv) The resulting figure is treated as the amount so used during the quarter.

(3) If it was not in operation at all during 1942, but was in operation at sometime between January 1, 1943 and March 19, 1943, inclusive:

(i) The amount of foods covered by this order so used there by him between January 1, 1943 and March 19, 1943, inclusive, is determined;

(ii) That amount is divided by the number of days it was in operation between January 1, 1943 and March 19, 1943, inclusive;

(iii) The result is multiplied by the number of days the establishment would have been operated during the quarter, if it had been a normal period of operations;

(iv) The resulting figure is treated as the amount so used during the quarter. (If an industrial user's establishment was not in operation at any time from January 1, 1942 to March 19, 1943, inclusive, he is treated as a new industrial user as to that establishment under the provisions of section 13.3.)

(c) The rules set forth under (1) and (2) of paragraph (b) of this section do not apply where an industrial user's establishment was not in operation during all or part of a quarter because of a normal seasonal shutdown or for any similar reason. Where that is so, it is assumed that conditions will be the same during the corresponding period in 1944.

(d) An industrial user must exclude the following from his base-period use reported on OPA Form R-1200:

(1) His use of foods covered by this order for educational purposes, when such use was under the direction of the Department of Agriculture or the Extension Service of the Department of Agriculture;

(2) His use of any item of food covered by this order having a zero point value at the time he applies for his allotment;

(3) His use of any foods covered by this order for which he is entitled to receive a provisional allowance under section 7.13.

SEC. 7.6 *Industrial users' allotments*—(a) *General.* An industrial user is given an allotment to enable him to get and use foods covered by this order at his industrial user establishment. Allotments are given for fixed periods called allotment periods. The first allotment period for 1944 is from January 1 through March 31, 1944. The second period is from April 1 through June 30, 1944. The third period is from July 1 through September 30, 1944. The fourth period is from October 1 through December 31, 1944.

(b) *Application for allotments.* After December 14, 1943, no industrial user may apply for or receive any allotment for any 1943 allotment period. An industrial user's re-registration on OPA Form R-1200 is treated as an application for an allotment for the first allotment period of 1944. His application for an allotment for any other allotment period must be made, in person or by mail, to the board with which he is registered. No particular form need be used for such an application. The application must be made not more than fifteen days before, nor more than five days after, the beginning of the period. The board may permit the application to be made at any time during the month preceding an allotment period under such circumstances as the "Washington Office" may direct. The board, in its discretion, may also permit an application to be made at any time within the allotment period. However, if it is made more than five days after the beginning of the period, the industrial user's allotment shall be reduced in proportion to the part of the allotment period which has elapsed at the time he applies for the allotment.

NOTE: An industrial user is permitted to use foods covered by this order only up to the amount of his allotment. He may therefore need an allotment even if his stocks are sufficient, since his allotment establishes his right to use those foods—it is not just a method by which he gets them.

(c) *Amount of allotment.* An industrial user's allotment is determined on the basis of his total use of foods covered by this order at his industrial user establishment during the quarterly period in 1942 corresponding to the allotment period. The amount of each class (the classes of foods are fixed in a supplement to this order) of foods covered by this order used by him during the corresponding quarter of 1942 for the classes of products or uses listed by him on Schedule I of OPA Form R-1200, is multiplied by a factor fixed in a supplement to this order for that class of foods and for that class of product or use. The numbers which result are added, and the total is his allotment, stated in points. (The factor is fixed in such a way that it gives an allotment which fairly represents both the average point value of the foods used and the reduction in use required as a result of the scarcity of those foods.)

(d) *Right to a certificate; excess inventory.* (1) An industrial user is entitled to get and use foods covered by this order up to the amount of his allotment. He is, therefore, given a certificate for the number of points he needs in order to get that amount. However, if he had stocks on hand, on March 28, 1943, when rationing of those foods began, he could use them for his allotment and therefore needed fewer points. For that reason, the point value of his inventory at the close of business on March 28, 1943, was deducted from his allotments. (The method of determining his inventory at the close of business on March 28, 1943, is covered by section 7.4.) If the point value of an industrial user's inventory on March 28, 1943, was less than his first allotment, he was entitled to get, from the board with which he registered, a certificate for the number of points needed to make up the difference. If the point value of his inventory was greater than his first allotment, the difference was excess inventory. In that case, he was not entitled to receive a certificate for the first allotment period, nor for any subsequent allotment period until the total of his subsequent allotments exceeded his excess inventory.

(2) If an industrial user has or is chargeable with any excess inventory at the time he re-registers on OPA Form R-1200, that excess must be entered on the form at the time he re-registers his industrial user establishment. If he has more than one such establishment and registers them separately, he may allocate such excess inventory among them in any way he wishes. However, if an industrial user has more than one establishment which he re-registers separately, he must file with the board for the place where his principal business office is located, a statement of his total excess inventory of foods covered by this order, and the amount allocated to each of his establishments. The statement must be signed by the industrial user or his authorized agent.

(3) If the point value of an industrial user's excess inventory is less than his allotment for the first allotment period of 1944, he is entitled to get, from the board with which he registered, a certificate for the number of points needed to make up the difference. If the point value of such excess inventory is greater than his allotment for the first allotment period of 1944, he is not entitled to get a certificate for that allotment period. He is not entitled to get a certificate until the total of his subsequent allotments exceeds his excess inventory.

(e) *Issuance of certificates.* Only one certificate will be issued by the board, for the full number of points to which an industrial user is entitled during any allotment period, except that if he has more than one industrial user establishment and has registered them separately, he is to get a separate certificate for each, since separately registered establishments are treated separately.

(f) *Report of foods acquired point free or at reduced point values.* An industrial user who acquires foods covered by this order, after March 28, 1943 (other than those having a zero point value at the time he acquired them) without giving up points, and who is not required by any other provision of this order to account for or turn over to the Office of Price Administration points for the point value of the foods so acquired, must report such acquisitions and the amount acquired, when applying for his next allotment. The point value of the amounts so acquired shall be treated as excess inventory.. An industrial user must also report, when applying for his allotment, the amount and point value of foods covered by this order which he acquired during the preceding allotment period at a reduced point value under the provisions of sections 6.10 and 10.11.

(g) *Accounting for errors.* If an industrial user receives an allotment larger than he is entitled to receive as a result of an error, omission, or mistake made in his application or by his board, or by any other office of the Office of Price Administration, the amount of the excess shall be treated as excess inventory.

(h) *Industrial users who have unbalanced stocks.* If an industrial user is not entitled to receive a certificate because he has excess inventory, but finds that he does not have an adequate stock of a particular kind of food covered by this order, he may apply, on OPA Form R-315, to the board with which he is registered, for a certificate to enable him to get that kind. The application must show the kind and amounts of food which he needs and the reasons he needs it. If the board finds that he does not have an adequate stock of the particular food, it may issue to him a certificate for the number of points needed, up to one third of his allotment for that period. The points so issued must be treated as excess inventory. The granting of the application shall not be treated as an increase in his allotment. The board may grant only one such application for an industrial user.

(i) *Reduction of allotment and adjustment of excess inventory based on shortening or cooking and salad oils.* (1) The allotment for the second allotment period of 1944 of any industrial user who used shortening or cooking and salad oils during the second quarter of his base period, shall be reduced by five-sixths of the amount which represents that use. The amount of the reduction shall be treated as excess inventory. He may not, after April 15, 1944, use foods covered by this order which have a point value, if, before that date, he used such foods up to the amount of that reduced allotment plus any unused parts of his prior allotments or if such use of foods covered by this order would cause his total use, in points, during the second allotment period to exceed that reduced allotment plus any unused parts of his prior allotments.

(2) An industrial user who acquired shortening or cooking and salad oils for points after March 15, 1944, from points issued to him for the second allotment period, may apply for an adjustment of his excess inventory. (An industrial user who, on March 15, 1944, had points on hand or in his ration bank account is considered to have acquired shortening or cooking and salad oils from points issued to him for his second allotment period only to the extent that the point value of shortening or cooking and salad oils he acquired after March 15, 1944, exceeds the points he had on hand and in his ration bank account on that date.) Application shall be made on OPA Form R-315 to the board with which he is registered and must state, with respect to each such acquisition:

(i) The point value of shortening and cooking and salad oils acquired for points after March 15, 1944, from points issued to him for the second allotment period;

(ii) The types and quantities of shortening and cooking and salad oils acquired with those points;

(iii) The dates on which such foods were acquired; and

(iv) The names and addresses of the persons from whom such foods were acquired.

(3) If the board finds the statements made in the application are true, it shall grant the application and reduce his excess inventory by the number of such points which he used between March 16 and April 15, 1944, inclusive, to acquire shortening or cooking and salad oils.

(j) *Reduction of allotment and adjustments for meat (including canned fish) having a zero point value.* (1) The allotment for the second allotment period of 1944 of any industrial user who used meat (including canned fish) during the second quarter of his base period, shall be reduced by two-thirds of the amount which represents that use. The amount of the reduction shall be treated as excess inventory. He may not, after May 3, 1944, use foods covered by this order which have a point value, if, before that date, he used such foods up to the amount of that reduced allotment plus any unused parts of his prior allotments or if such use of foods covered by this order would cause his total use, in points, during the second allotment period to exceed that reduced allotment plus any unused parts of his prior allotments.

(2) An industrial user who acquired meat (including canned fish) for points after March 15, 1944, from points issued to him for the second allotment period, may apply for an adjustment of his excess inventory. (An industrial user who, on March 15, 1944, had points on hand or in his ration bank account is considered to have acquired meat (including canned fish) from points issued to him for his second allotment period only to the extent that the point value of the meat (including canned fish) he acquired after March 15, 1944, exceeds the points he had on hand and in his ration bank account on that date.) Application shall be made on OPA Form R-315 to the board with which he is registered and must state, with respect to each such acquisition:

(i) The point value of meat (including canned fish) acquired for points after March 15, 1944, from points issued to him for the second allotment period;

(ii) The types and quantities of meat (including canned fish) acquired with these points;

(iii) The dates on which such foods were acquired; and

(iv) The names and addresses of the persons from whom such foods were acquired.

(3) If the board finds the statements made in the application are true, it shall grant the application and reduce his excess inventory by the number of such points which he used to acquire meat (and canned fish) between March 16 and May 3, 1944, inclusive. His excess inventory may not, however, be reduced by more than two-thirds of his allotment based on his use of meat and canned fish.

(4) An industrial user who, during the second quarter of his base period, used meat which on May 4, 1944, has a point value may apply for an allotment covering such meat. The application shall be made on OPA Form R-315, and must estimate the number of pounds of such meat, separately for "bone in and separated suet" and for "boned and boneless," which he used during the second quarter of his base period. The board may grant the application if it finds that the industrial user used, during the second quarter of his base period, meat which on May 4, 1944, has a point value, and shall determine the amount of his allotment for the balance of the second allotment period of 1944 in the following way:

(i) The number of pounds of meat (having a point value on May 4, 1944) in the class "Bone in and separated suet" which he used during the second quarter of his base period is multiplied by the factor 2.6;

(ii) The number of pounds of meat (having a point value on May 4, 1944) in the class "Boned and Boneless" which he used during the second quarter of his base period is multiplied by the factor 3.4;

(iii) The resulting figures are added together and represent his allotment for the balance of the second allotment period of 1944 for meat having a point value on May 4, 1944. (Section 7.6 (d) applies in determining whether an industrial user who receives an adjustment

under this subparagraph is entitled to a certificate, and determining the amount of the certificate.)

However, there shall be deducted from the allotment granted under this subparagraph (4) the amount of any adjustment obtained under subparagraph (3)

SEC. 7.7 *Registration after March 10, 1943*—(a) *Registration of persons whose use of foods becomes an industrial use because of changes in the foods covered by this order* (1) Any person who becomes an industrial user, or whose use of certain foods becomes an industrial use, because the foods he uses in his operations are added to the foods covered by this order (or because he uses foods covered by this order in making products which were removed from the foods covered by this order) must register his use of those foods with the Office of Price Administration within twenty days after his use of the foods in question becomes an industrial use of foods covered by this order.

(i) If he is not already registered as an industrial user under this or any other food ration order of the Office of Price Administration, he must register his industrial user establishment by filing OPA Form R-1200, in duplicate, with the board for the place where his establishment is located. If he has more than one such industrial user establishment he must either register each establishment separately on a separate form or he must register all of them together on a single form. If he has more than one such establishment and registers them together, the registration form must be filed in person or by mail with the board for the place where his principal business office is located. If he has more than one such industrial user establishment and registers them separately, the registration form for each must be filed with the board for the place where it is located.

(ii) If he is already registered under any other food ration order he may register as an industrial user under this order by amending his registration on OPA Form R-1200 to show his use of the foods in question.

(iii) If he is already registered as an industrial user under this order he must amend his registration, on OPA Form R-1200 to show his use of the foods in question.

(2) He must give all the information called for by the form with respect to his use of the foods in question. In addition, he must attach to the form a statement showing the point value of his inventory of those foods as of the time his use of them became an industrial use.

(i) An industrial user who used the foods in question in his operations before March 29, 1943, must show on his registration his base-period use of those foods. If he did not use those foods in his operations during all of 1942, he may compute his use of those foods during each quarter in the way described in section 7.5 (b) and (c) If the board finds that he used those foods in his operations before March 29, 1943, it shall grant him an allotment for the allotment period in which he registers (or amends his registration) reduced in proportion to the portion of the allotment period which has elapsed at the time he registers (or amends his registration) However, an industrial user of canned milk may not receive any allotment under this section based on his use of canned milk.

(ii) An industrial user who is unable to establish a base-period use because he did not use the foods in question in his operations before March 29, 1943, must apply on OPA Form R-315 to the board with which he is registering for the assignment of a base-period use. His application must show:

(*a*) The product the applicant makes;
(*b*) The size of the establishment;
(*c*) The amount invested in it;
(*d*) The market supplied;
(*e*) The date on which he started to use the foods in question;
(*f*) His inventory of those foods;
(*g*) The amount and kinds of foods used since he began operations;
(*h*) The amount of base-period use requested; and
(*i*) That he became an industrial user because the foods he uses in his operations were added to the foods covered by this order (or because he uses foods covered by this order in making a product which was removed from the foods covered by this order)

(iii) The board may not pass on the application for the assignment of a base-period use but must forward it, together with all information received, to the district office. The board may attach its recommendation, if any, as to the action to be taken. If the district office finds that the applicant became an industrial user, or that his use of the foods in question became an industrial use, because the foods he uses in his operations were added to the foods covered by this order (or because he uses foods covered by this order in making a product which was removed from the foods covered by this order) it shall assign to him a base-period use of those foods. The board shall grant the applicant an allotment on the basis of such assigned base-period use reduced in proportion to the portion of the allotment period which has elapsed at the time of his application. However, an industrial user of canned milk may not receive any allotment under this section based on his use of canned milk.

(b) *Late registration.* (1) The board may permit an industrial user who failed to register at the time required, to register and apply for an allotment at a later date. In his registration, he must report his inventory of foods covered by this order as of the first day of the period in which he was required to register.

(2) His allotment is computed in the same way as that of an industrial user who registered on time. However, he must not acquire or use foods covered by this order at his industrial user establishment until he registers, and the amount of his allotment shall be reduced in proportion to the part of the allotment period which has elapsed at the time he registers. In addition, he may not receive any allotment for expired allotment periods.

SEC. 7.8 *Restriction on use of foods by industrial users.* (a) No industrial user may use for any purpose except an industrial use, foods covered by this order which are included in his inventory or which he acquired with points he received as an industrial user.

(b) No industrial user may use, during an allotment period, more foods covered by this order than his allotment for that period plus any unused part of his allotments for earlier periods. (However, any person who makes an industrial use of canned milk may use any canned milk which he acquired at zero point value under the provisions of section 10.11 even though he may not have an allotment as an industrial user under this order.) An industrial user may also use foods covered by this order up to the amount of an allotment for any future period, at any time after he has been granted that allotment. However, if he uses any part of that allotment prior to the beginning of the period for which it was granted, he shall, for purposes of this paragraph, be considered to have used it in the period for which it was granted.

(c) After December 31, 1943, no industrial user may use foods covered by this order to make a product or use not included in a class of products or uses checked by him on Schedule I of OPA Form R-1200. Furthermore, after December 31, 1943, no industrial user may use, to make any class of product or use, more foods covered by this order than the part of his allotment representing his base-period use of such foods for that class, as shown on OPA Form R-1200.

(d) Foods covered by this order acquired by an industrial user at less than their full point value under sections 6.10 and 10.11 shall, for all the purposes of this article, be considered to have the point value at which he acquired them.

(e) The restrictions imposed by this section on an industrial user's use of foods covered by this order do not apply to items of such foods having a zero point value.

SEC. 7.9 *Industrial users must keep records.* (a) Every industrial user must keep a copy of his registration on OPA Form R-1605 and on OPA Form R-1200. He must also keep a record of his inventory at the close of business on March 28, 1943. If he has more than one industrial user establishment which he registers together, these records must be kept at his principal business office; otherwise, they must be kept at the establishment covered by them. He must also preserve his records showing his use of foods covered by this order during the quarters reported in his registration.

(b) In addition, each industrial user must keep, at the same place, a record of the amount of foods covered by this order which he acquires, the date of acquisition, and the amount of such foods used at his industrial user establishment during each allotment period.

SEC. 7.10 *Explanation of the terms industrial consumption, and industrial consumer.* (a) If a food covered by this order is used for a purpose for which

the order does not otherwise provide, such use is industrial consumption. If a food covered by this order is used by a person as a consumer, primary distributor, industrial user, institutional user, or exempt agency, such use is not industrial consumption.

(b) Any person who engages in industrial consumption (of a food covered by this order) is called an "industrial consumer"

SEC. 7.11 *Industrial consumers may apply for points to acquire foods.* (a) An industrial consumer who needs rationed fats or oils may apply, in writing, to the Fats and Oils Section, office of Distribution of War Food Administration, Washington 25, D. C., on a form to be designated by the Office of Distribution, for permission to acquire and use them. If the application is granted, a certificate will be issued to the applicant by the office of Distribution of War Food Administration.

(b) If an industrial consumer needs any foods covered by this order, other than rationed fats or oils, he may apply, on OPA Form R-315, to the district office for the place where his principal business office is located, for a certificate with which to acquire them. The application must show the kind and amount of the food needed, and the purpose for which it is to be used. The district office will send the application to the Washington Office for decision, or take such other action as the Washington Office may authorize or direct.

(c) An industrial consumer to whom a certificate is issued for industrial consumption may use it only to acquire the foods for which he applied, and may use those foods only for the purpose for which his application was granted.

SEC. 7.12 *Registration of industrial consumers who become industrial users.* (a) Any person whose use of foods covered by this order is changed from industrial consumption of those foods to industrial use of them by reason of a change in the definition of industrial use, must register as an industrial user of those foods, on OPA Form R-1200, in the way described in General Ration Order 16 (or, if he is already registered as an industrial user on OPA Form R-1200, he shall amend his registration to show his use of those foods) within 20 days after his use of those foods becomes an industrial use. He must report on that form his inventory of foods, and the number of points, held by him for industrial consumption as of the time his use of those foods becomes an industrial use. The amount of those foods and points shall be treated as excess inventory. After he registers on OPA Form R-1200, he shall be treated under this order in the same way as any industrial user.

SEC. 7.13 *Provisional allowance*—(a) *General.* An industrial user is not entitled to receive an allotment for any use of foods covered by this order for which he is entitled to receive a provisional allowance.

(1) An industrial user may get a provisional allowance to enable him to acquire pork fatbacks, plates, or jowls to manufacture prepared dry bean products which are rationed under Revised Ration Order 13.

(2) An industrial user may get a provisional allowance to enable him to acquire rationed fats or oils to manufacture vitamin A or D oils which have a potency at least equal to the standards set forth in the U. S. Pharmacopoeia XII for "Oleovitamin A" "Synthetic Oleovitamin D" "Oleovitamin A and D" or "Oleovitamin A and D Concentrate" as the case may be.

(3) An industrial user may get a provisional allowance to enable him to acquire rationed fats or oils to manufacture injectable mercury or bismuth compounds, soluble in fixed oil, intended for the treatment of syphilis, and conforming to the requirements of the Food, Drug, and Cosmetic Act.

(b) *How to apply.* Provisional allowances are granted for three-month periods, corresponding to the quarterly allotment periods for industrial users. An application for a provisional allowance for any period may be made at any time from 15 days before, to the end of, that period. However, no such application may be made for any period beginning on or after January 1, 1944 unless the applicant has already registered on OPA Form R-1200. The application must be made, on OPA Form R-315, to the board with which the industrial user is registered.

(1) An industrial user's application for a provisional allowance for pork fatbacks, plates, or jowls for use in manufacturing prepared dry bean products which are rationed under Revised Ration Order 13, must contain the following information:

(i) The product made by him for which the provisional allowance is requested;

(ii) The number of pounds of dry beans which he expects to use to make the product during the period for which application is made;

(iii) The average number of pounds of pork fatbacks, plates, and jowls (stated separately for each item) he used during 1941 or 1942, or from January 1 to March 28, 1943, inclusive, (whichever period he chooses) for each 100 pounds of dry beans used by him in making the product;

(iv) The amount, in pounds, of his last provisional allowance for pork fatbacks, plates, and jowls for the product;

(v) A report of his use of his last provisional allowance showing the number of pounds of pork fatbacks, plates, and jowls used (stated separately for each item) the number of pounds of dry beans used, and the number of pounds of the product made; and

(vi) The number, if any, of unused points remaining from his last provisional allowance (or supplemental allotment, if any) for pork fatbacks, plates, and jowls for that product.

(2) An industrial user's application for a provisional allowance for rationed fats or oils for use in manufacturing vitamin A or D oils must contain the following information:

(i) The product made by him for which the provisional allowance is requested;

(ii) The minimum potency of the product in terms of vitamin A and D U. S. P standard units per gram of the product;

(iii) The number of pounds of the product which he expects to make during the period for which application is made;

(iv) The average number of pounds of each type of rationed fats or oils (stated separately for each type) which he used during 1942 to make each 100 pounds of the product;

(v) A report of his use of his last provisional allowance showing the number of pounds of rationed fats or oils used (stated separately for each type) and the number of pounds of the product made;

(vi) The number, if any, of unused points remaining from his last provisional allowance (or supplemental allotment, if any) for rationed fats or oils for that product.

(3) An industrial user's application for a provisional allowance for rationed fats or oils, for use in manufacturing antisyphilis preparations must contain the following information:

(i) The product made by him for which the provisional allowance is requested, and a statement that the product he manufactures conforms to the requirements of the Food, Drug, and Cosmetic Act;

(ii) The number of pounds of the product which he expects to make during the period for which application is made;

(iii) The average number of pounds of each type of rationed fats or oils (stated separately for each type) he used during 1941 or 1942, or from January 1 to March 28, 1943, inclusive, (whichever period he chooses) for each 100 pounds of the product;

(iv) A report of his use of his last provisional allowance showing the number of pounds of rationed fats or oils used (stated separately for each type) and the number of pounds of the product made;

(v) The number, if any, of unused points remaining from his last provisional allowance (or supplemental allotment, if any) for rationed fats or oils for that product.

(4) If he makes more than one product for which he is entitled to receive a provisional allowance, he may include them all in a single application. However, he must give all the required information separately for each of the products.

(c) *Action on application.* The board shall grant the application if the applicant is entitled to receive a provisional allowance, and if the application gives all the information called for in paragraph (b) of this section.

(1) The amount of the provisional allowance for pork fatbacks, plates, and jowls for use in manufacturing prepared dry bean products shall be computed in the following way:

(i) The number of pounds of dry beans which the applicant expects to use during the quarter to make the product is multiplied by the number of pounds of pork fatbacks, the number of pounds of pork plates, and the number of pounds of pork jowls he used for each 100 pounds of dry beans to make the product during the period chosen by him under paragraph (b) (1) (iii)

(ii) The result in each case is multiplied by the factor fixed (in the supplement to this order) for provisional allowances for pork fatbacks, plates, or jowls to be used for that product;

(iii) The resulting figures are multiplied by the point values established on the Official Table of Trade Point Values for pork fatbacks, plates, or jowls, as the case may be;

(iv) These figures are added together and the result is his provisional allowance for the period.

The board shall issue to him a certificate for the amount of his provisional allowance less the point value of any unused balance of his last provisional allowance, or supplemental allotment, for pork fatbacks, plates, or jowls to make that product.

(2) The amount of the provisional allowance for rationed fats or oils for use in manufacturing vitamin A or D oils shall be computed in the following way:

(i) The number of pounds of the product which the applicant expects to make during the quarter is multiplied by the number of pounds of each type of rationed fats or oils which he used for each 100 pounds of that product during 1942;

(ii) The result, in each case, is multiplied by the factor fixed (in the supplement to this order) for provisional allowances for rationed fats or oils for vitamin A or D oils;

(iii) The resulting figures are multiplied by the point value established on the Official Table of Trade Point Values for the rationed fats or oils used by the applicant;

(iv) These figures are added together and the result is his provisional allowance for the period.

The board shall issue to him a certificate for the amount of his provisional allowance less the point value of any unused balance of his last provisional allowance, or supplemental allotment, for rationed fats or oils to make that product.

(3) The amount of the provisional allowance for rationed fats or oils for use in manufacturing antisyphilis preparations shall be computed in the following way:

(i) The number of pounds of the product which the applicant expects to make during the quarter is multiplied by the number of pounds of each type of rationed fats or oils which he used for each 100 pounds of that product during the period chosen by him under paragraph (b) (3) (iii)

(ii) The result, in each case, is multiplied by the factor fixed (in the supplement to this order) for provisional allowances for rationed fats or oils for antisyphilis preparations;

(iii) The resulting figures are multiplied by the point value established on the Official Table of Trade Point Values for the rationed fats or oils used by the applicant;

(iv) These figures are added together and the result is his provisional allowance for the period.

The board shall issue to him a certificate for the amount of his provisional allowance less the point value of any unused balance of his last provisional allowance, or supplemental allotment, for rationed fats or oils to make that product.

(d) *Restriction on use.* If an industrial user receives a provisional allowance under this order, he may use the points he receives only to acquire the particular food covered by this order for which the provisional allowance is granted, and he may use that food only for the purpose of making the product for which he received the provisional allowance.

(e) *Records.* An industrial user who, during any calendar month, uses a food covered by this order to make a product for which he is entitled to receive a provisional allowance, must, before the sixteenth day of the following month, file with his board a written report of the number of pounds of that food used by him during the preceding month to make the product for which he is entitled to receive a provisional allowance. The report must state the number of units (by sizes) of the product manufactured, the total number of pounds of the product manufactured, and the amount of foods covered by this order, in pounds and point value, used by him in manufacturing that product. If he makes more than one product for which he is entitled to receive a provisional allowance, he must file a separate report for each product, giving the required information with respect to each.

(1) In addition, an industrial user who receives a provisional allowance for pork fatbacks, plates, or jowls to make prepared dry bean products must include in his report a statement of the number of pounds of dry beans used during the month covered by the report.

(f) *Amendment of registration when products are added to those for which industrial user may receive provisional allowance.* Any industrial user who, after January 5, 1944, becomes entitled to receive a provisional allowance must amend his registration, on OPA Form R-1200, by April 5, 1944, or within 20 days after he becomes entitled to receive the provisional allowance, whichever is later. He must reduce his base-period use of foods covered by this order, shown on Schedule II of OPA Form R-1200, by the amount used by him during the base period to make the product or use for which he is entitled to receive the provisional allowance. He must also amend Schedule I of OPA Form R-1200 to show the products or uses made by him for which he is entitled to receive the provisional allowance. In addition, he must, at the same time, report to his board the unused portion of that part of his current allotment which was based on his use of foods covered by this order to make that product or use. That amount shall be deducted from the certificate issued to him for his first provisional allowance for that product or use. If that amount exceeds his first provisional allowance, the excess shall be deducted from subsequent provisional allowance certificates issued to him for that product or use, and no provisional allowance certificate shall be issued to him for that product or use until that amount has been deducted in this way.

ARTICLE VIII—COMBINED OPERATIONS AND COMBINED ESTABLISHMENTS

SEC. 8.1 *A person who operates different types of establishments is treated as if he were different persons.* (a) (1) The same "person" may operate different kinds of establishments. He may have, for example, both a "wholesale establishment" and a "retail establishment." For the purposes of this order, he is both a "wholesaler" and a "retailer," since he has establishments of both kinds. The provisions of this order dealing with retailers apply to him as far as the operation of his retail establishment is concerned. The operation of his wholesale establishment is regarded as separate and is governed by the provisions dealing with wholesalers. Thus, he is treated as if he were two persons.

(2) This rule also applies to the way in which a person who is both a wholesaler and a retailer must handle the points he gets in connection with his wholesale and his retail establishment. The only points he may use as a retailer are those he gets in connection with his retail establishment. If he "transfers" food from his wholesale establishment to his retail establishment, points he has as a retailer must be given up. When those points are given up to his wholesale establishment, they become points he has as a wholesaler. Points he has as a retailer must be kept and handled separately from the points he has as a wholesaler.

(3) The same rules apply to a person who has other types of establishments, such as "primary distributor establishments" or "industrial user establishments."

(b) Where a person has establishments of more than one kind, he must operate them as if each separate kind belonged to a separate person, as far as the provisions of this order are concerned. All dealings between establishments of different kinds operated by the same person are treated just as if those establishments were operated by different persons.

SEC. 8.2 *The same person may be both a wholesaler (or retailer) and an industrial user at the same place.* (a) A person may keep stocks of "foods covered by this order" at a place, for sale or other transfer, and may also use such food at that place for the production of a food which is not rationed by this order. (For example, he may sell "butter" at a particular place and may also operate a bakery there and use butter in baking pies.) In a case of this type, the place is treated as two establishments. If food is transferred from there, it may be a retail or a wholesale establishment, depending upon the facts. It would also be an industrial user establishment, since food is used there in baking pies for sale.

(b) A place of the type described in the last paragraph must be registered as a retail or wholesale establishment, depending upon which it is. Its sales or transfers of food, and its stocks held for sale or transfer, must be included in that registration. It must also be registered as an industrial user establishment, and its stocks held for such use

must be included in the "industrial user" registration.

SEC. 8.3 *The same person may be both a wholesaler (or retailer) and an institutional user at the same place.* (a) If, in the case described in the last section, the person operated a restaurant at that place, as well as (or instead of) a bakery, it would also be an "institutional user establishment." (Restaurants are covered by General Ration Order 5 and are called institutional user establishments in that order.) A place of that type must be registered under General Ration Order 5. Its restaurant activities and its stocks of food held for restaurant use must be included in that registration.

SEC. 8.4 *The same person may be both a primary distributor and a wholesaler (or retailer) at the same place.* (a) A person may produce or import food covered by this order at a particular place, for sale or transfer. He may also regularly keep at that place, for sale or transfer, food which he did not produce or import there. In such a case, that place is a primary distributor establishment, as to the food produced or imported there. If it does not meet the tests of sections 4.6, 4.7 or 4.9, it would also be a retail or wholesale establishment, depending upon the facts, since he regularly keeps there, for sale or transfer foods produced or imported somewhere else.

(b) A place of the type described in the last paragraph must be registered as a primary distributor establishment. It must also be registered as a wholesale or retail establishment, depending upon which it is. Its production or imports, and its stock and shipments of food produced or imported there, must be included in the primary distributor report. The stocks which were produced or imported elsewhere (to the extent that they do not come within sections 4.6, 4.7 or 4.9) and its sales and transfers of those stocks, must be included in the wholesaler or retailer registration.

SEC. 8.5 *The same place may be more than one establishment.* (a) The situations described in the last four sections are examples of the rule that the same place may be more than one establishment, depending upon the type of business or operations carried on there. Wherever the operations at a place are such that it is more than one establishment, it is treated just as if each of those establishments were located at a different place.

(b) No place can, however, be both a retail and a wholesale establishment of the same person. Under the definitions of retail and wholesale establishments, the place may be one or the other, but not both.

(c) The word establishment, as it is used in this order thus covers the operations at a place, as well as the place itself. Where a person such as a wholesaler or a retailer, does not operate from any fixed place, his wholesale or retail operations as a whole are regarded as a single establishment. Similarly, if a person who deals in foods covered by this order and makes sales or transfers of them does not actually keep such foods at any particular place, his operations as a whole are regarded as his establishment, and he may register as a wholesaler or retailer (but not as a primary distributor of the type described in section 4.9) depending on the class of persons to whom he makes transfers.

ARTICLE IX—RATION BANK ACCOUNTS

SEC. 9.1 *A ration bank account is an account in which points are deposited.* (a) A ration bank account is a bank account very much like an ordinary checking account. A "person" who opens a ration bank account deposits in it points he receives, and issues checks drawn on it for points he uses. These checks are called ration checks. (The general rules for the opening, closing and use of ration bank accounts are covered by General Ration Order 3A.[6]

SEC. 9.2 *Who must open a ration bank account*—(a) *Primary distributors.* Every "primary distributor" who is required to report on OPA Form R-1606 (Revised) or OPA Form R-1626 must open a separate ration bank account for each of his "primary distributor establishments." Any other primary distributor may open an account if he wishes, but is not required to do so. No ration bank account may be opened or used for more than one primary distributor establishment. However, if a group of his establishments have been registered together in the way described in section 4.11 (a) (2) a primary distributor must open a single account for all the establishments in the group. When he does so, he must close the separate accounts he has for each of the establishments in the group in the way provided in General Ration Order 3A.

(b) *Wholesalers.* Every "wholesaler" must open a ration bank account for his "wholesale establishment." If he has more than one wholesale establishment and they are to be registered separately he must open a separate account for each. If they are to be registered together, he may open one account for all, or a separate account for each or for any group of them, but all must have an account.

(c) *Retailers.* Every "retailer" whose gross sales of all foods during December 1942, or during any single calendar month since December 1942, were over $2,500, or who has more than one "retail establishment," must open a ration bank account. If he has more than one retail establishment and they are to be registered separately, he must open a separate account for each. If they are to be registered together, he may open one account for all, or a separate account for each or for any group of them, but all must have an account. Any other retailer may open an account for his retail establishment if he had a ration bank account on March 30, 1943, for foods covered by this order, or has a ration bank account for any other rationed food. (A bank is not required to open or maintain such accounts; but if it does so, it must open or maintain them for any such retailer who applies.) No other retailer may open an account unless he is required to do so pursuant to paragraphs (d) or (h) (because he makes transfers of foods to "consumers" by mail, or receives "stamps" or "certificates" from consumers before the time he transfers "butter" or "rationed cheeses" to them from a mobile conveyance)

(d) *Mail order houses.* Any primary distributor or retailer who receives points (stamps, "tokens" certificates, or endorsed ration checks) from, and makes transfers to, consumers by mail must open a ration bank account.

(e) *Industrial users.* (1) Every industrial user who has, or has assigned to him, during any quarterly period, from January 1, 1942 on, a quarterly-period use of 2,000 pounds of more of foods covered by this order, may open an account. If he has more than one industrial user establishment and they are registered together, he may open an account if the combined use at all those establishments is 2,000 pounds or more during any quarterly period. If he opens an account, he may either open one account for all or a separate account for any establishment or for any group of them which used 2,000 pounds or more during any quarterly period, but all must have an account. If they are registered separately, he may open accounts only for those establishments which have a quarterly-period use of 2,000 pounds or more. He may open separate accounts for any one or more of those establishments without opening accounts for the others. However, he may not use the same account for more than one establishment. Any industrial user who has opened a ration bank account and who is not entitled to have it under this section, must close that account on or before January 15, 1944. Such an industrial user who has not reduced his account to zero on or before such date, may draw a check to the Office of Price Administration for the balance in his account, less outstanding checks, and have it certified on or before January 15, 1944. He may exchange such check, at his board, for a certificate equal in point value to the amount of the check.

(2) Any industrial user who has more than one establishment and registers these establishments on OPA Form R-1200 in a way different from that in which they were previously registered on OPA Form R-1605 (by registering two or more establishments separately when they were previously registered together, or by registering two or more establishments together when they were previously registered separately) must make the appropriate changes in the designation of the establishments served by any ration bank accounts which he has opened. He shall also close any account that is no longer needed. Where an industrial user changes the establishments which are served by an account and it is necessary that he use some or all of the points in that account for an establishment that will no longer be served by the account, he may issue, on or before January 15, 1944, the necessary checks to withdraw such points from the account, and may deposit them in the account which will serve the establishment for which he wishes to use the points, or if he has no account for such establishment, he may use the checks to obtain foods covered by this order for

[6] Revised: 8 F.R. 11669, 18738.

such establishment. Any industrial user who closes an account under this section may (after notifying the district office in the way provided in General Ration Order 3A) on or before January 15, 1944, draw a check to the Office of Price Administration for the balance in his account, less outstanding checks, and have it certified on or before January 15, 1944. He may exchange such certified checks at his board for a certificate equal in point value to the amount of the check.

(f) *Institutional users.* The opening of ration bank accounts by "institutional users" is covered by General Ration Order 5.

(g) *Industrial consumers.* "Industrial consumers" may open ration bank accounts if they wish, but are not required to do so. They may open such accounts as they find convenient.

(h) *Certain primary distributors and retailers.* Any primary distributor or retailer who receives points (stamps, tokens, certificates, or endorsed ration checks) from consumers before the time when butter or rationed cheeses are transferred from his mobile conveyance operated on a regular delivery route, must open a ration bank account.

(i) *Certain airplane operators.* An airplane operator who has been allowed an operating inventory under section 21.4 of General Ration Order 5 may open one ration bank account for each of his offices at which he regularly purchases foods covered by this order for use as planes' stores.

SEC. 9.3 *All points must be deposited in the account.* (a) Every primary distributor, wholesaler, retailer or industrial user who has a ration bank account, must deposit in his account all points he receives, whether in the form of stamps, certificates, or ration checks.[7] Industrial consumers who have accounts may deposit their certificates in them. However, any person who sells or transfers foods covered by this order to consumers may retain and need not deposit in his ration bank account enough tokens for use in returning excess points to consumers pursuant to section 2.3 (c) He may also retain and need not deposit enough stamps and certificates to acquire tokens for such use. (Section 4.13 (b) states another exception to this paragraph.)

SEC. 9.4 *When points must be deposited*—(a) *Stamps.* A person who has a ration bank account may deposit red stamps from War Ration Book Four at any time after they have been validated for use by consumers.

(b) *Certificates and ration coupons.* Any certificate issued on or after October 13, 1943, may be deposited at any time. Ration coupons may be deposited at any time.

(c) *Ration checks.* Ration checks may be deposited at any time.

[7] For the purposes of General Ration Order 3A, red stamps in War Ration Book Four, tokens, certificates (on OPA Form R-1201) or ration coupons and ration checks are to be regarded as "evidences" valid for deposit. The term "evidences" is not, however, used in this order.

(d) *Tokens.* Tokens may be deposited at any time in quantities of 250 or multiples thereof, in containers provided for that purpose by the Office of Price Administration.

ARTICLE X—SALES AND TRANSFERS OF FOODS COVERED BY THIS ORDER

SEC. 10.1 *Only retailers, wholesalers, and primary distributors may transfer foods covered by this order.* (a) Beginning March 29, 1943, only "retailers," "wholesalers," and "primary distributors" may sell or "transfer" "foods covered by this order." (Certain transactions between "consumers," covered in section 2.2, are excepted from this rule. Certain other exceptions are covered in Article III and Article XI.)

(b) An "industrial" or "institutional user" may, however, sell or transfer foods covered by this order which he has for use in his "industrial user" or "institutional user establishment," in the same way that a retailer is permitted to sell or transfer those foods, if he is not able to use those foods in his establishment before they spoil. He must, immediately after selling or transferring them, account to his "board" for points equal to their point value, and must give up to the board at that time any points received for them. The board shall credit him with those points by deducting that number from his excess inventory (if any) and by giving him a "certificate" for the amount by which the number of points given up exceeds his excess inventory (if any)

(c) An industrial user or "industrial consumer" may also sell or transfer any residue of foods covered by this order which he has and is no longer able to use for his purposes in his industrial user establishment or for "industrial consumption," in the same way that a retailer is permitted to sell or transfer those foods. He must, immediately after selling or transferring them, account to his board for foods he transferred, and must give up at that time all points received for them.

(d) An industrial user who has an excess inventory of foods covered by this order may apply for permission to sell or transfer any part of that excess. The application shall be made on OPA Form R-315 to the board with which he is registered. He must state in his application the kinds, quantities and point value of the foods covered by this order which he wishes to sell or transfer, the reason he wishes to sell or transfer them, the way in which they are to be sold or transferred, and any other information that the board requests. The board shall grant the application if good cause is shown. If the application is granted, the foods covered by this order must be sold or transferred for points in the same way that a retailer is permitted to sell or transfer such foods, and within five (5) days after the sale or transfer, the transferor must give up to the board all points which he received for the sale or transfer. The board shall reduce his excess inventory by an amount equal to the number of points given up.

(e) Institutional users may sell or transfer foods covered by this order in the way permitted by General Ration Order 5.

(f) Any "person" not covered by paragraphs (a) (b) (c) (d) or (e) may apply for permission to sell or transfer foods covered by this order. The application shall be made on OPA Form R-315 to the board for the place where he lives or where he has his principal business office. He must state in his application the kinds, quantities and point value of the foods covered by this order which he wishes to sell or transfer, the reason he wishes to sell or transfer them, the way in which they are to be sold or transferred, and any other information the board requests. The board shall grant the application if good cause is shown. If the application is granted, the foods covered by this order must be sold or transferred for points in the same way that a retailer is permitted to sell or transfer such foods, and within five (5) days after the sale or transfer the transferor must give up to the board all points which he received for the foods sold or transferred.

(g) An industrial user, industrial consumer or institutional user may sell or transfer "canned fish" "canned milk" or "canned meat" if and to the extent authorized under section 10.11.

(h) The limitations or restrictions on acquisitions, transfers, or use of foods covered by this order do not apply to such foods which have a zero point value at the time of the acquisition, transfer, or use, respectively, except where the provisions of the limitation or restriction are stated to apply to foods covered by this order which have a zero point value.

SEC. 10.2 *Transfers to certain persons after March 28, 1943 may be made only for points.* (a) Beginning March 29, 1943, no person may sell or transfer foods covered by this order to anyone other than a retailer, wholesaler, or primary distributor, and no person other than a retailer, wholesaler, or primary distributor may buy or "acquire" those foods, regardless of any contract or other agreement, unless points are given up in the way this order requires.

(b) No points may be given up by, or accepted from, a retailer, wholesaler, or primary distributor for any foods covered by this order transferred to or acquired by him before April 11, 1943.

SEC. 10.3 *Transfers to retailers, wholesalers and primary distributors after April 10, 1943 may be made only for points.* (a) Beginning April 11, 1943, no person may sell or transfer foods covered by this order to a retailer, wholesaler, or primary distributor, and no retailer, wholesaler or primary distributor may buy or acquire those foods, unless points are given up in the way this order requires. (The word "transfer" as it is defined, means to sell, as well as to transfer in other ways. The word "acquire" means to buy, as well as to get in other ways. Therefore, the only words which will generally be used, in later sections, are "transfer" and "acquire".)

The rules covering various kinds of transactions are set forth in the sections which follow.

SEC. 10.4 *How foods covered by this order are transferred to consumers*—(a) *General.* Foods covered by this order may be transferred to a consumer, and may be acquired by him, only if he gives up to the seller or transferor, points exactly equal to the point value of the foods transferred, except that fractional amounts are to be handled in the way described in section 10.6. (Certain transactions between consumers covered in section 2.2 are excepted from this rule. Certain other exceptions are covered in Article III and Article XI.) If the consumer is unable to give up points exactly equal to the point value of the foods acquired by him because he does not have "stamps," certificates, ration coupons, or ration checks of sufficiently small value to make up the proper amount, he may give up, and the transferor may accept stamps, certificates, ration coupons, or ration checks of the nearest higher value and the transferor must return the excess points to the consumer in the form of tokens.

(b) *How transfer may be made.* A food covered by this order may be transferred to consumers only in a form in which it appears on the Official Tables of Consumer Point Values (OPA Forms R-1313 and R-1611) or the Official Table of Trade Point Values.

(c) *Point values must be posted.* (1) Beginning March 29, 1943, every retailer, wholesaler or primary distributor who displays his stocks of food covered by this order to consumers, must post at the place where he displays the stocks, the current Official Tables of Consumer Point Values (OPA Forms R-1313 and R-1611) showing the items he carries, in such manner that they can be plainly seen and read by consumers. If he sells from a truck or other mobile conveyance, the tables must be posted on it. If he carries any item for sale or transfer to consumers in a form in which it appears on the Official Table of Trade Point Values, and does not appear on the consumer point value tables, he must keep the Official Table of Trade Point Values available for inspection.

(2) Every retailer, wholesaler, or primary distributor who has an establishment at which the foods covered by this order which he carries are displayed to consumers must post there the point value of every item of such food he carries. The point value must be posted, in such manner that it can be plainly seen and read by consumers, in one or more of the following ways:

(i) On the item itself; or

(ii) On the shelf or other place where the item is kept; or

(iii) On a list attached to, or posted next to, the shelf or other place where the item is kept.

(3) When a change is made in the point value of any food covered by this order, a retailer, wholesaler, or primary distributor is allowed one full business day after the change becomes effective in which to correct the point values which he has posted in compliance with subparagraph (2) of this section.

(d) *How points are given up.* Points may be given up by, and taken from, a consumer only in the form of stamps from his war ration book, a certificate issued for him, and a ration check issued to him and endorsed by him. Points may also be given up in the form of tokens, beginning February 27, 1944.

(e) *When points must be given up.* The seller or transferor must take the points from the consumer at the time when the foods are transferred. (Exceptions to this rule are covered in paragraphs (h) (i) and (j) of this section.)

(f) *When stamps must be detached.* The seller or transferor may accept a stamp only if it is torn out of a war ration book in his presence. Loose stamps may not be used by a consumer and they must not be accepted by the seller or transferor. (An exception to this rule is covered in paragraph (i) of this section.) Beginning February 27, 1944, a transferor may accept tokens from a consumer unless he knows or has reason to believe those tokens were not acquired by the consumer in a way provided for by this order.

(g) *When stamps are good.* Each stamp may be accepted for a transfer to a consumer at any time after it has been validated. The validation dates for red stamps in War Ration Book Four are fixed by the Office of Price Administration in a supplement to this order. (Nothing in this provision validates any stamps which have already expired in any War Ration Book.)

(h) *Use of certificates.* A certificate may be accepted from a consumer only if it has been signed on the back by the person for whom it was issued (or by someone authorized to act for him, if he cannot write) A certificate may be accepted from a consumer at or before the time when the foods are transferred.

(i) *Mail order sales.* (1) Foods covered by this order may be transferred to consumers by mail if a certificate, detached stamps, tokens, or a ration check payable to, and endorsed by the consumer, are received with the order.

(2) If the transferor fails to deliver foods equal in point value to the points received, he shall issue and send to the consumer a ration check for the balance.

(3) Before accepting stamps or tokens from and making transfers to consumers by mail, any retailer, wholesaler, or primary distributor who wishes to do so, must notify, in writing, the district office for the place where his principal business office is located. The notice must give his name and principal business address, the name and address of each establishment from which he will make transfers to consumers by mail, and must contain an estimate of the dollar volume of his mail order deliveries to consumers during 1942 of foods covered by this order. He may not make any such transfers until he has given this notice. Beginning March 29, 1943, he must keep a record of the dollar volume or the point value of his transfers to consumers by mail of foods covered by this order.

(4) No primary distributor or retailer may receive points from and make transfers to consumers by mail unless he has a ration bank account.

(j) *Transfers of butter and rationed cheeses from mobile conveyances.* (1) "Butter" or "rationed cheeses" may also be transferred to consumers from mobile conveyances operated on a regular delivery route if a certificate, stamps, tokens, or a ration check payable to, and endorsed by the consumer, are received before the time the foods are transferred.

(2) If the transferor fails to deliver foods equal in point value to the points received, he shall issue and return to the consumer a ration check for the balance.

(3) No primary distributor or retailer may receive points from and make transfers to consumers under this paragraph unless he has a ration bank account.

(k) *Ration checks.* A ration check may be accepted from a consumer only if it has been endorsed by him (or by someone authorized to act for him, if he cannot write)

(l) *Ration coupons.* A ration coupon may be accepted from a consumer at any time.

(m) *Tokens.* Tokens may be accepted from a consumer at any time beginning February 27, 1944.

SEC. 10.5 *How foods covered by this order are transferred to persons other than consumers*—(a) *General.* Foods covered by this order may be transferred to and acquired by a retailer, wholesaler or a primary distributor after April 10, 1943, or transferred to and acquired by an industrial or institutional user or industrial consumer after March 28, 1943, only if he gives up to the seller or transferor points exactly equal to the point value of the foods transferred, except that fractional amounts are to be handled in the way described in section 10.6.[3] (Certain exceptions to this rule are covered in Article XI.)

(b) *How transfer may be made.* A food covered by this order may be transferred only in a form in which it appears on the Official Table of Trade Point Values or the Official Tables of Consumer Point Values (OPA Form R-1313)

(c) *Point value.* The number of points which must be given up for a transfer of these foods is determined by their point value at the time of the transfer.

(d) *When points must be given up.* (1) The transferor must get the points from the transferee, and the transferee must give them up, at or before the time when the transfer is made. Exceptions to this rule are stated in the next two subparagraphs.

(2) If the transfer is made through shipment by railroad or any other public carrier, the transferor may arrange to have the carrier get the points for him from the transferee at the time of actual delivery, or to have the points obtained for him by anyone in exchange for the bill of lading or other document entitling its holder to take possession of the foods.

[3] For convenience, the retailer, wholesaler, primary distributor, industrial or institutional user, or industrial consumer, to whom the transfer is made, will sometimes be called "the transferee" in the paragraphs which follow.

(3) The points may be given up later, but not more than ten days after the time when the transfer is made, if the conditions of this subparagraph are satisfied. (However, if money payment for the foods transferred is made less than 10 days after the transfer, points must be given up at the time the money payment is made.) A transferee may not accept the transfer in this case unless he has points on hand (excluding points not yet surrendered for foods bought or acquired) or in his ration bank account (excluding the amounts of ration checks issued which have not yet been cleared) equal to the point value of the foods transferred. The transferor must, at or before the time he transfers the foods to the transferee, prepare and keep a memorandum showing the name of the transferee, the date of transfer of the foods, a description of the items, and their point value. If the transferor does not get the points within the time required by this subparagraph, he must notify the district office for the place where his establishment is located of the default, not later than the Friday following the calendar week in which the default occurred. As long as the transferee is in default, he must not acquire any foods covered by this order, and no transferor who has knowledge of the default may transfer such foods to him. (However, he may continue to acquire foods covered by this order, and transferors may continue to transfer such foods to him, pursuant to Article XI.) If the District Director is satisfied that the transferee is in default, he may take any steps which he deems reasonably necessary to inform the transferee's present and prospective suppliers of the default so that they will know that his right to acquire foods covered by this order is restricted as provided in this subparagraph. When the transferee is no longer in default, the District Director shall so inform all persons whom he informed of the default.

(4) Points which are mailed are considered given up when the envelope containing them is postmarked.

(e) *Form in which transferor must get points.* The transferor may take points from the transferee only in the form of stamps, tokens, certificates, or a ration check drawn on the transferee's ration-bank account or endorsed by him.

(1) *Stamps.* Stamps may be accepted from the transferee at any time after they have been validated for use by a consumer. The stamps must either be pasted on gummed sheets (OPA Form R-140 or OPA Form R-120A) or enclosed in sealed envelopes. If the stamps are pasted on gummed sheets, the name and address of the transferee must be written on each sheet, and only stamps of the same point value, and valid for a transfer to the transferee at the time they are given up, may be pasted on the same sheet. If the stamps are enclosed in sealed envelopes, they must be handled in all respects in accordance with the procedure described in General Ration Order 7[9] for the use of such envelopes.

[9] 8 F.R. 2858, 2997, 4840, 6965, 11738, 16279, 16639; 9 F.R. 2287.

(2) *Certificates.* A certificate may not be accepted from the transferee unless the name of the person to whom it was issued has been written on the back. The back of the certificate must also carry the signature of the transferee.

(3) *Ration checks.* A ration check may be accepted by a transferor only if it is made payable to him and if it is drawn by his transferee, or if it is endorsed by his transferee and by the person to whom the check was issued, if the check was not issued to the transferee. (The rules for handling ration checks are set forth in General Ration Order 3A.)

(4) *Ration coupons.* A ration coupon may be accepted at any time. A person who has a ration bank account must enclose any ration coupons he has, for deposit, in sealed envelopes which are to be handled in all respects in accordance with the procedure described in General Ration Order 7 for the use of such envelopes. A person who does not have a ration bank account may use coupons without enclosing them in a sealed envelope.

(5) *Tokens.* Tokens may be accepted at any time, but a transferor need not accept more than 9 tokens from his transferee in any single transaction.

(f) *Form in which transferee must give up points*—(1) *Primary distributors.* A primary distributor who has, or is required to have, a ration bank account, must give up points only in the form of a ration check drawn on his ration bank account. Other primary distributors may give up points in the form of stamps, tokens, certificates or ration checks endorsed by them.

(2) *Wholesalers.* A wholesaler may give up points only in the form of a ration check drawn on his ration bank account.

(3) *Retailers.* A retailer who has, or is required to have, a ration bank account must give up points only in the form of a ration check drawn on that account. Other retailers may give up points in the form of stamps, tokens, certificates, or ration checks endorsed by them.

(4) *Industrial and institutional users.* An industrial or institutional user who has a ration bank account must give up points only in the form of a ration check drawn on that account. Other industrial or institutional users may give up points only in the form of certificates or ration checks endorsed by them.

(5) *Industrial consumers.* An industrial consumer may give up points either in the form of a certificate or a ration check.

(6) *General.* Points may be transferred freely between establishments of the same type, operated by the same person, which are or will be registered together, and points of one of those establishments may be used to get foods covered by this order for another of them. However, this rule does not apply to the movement of points between institutional user establishments, which is covered by the provisions of General Ration Order 5.

(7) *Points to be given up for household salvage fats.* Notwithstanding any other provision of this order, a wholesaler, or retailer who acquires household salvage fats from a consumer or Group I institutional user must give such person ration coupons, or tokens, beginning February 27, 1944.

SEC. 10.6 *Point fractions are to be computed to nearest full point.* (a) In any case in which the point value of an item of food transferred under this order is not a whole number, the number of points which must be given up is to be computed in the following ways:

(1) If the fraction is less than one-half point, the fraction is to be dropped;

(2) If the fraction is one-half point or more, a full point must be given up;

(3) If more than one item of food covered by this order is transferred by a retailer at the same time, and the point value of the amount of two or more of those items transferred comes to a fraction of exactly one-half point, the fractions are to be added;

(4) No foods covered by this order may be transferred for less than one point, except in accordance with the provisions of section 6.10 or except if it is an item having a point value of zero per pound.

SEC. 10.7 *Transfers between establishments of different types or between separately registered establishments of the same type operated by the same person.* (a) All of the rules set forth above which apply to transfers from one person to another, also apply to transfers between establishments of different types operated by the same person. (For example, a person may have both a wholesale and a retail establishment. He is, therefore, both a wholesaler and a retailer. He is permitted to transfer foods covered by this order from his wholesale to his retail establishment. However, when he does so, he must give up points from the retail to the wholesale establishment just as if those establishments were operated by two different persons.)

(b) The rules set forth above which apply to transfers from one person to another also apply to transfers between establishments of the same type which are operated by the same person but which are registered or are to be registered separately under this order.

SEC. 10.8 *Transferor may not use points he receives in advance until foods are transferred.* (a) A transferor may receive points from his transferee before he actually transfers the foods covered by this order. In that case, he may not use points so received, to get other such foods, until he has actually transferred to the transferee foods worth that number of points.

SEC. 10.9 *Points may be returned for underdeliveries of foods covered by this order* (a) If a retailer, wholesaler, or primary distributor receives points in advance for a transfer of foods covered by this order, and is unable to transfer all or any part of the amount ordered, he may return the points in excess. He must return the points in the same form he would use to give up points for a purchase or other acquisition of such foods. (For example, a wholesaler can give up points only in the form of a ration check. He would, therefore, have to return points only in the form of a check drawn

on his account.) However, since points may not be accepted in advance from consumers, this section does not apply to consumers, except in connection with mail order transactions and transfers of butter and rationed cheeses from mobile conveyances.

SEC. 10.10 *Points must be given up for imports of foods.* (a) Any person who imports foods covered by this order (other than in accordance with section 11.11) must give up points equal to the point value of those foods to the Collector of Customs (or his deputy) at or before the time the foods are released or delivered to him by the collector. However, if a consumer imports foods covered by this order and does not, at the time, have the necessary points to give to the Collector of Customs, the collector may release those foods to him before he gives up the points if the foods are in imminent danger of spoilage. In that case, the consumer must give up the required number of points within twenty days thereafter. When the foods are released to the consumer, he must give to the collector his name and address and a statement, in writing, that he will send the required number of points to the collector within twenty days after the foods are released. If the collector does not receive the points within the time specified, he shall notify the district office for the place where the consumer lives. The notice shall state the name and address of the consumer, the types and quantities of the foods imported for which points were not given up, and the number of points which the consumer still owes. Notwithstanding the provisions of section 10.4 (a) and (b) any consumer who brings in with him from Mexico meat (other than ready-to-eat meat, sausage, or meat in tin or glass containers) whether or not in a form which appears on the Official Tables of Point Values, must give up to the Collector of Customs (or his deputy) seven points per pound. However, he need not give up points for pork, veal, lamb, mutton or for cuts of beef which have a zero point value or for cuts of beef which contain only beef which has a zero point value.

(b) The Collector of Customs shall turn over, each month, to the district office for the area in which the point of entry is located, all points received by him in this way during the preceding month. However, he may retain enough tokens for use in returning excess points to consumers pursuant to section 2.3 (c) He may also retain enough stamps and certificates to acquire tokens for such use.

SEC. 10.11 *Sale at lower point values of canned fish, canned milk or canned meat in danger of spoilage*—(a) *Permitted sales and transfers.* "Canned fish" "canned milk" or "canned meat" which cannot be sold at its full point value because it is in imminent danger of spoilage may be sold or transferred at less than its full point value in the way described in this paragraph, if and to the extent authorized under paragraphs (b) and (c) Such sales or transfers may be made only to consumers, industrial consumers, industrial or institutional users, and persons principally engaged in the business of reconditioning or selling damaged articles, and only if the money price is reduced in the following way:

(1) No reduction in point value may be made unless the money price of the food has been reduced at least twenty-five percent below its ceiling price established by applicable orders of the Office of Price Administration;

(2) If the money price has been reduced by at least twenty-five per cent below such ceiling price, it may be sold or transferred at twenty-five per cent below its full point value;

(3) If the money price has been reduced more than twenty-five per cent and less than fifty per cent below such ceiling price, it may be sold or transferred at a point value reduced in the same proportion that the money price has been reduced; and

(4) If the money price has been reduced by fifty per cent or more below such ceiling price, it may be sold or transferred point-free. If the point value of any item of canned fish, canned milk or canned meat sold or transferred under this section (or any group of such items sold or transferred under this section at the same time) comes out to a fraction, the point value at which it may be sold or transferred is the next higher whole number. For the purposes of this paragraph, the ceiling price of a person principally engaged in the business of reconditioning or selling damaged articles, is deemed to be the average ceiling price of the same food in good condition applicable to the three wholesalers whose establishments are nearest to the place where such foods are located, as determined by the district office in accordance with the provisions of paragraph (b) The ceiling price of the United States government or any of its agencies will be fixed by the Washington Office in accordance with the provisions of paragraph (b)

(b) *Application for authorization to sell or transfer* A person who wishes to sell or transfer canned fish, canned milk or canned meat in the way set forth in paragraph (a) may apply for authorization. However, no application may be made by a consumer. Application must be made on OPA Form R-315 to the district office (or, if made by a retailer, to the board) for the area where the foods are located. However, application by the United States government or any of its agencies shall be made to the Washington Office. The application must show:

(1) The applicant's name and address;

(2) The items and amounts of foods which the applicant desires to transfer at less than their full point value;

(3) The point value of each item;

(4) The ceiling price established for each item by applicable orders of the Office of Price Administration. However, if the applicant is a person principally engaged in the business of reconditioning or selling damaged articles the applicant shall, instead of stating a ceiling price, give the names and addresses of the three wholesalers whose establishments are nearest to the place where such foods are located;

(5) A description of the condition of the foods, to show why they cannot be disposed of at their full point value and, if known, the cause of such condition.

The board or district office to which the application is made or the Washington Office, if the application is made by the United States government or any of its agencies, may inspect such foods and conduct such other investigation as it finds necessary to pass upon the application. If it finds that the foods described in the application are in such condition that they should be used immediately in order to avoid spoilage, it may grant the application and authorize the applicant to sell or transfer the foods at less than their full point value, in the way described in paragraph (a) (If the Washington Office grants an application made by the United States government or any of its agencies, it will fix a ceiling price for the purposes of paragraph (a) If the board or district office grants the application of a person principally engaged in the business of reconditioning or selling damaged articles, it shall determine the average ceiling price of the same food in good condition applicable to the three wholesalers whose establishments are nearest to the place where such foods are located. In either case, the applicant shall be notified of the ceiling price which has been fixed or determined.) The applicant must make and keep a record of each item of such foods transferred by him pursuant to the authorization, showing the point value and price at which each transfer was made and the date of each transfer.

(c) *Sales or transfers for which no prior authorization is needed.* Any primary distributor, wholesaler, retailer, industrial consumer, industrial user or institutional user may, without prior authorization, sell or transfer canned fish, canned milk, or canned meat which is in imminent danger of spoilage under the conditions set forth in paragraph (a) but not more than the total quantities set forth in the following subparagraphs during the periods referred to in those subparagraphs:

(1) In the case of a primary distributor, during any successive twelve month period beginning March 29, 1943, one tenth of one per cent of all such foods produced or imported by him during that period;

(2) In the case of a wholesaler, in any one month, one twentieth of one per cent of all such foods which he sold or transferred during the preceding month;

(3) In the case of a retailer, in any one month, one fortieth of one per cent of all such foods which he sold or transferred during the preceding month;

(4) In the case of an industrial consumer, in any one industrial user allotment period, canned fish, canned milk or canned meat having a point value of one fortieth of one per cent of the number of points given him during that period to acquire foods covered by this order for industrial consumption;

(5) In the case of an industrial user or an institutional user, in any one allotment period, one fortieth of one per

cent of his allotment for that allotment period.

(d) *Resale of foods acquired under this section.* Any person who acquires canned fish, canned milk, or canned meat under the provisions of this section and who is permitted to transfer foods covered by this order under the provisions of section 10.1 may not transfer such canned fish, canned milk, or canned meat at a point value greater than that at which it was acquired by him. He may transfer it at a lower point value only if authorized under paragraph (b) or (c) If he transfers it at the same point value at which he acquires it, the provisions of paragraph (a) covering price reductions do not apply to the transfer of the foods by him. However, he may transfer any such foods only to a consumer, industrial consumer, industrial or institutional user, or a person principally engaged in the business of reconditioning or selling damaged articles.

(e) *Records and reports.* (1) Any person who transfers canned fish, canned milk, or canned meat under the provisions of paragraph (c) of this section shall maintain and keep records showing, with respect to each such transfer, the following:

(i) His name and address;

(ii) The name and address of any person, other than a consumer, to whom the transfer was made;

(iii) The date of the transfer;

(iv) The items and amounts of foods transferred and the price and point value for which each item was transferred;

(v) A description of the condition of the foods, to show why they could not be sold or transferred at their full point value and, if known, the cause of such condition.

(2) Any person who transfers canned fish, canned milk or canned meat under the provisions of paragraph (d) at the same point value at which he acquired it must, within three days after the transfer, give a statement to the district office for the area where his principal place of business is located. However, if the transfer was made by the United States government or any of its agencies, the statement shall be given to the Washington Office. The statement shall show the name and address of the transferor, the items and amounts of such foods transferred, the point value and price at which they were transferred and the date of transfer.

(3) Any person principally engaged in the business of reconditioning or selling damaged articles, who acquires canned fish, canned milk or canned meat under this section at less than its full point value, must, within five days after the end of each calendar month during which he acquired those foods in this way, give to the district office for the area where his principal place of business is located a statement showing his name and address, the name and address of the person from whom he acquired them, the items and amounts of such foods acquired, the point value at which they were acquired and the date of the acquisition.

(f) *Miscellaneous requirements.* Any person who transfers canned fish, canned milk, or canned meat at a reduced point value under this section must also comply with the following requirements:

(1) Whenever he sells or transfers an item of such food at less than its full point value and at a reduced price, he must sell or transfer that item, so long as he has it on hand, to any person who is willing to buy or acquire it at that reduced point value and price.

(2) If he is a retailer, wholesaler, or primary distributor who has an establishment at which canned fish, canned milk, or canned meat which he carries is displayed to consumers he must post a notice where it may be clearly seen and read by such consumers showing:

(i) The items he is selling at the lower point value and the point value at which he is selling them;

(ii) That he is selling that item at less than regular point value in order to prevent spoilage;

(iii) The reduced money price at which he is selling the item and, unless he is principally engaged in the business of reconditioning or selling damaged articles, its ceiling price. If he is a person engaged in the business of reconditioning or selling damaged articles he must post as his ceiling price the average ceiling price of the same food in good condition applicable to the three wholesalers whose establishments are nearest to the place where such foods are located, as determined by the board or district office to which application is made under paragraph (b).

(3) He must clearly mark on the container of each item sold the point value at which he transfers it, preceded by the words "reduced point value to avoid spoilage" unless it has previously been marked in that manner pursuant to this paragraph and is not being transferred at a further reduction in point value. However, he need not so mark the container if he sells it to a consumer from an establishment at which he posts a notice as required by subparagraph (2). Furthermore, the container need not be so marked if it is sold or transferred by the United States Government or any of its agencies.

(g) *Replacement of points.* A wholesaler, retailer, industrial consumer, or industrial or institutional user who sold or transferred canned fish, canned milk, or canned meat at less than its regular point value under paragraph (b) may apply on OPA Form R-315, for a certificate to replace his point loss resulting from such transfer. The application must be made to the district office or the board to which he applied for authorization to transfer the foods at a reduced point value. The application must be signed by the applicant or his authorized agent. It must show the name and address of the applicant, the items and amounts of foods so transferred, the point value and price at which they were transferred, the date of transfer, and the name and address of each transferee other than a consumer. It must contain a statement that he reduced the money price of the food sold or transferred at the lower point value, in the way required by this section. The application must also specify the date on which the authorization to sell foods at less than full point value was granted. If the district office or board finds that the applicant suffered a point loss because of such transfer, it shall issue a certificate for the number of points he lost. No application to replace point losses may be made more than 30 days after the close of the month in which the transfers at reduced point value occurred.

(h) *Statements by primary distributors.* Every primary distributor who during any reporting period sells or transfers canned fish, canned milk, or canned meat at less than its full point value, under paragraphs (b) or (c), must file with his periodic report required by section 4.11 (b) for that period a statement showing the items and amounts of foods so transferred, the point value and price at which they were transferred, the date of transfer and the name and address of each transferee other than a consumer. If the sale or transfer was made pursuant to an authorization granted by a district office, the statement must specify the date on which the authorization was granted and the district office which granted it.

(i) *Sales by certain activities of Army, Navy, Marine Corps or Coast Guard.* The Army, Navy, Marine Corps or Coast Guard may, in accordance with arrangements made with the Washington Office, authorize army exchanges, post exchanges, ships' service departments ashore, sales commissaries and commissary stores to sell, at less than their full point value, foods covered by this order which cannot be sold at their full point value because they are in imminent danger of spoilage.

ARTICLE XI—POINT-FREE TRANSFERS

NOTE: The limitations, restrictions, conditions, record-keeping and reporting requirements set forth in this Article XI do not apply to foods covered by this order while they have a zero point value, except where the provisions of the limitation or restriction are stated to apply to foods covered by this order which have a zero point value. For the purposes of this article, such foods are treated and may be transferred or acquired, just as if they were not rationed at all.

SEC. 11.1 *Foods in transit to industrial or institutional users or industrial consumers on March 28, 1943, may be acquired point-free.* (a) No points need be given up for a delivery of "foods covered by this order" to an "industrial" or "institutional user," or to an "industrial consumer" if those foods were in transit to him on March 28, 1943.

(NOTE: Foods which were in transit to an industrial or institutional user at the close of business on March 28, 1943, must be included in the inventory which he reports in his registration.)

SEC. 11.2 *Foods in transit to primary distributors, wholesalers, or retailers on April 10, 1943, may be acquired point-free.* (a) No points need be given up for a delivery of foods covered by this order to a "primary distributor," "wholesaler," or "retailer," if those foods were in transit to him on April 10, 1943.

SEC. 11.2a *Foods which have a zero point value may be transferred without points.* (a) No points need be given up for a "transfer" of foods covered by this

order which have a zero point value at the time of the transfer.

SEC. 11.3 *Foods may be moved to establishment in whose inventory they are included, point-free.* (a) No points need be given up for a movement of foods covered by this order to the establishment in the inventory of which those foods were included immediately before the movement started.

SEC. 11.4 *Foods covered by this order may be exchanged for other such foods.* (a) Any "person" may exchange foods covered by this order with any other person, for such foods of equal point value, without giving up or taking points. (This rule applies even if there is a money payment to make up any difference in the money value of the foods exchanged.)

SEC. 11.5 *Lost or stolen foods may be returned, point-free.* (a) No points need be given up for a return of lost or stolen foods to the person who lost them or from whom they were stolen.

SEC. 11.6 *Stocks of foods may be moved point-free between establishments of the same person which are registered together* (a) No points need be given up where a person moves stocks of foods covered by this order from one of his establishments to any other of his establishments of the same kind, if those establishments are, or will be, registered together. For example, a person who has two "retail establishments" which are, or will be, registered together, may move foods covered by this order from one to the other without exchanging points between them. (However, a record must be kept of the amount of stocks involved in each such movement.) When a person transfers food covered by this order between establishments of different kinds—for example, from his "wholesale establishment" to his retail establishment—points must be given up just as if those establishments were operated by different persons.

(b) This rule does not apply to the movement of stocks between "institutional user establishments," which is covered by the provisions of General Ration Order 5.

SEC. 11.7 *Foods may be stored and returned from storage, point-free.* (a) No points need be given up for a delivery of foods covered by this order for storage purposes only.

(b) No points need be given up for a delivery of such foods from the place of storage to the person who stored them, or to a person to whom he has sold or transferred them. (However, that sale or transfer must be made in a way permitted by this order.)

SEC. 11.8 *Security interests in foods may be created and released, point-free.* (a) No points need be given up for a transfer of foods covered by this order, or of any interest in them, for security purposes only. (For example, if such foods are pledged or mortgaged, the person with whom they are pledged or mortgaged need not give up points.)

(b) No points need be given up for a release of a security interest in such foods, or for a return of those foods to the person who originally transferred them for security purposes. (For example, a person who pledged those foods may get them back without giving up points. Similarly, a person who gave a chattel mortgage on them need not give up points when the mortgage is ended.)

SEC. 11.9 *Foods may be transferred, point-free, for liquidation, by operation of law, or in judicial proceedings*—(a) *General.* No points need be given up for a transfer of foods covered by this order to a person who gets them for liquidation only. Also, no points need be given up for a transfer of foods covered by this order as part of a judicial proceeding, or by operation of law, or for a transfer made under the direction of or pursuant to an order of a court, or by judicial process. (For example, foods may be taken over by a creditor, under a court order, without any surrender of points. If such foods are assigned for the benefit of creditors, the person to whom they are assigned need not give up points to the person making the assignment. Also, a person need not give up points when he inherits such foods or "acquires" them by will.)

(b) *How transferee may dispose of the foods.* A person who acquires foods covered by this order in this way must, within five (5) days after acquiring them, report to the district office for the place where his principal business office is located:

(1) The kinds and the point value of the foods acquired;

(2) The name and address of the person from whom they were acquired:

(3) The way in which and the date when they were acquired.

He may not use the foods unless he gives up to the district office, for cancellation, points equal to their point value. He may, however, sell or transfer them in the same way that a retailer is permitted to sell or transfer such foods. He must immediately after selling or transferring them, account to the district office for points equal to their point value. (If he transfers the foods to another person who is also entitled under this or any other section of this order to acquire them point-free he need not, of course, get points from the transferee, and he need not give up any to the district office.)

(c) *Consumer inheritance.* A "consumer" who gets foods covered by this order from another consumer, by inheritance or by will, may use them without giving up points.

SEC. 11.10 *Foods may be acquired, point-free, by insurers or for salvage*—(a) *Acquisition of damaged foods.* Damaged foods covered by this order and undamaged foods covered by this order mingled with them may be transferred to, and acquired by, the following persons, without any surrender of points:

(1) A person who has paid or is liable for a claim for the damage done to the foods, and who is entitled to reimburse himself by taking them over;

(2) A person engaged principally and primarily in the business of adjusting losses or of reconditioning or selling damaged articles.

(b) *Disposal of the foods.* (1) The person transferring the foods, point-free, must within five days after transferring them, report to the district office for the place where his principal business office is located:

(i) A description of the kinds and amounts of foods transferred. (If the condition of the foods makes it impossible for the transferor to describe them accurately, he may give an approximate description and state that the description is an approximation.)

(ii) The name and address of the person to whom they were transferred; and

(iii) The date of transfer.

(2) The person acquiring the foods must, within five days after acquiring them, report to the district office for the place where his principal business office is located:

(i) The kinds and point value of the foods acquired;

(ii) The name and address of the person from whom he acquired them;

(iii) The way in which and the date when they were acquired. If he cannot ascertain the kinds and point value immediately, he must describe the approximate amount he received and must give the detailed information as soon as he can. He may dispose of those foods only by a sale or transfer in the same way that a retailer is permitted to sell or transfer such foods. He must, immediately after selling or transferring them, account to the district office for points equal to their point value. If he cannot dispose of them all, he must report to the district office the amount which was not salable.

SEC. 11.11 *Foods may be delivered to importer by customs official, point-free.* (a) No points need be given up for a release or delivery of foods covered by this order by an authorized customs official to a primary distributor who imported them, if the primary distributor submits a written statement to the official showing:

(1) His name;

(2) His principal business address;

(3) The name and address of his primary distributor establishment at which the foods will be kept;

(4) The name and address of the district office with which that establishment is registered; and

(5) The amount and kinds of foods imported at that time.

(b) The Collector of Customs shall turn over, each month, to the district offices named thereon, all statements received from primary distributors during the preceding month.

(c) No points need be given up for a release or delivery of foods covered by this order by an authorized customs official.

(1) Upon request by the Department of State, to representatives of foreign governments who are within the classes of persons specified in Article 432 (a) or Article 433 (c) Customs Regulations of 1937.

(2) To members of the armed forces of the United Nations, other than those of the United States, who are on duty within the United States, where the foods are consigned or addressed to them and

are intended for their personal or official use.

(3) To enemy prisoners of war and enemy civilian internees and detainees in the United States, where the foods are consigned or addressed to them.

(d) No points need be given up for a release or delivery of foods covered by this order by an authorized customs official to the person who produced them in a way described in section 3.1, if the person submits a written statement to the official showing:

(1) His name and address;

(2) The place where the foods were produced;

(3) The amount and kinds of foods being imported;

(4) A statement showing that he produced the foods in a way described in section 3.1.

The Collector of Customs shall turn over, each month, to the district office for the area in which the point of entry is located, all statements received by him in this way during the preceding month.

SEC. 11.12 *Foods may be transferred, point-free, in connection with transfer of a business.* (a) No points need be given up for a sale or transfer of foods covered by this order which are in the inventory of an establishment, as part of a sale or other transfer of the establishment itself for continued operation. A person who so buys or acquires such foods may not use them, but may hold them only for sale or transfer. However, a person who acquires an industrial user establishment may use its stocks up to the amount of any allotment he gets. (The procedure which the transferor and transferee must follow, where an establishment is transferred for continued operation, is covered in Article XII.)

SEC. 11.13 *Foods may be transferred, point-free, in the way permitted by section 3.4.* (a) A primary distributor who slaughters an animal for a livestock producer may transfer the resulting food to the livestock producer point-free, in the way permitted by section 3.4.

SEC. 11.14 *Foods may be transferred by and to consumers, point-free, for custom processing or other preparation.* (a) On or after May 24, 1943, any consumer may bring any of his food covered by this order to another person to be processed, cut, ground, boned, frozen, packaged or similarly prepared and may get the same food back after it is so prepared, without any surrender of points by either person.

SEC. 11.15 *Items in transit on the day before they are added to the foods covered by the order may be acquired point-free.* (a) No points need be given up for a delivery to any person other than a consumer, of an item which is added to the foods covered by this order, if the item was in transit to him on the day preceding such addition.

SEC. 11.16 *Title to foods may be transferred point-free where the one who has title does not have possession.* (a) A person who has title to foods covered by this order but who does not have possession of them and who may not get possession of them without giving up points, may transfer his title to such foods point-free. (However, a person who acquires title to foods covered by this order in a way permitted by this section must give up points to obtain possession of such foods.)

SEC. 11.17 *Primary distributors may transfer canned fish and canned milk point-free to allow for spoilage.* (a) In any case in which a primary distributor makes a money allowance to his transferee to cover spoilage of "canned fish" or "canned milk" transferred, he may, in order to allow for spoilage, transfer to his transferee, without receiving points, canned fish or canned milk in an amount not exceeding the same percentage of the total amount of such foods transferred that the money allowance made is of the total price paid. However, such transfer may not, in any event, exceed one-fourth of one per cent of the total amount of such foods transferred.

(b) If the actual spoilage of canned fish or canned milk transferred by a primary distributor exceeds one-fourth of one per cent, the transferee may return the spoiled canned fish or canned milk to the primary distributor and receive points for the difference between the amount spoiled and any allowance already made. However, if he does not return the spoiled canned fish or canned milk, he may receive points for that difference only if and to the extent that the primary distributor makes a money adjustment for the spoiled canned fish or canned milk.

(c) The primary distributor must keep a record of the name and address of each person to whom such point-free transfers and point returns are made, the dates thereof, and the amounts of such transfers and returns.

SEC. 11.18 *Government agencies may transfer foods point-free to the Procurement Division of the Treasury Department.* (a) No points need be given up for a transfer of foods covered by this order by a government agency to the Procurement Division of the Treasury Department when the foods are acquired by the Procurement Division for sale or transfer.

(b) The Procurement Division of the Treasury Department may dispose of those foods only by a sale or transfer in the same way that a retailer is permitted to sell or transfer foods covered by this order. (However, for that purpose, the Procurement Division need not register as a retailer.) Not later than the twentieth day following the month in which any transfer is made, the Procurement Division shall account to the Office of Price Administration for points equal to the point value of the foods sold or transferred under this paragraph.

SEC. 11.19 *Restriction on industrial and institutional users' inventory of rationed fats or oils having a zero point value.* (a) On or after April 16, 1944, an industrial or institutional user may not acquire rationed fats or oils having a zero point value at the time he acquires them if he already has in his inventory a 30-day supply (at his current rate of use) of such rationed fats or oils. An industrial or institutional user also may not acquire such rationed fats or oils if such acquisition would bring his inventory of these foods above a 30-day supply. However, if he has less than a 30-day supply on hand, he may acquire an amount of such foods equal to the smallest amount he customarily acquires in a single transaction. In no event, however, may any industrial or institutional user acquire such rationed fats or oils in an amount which would bring his inventory of them above a 45-day supply, at his current rate of use. Notwithstanding any provision in this paragraph, an industrial or institutional user may accept delivery of any rationed fats or oils which were in transit to him on April 15, 1944.

ARTICLE XII—SALE OF BUSINESS

SEC. 12.1 *Sale or transfer of retail wholesale, or primary distributor establishment*—(a) *General.* (1) When any "person" sells or "transfers" to any other person the business and inventory of his "retail" "wholesale" or "primary distributor establishment", for continued operation, they must both notify the "board" at which the establishment is registered, or the district office, if it is registered there. The notice must be given in writing, within five days after the sale or transfer, and must show:

(i) The name and business address of the establishment and of the persons transferring and "acquiring" it;

(ii) The point value of the inventory transferred; and

(iii) The number of points in the establishment's ration bank account, if any, and the number of points on hand, including points sent to a supplier for "foods covered by this order" not yet shipped.

This notice will be treated as the transferee's registration and as a cancellation of the transferor's registration.

(2) If the transferor has a ration bank account, he must notify the district office, in the way required by General Ration Order 3A (the ration banking order)

(b) *Purchaser of retail or wholesale establishment may get its points.* The purchaser or transferee of a retail or wholesale establishment may get and use all of the establishment's points in the same way that the seller or transferor was entitled to use them. If the establishment has a ration bank account, the transferor is to give all the establishment's points to the transferee by issuing a ration check. If the establishment does not have a ration bank account, the transferor is to give to the transferee the "stamps," "tokens," and certificates he has and to endorse and give to the transferee any ration checks he has. (If the transferee is required to have a ration bank account he must deposit all the points in that account. If the transferee is not required to have a ration bank account, he may endorse the checks and use them to get foods covered by this order.)

(c) *Seller of primary distributor establishment must give up all points to the Office of Price Administration.* A person who sells or transfers a primary distributor establishment must, within five days after the transfer, turn over to the board (or to the district office, if it is registered there) all points on hand at that establishment and all in its ra-

tion bank account. He does so by issuing and sending his certified ration check, payable to the Office of Price Administration, along with his notice of the transfer. (If any of the points represent foods not yet shipped, he must attach to his notice a statement showing the amount and the person from whom he got them.)

(d) *Same rules apply to sale of an entire chain.* The rules set forth above also apply to a person who has more than one establishment of a particular kind and who sells or transfers all of them for continued operation, whether or not the establishments were registered together. He must give the information and give up or transfer the points for all the establishments.

(e) *Sale of part of a chain.* Where the seller or transferor also has other establishments of the same kind which are not sold or transferred, the procedure described in paragraph (a) of this section must be followed. However, if the transferor's establishments were registered together, the purchaser or transferee may acquire the inventory of the transferred establishment, but he may not acquire its points. In this case, the seller or transferor keeps the points. If he is a "retailer" or "wholesaler", he may use the points with his other establishments of the same kind as the transferred establishment. If he is a "primary distributor" he must give up to the board or district office, the points received for sales and transfers of foods covered by this order from that establishment at the time that he is required to give up points received by his other primary distributor establishments.

SEC. 12.2 *Sale or transfer of industrial user establishments*—(a) *General.* (1) When an "industrial user" sells or transfers to any other person the business and inventory of his "industrial user establishment" for continued operation, both the transferor and transferee must notify the board at which the establishment is registered. The notice must be in writing, within five days after the sale or transfer, and must show:

(i) The name and business address of the establishment and of the persons transferring and acquiring it;

(ii) The point value of the inventory transferred;

(iii) The number of points in the establishment's ration bank account, if any, and the number of points on hand, including points sent to a supplier for foods covered by this order not yet shipped.

(2) If the transferor has a ration bank account, he must notify the district office, in the way required by General Ration Order 3A.

(b) *Transferor must give up unused points.* The seller or transferor must give up to the board all unused points he has for the establishment. If the establishment has a ration bank account, he must give up the points in the form of his certified ration check payable to the Office of Price Administration. The notice described in paragraph (a) of this section, and the surrender of unused points, will be treated as a cancellation of the transferor's registration and allotment.

(c) *Application for allotment by transferee.* The transferee may not use the stocks of foods covered by this order which are transferred with the establishment unless he receives an allotment. The application for an allotment must be made, on OPA Form R-315, to the board for the place where the establishment was registered, and must state facts showing whether:

(1) The entire establishment, including substantially all the equipment, the good will, and the inventory of foods covered by this order has been transferred;

(2) The transferee will continue to serve, from that establishment, the same general class of customers and the same area served by it before the transfer; and

(3) The transferee will continue to produce, at the establishment, the same class of product or products, though not necessarily under the same trade name. The board shall send the application, the notices sent to it by both parties and the transferor's registration to the district office.

(d) *Granting of allotment.* If the district office finds that the establishment will continue to be operated in substantially the same manner as before the transfer and that the tests described in paragraph (c) are satisfied, it shall assign to the transferee the transferor's allotment and quarterly use for that establishment. It shall also give him a certificate for the number of points that the transferor surrendered to the board or, if the amount of foods covered by this order transferred to the transferee with the establishment is larger than the unused part of the allotment for the current period plus any unused part of the transferor's earlier allotments, the difference shall be treated as excess inventory. The transferee may not use any part of the allotment already used by the transferor, but he may use any unused part of any prior allotment the transferor received for that establishment.

(e) *Same rules apply to sale of entire chain.* The same rules apply where a person who has more than one industrial user establishment sells or transfers all of them for continued operation, whether or not they were registered separately.

(f) *Sale of part of a chain.* (1) When the seller or transferor has more than one industrial user establishment which he registered separately, and sells or transfers one or more, but not all of them, the procedure described in paragraphs (a) (b) (c) and (d) of this section must be followed separately, as to each of the establishments transferred.

(2) When the seller or transferor has more than one industrial user establishment which he registered together, and sells or transfers one or more, but not all of them, the procedure described in paragraphs (a) and (c) of this section must be followed, except that the transferor must also apply to the board with which he registered for a redetermination of his allotment and his quarterly use. The board shall send the application and notices of both parties, and the transferor's registration, to the district office. If the district office finds that the tests described in paragraph (c) are satisfied, it shall grant an allotment to the transferee and assign to him a quarterly use. It shall first determine the amount of the transferor's allotment and quarterly use allocable to the transferred establishment. That quarterly use shall be assigned to the transferee. The transferee's allotment shall be the part of the transferor's allotment corresponding to the unexpired part of the allotment period. The quarterly use and the allotment assigned to the transferee shall be deducted from the quarterly use and current allotment of the transferor. The district office shall issue a certificate to the transferee (or determine his excess inventory) on the basis of the allotment granted to him and the amount of the inventory he acquired from the transferor. If the amount of foods covered by this order which is transferred with the establishment is less than the allotment assigned to the transferee, the transferor must give up points to the Office of Price Administration for the difference. If he does not give up points, that difference shall be treated as excess inventory.

(g) *Transferee's registration.* A transferee is regarded as registered as soon as the district office assigns an allotment and quarterly use to him.

(h) *Use of allotment by transferee.* A transferee may not use an allotment assigned to him under this section if his operation of the transferred establishment ceases to meet the tests described in paragraph (c).

SEC. 12.3 *Where and how the transferee registers the establishments acquired by him.* (a) A person who buys or otherwise acquires an establishment of any type, other than a primary distributor establishment, and who already has two or more establishments of the same type as the one acquired by him, which are registered together, must register the new establishment together with his other establishments and at the same board. If he already has his other establishments of the same type registered separately, the new establishment must be registered separately with the board for the place where it is located. If he has only one other establishment of the same type he may elect whether his establishments will be registered together or separately. If he registers them together, registration shall be at the board for the place where his principal office is located. If he registers them separately, registration shall be at the board for the place where the establishment is located. A person who buys or otherwise acquires a primary distributor establishment must register it separately, unless he has registered a group of his establishments in the way described in section 4.11 (a) (2) In that case he may register the newly acquired establishment as part of that group if the same records will be kept for it at the central office as are kept for the other establishments in the group, and invoices covering at least 90% of all transfers from that establishment will regularly be sent from the central office.

(b) *The same rules apply to industrial user establishments.* If a person who

acquires more than one industrial user establishment is entitled to or is required to, register them separately, the district office must compute separately the portion of the transferor's allotment and quarterly use allocable to each of the establishments acquired, in the way described in section 12.2 (f) (2)

SEC. 12.4 *Moving establishment to another place.* (a) A person may move his retail, wholesale or primary distributor establishment to another place after notifying the board or district office at which the establishment is registered of his new address.

(b) If a person wishes to move his industrial user establishment to another place, he must treat his moving as the closing of one estabilshment and the opening of a new establishment unless he applies for and is granted permission to continue his operations at the new place. The application must be made on OPA Form R-315, to the board at which the establishment is registered, and must, in addition to showing the new address, give explanations indicating whether:

(1) The entire establishment, including substantially all the equipment and the inventory of foods covered by this order will be moved to the new place;

(2) He will continue to serve, from the new place, the same general class of customers and the same area he serves from his present place;

(3) He will continue to produce, at the new place, the same class of product or products which he produces at his present place.

The board shall send the application, with its recommendation, if any, to the district office. If the district office finds that the establishment will continue to be operated in substantially the same manner as at its present place, and that the tests described above are satisfied, it shall grant the application.

ARTICLE XIII—NEW BUSINESSES

SEC. 13.1 *New retail and wholesale establishments may be opened*—(a) *How stocks are obtained.* A "person" who wishes to open a "retail establishment" or a "wholesale establishment" after April 25, 1943, may apply for a "certificate" to get stocks of "foods covered by this order." The application must be made on OPA Form R-315 to the "board" for the place where the establishment will be located. The application must show:

(1) The proposed name and address of the establishment;

(2) The amount he has invested or expects to invest in it;

(3) The size and type of the establishment;

(4) The number of points he needs in order to get adequate stocks;

(5) The point value of any stocks of foods covered by this order which he may have for that establishment.

(b) *Issuance of certificate.* The board will issue to him a certificate for the number of points he needs to get an adequate working inventory.

(c) *Registration.* At the end of his first full week of operation, he must register that establishment, on OPA Form R-1601 or OPA Form R-1602, whichever is applicable, in the same way that "retailers" and "wholesalers" register between May 3 and May 14, 1943. He must give all information called for by the form. However, he must show the point value of his sales or "transfers" from that establishment during his first full week of operations. (In the case of a wholesaler, those sales or transfers must be shown according to the classes of foods covered by this order, set forth in a supplement to this order.) A retailer's allowable inventory is computed by multiplying the point value of those sales or transfers by three. A wholesaler's allowable inventory is computed by multiplying the point value of those sales or transfers of each class of foods by the factor fixed for that class in § 1407.3027 (f) of the Supplement to this order. The numbers which result are added, and the total is his allowable inventory. When he registers, he may get a certificate or, if he has excess inventory, he must give up points to the Office of Price Administration in the same way as retailers or wholesalers who register between May 3 and May 14, 1943. He may not, however, be given a certificate for more than the amount by which his allowable inventory exceeds the amount of the certificate given to him when he applied on OPA Form R-315.

(d) *Procedure where no additional stocks are needed.* Where the person who wishes to open the retail or wholesale establishment has enough stocks, he need not apply on OPA Form R-315. He may begin operation with the stocks he has. However, before making any sales or transfers of foods covered by this order from the establishment after May 14, 1943, he must notify the board for the place where the establishment is located. The notice must be in writing and must give the name and address of the establishment and the point value of its inventory. At the end of his first full week of operation, he must register the establishment and follow the procedure described in the last paragraph.

SEC. 13.2 *New primary distributor establishments may be opened.* (a) A person who opens a "primary distributor establishment" which was not in operation before April 30, 1943, must notify the district office for the place where the establishment will be located, before making sales or transfers of foods covered by this order from that establishment. The notice must be in writing and must show:

(1) The name and address of the establishment;

(2) The type of foods covered by this order he produces or imports there;

(3) The inventory of that establishment on the date of the notice.

He must file reports for that establishment beginning for the reporting period in which he started operations there.

SEC. 13.3 *In special cases, allotments may be granted for new industrial user establishments.* (a) A person who wishes to open an "industrial user establishment" which he did not operate at any time between January 1, 1942 and March 19, 1943, may apply for an allotment. Generally, no such application may be granted unless it is found that:

(1) The operation of the establishment will make a direct contribution to the War effort or is essential to meet civilian needs in the area it will serve; and

(2) The product it will produce cannot be obtained from any other source in the area to be supplied.

In addition, any person who wishes to open an industrial user establishment which he did not operate at any time between January 1, 1942 and March 19, 1943, to make a product or use for which a provisional allowance is granted under this order may apply for a provisional allowance of foods covered by this order for such purpose.

(b) The application must be made on OPA Form R-315 and must be filed as follows:

(1) With the board (or district office) authorized to keep the files of industrial users for the place where the applicant's industrial user establishment is or will be located, if:

(i) He does not have a registered industrial user establishment and the application covers only one establishment; or

(ii) He has more than one industrial user establishment which are already registered separately; or

(iii) He has one industrial user establishment which is already registered and he wishes to register the new establishment separately. (If the applicant wishes to open more than one industrial user establishment which are to be registered separately, a separate application must be filed for each such establishment.)

(2) With the board (or district office) authorized to keep the files of industrial users for the place where the applicant's principal business office is or will be located, if:

(i) The application covers more than one industrial user establishment and the applicant wishes to register such establishments together; or

(ii) He has more than one industrial user establishment which are already registered together; or

(iii) He has one industrial user establishment which is already registered and he wishes to register the new establishment with it.

(c) The application must show:

(1) The product the applicant will make;

(2) The size of the establishment;

(3) The amount he has invested or intends to invest in it;

(4) The market to be supplied;

(5) The kinds and point value of any foods covered by this order he may have on hand for that establishment;

(6) The amount of the allotment or provisional allowance requested.

(d) The board may call for any additional information it finds necessary. It may not pass on the application, but must forward it, together with all information received, to the district office. It may attach its recommendation, if any, as to the action to be taken. In cases in which the applicant wishes to make an industrial use of foods covered by this order for experimental, educational, or testing purposes, the district office may permit the applicant to register (on OPA Form R-1200) and grant him an allotment if it finds it in the public interest to do so. In all other

cases, the district office must forward the entire file to the Washington Office, for decision, or take such other action as the Washington Office may authorize or direct.

(e) An industrial user who already has an allotment, may not open another industrial user establishment and use his allotment there, unless he applies under this section and is given permission to do so.

SEC. 13.4 *Where a person who opens a new establishment registers if he already has other establishments of the same type.* (a) If a person who opens a new establishment of any type, other than a primary distributor establishment, already has two or more establishments of the same type which are registered together, he must register the new establishment together with his other establishments and at the same board. If he already has establishments of the same type registered separately, the new establishment must be registered separately with the board for the place where it is or will be located. If he has only one other establishment of the same type, he may elect whether his establishments will be registered together or separately. If he registers them together, registration must be at the board for the place where his principal business office is located. If he registers them separately, registration must be at the board for the place where the establishment is or will be located.

(b) A person who opens a new primary distributor establishment must register it separately, unless he has registered a group of his establishments in the way described in section 4.11 (a) (2) In that case he may register the newly opened establishment as part of that group if the same records will be kept for it at the central office as are kept for the other establishments in the group, and invoices covering at least 90% of all transfers from that establishment will regularly be sent from the central office.

ARTICLE XIV—CLOSING OF BUSINESS

SEC. 14.1 *What a person who closes his establishment must do*—(a) *General.* (1) Any "retailer," "wholesaler" "primary distributor" or "industrial user" who goes out of the business of dealing in or using "foods covered by this order" at his establishment must notify the "board" at which it is registered, or the district office, if it is registered there. The notice must be given in writing, within five days after he goes out of the business. It must show:

(i) The name and address of the establishment;

(ii) The point value of its inventory at the time he stopped doing business there; and

(iii) The number of points in the establishment's ration bank account, if any, and the number of points on hand, including points in the hands of his suppliers for foods not yet shipped. If he has a ration bank account, he must also notify the district office, in the way required by General Ration Order 3A (the ration banking order)

(2) He must account to the Office of Price Administration for all points he has for the establishment at which he ceased doing business. If all his stocks of foods covered by this order have not been disposed of at the time of the notice, he must account for the rest of the points as soon as the stocks have been liquidated. An industrial user who has given the notice called for above, may sell or "transfer" his unused stocks of foods covered by this order in the same way that a retailer is permitted to make sales or transfers.

(b) *Closing of entire chain.* The rules set forth in paragraph (a) of this section, also apply to a "person" who has more than one establishment of a particular kind and who goes out of business at all of them, whether or not they were registered separately. He must give the information required, and must give up the points, for all the establishments.

(c) *Closing of part-of a chain.* (1) A person who has several retail, wholesale, primary distributor, or industrial user establishments, which are registered separately, may go out of business at one or more, but may continue to operate the others. In that case, he must follow the procedure set forth in paragraph (a) of this section as to each of the establishments at which he goes out of business.

(2) A person who has several retail or wholesale establishments which are registered together may go out of business at one or more, but may continue to operate the others. In that case, he need not give up points to the Office of Price Administration at that time but may use them for the operation of the establishments which he continues. He must notify the board at which it is registered within five days after he closes it. The notice must be in writing and must give the name and address of the establishment closed.

(3) A person who has several industrial user establishments which are registered together may go out of business at one or more, but may continue to operate the others. In that case he must notify the board with which he is registered. The notification must be in writing and must state whether and to what extent he will continue to serve, from his other establishments, the same area and the same general class of customers. The board must send the notification and his registration to the district office. The district office shall determine the extent to which he remains entitled to use his entire allotment. He may keep his entire allotment only if his remaining establishments will continue to serve the same general class of customers and the same area as the establishment closed. His allotment and his quarterly use must be reduced to the extent that he will cease to serve the same class of customers and the same area. If his allotment is reduced, he must give up to the Office of Price Administration points equal to the reduction. If he does not have points to give up, the amount of the reduction shall be treated as excess inventory.

ARTICLE XV—ADJUSTMENTS

SEC. 15.1 *Adjustments for lost, destroyed, or stolen foods*—(a) *How to apply.* Any "person" who had "foods covered by this order" which were lost, destroyed (other than by rotting or decaying) or stolen, or taken away by legal process or order of a court, may apply for a "certificate" for the number of points needed to replace them. The application must be made on OPA Form R-315. However, a consumer may apply for a certificate with which to replace foods covered by this order only if he has given up points to acquire the foods which are lost, destroyed, stolen, or taken away. A "consumer" who wants a certificate must apply to the "board" for the place where he lives. Any other person must apply to the board with which he is registered (or to the district office, if he is registered there) The application must give:

(1) A description of the foods he wishes to replace, showing their point value;

(2) A description of the way in which they were lost, destroyed, stolen, or taken away;

(3) A statement, if the applicant is a consumer, that he gave up points for the foods which were lost, destroyed, stolen, or taken away.

He must also give any other information that the board (or the district office) may request.

(b) *Action on application.* If the board (or the district office) finds the statements made in the application to be true, it will issue to him a certificate for the number of points needed to replace the foods.

(c) *Recovery of lost or stolen foods.* If the applicant gets back any of the foods covered by his application, he must give back to the Office of Price Administration, for cancellation, points equal to the point value of the foods he recovered.

SEC. 15.2 *Applications may be made for other adjustments*—(a) *How to apply.* Any "retailer," "wholesaler," "primary distributor" or "industrial user" who needs an adjustment in his inventory or allotments, or other relief, may apply, on OPA Form R-315, to the board with which he is registered, or to the district office, if he is registered there. He must state in his application all facts which he claims show his need for the adjustment, and the nature and amount of the adjustment he requests. He must also give any other information that the board (or the district office) requests.

(b) *Action on application.* A board may not act upon an application under this section. It must send the application, together with all other information received, to the district office. It may attach its recommendation as to the action to be taken. The district office shall send the file to the "Washington Office," for decision, or take such other action as the Washington Office may authorize or direct.

SEC. 15.3 *Wholesalers may receive points to replace inventory losses due to shrinkage (evaporation) or cutting.* (a) Any wholesaler who suffers a loss in his inventory of "meat" (except canned meat) because of shrinkage (evaporation or dehydration) or who suffers a loss in his inventory of "rationed cheeses" (except process cheese, cheese foods, bottled cheeses or grated cheese)

because of shrinkage or cutting, may apply to his board on OPA Form R-315 for a certificate to replace such losses. The application may be made at any time within one month after each three month period, beginning with April 1, 1943, during which he incurred such losses. The application must be signed by the wholesaler or his authorized agent, and must show:

(1) His name and principal business address;

(2) The three month period during which losses of inventory by shrinkage (or cutting, in the case of rationed cheeses) were incurred;

(3) The point value of his sales and "transfers" (other than exchanges, or transfers from one to another of his "wholesale establishments") during that period, of these foods;

(4) The number of pounds of these foods lost by shrinkage (or cutting, in the case of rationed cheeses) during that period;

(5) The point value of his inventory losses, during that period due to shrinkage (or cutting, in the case of rationed cheeses) of these foods. He must also give any other information which the board may request.

(b) If the board finds that the wholesaler suffered an inventory loss because of the shrinkage (or cutting, in the case of rationed cheeses) of these foods held by him for sale or transfer, it shall issue a certificate for the number of points necessary to replace the losses. However, no certificate may be issued to allow more than one percent in the case of meat, and two percent in the case of rationed cheeses, of the point value of his sales and transfers (other than exchanges, or transfers from one to another of his wholesale establishments) of these foods during the three months in which the losses were incurred.

SEC. 15.4 *Wholesalers may apply for allowable inventory adjustments*—(a) *How to apply.* A wholesaler who finds that his allowable inventory is inadequate (other than because of seasonal variations) may apply for an increase. He must apply on OPA Form R-315 to the board with which he is registered. The application must give the following information:

(1) The amount of his allowable inventory;

(2) The net point gain or loss in his point inventory caused by the addition of items to or removal of items from the foods covered by this order;

(3) The sum of items (1) and (2) or the difference if item (2) represents a point loss;

(4) The reasons why he claims his allowable inventory is inadequate; and

(5) The amount of the increase which he needs.

(b) *Temporary increase based on application.* The board may not act upon the application but must send it, and any other information received, to the district office for action. The board may attach its recommendation as to the amount of the temporary increase to be granted. The district office may grant the wholesaler a temporary increase for the amount which it finds he needs to get adequate stocks for the next six calendar weeks. After determining the amount of the temporary increase to be granted, the district office shall return the file to the board. If the wholesaler does not have any excess inventory, the board shall issue to him a certificate for the amount of the increase granted. If he has an excess inventory which is less than the increase, the board shall cancel the excess inventory and issue a certificate for the difference. If his excess inventory is equal to or greater than the increase, the board shall reduce the excess inventory by the amount of the increase.

(c) *Final action.* A wholesaler who is given a temporary increase under paragraph (b) must keep a record of the point value of his sales and transfers of each of the classes of foods set forth in paragraph (d) (other than exchanges, and transfers to another of his wholesale establishments) during the six calendar weeks after he received the increase. Within one week after the end of this period he must report the point value of his transfers during this period to the board. The board shall multiply the point value of his sales and transfers of each class by the factor fixed for that class, as set forth in paragraph (d) If the sum of the products thus computed is more than the figure stated in item (3) in paragraph (a) the difference (or the amount requested by the wholesaler, whichever is less) is to be granted as a permanent increase in the wholesaler's allowable inventory. If the amount of the increase is more than the sum of any certificate issued and excess inventory cancelled under paragraph (b), the board shall issue a certificate for the difference. If the amount of the increase is less than that sum, the difference is excess inventory, and the wholesaler must give up points to the Office of Price Administration in the way required by section 5.6 (e)

(d) *Classes of foods and factors.* The classes of foods and the factors for each class, referred to in paragraph (c) are as follows:

| | |
|---|---|
| (1) Shortening, cooking and salad oils, canned meat, canned fish and canned milk | 1.0 |
| (2) Meat (other than canned meat) | 0.3 |
| (3) Butter, cheese and margarine | 0.5 |

SEC. 15.5 *Wholesalers and retailers of canned milk or soft cheeses may obtain adequate working inventories*—(a) *How stocks are obtained.* A person who becomes a wholesaler or retailer under this order because he deals in canned milk or in the cheeses added by Amendment 35[15] (to Ration Order 16) to the foods covered by the order, and who wishes points in order to get an adequate working inventory, may apply for a certificate for that purpose. The application must be made before August 1, 1943 on OPA Form R-315 to the board with which he will register his establishment. The application must show:

(1) The name and address of the establishment;

(2) The number of points he needs in order to get adequate stocks;

(3) The point value of any stocks of canned milk or of the cheeses mentioned above which he may have for that establishment at the time the application is made.

(b) *Issuance of certificate.* The board will issue to him a certificate for the number of points he needs to get an adequate working inventory.

(c) *Registration.* At the end of his first full week of operation after the date on which the certificate is issued to him, he must register his establishment, on OPA Form R-1601 or OPA Form R-1602, whichever is applicable, in the same way that retailers and wholesalers registered in accordance with this order. He must give all information called for by the form. However, he must show the point value of his sales and transfers of canned milk and of the cheeses above-mentioned from his establishment during that full week of operation, instead of during the period from April 25, 1943 to May 1, 1943. (He must not include exchanges, or transfers between his own establishments of the same type, but may include all other transfers.) He must report his point inventory at the end of that week, instead of at the close of business on May 1, 1943. If he is a wholesaler, his allowable inventory is determined by multiplying the point value of the canned milk transferred by him during that week of operation by the factor eight (8) and the point value of the above-mentioned cheeses so transferred by him by the factor four (4). If he is a retailer, his allowable inventory is determined by multiplying the point value of his transfers of these foods during that week by three (3) When he registers, he may get a certificate or, if he has excess inventory, he must give up points to the Office of Price Administration, in the same way as retailers or wholesalers who registered in accordance with this order. He may not, however, be given a certificate for more than the amount by which his allowable inventory exceeds the amount of the certificate given to him when he applied on OPA Form R-315.

(d) *A person may register his establishments separately or together.* Notwithstanding the provisions of sections 5.2 (g) and 6.2 (g) of this order, if a person who registers an establishment under this section has two or more other establishments of the same type which are already registered together under this order, he must register the additional establishment together with his other establishments and at the same board. If he has other establishments of the same type which have already been registered separately, the additional establishment must be registered separately with the board for the place where it is located. If he has only one other establishment of the same type, he may elect whether his establishments will be registered together or separately. If he registers them together, registration must be at the board for the place where his principal business office is located. If he registers them separately, registration must be at the board for the place where the establishment is located.

SEC. 15.6 *Adjustment in base-period use of industrial-user whose production in fourth quarter of 1942 was limited by General Preference Order M-71.* (a) An

[15] 8 F. R. 7491.

industrial user whose industrial use of rationed fats and oils during the fourth quarterly period of 1942 was limited by General Preference Order M-71[11] may apply for an adjustment of his base-period use of rationed fats and oils during that period. The application must be made on OPA Form R-315 to the board with which he is registered. He must give the following information in his application:

(1) The number of pounds of each item of rationed fats and oils of which he made an industrial use during each of the fourth quarters of 1940, 1941 and 1942;

(2) A statement that his industrial use of rationed fats and oils during the fourth quarter of 1942 was limited by General Preference Order M-71.

(b) If the board finds that his industrial use of rationed fats and oils was limited by General Preference Order M-71, it shall add to his base-period use of those foods for the fourth quarter of 1942 the smaller of the two figures derived in the following way:

(1) 13 percent of his base-period use of rationed fats and oils; or

(2) The difference between his base-period use of those foods in the fourth quarter of 1942, and the average of his industrial use of those foods during the fourth quarters of 1940 and 1941.

In addition, and notwithstanding the provisions of section 7.6 (b) of this order, the board shall increase his allotment for the fourth quarter of 1943 on the basis of the applicant's adjusted base-period use. (The provisions of section 7.6 (d) apply in determining whether or not the applicant shall be entitled to receive a certificate with respect to any such increase in his allotment, and in determining the amount of the certificate.)

SEC. 15.7 *Retailers may apply for allowable inventory adjustments*—(a) *How to apply.* A retailer who finds that his allowable inventory is inadequate (other than because of seasonal variations) may apply for an increase. He must apply on OPA Form R-315, to the board with which he is registered. The application must give the following information:

(1) The amount of his allowable inventory;

(2) The net point gain or loss in the applicant's point inventory caused by the addition of items to or removal of items from the foods covered by this order;

(3) The sum of items (1) and (2) or the difference if item (2) represents a point loss;

(4) The reasons why he claims that his allowable inventory is inadequate; and

(5) The amount of the increase which he needs.

(b) *Action by board if adjusted allowable inventory would be 1500 points or less.* If the board finds that the retailer's allowable inventory is inadequate and that the sum of items (3) and (5) in paragraph (a) is not more than 1500 points, it may grant the application for the additional amount which it finds he needs, but not more than the amount requested. If the retailer does not have any excess inventory, the board shall issue to him a certificate for the amount of the increase granted. If he has an excess inventory which is less than the increase, the board shall cancel the excess inventory and issue a certificate for the difference. If the retailer's excess inventory is equal to or greater than the increase, the board shall reduce the excess inventory by the amount of the increase.

(c) *Temporary increase if adjusted allowable inventory would be more than 1500 points.* If the sum of items (3) and (5) in paragraph (a) is more than 1500 points, the board may not act upon the application but must send it, and any other information received, to the district office for action. The board may attach its recommendation as to the amount of the temporary increase to be granted. The district office may grant the retailer a temporary increase for the amount which it finds he needs to get adequate stocks for the next six calendar weeks. It shall then return the file to the board. When the amount of the temporary increase has been determined by the district office, the board shall issue to the retailer a certificate or reduce the retailer's excess inventory, or both, in the way described in the last paragraph.

(d) *Final action.* If the retailer is given a temporary increase under paragraph (c) he must keep a record of his sales and transfers (other than exchanges, and transfers to another of his retail establishments) during the six calendar weeks after he received the increase. Within one week after the end of this period, he must report the point value of such transfers. The board shall divide this amount by two. If the resulting figure is more than the figure stated in item (3) in paragraph (a) the difference (or the amount requested by the retailer, whichever is less) is to be granted as a permanent increase in the retailer's allowable inventory. If the amount of the increase is more than the sum of any certificate issued and excess inventory cancelled under paragraph (c) the board shall issue a certificate for the difference. If the amount of the increase is less than that sum, the difference is excess inventory, and the retailer must give up points to the Office of Price Administration in the way required in section 6.6 (e)

SEC. 15.8 *Retailers and wholesalers may apply for temporary adjustments because of seasonal variations*—(a) *How to apply.* A retailer or wholesaler may apply for a temporary increase in his allowable inventory because of seasonal variations in his business. He must apply on OPA Form R-315 to the board with which he is registered. The application must give the following information:

(1) The amount of his allowable inventory;

(2) The net point gain or the net point loss in the applicant's point inventory caused by the addition of items to or the removal of items from the foods covered by this order;

(3) The sum of items (1) and (2) or the difference if item (2) represents a point loss;

(4) The reasons why he needs the increase;

(5) The period during which he needs the increase;

(6) If he is a retailer, the average weekly amount of his sales and transfers of foods covered by this order, in pounds, during the same period in 1942, multiplied by 15. If he is a wholesaler, 75% of his average weekly sales and transfers, in pounds, during the same period in 1942, of foods in each of the three classes specified in § 1407.3027 (b) of the Supplement to this order, multiplied by the factor fixed for that class;

(7) The amount of the increase which he needs.

(b) *Action on application.* If the board finds that the applicant's allowable inventory will be inadequate during the period for which the increase is requested, and that the sum of items (3) and (7) in paragraph (a) does not exceed 20,000 points, it may grant the application for the amount which it finds he needs but not more than the amount requested. However, in no event may the board grant under this section more than the amount by which item (6) exceeds item (3) If the sum of items (3) and (7) exceeds 20,000 points, or if the applicant requests an increase which is more than the maximum amount which the board may grant under this section, or if the applicant is unable to furnish the information required by item (6) because he was not in operation during that period, the board may not act upon the application, but must send it to the district office for action. It may attach its recommendation as to the amount of the temporary increase to be granted. The district office shall determine what action should be taken and return the file to the board. When the amount of the temporary increase has been determined by the local board or the district office, as the case may be, the board shall issue a certificate for such amount, if the applicant has no excess inventory. If the applicant has an excess inventory which is less than the increase, the board shall cancel the excess inventory and issue a certificate for the difference. If the applicant's excess inventory is equal to or greater than the increase, the board shall reduce the excess inventory by the amount of the increase. Within 15 days after the close of the period for which the increase is granted, the applicant must report to the board and give up points equal to the total of any certificate issued and excess inventory reduced or cancelled under this section. If he is unable to give up all the points within the fifteen days, the balance is excess inventory and the provisions of sections 5.6 (e) or 6.6 (e) as the case may be, apply.

ARTICLE XVI—ISSUANCE AND USE OF CERTIFICATES, RATION COUPONS AND TOKENS

SEC. 16.1 *How certificates are issued*—(a) *By whom issued.* "Certificates" (OPA Form R-1201) may be issued by the "Washington Office" by a "board" by a district office, by any authorized officer or representative of the Office of Price Administration, or by any "person" authorized by the Office of Price Administration to issue them. Certifi-

[11] 6 F.R. 6797; 7 F.R. 543, 5809, 7485, 8692, 9484, 9807; 8 F.R. 315.

cates may be issued only in the cases and for the purposes permitted by this or any other order of the Office of Price Administration.

(b) *How certificates are issued.* The person who issues a certificate must insert, in ink, the words "Meats and Fats" in the appropriate space and must sign it and fill in:

(1) The number of points for which it is issued;

(2) The name of the person for whom it is issued; and

(3) The word "after" in the upper right corner shall be changed to "before" and the date inserted there shall be the date of issue.

A certificate which is not filled out in this way is not good for the acquisition of foods and may not be used or accepted for that purpose.

(c) *Certificates not to be issued for fractional amounts.* Certificates may not be issued for points in fractional amounts.

SEC. 16.2 *Certificates may be used at any time.* (a) Certificates issued on or after November 2, 1943, may be used at any time for the acquisition of foods covered by this order. A "retailer" who "transferred" foods covered by this order for a certificate may use it to acquire such foods, if he does not have and is not required to have a ration bank account.

SEC. 16.3 *A certificate must be endorsed.* (a) Before it can be used, a certificate must be signed on the back by the person for whom it was issued, or by a person authorized to sign for him, if he cannot write.

(b) Any retailer, "wholesaler" or "primary distributor" who has transferred foods for a certificate must sign his name on the back of the certificate before he can deposit or use it.

SEC. 16.5 *Names of persons who have been given certificates may be posted.* (a) A board may post at its office the name of any person to whom it has issued a certificate under this order. However, it shall not do so if it would reveal information of a military character, or information which any public law enforcement or investigating agency wishes to keep confidential.

SEC. 16.6 *Certificates are the property of the Office of Price Administration and may be revoked.* (a) All certificates are the property of the Office of Price Administration, whether or not they have been issued.

(b) The Office of Price Administration may suspend, cancel, or revoke any certificate issued if it finds it in the public interest to do so.

SEC. 16.7 *Sugar purchase certificates may be corrected and used instead of certificates on OPA Form R-1201.* (a) Where no food ration certificates (OPA Form R-1201) are available, sugar purchase certificates (OPA Form R-306) may be used instead, if the word "sugar" in the title is changed to "meats and fats" and the rest of the sentence following the applicant's name and address and ending with "Administration" is changed to read "is issued [amount in words] ([amount in numerals]) points of meats and fats." The date inserted in the upper right corner shall be the date of issue. The date in the lower right corner shall be left blank.

SEC. 16.8 *How ration coupons are issued*—(a) *General.* Whenever a district office, or the Washington Office of the Office of Price Administration, or any other person, is authorized to issue one or more certificates to any person, it shall, unless otherwise directed by the Office of Price Administration, issue ration coupons instead, if he is not entitled to have a ration bank account. However, ration coupons may be issued to an industrial consumer whether or not he has a ration bank account and to a retailer who does not have, and is not required to have, a ration bank account.

(b) *How ration coupons are issued and used.* Ration coupons are coupons designated "ration coupons" which are issued in denominations of 1, 5, 20, 100 and 1,000 points by the Office of Price Administration. Red ration coupons may be used for the acquisition of all foods covered by this order. They need not be endorsed, and are good at any time. In all other respects they may be used in the same way as "stamps" certificates and ration checks. However, a person who does not have and is not required to have a ration bank account may use ration coupons to give change to any person other than a consumer, but he may use for this purpose only ration coupons having denominations of 1, 5, or 20 points. (This does not affect the rule that a person who has or is required to have a ration bank account may give up or return points only in the form of a check. The only exception to that rule is in the use of tokens to give change to consumers.)

(c) *Ration coupons are the property of the Office of Price Administration and may be revoked.* (1) All ration coupons are the property of the Office of Price Administration, whether or not they have been issued.

(2) The Office of Price Administration may suspend, cancel, or revoke any ration coupon if it finds it in the public interest to do so.

SEC. 16.9 *How ration tokens may be obtained by persons other than consumers.* (a) On and after February 17, 1944, any person other than a consumer who sells or transfers foods covered by this order may acquire tokens in quantities of 250 or multiples thereof at any ration bank in exchange for the following types of ration currency:

(1) *Stamps.* From February 17, 1944, to February 26, 1944, inclusive, he may use brown stamps in sealed envelopes. From February 27, 1944 to May 1, 1944, inclusive, he may use brown stamps in sealed envelopes or red stamps pasted on gummed sheets, OPA Form R-140. Beginning May 2, 1944 he may use stamps only if they are pasted on such gummed sheets notwithstanding the provisions of General Ration Order 7. If he uses stamps in sealed envelopes, the envelopes must be handled in all respects in accordance with the procedure described in General Ration Order 7 for the use of such envelopes. If he uses stamps pasted on gummed sheets he may use only stamps valid for transfer or deposit by him at the time he acquires tokens, and each sheet must contain 25 stamps. He must write his name and address on each sheet.

(2) *Certificates.* He may use a certificate only if it is made out to him. He must write his name and address on the back of the certificate before using it to acquire tokens.

(3) *Checks.* If he has a ration bank account he may use a ration check to obtain tokens only at the bank where he has his account and only if such check is drawn by him against his account either to his own order or to the order of "tokens"

(4) *Ration coupons.* Between February 17, 1944 and May 1, 1944, inclusive, he may use ration coupons to obtain tokens. They must be enclosed in sealed envelopes which must be handled in accordance with the procedure described in General Ration Order 7 for the use of such envelopes. After May 1, 1944 he may not use ration coupons to acquire tokens.

(b) Beginning February 27, 1944 any person who sells or transfers foods covered by this order may obtain tokens in exchange for any valid ration currency from any other person who sells or transfers such foods.

(c) Before February 17, 1944 any retailer who has more than one retail establishment may apply to the Washington Office for permission to obtain tokens from that office. Such a retailer must give up to the Washington Office, on or before February 17, 1944, points for tokens he receives in this way.

SEC. 16.10 *How tokens are used.* (a) Beginning February 27, 1944 tokens may be used to buy or acquire foods and to give change to consumers when they buy or acquire such foods. They have a point value of one point each and are good at any time. However, a transferor of foods covered by this order need not accept more than 9 tokens from any transferee other than a consumer in any single transaction.

(b) Any person who has a ration bank account may deposit tokens in his account only in quantities of 250 or multiples thereof and only if they are in the containers provided for them by the Office of Price Administration. Any person who does not have and is not required to have a ration bank account may exchange tokens in quantities of 250 or multiples thereof for a ration check at any ration bank, but only if the tokens are in the containers provided for them. Any person who deposits or exchanges tokens in this way must write his name and address in the space provided for that purpose on the cover of the container.

ARTICLE XVII—RECORDS, REPORTS AND INSPECTIONS

SEC. 17.1 *Records must be kept for two years.* (a) Every "person" must hold, for at least two years, all records which this order requires him to keep.

SEC. 17.2 *Records may be inspected by Office of Price Administration.* (a) All

records kept under this order may be inspected by the Office of Price Administration, through any authorized representative. The inspection may be made at a person's place of business during regular business hours. In the case of records kept on forms prepared by the Office of Price Administration, the inspection of those records may be made at any time or place fixed by the Office of Price Administration. Every person required to keep records under this order must keep them available for such inspection.

SEC. 17.3 *Places where foods covered by this order are kept may be inspected.* (a) The Office of Price Administration, through any authorized representative, may at any reasonable time inspect any place where "foods covered by this order" are produced, imported, processed or kept. Any person who produces, imports, processes, or has foods covered by this order must permit such inspection of the place where he produces, imports, processes or keeps them. This section does not apply to a place if the only foods covered by this order which are produced or kept at that place are produced or kept by a person for his use as a "consumer."

SEC. 17.4 *Records and reports are confidential.* (a) Information and documents obtained from any person under this order will not be disclosed, whether in response to a subpoena or in any other way, except to that person, unless the Administrator (or a representative of the Office of Price Administration designated by him) finds that the requested disclosure is not contrary to law and consents to it.

SEC. 17.5 *District office may extend time for registration and reports.*—(a) The district office for the place where a person is registered, or is required to be registered, may, for good cause, give him additional time to file any registration or report which this order requires him to file. Any person who needs more time for filing a registration or report may apply, in writing, to the district office. He must explain, in his application, why he needs more time. The district office may impose any conditions it finds proper, when it grants such an extension of time.

SEC. 17.6 *Office of Price Administration may require applicants to give information.* (a) The "Washington Office," a "board" or a district director or regional administrator may require any person who files an application or an appeal under this order to appear in person, to bring witnesses and to supply any information needed for passing on his case.

SEC. 17.7 *Records, reports and registrations required by this order* (a) The following records are required by this order:

1. Primary distributors must keep records of production, processing, acquisitions, and transfers and of changes in point values. (Sections 4.11 (a), 13.4 (b))
2. Wholesalers must keep records of computations used in determining allowable inventories, and of changes in point values. (Section 5.8)
3. Retailers must keep records of computations used in determining allowable inventories, of production, and of changes in point values. (Section 6.8)
4. Retailers, wholesalers, or primary distributors who custom process foods for consumers, must keep records of such transactions. (Section 3.3 (b))
5. Persons who transfer foods in advance of receiving points, must keep records of each such transfer. (Section 10.5 (d))
6. Industrial users must keep records of registration, use, inventories, and acquisitions. (Sections 7.9, 7.12 (e))
7. Chains must keep records of transfers of stocks and points among establishments. (Section 18.1)
8. Suppliers must keep records of foods transferred to certain Mexican residents. (Sections 25.7, 25.8)
9. Primary distributors who can fish for persons who caught such fish must retain the statement which those persons are required to furnish (Section 3.5 (a)).
10. Persons who have fish which they caught canned for them must keep records of the canned fish which they transfer (Section 3.5 (b)).
11. Persons who transfer canned fish, canned milk or canned meat in imminent danger of spoilage at less than its full point value must keep records of such transfers. (Section 10.11 (b), (e))
12. Primary distributors who transfer canned fish and canned milk and receive point returns to allow for spoilage must keep records of such transfers and returns. (Section 11.16 (c))
13. Wholesalers must keep a record of canned fish inventories. (Section 5.8 (a))
14. Renderers and master collectors who acquire household salvage fats must keep records of such acquisitions. (Section 26.5)
15. Independent collectors who acquire household salvage fats for sale or transfer must keep records of such acquisitions, sales and transfers. (Section 26.8)

(b) The following reports and registrations are required by this order:

1. Primary distributors must register. (Sections 4.11 (a), 13.4 (b))
2. Primary distributors must file reports of production and of transfers of canned fish, canned milk or canned meat in imminent danger of spoilage at less than its full point value. (Section 4.11 (b), and following paragraphs, and section 10.11 (h))
3. Primary distributors who custom slaughter livestock must report the transactions to the board. (Section 3.4 (d))
4. Livestock producer who transfers food acquired by him through custom slaughtering, must report the transfers. (Section 3.4 (e))
5. Registration and reports by new primary distributor establishment. (Sections 13.2, 13.4)
6. Wholesalers must register. (Section 5.2)
7. Wholesalers must report their inventories. (Section 5.4)
8. Wholesalers must report their sales and points on hand. (Section 5.5)
9. Retailers must register. (Section 6.2)
10. Retailers must report their inventories. (Section 6.4)
11. Retailers must report their sales and points on hand. (Section 6.5)
12. Retailers who sell foods in imminent danger of spoilage, at lower point values, must report sales to the board. (Section 6.10 (d), (e))
13. Persons other than retailers, wholesalers, and primary distributors must account for points received for transfer of foods covered by this order. (Section 10.1 (b), (c))
14. Retailer, wholesaler, or primary distributor who wishes to accept points from and make transfers of foods to consumers by mail must notify the district office. (Section 10.4 (i))
15. Persons who transfer foods before receiving points must notify district office of defaults. (Section 10.5 (d))
16. Registration of new retail or wholesale establishment. (Sections 13.1 (c), 13.4)
17. Registration of wholesalers and retailers of canned milk or soft cheeses. (Section 15.5 (c), (d))
18. Notice to board upon closing establishment. (Section 14.1)
19. Reports upon sale of business. (Sections 12.1 (a), 12.2 (a))
20. Purchaser of an establishment must register the establishment acquired by him. (Section 12.3)
21. Industrial users must register. (Section 7.2)
22. Industrial users must report their inventories. (Section 7.4)
23. Industrial users must report their past use of foods. (Section 7.5)
24. Industrial users report their point-free acquisitions. (Section 7.6 (f))
25. Industrial users who register late. (Section 7.7)
26. Person who acquires foods, point-free for liquidation by operation of law, or in judicial proceedings must report the acquisition to the district office. (Section 11.9 (b))
27. Insurers or salvagers who acquire foods point-free must report the acquisition to the district office. (Section 11.10 (b))
28. Federal, state, or local institutions which receive foods point-free from governmental investigatory agencies, must report such acquisitions. (Section 22.8 (c))
29. Exporter must account for all foods exported. (Section 21.3)
30. Reports by persons who transfer foods to certain Mexican residents. (Section 25.8)
31. Certain persons who transfer or acquire canned fish, canned milk or canned meat in imminent danger of spoilage at less than its full point value must report the transfers or acquisitions. (Section 10.11 (d) (2), (3))
32. Primary distributors must report inventories of canned fish. (Section 4.11 (c))
33. Wholesalers must report inventories of canned fish. (Section 5.10)
34. Renderers must register. (Section 26.2 (a))
35. Renderers must file reports of their acquisitions of household salvage fats. (Section 26.4)
36. Master collectors may register. (Section 26.8a)
37. Persons who transfer foods point-free to insurers or for salvage, must report such transfers. (Section 11.10)
38. Provisional allowance users must report the amount of foods used, the amount of product made, and other information. (Section 7.13)

ARTICLE XVIII—ADDITIONAL RECORDS TO BE KEPT BY CHAINS

SEC. 18.1 *Chains must keep records of transfers of stocks and points between establishments.* (a) Every "person" who has more than one "retail" or "wholesale establishment" must, if they are registered together, keep at each establishment (or at the place exercising immediate supervision over that establishment) a record, in any convenient form, which shows:

(1) The amount of "foods covered by this order" "transferred" from and "acquired" by that establishment, the date of each transfer or acquisition, and the name and address of the establishment to which the foods were transferred, or from which they were acquired. The record must show the amount of foods which were transferred and acquired, either by items and sizes, or by point value. (However, no such records need

be kept for transfers of such foods to "consumers") and

(2) The number of points received for transfers of foods covered by this order from that establishment, the disposition of those points, and the dates of their disposition.

If the records are kept at the place exercising immediate supervision over one or more establishments, a list must also be kept at that place, showing the address of each establishment whose records are kept there.

(b) In addition, he must keep for each ration bank account used by him for more than one establishment, a record showing the number of points deposited in that account by and for each such establishment, and the dates of the deposits.

ARTICLE XIX—APPEALS

SEC. 19.1 *Persons directly affected by action taken under this order can appeal.* (a) Any "person" directly affected by the action of a "board" district director or regional administrator, on any application or other matter, may appeal from that action in the way permitted by Procedural Regulation No. 9 [12] of the Office of Price Administration.

(b) This section shall not apply to action taken on any application made under sections 13.3 or 15.2, except action taken by a board, district, or regional office which has been authorized by the Office of Price Administration to grant or deny such application.

ARTICLE XX—MISCELLANEOUS RULES AND PROHIBITIONS

SEC. 20.1 *Additional prohibitions.* (a) No "person" shall use points unless he has received them in a way permitted by this or any other order of the Office of Price Administration.

(b) No person shall "transfer" "acquire" use or possess "foods covered by this order" except in a way permitted by this or any other order of the Office of Price Administration.

(c) No person shall give or transfer points, a "stamp" "token" or a "certificate" to any other person, except in a way permitted by this or any other order of the Office of Price Administration.

(d) No person may transfer foods covered by this order for a stamp, token, certificate or ration check if he knows or has reason to believe that it is not valid or that the person tendering it is not entitled to use it.

(e) No person shall have a stamp, token, certificate or ration check in his possession except the person (or agent of the person) to whom it was issued or by whom it was acquired in a way permitted by this or any other order of the Office of Price Administration.

(f) No person shall deface, mutilate, or destroy any stamp, token, certificate or ration check, except where permitted by this or any other order of the Office of Price Administration. A defaced or mutilated stamp, token, certificate or ration check is not valid for any purpose.

(g) No person shall counterfeit, forge, or alter a stamp, token, certificate, credit authorization, or ration check, and no person shall transfer, acquire, possess, or use a counterfeited, forged or altered stamp, token, certificate, credit authorization or ration check.

(h) No person may transfer foods covered by this order in violation of any applicable order of an agency of the United States.

(i) No person shall offer, solicit, attempt or agree to do, or assist in doing any act in violation of this order.

(j) Paragraphs (b) (c), (e) (f) (g) and (h) of this section do not apply to public officials who do any of those acts in the performance of their public duties.

(k) No person shall, in any registration, report, application, or other statement or record made pursuant to or required by this order, make any untrue statement of fact, or omit to state any fact which is required to be stated or which is necessary to make a statement not misleading.

(l) No person shall, after demand, withhold a stamp, token, certificate or ration check from the person who is entitled to have it.

(m) No person shall sell or transfer any item of foods covered by this order at a price in excess of the applicable maximum price established for that item by the Office of Price Administration.

(n) No person shall sell or transfer any item of food covered by this order except in a form in which it appears on the Official Tables of Consumer Point Values or Official Table of Trade Point Values.

SEC. 20.2 *Stamps, tokens and certificates may not be taken by legal process or acquired by will.* (a) No stamp, token, certificate or ration check, or any interest in it, may be taken or seized by judicial process or by any court order. However, a person to whom a war ration book or a certificate has been issued may bring a legal proceeding to recover it from any person who is wrongfully in possession of it. He may, as part of that proceeding, take or seize it by judicial process or court order.

(b) No stamp, token or certificate, or any interest in it, may be transferred or acquired by inheritance or by will.

SEC. 20.3 *Office of Price Administration must be notified of legal proceedings.* (a) Any person who has a stamp, token, certificate or ration check must notify the district office of the Office of Price Administration immediately after the beginning of any legal proceeding involving that stamp, token, certificate or check.

SEC. 20.4 *Definition of meat in price order or regulation governs under this order* (a) If any item of "meat" shown on the Official Tables of Consumer Point Values (OPA Form R-1313 or OPA Form R-1611) or the Official Table of Trade Point Values has the same name as the name used for that item in any price order or regulation issued by the Office of Price Administration, the description of that item, or the definition of its name, in the price order or regulation shall be its description or definition for all purposes of this order.

SEC. 20.5 *General Ration Order 5 governs whenever inconsistent with this order* (a) If any provision of this order is inconsistent with the provisions of General Ration Order 5, the provisions of General Ration Order 5 shall govern, and shall supersede the provisions of this order to the extent that they are inconsistent.

SEC. 20.6. *References to Ration Order 16 deemed references to Revised Ration Order 16.* (a) References to Ration Order 16 in any order, amendment, rationale, form or other document shall be deemed references to Revised Ration Order 16.

ARTICLE XXI—EXPORTS

SEC. 21.1 *Foods covered by this order may be exported under General Ration Order 17.* (a) Any "person" may export "foods covered by this order" to any foreign country or to any territory or possession of the United States (other than the District of Columbia) in accordance with the provisions of General Ration Order 17.[13]

(b) A "primary distributor" who does not apply for points to replace the foods covered by this order which he exported must attach his proof of export to his report on OPA Forms R-1606 (Revised) R-1607, R-1609 (Revised), or R-1626 covering the reporting period in which the export was made.

ARTICLE XXII—EXEMPT AGENCIES AND OTHER SPECIAL CASES

SEC. 22.1 *Exempt agencies may acquire foods covered by this order.* (a) Nothing in this order restricts the amount of "foods covered by this order" which may be "acquired" by the Army, Navy, Marine Corps or Coast Guard of the United States or by the Maritime Commission, War Shipping Administration, Office of Lend-Lease Administration or Office of Distribution of War Food Administration. (These agencies are referred to in this order as "exempt agencies" and are exempt agencies for the purpose of General Ration Order 3B [14]) In addition, the Army Exchange Service, to the extent it acquires such foods for export to a foreign country or a territory or possession of the United States (except the District of Columbia) and ships' service departments afloat, are exempt agencies under this order and General Ration Order 3B, and may acquire such foods without restriction as to quantity.

SEC. 22.2 *How exempt agencies acquire foods covered by this order.* (a) Each of the agencies listed in section 22.1 is authorized to open one or more exempt ration bank accounts of the type described in General Ration Order 3B. Foods covered by this order may be "transferred" to and acquired by these agencies only in exchange for points in the form of ration checks equal to the point value of the foods transferred. However, such foods may be transferred between or within these agencies without the surrender of points.

(b) Any "person" who transfers foods covered by this order to any of these agencies must, at or before the time of

[12] 7 F.R. 8796; 8 F.R. 856, 1838, 2030, 2595, 2941, 4350, 4929, 7331, 11480, 11806, 12482, 14211; 9 F.R. 1594.

[13] 9 F.R. 3503.

[14] 8 F.R. 2665, 9457.

delivery submit to it an invoice or other statement for the points payable on account of the transfer. The ration check must be sent to the transferor by the time of delivery or as soon as practicable thereafter.

(c) If for any reason a ration check cannot be used when one of these agencies acquires foods covered by this order, an emergency acknowledgment shall be given to the transferor, instead of a check. This acknowledgment may be in any form, but must show the name of the agency for which the foods are acquired, the name and address of the activity to which the emergency acknowledgment must be sent for replacement by a ration check, the point value of the foods acquired, and the date of acquisition. The acknowledgment must be signed by an authorized officer or employee of the agency, and must show his official title or rank. A person to whom such an acknowledgment is given may not exchange it at a "board" or use it to acquire foods covered by this order, but must send it to the agency activity designated thereon, and a ration check for the amount of foods transferred is to be given to him in exchange for it.

SEC. 22.3 *Post exchanges and ships' service departments ashore may acquire foods for points.* (a) Foods covered by this order may be transferred to and acquired by Army exchanges, post exchanges of the Marine Corps, ships' service departments ashore of the Navy and Coast Guard, commissary stores and ships' service departments of the Training Organization of the War Shipping Administration, and other similar activities designated by the respective exempt agencies, only in exchange for points in the form of ration checks equal to the point value of the foods transferred, without regard to who transfers them. However, these activities may not open ration bank accounts with unlimited drawing privileges of the type described in General Ration Order 3B. Points needed by these activities for the acquisition of foods covered by this order will be issued to them in accordance with arrangements between the Office of Price Administration and the Army Exchange Service of the United States War Department, the Bureau of Naval Personnel of the Navy Department, the Coast Guard and the Marine Corps, and the Training Organization of the War Shipping Administration. (The issuance of points for use by Army exchanges, post exchanges and ships' service departments ashore for the acquisition of foods covered by this order for institutional use is covered by General Ration Order 5.)

(b) Any person who transfers foods covered by this order to any of the activities enumerated in paragraph (a) must, at or before the time of delivery, submit to it an invoice or other statement for the points payable on account of the transfer. The ration check must be sent to the transferor by the time of delivery or as soon as practicable thereafter.

(c) Points may be transferred freely without a transfer of foods covered by this order among ration bank accounts maintained for Army exchanges, among accounts maintained for Marine Corps post exchanges, among accounts maintained for ships' service departments ashore of the Navy, among accounts maintained for commissary stores and ships' service departments of the Training Organization of the War Shipping Administration, and among accounts maintained for ships' service departments ashore of the Coast Guard.

(d) On or before April 30, 1943, Army exchanges, post exchanges, ships' service departments ashore, and similar designated activities, may, if ration checks are unavailable, use emergency acknowledgments to acquire foods covered by this order, in the way described in section 22.2 (c) An emergency acknowledgment issued under this section may not be used by the person to whom it was issued to acquire foods covered by this order, but must be exchanged for a ration check at the activity designated thereon.

SEC. 22.4 *Sales commissaries, post exchanges and ships' service departments ashore may transfer foods for points.* (a) Army exchanges, post exchanges, ships' service departments ashore, sales commissaries, commissary stores, and any other activity of the Army, Navy Training Organization of the War Shipping Administration, Marine Corps or Coast Guard and the Office of Distribution of War Food Administration may transfer foods covered by this order only in exchange for points in the same way as "retailers" are permitted to make transfers under this order. However, they are not required to register as retailers, "wholesalers," or "primary distributors."

(b) All points so received by Army exchanges, post exchanges, ships' service departments ashore, sales commissaries, commissary stores, or any other activity of the Army, Navy, Training Organization of the War Shipping Administration, Marine Corps or Coast Guard or by the Office of Distribution of War Food Administration must be deposited in the ration bank accounts maintained for them. These points may then be used to acquire other foods covered by this order.

SEC. 22.5 *Veterans' Administration and Coast and Geodetic Survey may apply for allotments under General Ration Order 5.* (a) Allotments of foods covered by this order for the Veterans' Administration and the Coast and Geodetic Survey will be granted in accordance with the provisions of General Ration Order 5.

SEC. 22.6 *Industrial users may replenish foods used in products transferred to agencies designated in General Ration Order 11.*[15] (a) Any "industrial user" who, before July 1, 1943, transfers to any exempt agency any products which he manufactured after March 28, 1943, in the manufacture of which he used foods covered by this order, may apply to and obtain from his board a "certificate" equal in point value to the foods used by him in such products. The application shall be made on OPA Form R-315, on or before August 1, 1943, and shall set forth the nature and amount of the products, the time when the products were manufactured, the date when such products were transferred and the amount of foods covered by this order he used in such products. The application shall be accompanied by such evidence of transfer to the exempt agency as the board may require. If a certificate is issued under this section, the industrial user's allotment for the allotment period in which it is issued shall be considered increased by the amount of the certificate.

(b) Any industrial user who used a food covered by this order in products which are acquired on or after July 1, 1943, by any of the designated agencies covered by General Ration Order 11, may apply for replacement or advance of such foods under the conditions and in accordance with the procedure set forth in General Ration Order 11.

SEC. 22.7 *Ships' and planes' stores.* (a) Foods covered by this order may be acquired for use as ships' and planes' stores under the provisions of General Ration Order 5.

(b) Any operator of a vessel or plane to whom a statement has been issued by a Collector of Customs (or Military Officer) under section 21.2 or 21.3 of General Ration Order 5 may acquire foods covered by this order up to the amount authorized thereon without surrendering points. Any retailer, wholesaler or primary distributor may, in exchange for the statement, transfer to the operator of the vessel or plane, without getting points, foods covered by this order up to the amount specified on the statement.

(c) A retailer or wholesaler may exchange such statement for a certificate, at his board. He must attach to the statement a signed receipt, invoice, or other evidence to prove the transfer of the foods covered by this order. If the board is satisfied that the foods were transferred as ships' or planes' stores, it shall issue a certificate to the retailer or wholesaler for the number of points needed to replace the foods transferred. A primary distributor must send the Customs Collector's (or Military Officer's) statement and the attached receipt or other evidence to the board or district office to which he reports, along with his report for the reporting period in which he made the transfer.

(d) An airplane operator who has been allowed an operating inventory under section 21.4 of General Ration Order 5 may exchange for a certificate a statement issued by a Collector of Customs (or Military Officer) under section 21.3 of that order at a board covering any area where the operator maintains an office.

SEC. 22.8 *Governmental investigatory agencies may acquire foods needed in their investigations.* (a) An investigatory agency of the United States or of any State or local government which needs foods covered by this order in order to perform its inspections or investigations, may apply for points to acquire them. The application must be in writing, on an official letterhead of the

[15] 8 F.R. 9008, 9625, 10419, 11671, 12558, 12711, 13171, 13920, 16840, 17511; 9 F.R. 1053, 848, 3076, 4010, 5374.

agency (if any is available) and must state the name of the agency, the purpose for which points are needed, the period during which they are needed, and the number of points required. An agency of the United States may make its application to the "Washington Office" or to any district office. An agency of a State or local government shall apply to the district office. If the district or Washington Office finds that points are needed in order to carry on the investigatory activities of the agency, it shall issue one or more certificates for the number of points required.

(b) The Food and Drug Administration of the Federal Security Agency (which is hereby designated an exempt agency for this purpose) may open one or more exempt ration bank accounts of the type described in General Ration Order 3B. However, it may issue ration checks against those accounts only to acquire foods covered by this order which are needed for inspection or investigation.

(c) Any government agency which acquires foods covered by this order for purposes of inspection or investigation may, after they have served the purpose for which they were acquired, dispose of them to any federal, state or local institution without receiving points for them. The institution which receives the foods shall report in writing the amount received and the date on which they were received to the board with which it is registered under General Ration Order 5, or, if it is not registered, to the board for the area in which it is located. Its allotment shall not be regarded as increased by such acquisition, and the foods so acquired shall be treated as excess inventory.

SEC. 22.9 *Area reduction in point value of farm butter* (a) In some localized areas there may be cases where farm butter, although it is offered for sale at a price at least low enough to continue the customary differential between it and creamery butter, cannot be disposed of at the point value established for such farm butter. The Director of the Food Rationing Division may, in these cases, authorize a reduction in the point value of farm butter, but only to the extent necessary to prevent waste or spoilage.

(b) The Director shall exercise his authority through the regional offices which he designates. He may authorize the designated regional offices to act through appropriate district offices or boards.

(c) The reductions shall be allowed, and farm butter shall be sold or transferred at the reduced point value, only under the conditions and subject to the limitations fixed by the Director, and any further conditions fixed by the appropriate regional office, district office, or board.

SEC. 22.11 *Issuance of checks by Office of Distribution of War Food Administration for demonstrations.* (a) The Office of Distribution of War Food Administration may issue checks on its ration bank account or accounts to persons it designates. These persons may use the points to acquire foods covered by the order and they may use these foods for demonstrations sponsored by the Office of Distribution of War Food Administration. The total number of points which may be issued pursuant to this section, in any period specified by the Office of Price Administration, shall not exceed the amount authorized, for the purposes of this section, by the Office of Price Administration, for such period.

SEC. 22.12 *Issuance and use of checks by Extension Service of Department of Agriculture.* (a) The Extension Service of the Department of Agriculture may open a ration bank account. It may deposit in that account ration checks issued to it by the Office of Price Administration for food demonstrations, and may issue checks on that account to any State Director of a State agricultural Extension Service.

(b) A State Director of a State agricultural Extension Service may open a ration bank account. He may deposit in that account ration checks issued to him by the Extension Service of the Department of Agriculture for food demonstrations, and may issue checks on that account to persons who may use the points to acquire foods covered by the order. Such foods may be used only for the purpose of demonstrations sponsored by the State agricultural Extension Service.

(c) A person who receives a check from a State Director of a State agricultural Extension Service may exchange that check for one or more certificates or ration coupons at any board.

ARTICLE XXIII—SUSPENSION ORDERS

SEC. 23.1 *Office of Price Administration may issue suspension orders.* (a) Any "person" who violates this order may, by administrative suspension order, be prohibited from receiving any "transfer" or delivery of, or from selling or using or otherwise disposing of, any "foods covered by this order" or other rationed product or facility. Such suspension order shall be issued for such period as in the judgment of the Administrator, or such person as he may designate for such purpose, is necessary or appropriate in the public interest and to promote the national security.

ARTICLE XXV—ACQUISITION OF FOODS COVERED BY THIS ORDER BY RESIDENTS OF MEXICO

SEC. 25.1 *Residents of Mexico may acquire foods covered by this order in the United States.* (a) Any "consumer" who resides in Baja California, Mexico, within ninety kilometers of the border between Mexico and the United States, or in any other part of Mexico within twenty kilometers of that border, may apply for points to "acquire" foods covered by this order in the United States. The application must be made in "person" on OPA Form R-183 (Revised) to the "board" whose office is nearest his customary point of entry into the United States. A single application must be made by the applicant for himself and for all members of his family unit (that is, for all persons living in his household who are related to him by blood, marriage, or adoption) who wish to acquire foods covered by this order. An application may be made by a person under eighteen years of age only if he is the head of a household or is not a member of a family unit. However, if an applicant is unable to complete and sign the application or is unable to appear in person before the board, anyone may act for him if the board is satisfied that such person has been given authority to act as agent for the applicant in completing, signing, and presenting the application.

(b) The application must be completed and signed by the applicant or his agent and must show:

(1) The applicant's name, address and age;

(2) The names and ages of all consumers living in his household who are related to him by blood, marriage or adoption and who wish to acquire foods covered by this order in the United States;

(3) The serial number of the applicant's "immigration document" and any immigration documents issued for use by the consumers named in the application. The applicant, or his agent must present all such immigration documents to the board at the time the application is made and shall also give any other information that the board may request. The immigration documents shall be returned by the board to the applicant or his agent as soon as the board has examined them.

(c) If the applicant complies with the requirements of paragraphs (a) and (b) the board shall grant the application and shall issue ration cards (OPA Form R-185, Revised) for foods covered by this order as provided in this article.

(d) A consumer who has previously applied on OPA Form R-183 for points to acquire foods covered by this order in the United States is not required to make a new application on OPA Form R-183 (Revised) unless, since the date of his last application, there has been a change in the number or identity of the members of his household related to him by blood, marriage or adoption who wish to acquire foods covered by this order in the United States. The board will issue ration cards (OPA Form R-185, Revised) for foods covered by this order to such a consumer at any time after July 1, 1944, without requiring a new registration, if the applicant or his agent appears in person at the board and surrenders the expired punch card (OPA Form R-185) issued to him under this article as it read before June 16, 1944, and presents any immigration document issued for use by the consumers named in the card. The immigration documents shall be returned by the board to the applicant or his agent as soon as the board has examined them. If any such punch card has been lost, destroyed or stolen, and the applicant has not received a duplicate card, the board may waive the requirement that such card must be surrendered.

(e) The monthly ration of foods covered by this order for each consumer for whom the application is granted shall not exceed the number of points fixed by the district director for the area in which the applicant's board is located, as provided in paragraph (f) of this section.

(f) Each district director whose area includes a point of entry between Mexico

and the United States, shall, on or before July 1, 1944, fix the number of points per month (in multiples of ten) which the respective boards may issue for each consumer for whom rations are granted for the acquisition of foods covered by this order in the United States. The amount of such monthly ration may be changed at any time thereafter by such district director. However, in no event may the monthly ration exceed 30 points per month. In determining the amount of the monthly ration, the district director shall take into consideration the available supply of foods covered by this order in the parts of Mexico adjacent to the customary points of entry in his district.

SEC. 25.2 *Issuance of ration cards.* (a) Ration cards (OPA Form R-185 Revised) for foods covered by this order shall be issued for periods of three calendar months or less. All ration cards (OPA Form R-185, Revised) shall have an earliest renewal date, which shall be the first day after the expiration of the period for which the card is issued. A board may, in its discretion, issue ration cards for any period of time less than three months.

(b) The board shall issue one ration card (OPA Form R-185, Revised) for each consumer or group of consumers for whom an application has been granted. However, if the application is granted for more than four consumers, one additional ration card shall be issued for each additional four consumers or less. The board shall write in the place provided on such cards, the date on which the card is issued, the earliest renewal date, and the name and serial number of the immigration documents of the applicant and all other consumers for whom the application is granted. Before issuing a ration card for foods covered by this order, the board shall remove in horizontal strips, starting at the bottom of the card, the requisite number of coupons, so that the card, when issued, will contain coupons only for the number of points for which the application is granted, for the consumers whose names appear on the ration card. The board shall also write upon the immigration document of each consumer for whom rations are granted the letters "M. F" and the serial number of the ration card issued for him.

(c) If any consumer for whom a ration card has been issued under this article secures a new immigration document, such ration card may not be used to acquire foods covered by this order in the United States until the applicant or his agent appears in person at the board and presents such ration card and the new immigration document. The board shall delete the serial number of the old immigration document and record in its place the serial number of the new immigration document. The person who records the serial number of the new immigration document must initial the change. He must at the same time record the serial number of the new immigration document on the application (OPA Form R-183 or OPA Form R-183, Revised) for the consumer. The board shall also write upon the new immigration document the letters "M. F." and the serial number of the ration card.

(d) A ration card for foods covered by this order shall have no expiration date and may be used at any time by the consumer for whom it is issued or any member of his family unit for the acquisition of foods covered by this order from any "retailer" "wholesaler" or "primary distributor" in the United States.

(e) On or after the earliest renewal date of a ration card for foods covered by this order, the applicant's board shall issue a new ration card (OPA Form R-185, Revised) if the applicant, or his agent appears in person at the board and returns the cards of the consumers for whom rations were previously issued. (However, if a previously issued card has been lost, destroyed, or stolen, the board may waive the requirement that such card must be returned.) He must also present the immigration document of each consumer for whom rations are requested. No new application (on OPA Form R-183, Revised) is needed for the issuance of ration cards to replace previously issued ration cards unless, since the date of the last application, there has been a change in the number or identity of the members of applicant's household related to him by blood, marriage or adoption who wish to acquire foods covered by this order in the United States. Acceptance by the applicant of ration cards for succeeding periods shall constitute a representation by the applicant that the consumers for whom rations are requested are the same as those covered on the card or cards previously issued by the board and that the number of such consumers has not been reduced. New ration cards will be issued for periods of three calendar months or less and no rations may be granted for any period of time which has elapsed since the earliest renewal date of any previously issued ration card.

SEC. 25.3 *Issuance of ration cards to certain applicants by the district office.* (a) Any consumer who resides in Mexico, within the area described in section 25.1 (a) who desires to acquire foods covered by this order in the United State and who is not eligible for rations under any other provisions of this article, or who needs more rations than he can get with his ration card (OPA Form R-185, Revised) may apply on OPA Form R-183 (Revised) to the board nearest his customary point of entry into the United States for additional rations. The application must show why the applicant cannot receive a ration card under the other provisions of this article or why he needs more rations. A board may not act upon an application under this section but shall send it, together with all other information received and its recommendations, to the district office. If the district office finds that the applicant resides within the area described in section 25.1 (a) and that he does not have and cannot get an immigration document or that his health depends upon his getting more foods covered by this order or that he needs more foods than the monthly ration fixed by the district director, it may approve the application and return it to the board with instructions for the issuance of such rations as may be directed by the district office. If the district office finds that the applicant does not have an immigration document it shall instruct the board to insert the word "waived" in the space provided for the serial number of the applicant's immigration document.

SEC. 25.4 *Value and use of coupons by residents of Mexico.* (a) Each coupon on a ration card (OPA Form R-185, Revised) is worth ten points and is good for use as provided in this article for an unlimited time by the consumers for whom it is issued. A resident of Mexico gives up points when he acquires foods covered by this order in the United States by surrendering coupons from his ration card or "tokens" Coupons must be given up at the time the foods are acquired and must be detached from the ration card (OPA Form R-185, Revised) in the presence of the person who is selling or transferring the foods. Loose coupons may not be used by a resident of Mexico or any other person and they must not be accepted by the seller or transferer. If it is impossible to detach coupons exactly equal to the point value of the foods transferred because their point value is not an exact multiple of ten, coupons of the nearest higher point value must be detached and the transferor must return the excess number of points to the consumer in the form of tokens.

SEC. 25.5 *How suppliers may replace inventory of foods covered by this order transferred to residents of Mexico.* (a) A retailer, wholesaler, or primary distributor who gets coupons from a resident of Mexico in the way permitted by this article, may not deposit those coupons in his ration bank account or use them to acquire foods covered by this order. He may only surrender such coupons, at any time, to the board for the area in which his establishment is located in exchange for a "certificate" equal to the point value of the surrendered coupons.

SEC. 25.6 *Surrender of points by suppliers from whom foods covered by this order were acquired before July 1, 1944.* (a) Any retailer, wholesaler, or primary distributor who was designated as a supplier on punch cards issued before July 1, 1944, to residents of Mexico, must surrender the total number of points he owes, if any, on or before July 10, 1944, to the board for the area in which he is located. (The total number of points which he owes is the total number of points given him by all certificates previously issued to him under this article as it read before June 16, 1944, less the point value of all foods covered by this order transferred by him to residents of Mexico up to that date.) He shall, at the same time, give to the board a written statement showing:

(1) The total point value of all such cards issued for the months of May and June 1944;

(2) The total number of unused points left on such cards; and

(3) The total number of points given to him by certificates issued under this article for the month of May and June 1944.

SEC. 25.7 *Records of suppliers from whom foods covered by this order were acquired before July 1, 1944.* (a) Any retailer, wholesaler, or primary distributor who was designated by an applicant as the supplier from whom foods covered by this order were to be acquired before July 1, 1944, shall maintain and keep at his place of business the cards which he was required to make out for each such applicant before July 1, 1944.

SEC. 25.8 *Records and reports by suppliers who transferred foods covered by this order to residents of Mexico before July 1, 1943.* (a) Any retailer, wholesaler, or primary distributor to whom a certificate has been issued under this article prior to July 1, 1943, shall maintain and keep at his place of business a record showing the name of each applicant for whom he has received such certificate, the point value of each certificate and of all foods covered by this order transferred against it and the dates of such transfers. Before the 10th day of July 1943, he must give to his board a written statement showing the total point value of all certificates received by him for June 1943 and the total point value of all transfers of foods covered by this order made under such certificates during that month.

ARTICLE XXVI—HOUSEHOLD SALVAGE FATS

SEC. 26.1 *Explanation of the terms renderer and rendering establishment*—(a) *Rendering establishment.* Any place at which a "person" processes "household salvage fats" by dry rendering such fats in a closed fat melter or wet rendering such fats in a steam pressure tank to produce tallow, grease, tankage, fatty acids, or detergents is a "rendering establishment"

(b) *Renderer.* Any person who has a rendering establishment is a "renderer"

SEC. 26.2 *Renderers must register between December 9 and December 11, 1943, inclusive*—(a) *General.* Every renderer must register his rendering establishment on OPA Form R-315 with the district office for the place where his establishment is located at any time from December 9, 1943, to December 11, 1943, inclusive. If he has more than one rendering establishment, he may register them together or separately. If he registers them together, he must register all on a single registration form and file that form with the district office for the place where his principal business office is located. If he registers each of them separately, he must file a separate registration form for each establishment with the district office for the place where that establishment is located. Each separately registered establishment is to be treated and operated separately for all the purposes of this order, just as if the establishments were owned by different persons.

(b) *Report of acquisitions of household salvage fats.* As part of his registration, the renderer must attach a statement showing the number of pounds of household salvage fats which he "acquired" each month during July, August, September, and October 1943. This statement must show:

(1) The name and address of each "independent collector" if any, from whom he acquired household salvage fats, and the number of pounds acquired from each during each month;

(2) The number of pounds of household salvage fats he acquired from all other sources during each month;

(3) The total number of pounds of household salvage fats he acquired each month, and the total acquired in the four month period.

If he has more than one rendering establishment, and registers them together, he must attach a separate statement for each.

SEC. 26.3 *Renderers may receive allotments*—(a) *General.* A renderer is given an allotment of points to enable him to obtain household salvage fats for processing. Allotments are given for fixed periods, called allotment periods. The first allotment period is from December 13, 1943, through March 31, 1944. The second period is from April 1, 1944, through June 30, 1944. The third period is from July 1, 1944, through September 30, 1944. The fourth period is from October 1, 1944, through December 31, 1944.

(b) *Application for allotments.* A renderer's registration is treated as his application for an allotment for the first allotment period. The report, as described in section 26.4, which he submits for the last month of an allotment period will be treated as his application for the succeeding allotment period. The application may, in the discretion of the district office, be made at any time during the allotment period, but if it is made more than 20 days after the beginning of the period the allotment shall be reduced in proportion to the part of the allotment period which has elapsed at the time the application is made.

(c) *Amount of allotment.* A renderer's allotment for the first allotment period is determined by multiplying the number of pounds of household salvage fats which he acquired in July, August, September and October 1943 by 2.4. For the second allotment period, his allotment is determined by multiplying the number of pounds of household salvage fats he acquired from January 1, 1944, through March 31, 1944, by 2. For each succeeding allotment period his allotment is determined by multiplying the number of pounds of household salvage fats he acquired in the allotment period preceding the period in question by a factor to be fixed in a supplement to this order. He will receive for each allotment period a certificate for the amount of his allotment less the number of points he has remaining from prior allotments for household salvage fats (excluding the points he owes for acquisitions of household salvage fats).

(d) *Renderers who need additional points.* If a renderer has acquired, during any allotment period, household salvage fats for which he has given up at least 50% of his allotment of points for that period, and does not have sufficient points to acquire all the household salvage fats he can obtain for the remainder of that period, he may apply on OPA Form R-315 for additional points to the district office where he is registered. His application must show:

(1) The amount of his allotment for that period and the number of points he has on hand and in his household salvage fats ration bank account;

(2) The number of pounds of household salvage fats he acquired since the beginning of the allotment period;

(3) The number of points he needs until the end of the period.

If the district office finds that he needs additional points, it will issue to him a certificate for the number of points he requests, but not more than 50% of his allotment for that period.

SEC. 26.4 *Renderers must file reports*—(a) *General.* Every renderer must file a report on OPA Form R-1620 of his acquisitions of household salvage fats during each month beginning December, 1943. (However, this report for December, 1943 shall cover only the period from December 13, through December 31, 1943.) He must give all the information called for by the form. The report must be filed at the district office where he is registered within 15 days after the end of the month which it covers. If he has more than one rendering establishment and they are registered together, he must file a single report for all of them.

SEC. 26.5 *Renderers must keep records.* (a) Beginning December 13, 1943, every renderer must keep, at his rendering establishment, a record showing, for that establishment, his acquisitions of household salvage fats by weight, in each month of the allotment period; the name and address of each independent collector from whom he acquired household salvage fats during each month, the number of pounds acquired from each; and the date on which he acquired such fats. If he has more than one establishment and they are registered together, the record may be kept at his principal business office, but a separate record must be kept for each of his establishments.

SEC. 26.6 *Explanation of the terms independent collector and independent collector establishment.* (a) A place other than a "retail" or "wholesale establishment," where a person who deals in household salvage fats regularly keeps, for sale or "transfer," stocks of those fats, is an "independent collector establishment."

(b) Any person who has an independent collector establishment is an "independent collector"

(c) Where an independent collector does not operate from any fixed place, his independent collector operations as a whole are regarded as a single independent collector establishment.

SEC. 26.7 *Independent collectors may register and apply for an allowable inventory*—(a) *General.* An independent collector who acquired household salvage fats for sale or transfer during October 1943 may register on or after December 9, 1943, on OPA Form R-315, for an allowable inventory of points to acquire household salvage fats. His registration must be filed with the district

office for the place where his independent collector establishment is located. His registration must show:

(1) The number of pounds of household salvage fats he has on hand;

(2) The number of pounds of household salvage fats he acquired for sale or transfer during October 1943;

(3) The number of points he owes for household salvage fats he acquired;

(4) The number of points owed to him for household salvage fats he transferred; and

(5) The number of points he has on hand and in his ration bank account.

If he has more than one independent collector establishment he may register them together or separately. If he registers them together, he must register all on a single registration form and file that form with the district office for the place where his principal business office is located. If he registers each of them separately, he must file a separate registration form for each establishment with the district office for the place where that establishment is located. Each separately registered establishment is to be treated and operated separately for all the purposes of this order, just as if the establishments were owned by different persons.

(b) *Allowable inventory.* An independent collector who registers is given an allowable inventory of points to enable him to acquire household salvage fats for sale or transfer. This allowable inventory is his working capital and is determined by multiplying by two the number of pounds of household salvage fats he acquired in October 1943. The district office will issue to him a certificate in this amount, less the number of points owed to him for household salvage fats he transferred, the number of points he has on hand and in his ration bank account, and the number of pounds of such fats multiplied by two which he has on hand on the date of his application. However, if he owes points for fats acquired by him, the amount of any certificate issued under this paragraph shall be increased by the number of points owed. An independent collector who does not register will have to operate on the basis of the stocks he has and the points he obtains from the persons to whom he sells or transfers such stocks.

SEC. 26.8 *Independent collectors must keep records.* (a) Beginning December 13, 1943, every independent collector must keep at his independent collector establishment a record, for that establishment, of his acquisitions and transfers, each month, of household salvage fats, by weight. If he has more than one establishment and they are registered together, the record may be kept at his principal business office.

SEC. 26.9 *Who may have ration bank accounts*—(a) *Renderer* Every renderer must open a ration bank account for household salvage fats for his rendering establishment. If he has more than one rendering establishment and they are registered separately, he must open a separate account for each. If they are registered together, he may open one account for all, or a separate account for each or for any group of them, but all must have an account.

(b) *Independent collector* Every independent collector who acquired for sale or transfer 15,000 pounds or more of household salvage fats in any month since July 1943, may open a ration bank account for household salvage fats for his independent collector establishment. If he has more than one independent collector establishment and they are registered separately he may open such accounts only for those establishments at which he acquired for sale or transfer 15,000 pounds or more of household salvage fats in any month since July 1943. If he has more than one independent collector establishment and they are registered together he may open accounts for any one or any group of them which acquired 15,000 pounds or more during any month since July 1943. No other independent collector may open an account.

SEC. 26.10 *How household salvage fats bank accounts are used*—(a) *General.* Every renderer and every independent collector who has or is required to have a bank account under section 26.9, must deposit in that account all points he receives for household salvage fats.

(b) *How household salvage fats checks are issued.* Any renderer or independent collector who issues a ration check for household salvage fats must in stating the name of his account on the check add thereto the words "Salvage Fats Account"

(c) *Use of household salvage fats checks.* Any person other than a renderer or independent collector, who has or is required to have a ration bank account under section 9.2, must deposit in that account checks which he receives which were issued as provided in paragraph (b) Any person who receives such a check and who does not have and is not required to have a ration bank account may endorse it and transfer it to his supplier for "foods covered by this order"

SEC. 26.11 *Points must be given up for household salvage fats*—(a) *General.* Beginning December 13, 1943, no person may sell or transfer household salvage fats and no person may buy or acquire household salvage fats unless points are given up in the way this order requires.

(b) *How points are given up.* (1) Household salvage fats have a point value of one point for each one-half pound. No points may be given for any fraction of less than one-half pound.

(2) A person who acquires household salvage fats from a consumer or Group I institutional user must give such person ration coupons or tokens (designated by the Office of Price Administration to be used for the acquisition of foods covered by this order)

(3) A person who has or who is required to have a ration bank account for household salvage fats and who acquires household salvage fats from persons other than consumers or Group I institutional users must give up points in the following way:

(i) If he acquired 100 pounds or more of household salvage fats he must issue a household salvage fats ration check for the number of points due to the person from whom he acquired the fats;

(ii) If he acquired less than 100 pounds he must make point payments for such fats in ration coupons designated for the acquisition of foods covered by this order. He may obtain ration coupons for this purpose by issuing a household salvage fats ration check to the order of his board and exchange such check at the board for ration coupons in such denominations as he needs.

(4) An independent collector who does not have and is not required to have a ration bank account for household salvage fats and who receives a household salvage fats ration check may endorse and exchange such check at any board for ration coupons designated for the acquisition of foods covered by this order.

(c) *When points must be given up.* (1) Points for household salvage fats must be given up to a consumer or Group I institutional user at the time of the transfer of the household salvage fats.

(2) Points for household salvage fats must be given up to all other persons not later than the 10th day of the month following the month in which the transfer was made. However, if money payment for the household salvage fats is made before this time, the points must be given up at the same time the money payment is made.

(d) *General.* Points may be transferred freely between establishments of the same type operated by the same person, which are registered together, and points of one of those establishments may be used to get household salvage fats for another of them.

SEC. 26.12 *Point-free transfers.* (a) No points need be given up for a delivery of household salvage fats to a renderer or independent collector if such fats were in transit to him on December 12, 1943.

(b) A consumer may exchange, point-free, with another consumer, a primary distributor, wholesaler or retailer, household salvage fats for foods covered by this order equal in point value to such household salvage fats.

(c) Point-free transfers of household salvage fats may be made under the conditions described in sections 11.5, 11.6, 11.7, 11.8, 11.9, 11.10, 11.12, and 11.16, as though household salvage fats were foods covered by this order.

SEC. 26.13 *Other sections of this order apply.* (a) For all the purposes of Articles XVI and XVII and sections 10.7, 10.8, 10.9, 15.1, 20.1, 20.2, 20.3, 20.5, 22.1, 22.2 (a) 22.4, and 23.1 of this order, household salvage fats are to be treated as though they were foods, covered by this order.

(b) For all purposes of sections 12.1, 12.3, 12.4, 14.1, 15.2, 18.1, and 19.1 of this order, renderers and independent collectors are to be treated as though they were wholesalers of foods covered by this order.

ARTICLE XXVII—DEFINITIONS

SEC. 27.1 *Definitions.* (a) When used in this order:

"Acquire" means to accept a "transfer" or to get possession or title in any other way.

"Board" means a war price and rationing board established by the Office of Price Administration.

"Butter" means edible "fat" extracted from cow's milk, cream, or whey, or such fat mixed with any cheeses, if the cheese is less than twenty-five per cent by weight of the mixture. It includes any substance the manufacture of which is taxable as the manufacture of process (renovated) or adulterated butter as defined by Chapter 840, section 1, Act of August 2, 1886 (24 Stat. 209) as amended by Chapter 784, section 4, Act of May 9, 1902 (32 Stat. 193) It also includes "creamery butter" and "farm butter."

"Canned fish" means any of the following heat-treated items, if packed in hermetically sealed containers: mackerel, oyster, salmon, sardine (including California pilchard), shrimp, tuna (including bonito and yellowtail) and any other edible product containing more than twenty percent, by weight, of the above.

"Canned meat" means any meat packed in hermetically sealed containers and heat-treated.

"Canned milk" means "concentrated milk" packed in hermetically sealed containers.

"Certificate" means a certificate on OPA Form R-1201, or on OPA Form R-306 revised in accordance with section 16.7.

"Cheddar cheese" (frequently called American cheese) means cheddar cheese as defined in "Standards of Identity for Cheddar Cheese, Cheese, Washed Curd Cheese, Colby Cheese" promulgated by the Food and Drug Administration and published in the FEDERAL REGISTER of January 9, 1941 (6 F.R. 195)

"Concentrated milk" means the milk of a cow in liquid form, containing not less than 6 per cent of milk fat and not less than 16 per cent of total milk solids, whether or not sweetening, coloring matter, vitamins, disodium phosphate, sodium citrate, calcium chloride, or other stabilizers or flavoring or preservative agents have been added. Concentrated milk includes evaporated milk and condensed milk. (The quantity of milk fat is to be determined by the method prescribed under "Fat—Official" on page 280, and the quantity of total milk solids is to be determined by the method prescribed under "Total Solids—Official" on page 279, of "Official and Tentative Methods of Analysis of the Association of Official Agricultural Chemists" Fourth Edition, 1935.)

"Consumer" means any person who "acquires" "foods covered by this order" for personal use, or for use at a table at which he eats.

"Cooking or salad oil" means a "rationed fat or oil," liquid at seventy degrees Fahrenheit, composed only of unhydrogenated vegetable "fats and oils" and to which no stearin has been added.

"Cottage cheese" (and "creamed cottage cheese") has the meaning assigned in "Cream Cheese, Neufchatel Cheese, Cottage Cheese, and Creamed Cottage Cheese: Definitions and Standards of Identity," promulgated by the Food and Drug Administration and published in the FEDERAL REGISTER of December 23, 1942 (7 F.R. 10759, §§ 19.525 and 19.530)



"Cream cheese" (and "Neufchatel cheese") has the meaning assigned in "Cream Cheese, Neufchatel Cheese, Cottage Cheese, and Creamed Cottage Cheese: Definitions and Standards of Identity," promulgated by the Food and Drug Administration and published in the FEDERAL REGISTER of December 23, 1942 (7 F.R. 10758, § 19.515, and 7 F.R. 10759, § 19.520)

"Creamery butter" means any butter other than "farm butter" or "process butter."

"District office" means a district office established by the Office of Price Administration or, where there is none for a particular area, the State office having jurisdiction over that area.

"Family unit" has the meaning given to that term in section 1.3 of General Ration Order 6.

"Farm butter" ("country butter") means butter produced on a farm from milk produced on that farm, if the milk or cream from which it is produced has not been neutralized or pasteurized, and if it is to be sold or transferred as "farm butter," the package or other container is to be marked "farm butter" or "country butter"

"Fat" (or "oil") means glycerides of the higher fatty acids.

"Foods covered by this order" (or "foods" where the context indicates) means "meat" "canned fish" "rationed cheeses" "rationed fats or oils" or "canned milk" It does not include any item which is a processed food covered by Revised Ration Order 13, or which is a pharmaceutical product, and no such item is included in any of the above terms even if it comes within the definition of that term.

"Group I institutional user" means a Group I institutional user as defined in General Ration Order 5.

"Household salvage fats" means any fat produced by a consumer or Group I institutional user in preparing or cooking food.

"Immigration document" as used in Article XXV of this order, means a border crossing identification card or passport issued to a non-resident alien, bearing either a visa for entry into the United States or a notification showing that such a visa has been issued. It also includes a U. S. citizen's identification card, passport or other immigration papers issued to non-resident citizens of the United States for entry into Mexico.

"Industrial consumer" means any "person" who engages in "industrial consumption."

"Industrial consumption" means the use of a "food covered by this order" for a purpose for which the order does not otherwise provide.

"Industrial use" means any use of "foods covered by this order" in producing or manufacturing, for sale or "transfer," a food for human consumption, which is not covered by this order, or a pharmaceutical to be taken internally by humans or animals, or for experimental purposes.

"Industrial user" means any "person" who has an "industrial user establishment."

"Industrial user establishment" means any place where a "person" makes an "industrial use" (of a "food covered by this order")

"Institutional user" means any person who has an "institutional user establishment."

"Institutional user establishment" means an institutional user establishment as defined in General Ration Order 5. (With certain exceptions, it means any place where a "person" uses a rationed food in the preparation of food which he serves to "consumers" or in the service of food to consumers.)

"Lard" means a "fat" containing no "fat" other than the fat extracted from any part of the carcass of a swine, and not including any form of "margarine."

"Margarine" means any substance the manufacture of which is taxable as oleomargarine, under and as defined in chapter 840, section 2, Act of August 2, 1886 (24 Stat. 209), as amended by chapter 882, section 1, Act of July 10, 1930 (46 Stat. 1022).

"Meat" means the carcass or any edible part of the carcass of cattle, calves, sheep, lambs or swine, including edible offal, bones and skins. It includes any other edible product containing more than twenty per cent, by weight, of the above items. Meat does not include gelatin, glue, or "lard" Neither does it include casings or visceral parts acquired by a person to be used by him in making casings. (Casings are visceral parts specially prepared for use in holding sausage or other foods.)

Meat does not include rendering fats and bones (produced in disassembling a carcass, or in cutting a carcass or primal cut into smaller cuts, or in boning a carcass or cut) and lean trimmings commingled with these rendering fats and bones, if these parts of the carcass are acquired by a person to be used by him for animal feed, for rendering into inedible products or for other inedible purposes, or by a primary distributor to be used by him for rendering into rationed fats or oils, or for transfer to such a person for one of these purposes; however, rendering fats do not include fat backs, fat back pork, clear plates and jowls (including jowl squares)

Neither does meat include cracklings containing no more than fifteen per cent, by weight, of fat. (Cracklings containing more than fifteen per cent, by weight, of fat are considered rendering fats.) Meat does not include the items listed in section 30.1 (a) (1) and (2) However, meat does include any of the items listed in section 30.1 (a) (2) when they are used in an edible product in combination with each other or with any of the other items defined as meat in this paragraph. Neither does meat include waste cooking waters, meat extracts, or bouillon cubes. (Waste cooking waters are produced in the cooking of meat. Meat extracts are produced by the evaporation of these cooking waters. Bouillon cubes are produced from such meat extracts.)

Meat does not include a carcass, or any part of a carcass, which is condemned as unfit for human food by an authorized federal, State or local government inspector, and which is either plainly marked to indicate that it has been so condemned or is denatured or

otherwise destroyed for food purposes as may be required by law.

"Person" means not only an individual, but also a partnership, corporation, association or business trust. It includes a government, government agency and any other organized group or enterprise.

"Pre-packaged cheese item" means "rationed cheese" in an original package of a primary distributor or wholesaler. If one such package is contained within another, it means the smaller of such packages. (For example, a cardboard package containing several small individually wrapped pieces of cheese is not a single "pre-packaged cheese item" Rather, each individually wrapped piece is a separate "pre-packaged cheese item".)

"Primary distributor" means any "person" who has a "primary distributor establishment."

"Primary distributor establishment" has the meaning given to that term in sections 4.3 to 4.10, inclusive.

"Process butter" means process or renovated "butter" as defined by Chapter 840, section 1, Act of August 2, 1886 (24 Stat. 209) as amended by Chapter 784, section 4, Act of May 9, 1902 (32 Stat. 195)

"Rationed cheeses" means all cheeses of any kind, variety or description (but not including "cottage cheese" or "creamed cottage cheese" containing 5 percent or less butterfat by weight) and any other edible product containing 30 percent or more, by weight, of such cheeses (other than cottage cheese, or creamed cottage cheese containing 5 percent or less butterfat by weight) It does not include "whey products" nor does it include any cheese in the manufacture of which neither cow's milk nor milk solids derived from cow's milk are used.

"Rationed fats or oils" (or "rationed fats") means any of the following substances, whether or not water, coloring matter, vitamins, or a preservative or flavoring agent has been added to it, and even if it has been bleached, hydrogenated, winterized, or deodorized:

(1) Any edible "fat" extracted from cows' milk, cream, or whey·

(2) Any edible fat extracted from the carcasses of cattle, sheep, calves or lambs;

(3) Any fat extracted from cottonseed, sesame seed, sunflower seed, corn germs, peanuts or soy beans, and "refined"·

(4) "Margarine"·

(5) Any fat extracted from fish, marine mammals or flaxseed, and refined and deodorized, but not including any which is refined and deodorized in the process of producing an inedible product and used therefor;

(6) Any edible substance which is composed of a mixture of any of the above, or of a mixture of any of the above with any other fat;

(7) "Butter"

However, "rationed fats or oils" does not include mayonnaise, salad dressing, USP vitamin oils, fish liver oil, sperm oil, or fat resulting from cooking done by a "consumer" or "institutional user."

"Refine" means to treat with caustic soda, soda ash, or otherwise reduce the free fatty acid content.

"Retail establishment" means any place where a "person" who deals in "foods covered by this order" regularly keeps stocks of those foods for sale or "transfer" (other than as a "primary distributor") if more than fifty per cent of those stocks are sold or transferred from there directly to "consumers" Even if the amount sold or transferred from there directly to consumers is fifty per cent or less, it is still a retail establishment in the following case:

(1) If some of those stocks are transferred directly to consumers; and

(2) If he keeps the rest of the stocks there just to supply his own establishments of any type; and

(3) If no "wholesale establishment" and not more than three retail establishments are supplied from there.

"Retailer" means any "person" who has a "retail establishment."

"Shortening" means any "rationed fat or oil" other than "butter," "margarine" or "cooking or salad oil."

"Stamp" means a red stamp in, or taken from, a War Ration Book Four.

"Token" means a red token designated for the acquisition of foods covered by this order.

"Transfer" means to sell, give, exchange, lend, deliver, or consign. It includes any transfer of possession or title, however accomplished, and any movement of goods from one establishment to another. The use by any "person" of foods covered by this order which he produced or holds for sale or transfer is considered a transfer of those foods to himself. However, delivery to a carrier for shipment is not regarded as a transfer to the carrier; and delivery by the carrier to the consignee is not regarded as a transfer by the carrier.

"Washington office" means the national headquarters of the Office of Price Administration, in Washington, D. C.

"Whey product" means a product containing not more than 25 per cent butterfat in the dry matter, made from whey or from whey and other ingredients by coagulating or concentrating the solids, if the whey is at least 90 per cent of the total volume. It includes the products known as primost, mysost, gjetost and ricotta.

"Wholesale establishment" means any place where a "person" who deals in "foods covered by this order" keeps stocks of those foods for sale or transfer (other than as a "primary distributor") if fifty per cent or more of those stocks are transferred from there directly to persons other than "consumers." However, if he keeps the stocks which are not transferred to consumers, just to supply his own establishments, it is a wholesale establishment only if it supplies:

(1) At least one of his wholesale establishments; or

(2) At least four of his "retail establishments."

"Wholesaler" means any "person" who has a "wholesale establishment."

"Weight" means pounds or equivalent fluid volume units.

ARTICLE XXX—APPENDIX

SEC. 30.1 *Items excluded from the definition of meat.* (a) The following items are not "meat" as that term is used in this order·

(1) Adrenal glands, Bile, Epididymes, Gullets (closely trimmed), Hog lungs, Lymph glands, Ovaries, Parathyroid glands, Pineal glands, Pituitary glands, Placentas, Prostate glands, Salivary glands, Thyroid glands, and Tonsils.

(2) Bacon rinds, Beef ear meat, Beef lips, Beef lungs, Beef palate meat, Beef tails, Beef udders, Brains, Diaphragm meat, Edible blood, Edible bones, Feet, Fries, Gullet meat, Heart trimmings, Kidneys, Lamb lungs, Melts, Pork back bones, Pork chitterlings, Pork duodena, Pork ears, Pork faces, Pork skins (gelatine), Pork skins (No. 1), Pork lips, Pork neck bones, Pork snouts, Pork sparerib brisket bones, Pork tails, Tongue trimmings, Tripe, Veal lips, Veal lungs, Veal neck bones, Veal palate meat, and Veal tails.

SEC. 30.2 *Reporting periods for wholesalers who transfer canned fish.* The following are the reporting periods for which wholesalers, who transfer canned fish, are required to report by section 5.10:

1. December 5, 1943 to January 1, 1944, inclusive.
2. January 2 to January 29, 1944, inclusive.
3. January 30 to March 4, 1944, inclusive.
4. March 5 to April 1, 1944, inclusive.
5. April 2 to April 29, 1944, inclusive.
6. April 30 to June 3, 1944, inclusive.
7. June 4 to July 1, 1944, inclusive.
8. July 2 to July 29, 1944, inclusive.
9. July 30 to September 2, 1944, inclusive.
10. September 3 to September 30, 1944, inclusive.
11. October 1 to October 28, 1944, inclusive.
12. October 29 to December 2, 1944, inclusive.
13. December 3 to December 30, 1944, inclusive.

*Effective date.* This revised ration order shall become effective June 16, 1944.

[Ration Order 16 originally issued March 29, 1943]

NOTE: All reporting and record-keeping requirements of this revised ration order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8784; Filed, June 16, 1944; 11:43 a. m.]

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PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Rev. RO 16, 2d Rev. Supp. 1]

MEAT, FATS, FISH AND CHEESES

Revised Supplement 1 to Ration Order 16 is redesignated Second Revised Supplement 1 to Revised Ration Order 16 and is revised to read as follows:

§ 1407.3027 *Second Revised Supplement 1 to Revised Ration Order 16.* This supplement to Revised Ration Order 16, which is an addition to and a supplement of Revised Ration Order 16 (§ 1407.3026) is hereby issued:

(a) Foods covered by Revised Ration Order 16 shall have the point values set

forth in the Official Tables of Consumer and Trade Point Values (No. 15) (OPA Forms R-1313 and 1611) which are made a part hereof.

(b) The wholesaler's allowable inventory factors (referred to in section 5.6 (b) of Revised Ration Order 16) are as follows:

| | |
|---|---|
| (1) Fresh and frozen meats | 15 |
| (2) Shortening, cooking and salad oils, canned meats, and canned fish | 35 |
| (3) All other foods covered by Revised Ration Order 16, including cheese, butter, margarine, sausage, and types of meats not described in (1) or (2) above | 28 |

(c) The classes of foods covered by Revised Ration Order 16 (referred to in section 7.5 (a) of that order) and the industrial user allotment factors (referred to in section 7.6 (c) of that order) are as follows:

(1) For the allotment period from April 1, 1944 to June 30, 1944, inclusive:

| Class of foods | Classes of product or use (on schedule I of OPA Form R-1200) | Factor |
|---|---|---|
| (i) Meats: | | |
| (a) Bone in and separated suet | All | 0.0 |
| (b) Boned and boneless (and canned meat and canned fish). | All | 0.0 |
| (c) Hearts, tongues, livers and sweetbreads (pancreas and thymus). | All | 0.0 |
| (ii) Cheeses and canned milk: | | |
| (a) Group I, cheese | All | 5.5 |
| (b) Group II, cheese | All | 7.5 |
| (c) Group III, cheese | All | 9.0 |
| (d) Canned milk | All | 0.0 |
| (iii) Fats and oils: | | |
| (a) Butter | All | 8.0 |
| (b) Margarine | All | 5.0 |
| (c) Lard | All | 0.0 |
| (d) Shortening | All | 0.0 |
| (e) Cooking and salad oils | All | 0.0 |

(2) For the allotment period from July 1, 1944 to September 30, 1944, inclusive:

| Class of foods | Classes of product or use (on schedule I of OPA Form R-1200) | Factor |
|---|---|---|
| (i) Meats: | | |
| (a) Bone in and separated suet | All | 0.0 |
| (b) Boned and boneless (and canned meat and canned fish). | All | 0.0 |
| (c) Hearts, tongues, livers and sweetbreads (pancreas and thymus). | All | 0.0 |
| (ii) Cheeses and canned milk: | | |
| (a) Group I, cheese | All | 4.5 |
| (b) Group II, cheese | All | 0.0 |
| (c) Group III, cheese | All | 0.0 |
| (d) Canned milk | All | 0.0 |
| (iii) Fats and oils: | | |
| (a) Butter | All | 7.8 |
| (b) Margarine | All | 2.0 |
| (c) Lard | All | 0.0 |
| (d) Shortening | All | 0.0 |
| (e) Cooking and salad oils | All | 0.0 |

(d) The following are the foods covered by Revised Ration Order 16, products, and factors (referred to in section 7.13) for provisional allowances:

| Food | Product | Factor |
|---|---|---|
| (1) Pork fatbacks | Prepared dry bean products. | 0.01 |
| (2) Pork plates | Prepared dry bean products. | 0.01 |
| (3) Pork jowls | Prepared dry bean products. | 0.01 |
| (4) Rationed fats or oils. | Vitamin A or D oils | 0.01 |
| (5) Rationed fats or oils. | Anti-syphilis preparations. | 0.01 |

(e) The following are the validation dates (referred to in sections 2.3 (b) and 10.4 (g) of Revised Ration Order 16) for the red stamps in War Ration Book Four:

(1) A8, B8, and C8 are valid beginning February 27, 1944.
(2) D8, E8, and F8 are valid beginning March 12, 1944.
(3) G8, H8, and J8 are valid beginning March 26, 1944.
(4) K8, L8, and M8 are valid beginning April 9, 1944.
(5) N8, P8, and Q8 are valid beginning April 23, 1944.
(6) R8, S8, and T8 are valid beginning May 7, 1944.
(7) U8, V8, and W8 are valid beginning June 4, 1944.

(f) The wholesale allowable inventory factors and the classes of foods (referred to in section 13.1 (c) of Revised Ration Order 16 are as follows:

| Class of foods: | *Factors* |
|---|---|
| (1) Shortening, cooking and salad oils, canned meat, canned fish, and canned milk | 6.0 |
| (2) Meat (other than canned meat) | 1.8 |
| (3) Butter, cheese, and margarine | 3.0 |

This supplement shall become effective June 16, 1944.

(Pub. Law 671, 73th Cong., as amended by Pub. Laws 89, 421, 507 and 729, 77th Cong., E.O. 9125, 7 F.R. 2719; E.O. 9280, 7 F.R. 10179; WPB Directive 1, 7 F.R. 562; and Supp. Dir. 1-M, 7 F.R. 8234; War Food Order No. 56, 8 F.R. 2005, 9 F.R. 4319; War Food Order No. 58, 8 F.R. 2251, 9 F.R. 4319; War Food Order No. 59, 8 F.R. 3471, 9 F.R. 4319; War Food Order No. 61, 8 F.R. 3471, 9 F.R. 4319)

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator.*

[F. R. Doc. 44-8785; Filed, June 16, 1944; 11:47 a. m.]

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PART 1418—TERRITORIES AND POSSESSIONS

[MPR 395,[1] Amdt. 22]

WOMEN'S WEAR IN VIRGIN ISLANDS

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 6259, 6744, 9990, 8847, 10231, 10780; 8 F.R. 1860, 10984.

Maximum Price Regulation 395 is amended in the following respects:

1. Section 41 is added to read as follows:

SEC. 41. *Maximum prices for imported women's and girls' wear and accessories sold or delivered in the Virgin Islands of the United States*—(a) *Definitions.* When used in this section 41, the term:

(1) "Women's and girls' wear and accessories" means all unused feminine outerwear garments and underwear garments (not including children's and infants' wear sizes 0 to 6), hosiery, and the following accessories only:

Artificial flowers.
Belts.
Cuffs, collar and cuff sets.
Dress arm shields.
Garters.
Gloves.
Handbags.
Handkerchiefs.
Ribbons.
Sashes.
Scarfs.
Shawls.
Veils.

"Women's and girls' wear and accessories" does not include millinery as defined in section 31 (a) (1), shoes or articles of adornment for personal wear except as specified above.

"Women's and girls' wear and accessories" are grouped as follows:

MUNICIPALITY OF ST. THOMAS AND ST. JOHN

Group A:
All feminine outerwear garments having a direct cost to the importer of $5.00 or less per sales unit, including:
Aprons and uniforms.
Blouses and dickies.
Coats, jackets and jerkins.
Dresses and suits.
House coats, robes and lounging pajamas.
Play and sport clothes.
Rainwear garments.
Skirts.
Slacks and slack suits.
Sweaters.
Swim or beach wear (not including slippers).
All feminine underwear garments, including:
Brassieres.
Foundation garments.
Lingerie.
Negligees.
Nightwear.
Slips and panties.
Hosiery.
The following accessories only:
Artificial flowers.
Belts.
Cuffs, collar and cuff sets.
Dress arm shields.
Garters.
Gloves.
Handbags having a direct cost to the importer of $3.00 per unit or less.
Handkerchiefs.
Ribbons.
Sashes.
Scarfs.
Shawls.
Veils.

Group B:
All feminine outerwear garments having a direct cost to the importer of more than $5.00 per sales unit, including commodities listed thereunder in Group A.
Handbags having a direct cost to the importer of more than $3.00 per unit.

MUNICIPALITY OF ST. CROIX

Group A.
All feminine outerwear garments having a direct cost to the importer of $5.00 or less per sales unit, including:
Aprons and uniforms.
Blouses and dickies.
Coats, jackets and jerkins.
Dresses and suits.
House coats, robes and lounging pajamas.
Play and sport clothes.
Rainwear garments.
Skirts.
Slacks and slack suits.
Sweaters.
Swim or beach wear (not including slippers).
All feminine underwear garments, including:
Brassieres.
Foundation garments.
Lingerie.
Negligees.
Nightwear.
Slips and panties.
Hosiery.
The following accessories only:
Artificial flowers.
Belts.
Cuffs, collar and cuff sets.
Dress arm shields.
Garters.
Gloves.
Handbags having a direct cost to the importer of $3.00 per unit or less.
Handkerchiefs.
Ribbons.
Sashes.
Scarfs.
Shawls.
Veils.
Group B:
All feminine outwear garments having a direct cost to the importer of more than $5.00 per sales unit, including commodities listed thereunder in Group A.
Handbags having a direct cost to the importer of more than $3.00 per unit.

(2) "Sales unit" includes ready-made combinations of articles received from the supplier for sale at a unit price.

(3) "Imported" as applied to women's and girls' wear and accessories means women's and girls' wear and accessories not actually produced or manufactured in the Virgin Islands of the United States.

(4) "Foreign place" means any place outside of the continental United States and the Territories and Possessions of the United States.

(5) "Class of women's and girls' wear and accessories" means a group of products comprised of women's and girls' wear and accessories having the same or similar description, all of which have identical maximum prices and are received by the seller in one delivery.

(b) *Maximum prices*—(1) *Women's and girls' wear and accessories directly imported from foreign places.* The maximum prices at retail and at wholesale of women's and girls' wear and accessories directly imported from a foreign place shall be governed by Maximum Price Regulation No. 201.[2]

[2] 7 F.R. 6269, 6744, 9996, 8947, 10231, 10790; 8 F.R. 1860, 10984; 9 F.R. 2176, 2747.

(2) *All other imported women's and girls' wear and accessories.* (i) Maximum retail prices for imported women's and girls' wear and accessories, other than those covered by paragraph (b) (1) above, shall be computed by multiplying the direct cost to the importer by the applicable multiplier set forth in Table XXIX below:

TABLE XXIX—WOMEN'S AND GIRLS' WEAR AND ACCESSORIES

| Class of products | Sales in the Municipality of St. Thomas and St. John | Sales in the Municipality of St. Croix |
|---|---|---|
| Group A | 1.40 | 1.50 |
| Group B | 1.50 | 1.60 |

(ii) Notwithstanding the provisions of paragraph (b) (2) (i) the seller may apply to the Territorial Director for the Virgin Islands for approval of a nationally advertised retail price for a commodity subject to this section when such commodity is nationally advertised by the manufacturer thereof. The applicant shall set forth:

(*a*) A description of the article to be priced;

(*b*) Conclusive evidence that the manufacturer has established a nationally advertised resale price at retail;

(*c*) A statement of the direct cost of the article to the importer;

(*d*) A correct statement of such nationally advertised price. The Territorial Director may in his discretion approve such nationally advertised resale price as the maximum retail price of the seller. Unless the seller makes such application, and unless the Territorial Director approves such resale price, the retailer may not sell such article at prices in excess of those established in paragraph (b) (2) (i) above.

(iii) The wholesale prices for such imported women's and girls' wear and accessories shall be subject to agreement between buyer and seller, but in no event may the wholesale price exceed the seller's maximum retail price for the commodity.

(iv) No sales at retail of such imported women's and girls' wear and accessories in excess of the retail price computed in accordance with the method set forth in paragraph (b) (2) (i) or (b) (2) (ii) above, whichever is applicable, shall be permitted, regardless of the number of transfers of the commodity which may occur in the Virgin Islands of the United States.

(c) *Price lists and statements*—(1) *Price lists to be filed by the seller at retail.* The seller at retail shall file with the Office of Price Administration in St. Thomas or St. Croix not later than July 10, 1944, a statement indicating the direct cost to the importer, his applicable multiplier and his maximum retail selling price for each class of women's and girls' wear and accessories covered by this section which he has in his inventory on the date when he submits his statement to the Office of Price Administration. Thereafter, the retailer shall notify the Office of Price Administration of his ceiling prices by filing a supplementary price list setting forth similar information for each class of such imported women's and girls' wear and accessories within three days after placing such class of women's and girls' wear and accessories on sale. The inventory and supplementary price lists shall contain the following information:

(i) A description of class of women's and girls' wear and accessories: type, brand, size, supplier's stock number if available;

(ii) The date of receipt (applicable only when filing the supplementary price list)

(iii) The name and address of the supplier;

(iv) The direct cost to the importer:

(v) The applicable multiplier (or markup)

(vi) The retailer's maximum price.

(2) *Price statement required of the seller at wholesale.* Any person, including the importer, who sells or transfers women's and girls' wear and accessories (except those subject to Maximum Price Regulation 201) to another person for purposes of resale shall furnish such person with a written statement of the direct cost of each class of such women's and girls' wear and accessories to the importer, and shall certify this information to be true and correct.

This amendment shall become effective June 26, 1944.

NOTE: The reporting and record-keeping provisions of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8186; Filed, June 16, 1944; 11:45 a. m.]

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PART 1418—TERRITORIES AND POSSESSIONS

[MPR 395,[1] Amdt. 25]

IMPORTED DOMESTICS, HOUSEHOLD SUNDRIES AND MISCELLANEOUS DRY GOODS IN VIRGIN ISLANDS

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Section 44 is added to read as follows:

SEC. 44 *Maximum prices for certain imported domestics, household sundries and miscellaneous dry goods sold or delivered in the Virgin Islands of the United States*—(a) *Definitions.* When used in this section 44, the term:

(1) "Domestics, household sundries and miscellaneous dry goods" means

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 6259, 6744, 9996, 8847, 10231, 10790; F.R. 1860, 10984.

those unused finished commodities, articles, products and materials listed in Group A and B below, whether or not made principally of fibre, woven fibre, paper, synthetics, rubber or composition, as follows:

*Municipality of St. Thomas and St. John*

Group A:
- Awnings and porch curtains.
- Batting materials.
- Bath mats.
- Bed linens, including sheets, pillow cases and pillow slips.
- Bedspreads and counterpanes.
- Blankets.
- Bureau scarfs.
- Cleaning rags.
- Curtains, including, but not confined to, shower curtains.
- Cushions, including, but not confined to, automobile seat cushions.
- Dish cloths.
- Doilies.
- Draperies.
- Dusting cloths.
- Dust shields for garments.
- Furniture covers.
- Hot dish holders.
- Laundry bags.
- Mops.
- Pads, mats and covers (readymade) including:
  - (1) Crib pads.
  - (2) Hot pads.
  - (3) Ironing board pads, mats and covers.
  - (4) Mattress pads, protectors and covers.
  - (5) Table pads, mats and covers, including those made of oilcloth, fabric, straw or other materials.
- Polishing cloths.
- Quilts.
- Shoe bags.
- Table linens, when not originally in sets; centerpieces, napkins, tablecloths (for sets, see Group B).
- Toilet seat covers.
- Towels, all kinds.
- Umbrellas and parasols.
- Wash cloths.

Group B:
- Table linens, when originally made up in sets; luncheon sets, dinner sets, bridge sets, centerpieces, napkins and table cloths.

*Municipality of St. Croix*

Group A.
- Bath mats.
- Bed linens, including sheets, pillow cases and pillow slips.
- Blankets.
- Dish cloths.
- Mops.
- Quilts.
- Towels, all kinds.
- Wash cloths.

Group B:
- Awnings and porch curtains.
- Batting materials.
- Bedspreads and counterpanes.
- Bureau scarfs.
- Cleaning rags.
- Comforters.
- Curtains, including, but not confined to shower curtains.
- Cushions, including, but not confined to automobile seat cushions.
- Doilies.
- Draperies.
- Dusting cloths.
- Dust shields for garments.
- Hot dish holders.
- Hot pot holders.
- Laundry bags.

Group B—Continued.
- Pads, mats and covers (readymade) including:
  - (1) Crib pads.
  - (2) Hot pads.
  - (3) Ironing board pads, mats and covers.
  - (4) Mattress pads, protectors and covers.
  - (5) Table pads, mats and covers, including those made of oilcloth, fabric, straw or other materials.
- Polishing cloths.
- Shoe bags.
- Table linens, including centerpieces, napkins, table cloths, luncheon sets, dinner sets, bridge sets.
- Toilet seat covers.
- Umbrellas and parasols.

(2) "Imported" as applied to domestics, household sundries and miscellaneous dry goods means domestics, household sundries and miscellaneous dry goods not actually produced or manufactured in the Virgin Islands of the United States.

(3) "Foreign place" means any place outside of the continental United States and the Territories and Possessions of the United States.

(4) "Class of domestics, household sundries and miscellaneous dry goods items" means a group of products comprised of domestics, household sundries and miscellaneous dry goods having the same or similar description, all of which have identical maximum prices and are received by the seller in one delivery.

(b) *Maximum prices*—(1) *Specified articles when directly imported from foreign places.* The Maximum prices at retail and at wholesale of the domestics, household sundries and miscellaneous dry goods listed below, when directly imported from a foreign place, shall be governed by Maximum Price Regulation No. 201.[2]

- Bedspreads and counterpieces.
- Bureau scarfs.
- Doilies.
- Table linens.
- Towels.
- Wash cloths.

(2) *All other imported articles.* (i) Maximum retail prices for imported domestics, household sundries and miscellaneous dry goods, other than those covered by subparagraph (b) (1) above, shall be computed by multiplying the direct cost to the importer by the applicable multiplier set forth in Table XXXII below:

TABLE XXXII—IMPORTED DOMESTICS, HOUSEHOLD SUNDRIES AND MISCELLANEOUS DRY GOODS

| Class of products | Sales in the Municipality of St. Thomas and St. John | Sales in the Municipality of St. Croix |
|---|---|---|
| Group A | 1.40 | 1.40 |
| Group B | 1.60 | 1.60 |

(ii) Notwithstanding the provisions of subparagraph (b) (2) (i) the seller may apply to the Territorial Director for the Virgin Islands for approval of a nationally advertised retail price for a commodity subject to this section when such commodity is nationally advertised by the manufacturer thereof. The applicant shall set forth:

(*a*) A description of the article to be priced;

(*b*) Conclusive evidence that the manufacturer has established a nationally advertised resale price at retail;

(*c*) A statement of the direct cost of the article to the importer;

(*d*) A correct statement of such nationally advertised price. The Territorial Director may in his discretion approve such nationally advertised resale price as the maximum retail price of the seller. Unless the seller makes such application, and unless the Territorial Director approves such resale price, the retailer may not sell such article at prices in excess of those established in subparagraph (b) (2) (i) above.

(iii) The wholesale prices for such imported domestics, household sundries and miscellaneous dry goods shall be subject to agreement between buyer and seller, but in no event may the wholesale price exceed the seller's maximum retail price for the commodity.

(iv) No sales at retail of such imported domestics, household sundries and miscellaneous dry goods in excess of the retail price computed in accordance with the method set forth in subparagraph (b) (2) (i) above shall be permitted, regardless of the number of transfers of the commodity which may occur in the Virgin Islands of the United States.

(c) *Price lists and statements*—(1) *Price lists to be filed by the seller at retail.* The seller at retail shall file with the Office of Price Administration in St. Thomas or St. Croix not later than July 31, 1944, a statement indicating the direct cost to the importer, his applicable multiplier and his maximum retail selling prices for each class of imported domestics, household sundries and miscellaneous dry goods items covered by this section which he has in his inventory on the date when he submits his statement to the Office of Price Administration. Thereafter, the retailer shall notify the Office of Price Administration of his ceiling prices by filing a supplementary price list setting forth similar information for each class of such imported domestics, household sundries and miscellaneous dry goods items subsequently acquired by him within three days after placing such class of domestics, household sundries and miscellaneous dry goods items on sale. The inventory and supplementary price lists shall contain the following information:

(i) Description of class of household sundries and miscellaneous dry goods items: type, brand, size, supplier's stock number, if available;

(ii) The date of receipt (applicable only when filing the supplementary price list)

(iii) The name and address of the supplier;

(iv) The direct cost to the importer;

(v) The applicable multiplier (or markup)

(vi) The retailer's maximum price.

(2) *Price statement required of the seller at wholesale.* Any person, includ-

[2] 7 F.R. 6269, 6744, 8996, 8947, 10231, 10780; 8 F.R. 1860, 10984; 9 F.R. 2176, 2747.

ing the importer, who sells or transfers imported domestics, household sundries and miscellaneous dry goods (except those subject to Maximum Price Regulation 201) to another person for purposes of resale shall furnish such person with a written statement of the direct cost of each class of such domestics, household sundries and miscellaneous dry goods items to the importer, and shall certify this information to be true and correct.

This amendment shall become effective July 17, 1944.

NOTE: The reporting and record-keeping provisions of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8787; Filed, June 16, 1944; 11:44 a. m.]

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PART 1418—TERRITORIES AND POSSESSIONS

[MPR 395,[1] Amdt. 26]

IMPORTED SHOES IN VIRGIN ISLANDS

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Section 45 is added to read as follows:

SEC. 45 *Maximum prices for imported shoes sold or delivered in the Virgin Islands of the United States*—(a) *Definitions.* When used in this section 45, the term:

(1) "Shoes" means all customary forms of unused footwear (except hosiery) for men, boys, women, misses and children, including, but not limited to, street, evening, play, sport, beach, work shoes and slippers, moccasins, sandals, bedroom and boudoir slippers, rainwear overshoes such as rubbers and galoshes, and similar types of shoes and slippers, but does not include infants' footwear. Shoes are grouped in the following classes:

Class A. Shoes purchased directly from a manufacturer in the continental United States.

Class B. Shoes not purchased directly from a manufacturer in the continental United States.

(2) "Purchased directly from a manufacturer in the continental United States" as applied to shoes means shoes invoiced by the manufacturer in the continental United States to the seller in the Virgin Islands of the United States.

(3) "Imported" as applied to shoes means shoes not actually produced or manufactured in the Virgin Islands of the United States.

(4) "Foreign place" means any place outside of the continental United States and the Territories and Possessions of the United States.

(5) "Class of shoe items" means a group of shoe products having the same or similar description, all of which have identical maximum prices and are received by the seller in one delivery.

(b) *Maximum prices.* (1) Maximum retail prices for imported shoes shall be computed by multiplying the direct cost to the importer by the applicable multiplier set forth in Table XXXIII below:

TABLE XXXIII—IMPORTED SHOES

| Class of shoes | Multiplier | |
|---|---|---|
| | Sales in the municipality of St. Thomas and St. John | Sales in the municipality of St. Croix |
| A. Shoes purchased directly from a manufacturer in the continental United States. | 1.70 | 1.70 |
| B. Shoes not purchased directly from a manufacturer in the continental United States. | 1.40 (except as noted).[2] | 1.50 |

[1] NOTE: Shoes made in Cuba, Mexico or any foreign place in the West Indies, Central America or South America and directly imported from a foreign place by the seller in the Virgin Islands of the United States shall be governed by Maximum Price Regulation No. 201.[3]

[2] 7 F.R. 6269, 6744, 9996, 8977, 10231, 10790; 8 F.R. 1860, 10984; 9 F.R. 2176, 2747, 4100.

(2) Notwithstanding the provisions of subparagraph (b) (1) the seller may apply to the Territorial Director for the Virgin Islands for approval of a nationally advertised retail price for a commodity subject to this section when such commodity is nationally advertised by the manufacturer thereof. The applicant shall set forth:

(i) A description of the article to be priced;

(ii) Conclusive evidence that the manufacturer has established a nationally advertised resale price at retail;

(iii) A statement of the direct cost of the article to the importer;

(iv) A correct statement of such nationally advertised price.

The Territorial Director may in his discretion approve such nationally advertised resale price as the maximum retail price of the seller. Unless the seller makes such application, and unless the Territorial Director approves such resale price, the retailer may not sell such article at prices in excess of those established in subparagraph (b) (1) above.

(3) The wholesale prices for such imported shoes shall be subject to agreement between the buyer and seller, but in no event may the wholesale price exceed the seller's maximum retail price for the commodity.

(4) No sales at retail of such imported shoes in excess of the retail price computed in accordance with the method set forth in subparagraph (b) (1) above shall be permitted, regardless of the number of transfers of the commodity which may occur in the Virgin Islands of the United States.

(c) *Price lists and statements*—(1) *Price lists to be filed by the seller at retail.* The seller at retail shall file with the Office of Price Administration in St. Thomas or St. Croix not later than August 7, 1944, a statement indicating the direct cost to the importer, his applicable multiplier and his maximum retail selling price for each class of imported shoes covered by this section which he has in his inventory on the date when he submits his statement to the Office of Price Administration. Thereafter, the retailer shall notify the Office of Price Administration of his ceiling prices by filing a supplementary price list setting forth similar information for each class of such imported shoe items subsequently acquired by him within three days after placing such class of imported shoe items on sale. The inventory and supplementary price lists shall contain the following information:

(i) Description of class of imported shoe items: type, brand, size, supplier's stock number, if available;

(ii) The date of receipt (applicable only when filing the supplementary price list)

(iii) The name and address of the supplier;

(iv) The direct cost to the importer;

(v) The applicable multiplier (or markup);

(vi) The retailer's maximum price.

(2) *Duplicate invoice to be filed by the seller purchasing directly from a manufacturer in the continental United States.* Any seller purchasing shoes directly from a manufacturer in the continental United States and establishing his maximum prices in accordance with the method stipulated for Class A shoes in paragraph (b) (1) of this section shall file a copy of his purchase invoice for such shoes with the Office of Price Administration in St. Thomas or St. Croix at the time when he files the inventory or supplementary price list required in paragraph (c) (1) above. The seller shall certify such copy of the purchase invoice to be true and correct.

This amendment shall become effective July 24, 1944.

NOTE: The reporting and record-keeping provisions of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 16th day of June 1944.

CHESTER BOWLES,
*Administrator*

[F. R. Doc. 44-8789; Filed, June 16, 1944; 11:47 a. m.]

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*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 6259, 6744, 9996, 8847, 10231, 10790; F.R. 1860, 10984.

## TITLE 46—SHIPPING

### Chapter I—Coast Guard: Inspection and Navigation

### PART 136—"A" MARINE INVESTIGATION BOARD RULES

TEMPORARY WARTIME RULES GOVERNING INVESTIGATIONS OF ACCIDENTS AND CASUALTIES

By virtue of the authority vested in me by R.S. 4450 as amended (46 U.S.C. 239) and Executive Order No. 9083 (7 F.R. 1609) § 136.107 of the Temporary Wartime Rules Governing Investigations of Accidents and Casualties is amended to read as follows:

§ 136.107 *Appeal.* (a) Any person whose license or certificate of service or efficiency is revoked or suspended may, within thirty (30) days after the decision of the hearing officer, take an appeal to the District Coast Guard Officer of the district in which the hearing was held. Every appeal shall be typewritten or written in a legible hand and shall set forth as briefly as possible the name of the appellant, the nature of the charge, the name of the hearing officer who made the decision, the substance of the decision, and a statement of each separate ground for such appeal.

(b) The District Coast Guard Officer on appeal may alter or modify any finding of the hearing officer and may affirm, reverse, or modify the decision of the hearing officer, or remand the case for further hearing, or, if in his opinion, the appeal raises questions of general interest or importance or of special complexity or novelty, may, prior to decision, transmit the appeal and a complete transcript of the record in the case to the Commandant for decision. The District Coast Guard Officer, or the Commandant, will not consider evidence which is not a part of the record of the hearing and will not consider any ground of appeal which is not specified by the appellant. The decision of the District Coast Guard Officer or the Commandant on appeal will be in writing and will contain his findings and conclusions. The findings, conclusions and decision of the Commandant, and in the absence of appeal to the Commandant as provided in paragraph (c) of this section the findings, conclusions and decision of the District Coast Guard Officer shall be final and shall be binding on the parties for all purposes.

(c) In any case in which the District Coast Guard Officer affirms or modifies an order of the hearing officer revoking or suspending a license or certificate of service or efficiency and such action results in the revocation or suspension of the license or certificate without probation (thus prohibiting the person concerned from engaging in his occupation under such revoked or suspended license or certificate) the person concerned may, within thirty (30) days after the decision of the District Coast Guard Officer take an appeal to the Commandant by filing a notice of appeal with the District Coast Guard Officer. Such notice of appeal shall be typewritten or written in a legible hand, shall be addressed to the Commandant and shall set forth as briefly as possible the name of the appellant, the nature of the charge, the substance of the decisions of the hearing officer and the District Coast Guard Officer and a statement of each separate ground for such appeal. The appellant may file a brief or memorandum with his notice of appeal in elaboration of the matters therein set forth. The District Coast Guard Officer shall immediately transmit such notice of appeal and brief, if any, to the Commandant together with a complete transcript of the record in the case.

(d) The Commandant on appeal may alter or modify any finding of the District Coast Guard Officer or of the hearing officer and may affirm, reverse, or modify the decision of the District Coast Guard Officer or remand the case for further hearing. The Commandant will not consider evidence which is not a part of the record of the hearing and will not consider any ground of appeal which is not specified by the appellant. The decision of the Commandant on appeal will be in writing and will contain his findings and conclusions. The decision of the Commandant on appeal shall be final and shall be binding on the parties for all purposes.

(e) A complete transcript of the record shall be made available to any person whose license or certificate is revoked or suspended for the purpose of taking an appeal pursuant to the provisions of this section.

(f) Any person whose license or certificate is revoked or suspended by a hearing officer and who intends to appeal to the District Coast Guard Officer may file with the hearing officer or with the District Coast Guard Officer a request for a temporary license or certificate valid during the pendency of the appeal. Such temporary license or certificate may be issued in the discretion of the hearing officer or of the District Coast Guard Officer. Each such temporary license or certificate shall contain such terms and conditions as the issuing officer may prescribe and shall contain a definite expiration date fixed by the issuing officer which date, however, may be extended from time to time by the issuing officer.

(g) Any person entitled to, and intending to appeal to the Commandant from a decision of the District Coast Guard Officer may file with the District Coast Guard Officer a request for a temporary license or certificate valid during the pendency of the appeal. Such temporary license or certificate may be issued in the discretion of the District Coast Guard Officer and shall contain such terms and conditions as he may prescribe including a definite expiration date which date, however, may be extended from time to time.

Dated: June 15, 1944.

R. R. WAESCHE,
*Vice Admiral, U. S. Coast Guard, Commandant.*

[F. R. Doc. 44-8761; Filed, June 16, 1944; 10:16 a. m.]

### Chapter III—War Shipping Administration

### PART 302—CONTRACTS WITH VESSEL OWNERS AND RATES OF COMPENSATION RELATING THERETO

[G.O. 37, Supp. 2]

VALUES AND RATES OF CHARTER HIRE

Section 302.106 *Vessels built during the period 1914–1934* is amended by striking out, in paragraph (b) second sentence, the words "in the United States"

Section 302.108 *Adjustments for speed, equipment, upkeep, and other considerations* is amended as follows:

The introductory paragraph and paragraph (a) are amended to read:

§ 302.108 *Adjustments for speed, equipment, upkeep, and other considerations.* The values and rates of bareboat and time charter hire provided in Subparts II, III and IV of this order shall be adjusted for individual vessels with respect to speed, equipment, upkeep, and other considerations to the extent provided in paragraphs (a) through (g) of this section.

(a) *Speed* With respect to vessels built during the period 1914–1934 (both inclusive) the values and the rates of bareboat and time charter hire shall be subject to the adjustments provided in subparagraphs (1) or (2) of this paragraph.

(1) *Allowances for speeds of 11 knots or over* With respect to vessels having a speed of 11 knots or over there shall be added to the basic values provided in §§ 302.104 (a), 302.106 (a) and to the rates of hire provided in §§ 302.104 (b) 302.106 (b) the following amounts: (Since the bareboat rate is a component part of the time charter rate, the allowance will be reflected in the time charter rate.)

| Speed | | Additional value per deadweight ton | Additional hire per deadweight ton per month |
|---|---|---|---|
| Equal to or in excess of— | But under— | | |
| 11 knots | 12 knots | $2.25 | $0.03 |
| 12 knots | 13 knots | 5.00 | .07 |
| 13 knots | 14 knots | 8.25 | .10 |
| 14 knots | 15 knots | 12.00 | .15 |
| 15 knots | 16 knots | 16.50 | .20 |

(2) *Deductions for speeds of less than 9 knots.* With respect to a vessel having a speed equal to or in excess of 8 knots but under 9 knots, $5.00 per deadweight ton shall be deducted from the basic values provided in §§ 302.104 (a) 302.106 (a) and 0.06 per deadweight ton per month shall be deducted from the rates of bareboat charter hire provided in §§ 302.104 (b), 302.106 (b). (Since the bareboat rate is a component part of the time charter rate, the deduction will be reflected in the time charter rate.)

The following paragraph is added:

(g) *Adjustments for motorships.* With respect to vessels having Diesel engine propulsion, there shall be added to

the service rates provided in §§ 302.103 (c) 302.104 (c) 302.105 (c) 302.106 (c) an additional sum per deadweight ton per month in such amount as the Administrator shall determine to be fair and reasonable. Such allowance shall not exceed 35¢ per deadweight ton per month.

(E.O. 9054, 7 F.R. 837)

[SEAL] E. S. LAND, *Administrator*

JUNE 15, 1944.

[F. R. Doc. 44-8773; Filed, June 16, 1944; 11:32 a. m.]

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PART 302—CONTRACTS WITH VESSEL OWNERS AND RATES OF COMPENSATION RELATING THERETO

[G. O. 8, Rev. Supp. 10, Amdt. 1]

BASIS FOR REDETERMINATION AND READJUSTMENT OF TIME CHARTER HIRE

Basis for the redetermination and readjustment of time charter hire under charter parties tendered by the War Shipping Administration to owners of American-flag vessels chartered or requisitioned for use pursuant to the provisions of sec. 902 of the Merchant Marine Act, 1936, as amended.

Section 302.92 *Basic rates* (of General Order 8, Supplement 10, Revised) is amended by striking out the last sentence in paragraph (d) and inserting in lieu thereof the following sentence:

This allowance for the month of December, 1943 shall also be taken into account for the purposes of applying the provisions of §§ 306.10 and 306.11 of General Order 12 in lieu of the allowance of $125.00 per day per vessel for dry cargo vessels and the allowance of $50.00 per day per vessel for tankers and colliers included in the rates previously prescribed.

Section 302.93 *Adjustments* (of General Order 8, Supplement 10, Revised) is amended by adding the following paragraph:

(h) *Adjustments for motorships.* Vessels with diesel engine propulsion shall receive an additional sum of 35¢ per deadweight ton per month.

(E.O. 9054, 7 F.R. 837)

[SEAL] E. S. LAND, *Administrator*

JUNE 15, 1944.

[F. R. Doc. 44-8774; Filed, June 16, 1944; 11:32 a. m.]

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## TITLE 49—TRANSPORTATION AND RAILROADS

### Chapter II—Office of Defense Transportation

[G. O. ODT 3, Rev., Amdt. 9]

PART 501—CONSERVATION OF MOTOR EQUIPMENT

COMMON CARRIERS OF PROPERTY

*General outline.* This Amendment 9 to General Order ODT 3, Revised, as amended, revises § 501.10 of that order relating to interchange of shipments and registration of traffic and adds a new section relating to substitution of rail transportation for motor carrier service.

Under § 501.10, as revised, every common carrier by motor vehicle (hereinafter referred to as "common carrier") is required to accept and receive from any other motor carrier and transport shipments in over-the-road service. However, if a motor carrier is unable to collect, accept, or transport freight offered to it by another motor carrier at an interchange point, the motor carrier to which the freight is offered is required to register it with the district office of the Office of Defense Transportation nearest to the point at which the freight is available. Registration of freight offered to a motor carrier by a shipper and which the carrier is unable to pick up within 24 hours is also required. Likewise, over-the-road freight which a motor carrier is unable to transfer, divert, or otherwise arrange for the movement of within 36 hours must be registered. A qualified exemption is made in favor of a motor carrier who does not provide regular daily service. Existing provisions with respect to billing, rates, and regulations applicable to shipments interchanged or diverted under General Order ODT 3, Revised, as amended, are continued in effect by this amendment.

The new section (§ 501.10a) sets forth the conditions under which rail transportation may be substituted for motor carrier service and establishes rules and procedure to govern in such cases. Substituted service is permitted only under a certification by the Director of the Office of Defense Transportation. A procedure to obtain certification by the Director of the Office of Defense Transportation is provided. The substitution of rail service for motor carrier service may only be made between points between which the substituting motor carrier or carriers are authorized to transport and between which they continue to provide over-the-road motor vehicle service. Substituted service does not change the rates or charges to shippers or relieve motor carriers from their responsibility to the owners of property. In case of substitution of rail service for motor carrier service, the motor carrier is required to pay the rail carrier its tariff rates for the rail movement. Rules for loading and unloading shipments and pertaining to collection and delivery of less than carload shipments are provided. Two or more motor carriers are permitted to aggregate shipments and provide carload lots. Substitution of rail service may not be made by a motor carrier if the shipper specifies otherwise by notation on the bill of lading.

This general outline shall not be construed to alter the meaning of any provision of this amendment.

Following is the text of Amendment 9 to General Order ODT 3, Revised:

Pursuant to the Act of May 31, 1941, as amended by the Second War Powers Act, 1942, Executive Order 8989, as amended, Executive Order 9156, and War Production Board Directive 21,

*It is hereby ordered,* That General Order ODT 3, Revised, as amended, be, and it hereby is, further amended by revising § 501.10 and by inserting between § 501.10 and § 501.11 an entirely new section designated as § 501.10a. The text of the revised § 501.10 and the new § 501.10a reads as follows:

§ 501.10 *Interchange of traffic; holding shipments; registration of traffic; billing and rates applicable.* (a) Every common carrier shall accept and receive from any common carrier and transport all shipments of every kind. Such shipments shall be handled and transported in the same expeditious and efficient manner as shipments of a like nature received from any other source.

(b) (1) Whenever freight offered to a common carrier by a shipper at a point which is at or near a district office of the Highway Transport Department of the Office of Defense Transportation for transportation in over-the-road service to a given city, town, or other single point of destination, aggregates or exceeds 10,000 pounds or 500 cubic feet, and whenever freight offered to a common carrier by a shipper at a point which is not at or near such a district office for transportation in over-the-road service to a given city, town, or other single point of destination, aggregates or exceeds 20,000 pounds or 1,000 cubic feet, the carrier shall make collection thereof within 24 hours (exclusive of Sunday or legal holiday) after such freight is available for loading; or, if the carrier is unable to collect such freight within the time specified herein, the carrier or its agent shall promptly register the freight, in accordance with the provisions of Administrative Order ODT 10 (9 F.R. 2795) with the district office nearest the point at which the freight is available.

(2) Whenever a common carrier is unable to collect, accept, or transport freight offered to it by any common carrier at an interchange point for transportation in over-the-road service, the carrier, or its agent, to which the freight is offered shall promptly register the freight, in accordance with the provisions of Administrative Order ODT 10 (9 F.R. 2795) with the district office nearest the point at which the freight is available.

(3) No common carrier shall hold, carry over, store, or warehouse any freight at any one station (including the final destination station) for longer than 36 hours (exclusive of Sunday or legal holiday) except when there is no other common carrier capable of transporting the freight consistent with the provisions of this order.

(4) Whenever any common carrier is unable to transport, divert, or otherwise arrange for the movement of freight in over-the-road service within the time specified in subparagraph (3) of this paragraph (b) the carrier or its agent shall promptly register the freight, in accordance with the provisions of Administrative Order ODT 10 (9 F.R. 2795),

with the district office nearest the point at which the freight is available.

(5) The provisions of the foregoing subparagraphs (1) (2) and (4) of this paragraph (b) shall not be applicable to any common carrier which regularly operates other than a daily service, except when such carrier is unable to transport all freight offered to it on its next regular schedule, in which event such freight which it is unable to transport on such schedule shall be registered forthwith, in accordance with the provisions of Administrative Order ODT 10 (9 F.R. 2795) with the district office nearest the point at which the freight is available.

(c) Whenever a shipment is interchanged or diverted pursuant to the provisions of this § 501.10 the shipment shall be accepted and received by the carrier with which interchange is made or to which diverted at the connecting or diverting carrier's station or at the consignor's door, as the case may be, and such carrier shall load, transport, forward, or deliver, as the case may be, such shipment on the bill of lading and billing and at the rates, rules and regulations of the carrier issuing the bill of lading, which rates, rules, and regulations shall be those which would have applied if the shipment had not been interchanged or diverted pursuant to the provisions of this § 501.10: *Provided,* That if the Interstate Commerce Commission, in respect to transportation in interstate or foreign commerce, or a State regulatory body in respect to transportation in intrastate commerce, has prescribed regulations governing the method of determining the rates, rules and regulations to apply on shipments interchanged or diverted pursuant to the provisions of this order, the regulations of the Interstate Commerce Commission or State regulatory body, as the case may be, shall apply.

§ 501.10a *Substitution of rail for truck service; certificate; limitations; application; procedure.* (a) Upon the certification by the Director of the Office of Defense Transportation that the substitution of rail transportation for that of motor common carriers in any particular area, between any points, or from or to any points, will not adversely affect the transportation of freight by railroad and will aid in conserving motor carrier transportation facilities, any motor common carrier is hereby authorized, unless the shipper specifies otherwise by notation on the bill of lading, to substitute at its option rail service for its own over-the-road motor vehicle service in the particular area, between the particular points, or from or to the particular points, specified in such certificate, subject, however, to any limitations which may be contained in the certificate and to the terms and conditions set forth in this § 501.10a.

(b) Any certificate issued by the Director of the Office of Defense Transportation, as provided in paragraph (a) of this section, may be withdrawn in whole or in part by the Director, in which event the authorization for substitution of service shall terminate or be modified, as the case may be.

(c) Rail service may be substituted for motor carrier service only between points between which the substituting motor carrier or carriers are authorized to transport and between which they continue to provide over-the-road motor vehicle service.

(d) When rail service is substituted for motor carrier service, as provided in this § 501.10a, the freight shall be tendered to the railroad on railroad bills of lading and the motor common carrier shall pay the railroad the railroad tariff rates for the rail service.

(e) In the substitution of rail service for motor carrier service, as provided in this § 501.10a, two or more motor carriers may aggregate shipments so as to provide carload lots: *Provided,* That in respect of any such freight so aggregated the motor carriers shall appoint one of their own number to act as consignor and consignee of such freight and to otherwise deal with the railroad.

(f) When rail service is substituted for motor carrier service in rail carload lots the motor carrier freight shall not pass through the merchandise freight houses of the railroad at either origin or shipping point, or at destination point. The motor common carrier or carriers shall load and unload the freight on team or other convenient tracks, or at warehouse sidings available to the motor carrier or carriers, at its or their own expense.

(g) When rail service is substituted for motor carrier service, as provided in this § 501.10a, in respect of less-than-carload shipments, the substituting motor carrier or carriers shall perform the collection service at origin or shipping point and the delivery service at destination point.

(h) Nothing in this § 501.10a shall be construed so as to require or permit a motor carrier which substitutes rail service for motor carrier service to charge, demand, collect, or receive, any rate or charge other than that which would have applied if no substitution of service had been made, nor shall anything in this section be construed as relieving any motor carrier from its responsibility to the owner of property as provided by law.

(i) Whenever one or more motor common carriers desire to substitute rail transportation for that of motor common carrier service in any particular area, between any points, or from or to any points, in order to aid in conserving motor carrier transportation facilities, or relieving traffic congestion, such carrier or carriers shall submit in writing to the district manager of the district office of the Office of Defense Transportation a request setting forth therein the following:

(1) The particular area, or the points between, or the points from and to which such substituted service is proposed;

(2) A statement of the facts upon which such request is based;

(3) An estimate of the mileage savings which will result from such substitution;

(4) The estimated number of rail carloads of freight and the estimated weight of less-than-carload freight which will be shipped each day, week, or month;

(5) The railroad or railroads which will be utilized in such substituted service; and

(6) The particular points or facilities where loading and unloading of rail cars will be performed.

(j) The district manager with whom a written request is filed pursuant to paragraph (i) of this § 501.10a shall make or cause to be made an investigation to determine whether the proposed substitution will aid in conserving motor carrier transportation facilities or will aid in relieving motor carrier traffic congestion, and, upon completion of the investigation, the district manager shall make his recommendation in writing to the regional director of the Highway Transport Department of the Office of Defense Transportation for the approval or disapproval of the request, in whole or in part.

(k) The recommendation of the district manager shall be reviewed by the regional director of the Highway Transport Department who shall approve or disapprove the written request, in whole or in part. In the event the request is approved, in whole or in part, the regional director shall promptly transmit a copy of his approval to the regional director of the Division of Railway Transport of the Office of Defense Transportation, who shall make or cause to be made an investigation to determine whether the proposed substitution will adversely affect the transportation of freight by railroad, and upon completion of the investigation the regional director of the Division of Railway Transport shall make his recommendation in writing to the Director of the Office of Defense Transportation. He shall transmit with his recommendation a copy of the written approval of the regional director of the Highway Transport Department. Whenever the regional director of the Highway Transport Department disapproves in its entirety a request for substitution, the complete district and regional files shall be sent to the Highway Transport Department, Office of Defense Transportation, Washington 25, D. C.

(l) Every motor carrier which substitutes rail transportation for motor carrier over-the-road service pursuant to a certificate issued by the Director of the Office of Defense Transportation shall keep and maintain a record showing the tonnage of less than carload freight and the tonnage and number of carloads of carload freight delivered to railroads for transportation in substituted service. Such carrier shall keep such other records and make such reports as the Office of Defense Transportation may prescribe, subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942. All such records shall be available for examination and inspection at all reasonable times by accredited representatives of the Office of Defense Transportation.

This Amendment 9 to General Order ODT 3, Revised, shall become effective on June 19, 1944.

NOTE: The recording and reporting requirements of this amendment have been approved by the Bureau of the Budget in ac-

cordance with the Federal Reports Act of 1942.

(Act of May 31, 1941, as amended by the Second War Powers Act, 1942, 56 Stat. 176, 50 App. U. S. Code §§ 631 through 645a; E.O. 8989, 6 F.R. 6725 and 8 F.R. 14183; E.O. 9156, 7 F.R. 3349; War Production Board Directive 21, 8 F.R. 5834)

Issued at Washington, D. C., this 16th day of June 1944.

J. M. JOHNSON,
*Director*
*Office of Defense Transportation.*

[F. R. Doc. 44-8763; Filed, June 16, 1944; 10:47 a. m.]

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## TITLE 50—WILDLIFE

### Chapter IV—Office of the Coordinator of Fisheries

[Order 1956]

### PART 401—PRODUCTION OF FISHERY COMMODITIES OR PRODUCTS

ALLOCATION OF HALIBUT WITHIN PORTS

Because the fulfillment of the requirements for the defense of the United States will result in a shortage in the supply of food including halibut and other fish, because it is deemed necessary in the public interest, to promote the national defense and to carry out the provisions of Executive Order 9280 (7 F.R. 10179) and of War Food Order No. 52 (8 F.R. 1777, 3280, formerly known as Food Directive No. 2) and the purposes and provisions of the Emergency Price Control Act of 1942, 50 U.S.C. Supp. et seq. 921, to stabilize the national economy, and by virtue of the authority conferred upon the Secretary of the Interior thereby, and by directive of the Economic Stabilization Director, dated June 3, 1944,[1] it is ordered:

§ 401.4 *Allocation of halibut within ports*—(a) *Jurisdiction.* Control over the delivery and allocation of halibut landings for the purposes of this order is hereby vested in the Fishery Coordinator, and subject to his supervision and direction shall be administered by the Office of Fishery Coordination.

(b) *Statement of policy.* The purposes of this order are: to secure and facilitate the maximum production of halibut with a minimum expenditure of critical materials and manpower; to allocate halibut landings between dealers within ports so as to aid in the most efficient distribution of the processed product to meet war and essential civilian needs, so that the several markets will be supplied with substantially normal proportions of the product, to satisfy as near as may be, the demand which was developed largely during pre-war years; and to discourage violation of maximum price regulations in transactions between fishermen and dealers. The order is to be administered so as to cause a minimum of interference with normal economic processes in the industry.

[1] *Infra.*

(c) *Definitions.* For the purpose of this order and of any permits, directions, regulations or administrative documents issued under the order:

(1) "Person" means any individual, partnership, association, corporation, or other business entity.

(2) "Dealer" means any individual, partnership, association, firm, broker, agent, corporation, or other business entity engaged in the primary buying of halibut and other fish for his own account or the account of others.

(3) "Halibut" means fresh fish as landed by or delivered from halibut fishing craft including Pacific halibut, "lingcod," rockfishes, sablefish, and other species as may be designated by the Fishery Coordinator, or his representative.

(4) "Halibut fishing craft" means vessels or boats engaged in the catching of halibut and other species as provided for in the regulations of the International Fisheries Commission.

(5) "Allocation" means the dividing of halibut fleet landings between the dealers within a port, according to quantities determined by the Fishery Coordinator or his representative, usually after recommendations by an industry committee.

(6) "Representative of the Fishery Coordinator" means any person or persons duly designated to represent him in performing any of the delegable functions authorized by this order.

(7) Except when the context clearly indicates otherwise each term and phrase has the same meaning as is given to it in War Food Order No. 52 (8 F.R. 1777, 3280, formerly known as Food Directive No. 2)

(d) *Permits required for dealers.* No person shall either purchase or take delivery from fishermen of halibut, and no person shall operate as a dealer in halibut, at any port in Alaska, Washington, Oregon or California, except in accordance with a permit issued pursuant to this order by the Fishery Coordinator or his representative. Each permit shall authorize operation at one port only but the same dealer may have several permits for operation at different ports. Such permits shall be shown by the permittee on request to any person from whom the permittee proposes to purchase halibut. No fisherman or any other person shall deliver or sell halibut to any dealer except in accordance with such a permit.

(e) *Issuance of permit.* (1) Permits shall be issued consistent with any allocation schedule set up under paragraph (g) below, and subject to such other terms and conditions as are deemed by the Fishery Coordinator or the Deputy Fishery Coordinator appropriate to furthering the purposes of this order. Applications therefor may be filed with the Area Coordinator by any person desiring a permit. Until a particular form for a request is prescribed, any dealer who operated in a particular port during 1941, 1942, or 1943 prior to July 13, 1943, and desires to continue such operations, shall be issued a permit to operate as a dealer in that port by the Area Coordinator, upon informal request unless the Area Coordinator has reasonable cause to believe such issuance would interfere with the purposes of this order. Other permits shall be issued by the Area Coordinator upon application as set out in paragraph (f) below, if in the opinion of the Area Coordinator the applicant has or can obtain adequate facilities and is otherwise qualified and his operations would not unduly disrupt the marketing, processing and distribution of fish and would not interfere with the programs of the Office of Price Administration or the War Food Administration and would be otherwise consistent with the purposes of this order as set out in paragraph (b) above. The denial of any request or of any application shall be subject to appeal as provided below in paragraph (l)

(2) Any application or request for a permit may be referred to the Office of Price Administration, the War Food Administration, the War Manpower Commission, and any other Government agency for report as to the effect the granting of the application would have on their respective war emergency programs, and recommendation as to the action appropriate thereon, with such supporting data and reasons as the agencies deem necessary.

(3) A permit issued pursuant to application as set out in paragraph (f) below shall become invalid upon any change of more than 25 percent interest in the ownership of the enterprise as described in the application therefor. Such invalid permit shall be at once surrendered to the Area Coordinator. A new application for another permit may be filed immediately.

(f) *Applications.* Applications for permits may be informal until a particular form is prescribed, but should indicate the port for which a permit is desired, the dates of the applicant's prior operations as a dealer in fish, the ports in which he operated, the amount of halibut purchased in each such port during each of the last three years during which he purchased halibut in that port, the equipment available to him for handling halibut in the port for which a permit is requested, where he proposes to dispose of any halibut purchased, and what arrangements if any he has made to secure such outlets for his product. The application shall also state whether the halibut-buying enterprise is owned solely by one person, the applicant, or is a partnership, corporation, or other form of business entity and if the enterprise is not owned by a single individual, it shall state the name and extent of participation of every co-owner, stockholder, or other participant directly or indirectly owning more than a 25 percent interest therein. It may include any other relevant data, and reasons in support of the application. It shall be certified to as follows:

I certify that the above information is true to the best of my knowledge and belief, and that I am aware of the penalties for making a false statement as to any matter within the jurisdiction of the Secretary of the Interior, under the Act of July 7, 1898, as amended, 18 U.S.C. 81.

All applications should be filed in triplicate, to facilitate prompt action by the several agencies which may be involved.

(g) *Authority to set up supervised allocation programs.* When the Fishery Coordinator or his representative deems it advisable in order to give effect to the purposes of this order he may set up a plan for supervised allocation of halibut among the dealers in any port in Alaska, Washington, Oregon, or California, and thereafter all halibut landed at such port shall be distributed among dealers there as directed by him or in the shares directed by him in accordance with an allocation schedule for the port approved by him. Any allocation schedule for a port shall be based primarily upon some equitable historical basis, with such adjustments as are reasonably necessary to further the purposes of the order as defined in (b) above, or to meet changed conditions or which in the opinion of the Fishery Coordinator or his representative, are otherwise justified: *Provided, however* That no allocation of fish in the Port of Seattle shall be based solely upon purchases made prior to the 1943 season: *And provided, further* That allocations to dealers who operated in a particular port prior to July 13, 1943, shall be subject to modifications not to exceed 15 percent of the total port landings in favor of other qualified dealers receiving permits, to the extent necessary in the judgment of the Fishery Coordinator or his representative to promote the purposes of this order as set forth in paragraph (b) and to avoid monopoly. Any allocation schedule should be worked out and applied so far as practicable to meet with the approval of the dealers in the port. The purchase or receipt of halibut contrary to any such allocation program or direction, and the sale or delivery of halibut by one who thereby knowingly contributes to a violation of such allocation schedule or direction shall be a violation of this order.

(h) *Records and reports.* (1) All dealers shall keep and preserve for not less than two years accurate records concerning purchases by species of halibut, showing date, place and name of seller, and amount as to each purchase.

(2) The Fishery Coordinator, or his representative, shall be entitled to make such audit and inspection of the books, records, and other writings, premises and stocks of halibut of any person, and to make such investigations, as may be necessary or appropriate in his discretion to the enforcement or administration of this order.

(3) The Fishery Coordinator, or his representative, may require from persons affected by this order periodic reports showing the amount of halibut received in each separate transaction, with the date, name of seller and vessel. The Fishery Coordinator, or his representative, may also require from persons affected by this order such other material information as he may deem necessary to give effect to the purposes of the order. These record-keeping requirements have been approved by the Bureau of the Budget and specific recording and reporting requirements subsequently prescribed will be subject to the approval of the Bureau of the Budget, all pursuant to the Federal Reports Act of 1942.

(i) *Industry committees.* An industry committee may be set up by the Fishery Coordinator, or his representative, in each port where an allocation program is established. Each such committee shall be representative of the various interests concerned, as by the inclusion of one large dealer, one small dealer, and one representative of the halibut fishermen, and shall advise with the local representative of the Fishery Coordinator and make recommendations as to the allocation schedule to be set up, and any other details connected with the administration of this order.

(j) *Orders and directions.* The Fishery Coordinator, or his representative, may issue such orders and directions as he may deem advisable to accomplish the purposes of this order, and violation of any such order or direction shall be a violation of this order.

(k) *Violations, revocation.* Any person who violates this order, or any order or direction issued hereunder by the Fishery Coordinator, or his representative, or any term or condition of any permit issued by him, or who by any act or omission falsifies records to be kept, or information to be furnished pursuant to this order, or who after the issuance of this order violates any price regulations issued by the Price Administrator, may, by a decision of the Area Coordinator, upon findings of fact made after reasonable notice and hearing, be prohibited from purchasing more than a specified quantity of halibut, or be prohibited from dealing in halibut, by suspension or revocation of any permit issued, or prohibited from receiving halibut or from clearing port to fish for halibut or from fishing for halibut, for a specified period of time. In exception circumstances, where the Area Coordinator has reasonable grounds to believe such violation has occurred, and if the circumstances are such that he shall deem such action reasonably necessary to carry out the purposes of this order, he may immediately suspend the permit or prohibit fishing for halibut pending such hearing. Permits which have been suspended or revoked shall be surrendered at once to the Area Coordinator, Area I. Such further action may be taken against the violator as the Fishery Coordinator, or his representative, deems appropriate, including recommendations for prosecutions under section 35 (A) of the Criminal Code (18 U.S.C. sec. 80) under paragraph 5 of section 301 of Title III of the Second War Powers Act, and under any and all other applicable laws.

(l) *Appeals and petitions for relief.* Any person who finds that compliance with this order imposes an unreasonable burden upon him, or who is aggrieved by any action of the Deputy Fishery Coordinator hereunder, may petition the Fishery Coordinator for appropriate relief. Any person aggrieved by any action taken by the Area Coordinator or one of his staff hereunder, or by any direction issued hereunder, or who finds that compliance therewith imposes an unreasonable burden upon him may petition the Area Coordinator for appropriate relief; and after the hearing or other presentation of the matter before the Area Coordinator and after his decision, any person affected may appeal from the decision by filing a petition with the Fishery Coordinator. Any petition filed under this paragraph must include a full showing of the pertinent facts, and must be filed in triplicate; and when any petition is filed with the Fishery Coordinator a copy thereof shall be filed at or before that time with the Area Coordinator. Unless there has been a hearing on the matter earlier in the proceedings, the petitioner may have a hearing before final action by request included in his petition.

(m) *Delegation of authority; designated representative.* For the purposes of this order, the functions, duties and powers of the Fishery Coordinator may in his absence be exercised by the Deputy Fishery Coordinator. The Area Coordinator in Area I is hereby designated as the representative of the Fishery Coordinator, for immediate supervision of the administration of this order. All applications, petitions, and communications referred to herein shall, unless otherwise specified, be addressed to and filed with the Area Coordinator, Area I, Office of Fishery Coordinator, U. S. Department of the Interior, Seattle, Washington. In the performance of these functions, the Area Coordinator, Area I, may designate any members of his staff to carry out any specific functions that may be assigned; and, in addition, he may delegate specific functions to any member of the staff of the Office of Fishery Coordination, or of the Fish and Wildlife Service, with the consent of the superior of such staff member.

(n) *Effective date.* This order shall become effective ten days after issuance, and where any supervised allocation program is set up pursuant to paragraph (g) above, deliveries of halibut received by a permittee during the 1944 season but before the effective date of this order, shall be considered as received under the quota or share awarded him under such program.

Issued this 13th day of June 1944.

HAROLD L. ICKES,
*Secretary of the Interior.*

[F. R. Doc. 44-8874; Filed, June 15, 1944; 9:58 a. m.]

## *Notices*

### FEDERAL POWER COMMISSION.

[Docket No. G-554]

EL PASO NATURAL GAS CO.

NOTICE OF APPLICATION

JUNE 16, 1944.

Notice is hereby given that on June 13, 1944, the El Paso Natural Gas Company, a Delaware corporation, with principal place of business in El Paso, Texas, filed with the Federal Power Commission an application for a certificate of public convenience and necessity under section 7 of the Natural Gas Act, as amended, to authorize the construction and operation

of a service tap on its existing 12¾-inch O. D. gas pipe line serving El Paso Electric Company's Rio Grande power plant at a point in El Paso County, Texas, approximately 2.23 miles west of the city of El Paso, Texas, and a regulator, meter, pipe, valves and necessary appurtenances for the purpose of delivering natural gas to the refinery of McNutt Oil and Refining Company in Dona Ana County, New Mexico, through 700 feet of 2⅜-inch gas pipe, to be installed by the refining company between the applicant's pipe line and the refinery.

Applicant states that the proposed facilities will be used for the purpose of furnishing natural gas to the McNutt Oil and Refining Company for fuel in order that fuel oil may be released for use by the railroads.

Any person desiring to be heard or to make any protest with respect to said application should, on or before the 22d day of June, 1944, file with the Federal Power Commission a petition or protest in accordance with the Commission's rules of practice and regulations.

[SEAL] LEON M. FUQUAY,
*Secretary.*

[F. R. Doc. 44-8772; Filed, June 16, 1944; 11:28 a. m.]

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## INTERSTATE COMMERCE COMMISSION.

[S. O. 70-A, Special Permit 307]

RECONSIGNMENT OF LETTUCE AT CHICAGO, ILL.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph (§ 95.35, 8 F.R. 14624) of Service Order No. 70-A of October 22, 1943, permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 70-A insofar as it applies to the reconsignment at Chicago, Illinois, June 12, 1944, by La Mantia Brothers Arrigo Company of car NWX 7983, lettuce, now on the Wabash Railroad to Shippers Service Company, Detroit, Michigan (Wabash).

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 12th day of June 1944.

V C. CLINGER,
*Director*
*Bureau of Service.*

[F. R. Doc. 44-8755; Filed, June 16, 1944; 10:34 a. m.]

[S. O. 70-A, Special Permit 308]

RECONSIGNMENT OF VEGETABLES AT KANSAS CITY, MO.

Pursant to the authority vested in me by paragraph (f) of the first ordering paragraph (§ 95.35, 8 F.R. 14624) of Service Order No. 70-A of October 22, 1943, permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 70-A insofar as it applies to the reconsignment at Kansas City, Missouri, June 9 or 10, 1944, by Tony Misita, Amite, Louisiana, of car URTX 5613, vegetables, on the Illinois Central Railroad, to Salt Lake City, Utah.

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 12th day of June 1944.

V C. CLINGER,
*Director*
*Bureau of Service.*

[F. R. Doc. 44-8756; Filed, June 16, 1944; 10:34 a. m.]

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[S. O. 70-A, Special Permit 309]

RECONSIGNMENT OF POTATOES AT KANSAS CITY, MO.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph (§ 95.35, 8 F.R. 14624) of Service Order No. 70-A of October 22, 1943, permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 70-A, insofar as it applies to the reconsignment at Kansas City, Missouri, June 12, 1944, by Cochrane Brokerage Company of car PFE 62333, potatoes, now on the A. T. & S. F. Railroad, to Fort Smith, Arkansas.

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 12th day of June 1944.

V. C. CLINGER,
*Director*
*Bureau of Service.*

[F. R. Doc. 44-8757; Filed, June 16, 1944; 10:34 a. m.]

[S. O. 200, 2d Amended, General Permit 3]

REICING OF POTATOES FROM FLORIDA

Pursuant to the authority vested in me by paragraph (e) of the first ordering paragraph (§ 95.337, 9 F.R. 4402) of Service Order No. 200 of April 22, 1944, permission is granted for any common carrier by railroad subject to the Interstate Commerce Act;

To provide one reicing in transit, after the first or initial icing, on any refrigerator car loaded with potatoes originating at any point in the State of Florida.

This general permit shall become effective at 12:01 a. m., June 15, 1944, and shall expire at 12:01 a. m., July 15, 1944. The reicing authorized herein may be accorded cars rolling on the effective date hereof.

The waybills shall show reference to this general permit.

A copy of this general permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 14th day of June 1944.

V C. CLINGER,
*Director*
*Bureau of Service.*

[F. R. Doc. 44-8758; Filed, June 16, 1944; 10:34 a. m.]

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[S. O. 200, Special Permit 62]

REICING OF POTATOES AT KANSAS CITY, MO.

Pursuant to the authority vested in me by paragraph (e) of the first ordering paragraph (§ 95.337, 9 F.R. 4402) of Service Order No. 200 of April 22, 1944, permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To reice one time only, at Kansas City, Missouri, June 12, 1944, for account of Michael Swanson Brady Produce Company, cars Oklahoma potatoes, MDT 19032, MDT 20682, and MDT 18608, on the St. Louis-San Francisco Railway, account diverted to Chicago, Illinois. (Wabash).

The waybills shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 12th day of June 1944.

V C. CLINGER,
*Director,*
*Bureau of Service.*

[F. R. Doc. 44-8759; Filed, June 16, 1944; 10:34 a. m.]

[S. O. 200, Special Permit 63]

REICING OF POTATOES AT HUNTINGDON, PA.

Pursuant to the authority vested in me by paragraph (e) of the first ordering paragraph (§ 95.337, 9 F.R. 4402) of Service Order No. 200 of April 22, 1944, permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To reice in transit, one time only, at Huntingdon, Pennsylvania, (P. R. R.) not later than June 16, 1944, for account of U. S. Army Quartermaster Corps, cars of potatoes FGEX 50759 and WRX 9168, moving June 10, 1944, from Stillwell Cold Storage Company, Hannibal, Missouri, to Navy Yard, Brooklyn, New York, c/o National Cold Storage Company (C. B. & Q.-P. R. R.-N. Y. D.).

The waybills shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 12th day of June 1944.

V. C. CLINGER,
*Director*
*Bureau of Service.*

[F. R. Doc. 44-8760; Filed, June 16, 1944; 10:34 a. m.]

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[S. O. 212]

UNLOADING OF HONEY AT LAREDO, TEX.

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 15th day of June, A. D. 1944.

It appearing, that car B&O 385829 containing honey at Laredo, Texas, on The International-Great Northern Railroad Company (Guy A. Thompson, Trustee) has been on hand for an unreasonable length of time and that the delay in unloading said car is impeding its use; in the opinion of the Commission an emergency exists requiring immediate action.

*It is ordered,* That: *Honey at Laredo, Texas, to be unloaded.* (a) The International-Great Northern Railroad Company (Guy A. Thompson, Trustee) its agents or employees, shall unload forthwith car B&O 385829 containing honey, on hand at Laredo, Texas.

(b) Said carrier shall notify the Director of the Bureau of Service, Interstate Commerce Commission, Washington, D. C., when such carload of honey has been completely unloaded. Upon receipt of such notice this order shall expire. (40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4, 54 Stat. 901, 911; 49 U.S.C. 1 (10)-(17) 15 (2))

*It is further ordered,* That this order shall become effective immediately, and that a copy of this order and direction shall be served upon The International-Great Northern Railroad Company (Guy A. Thompson, Trustee) and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

By the Commission, Division 3.

[SEAL] W. P. BARTEL,
*Secretary.*

[F. R. Doc. 44-8764; Filed, June 16, 1944; 10:34 a. m.]

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## OFFICE OF ECONOMIC STABILIZATION.

[Directive, June 3, 1944]

NORTHWEST HALIBUT FISH INDUSTRY

PLAN OF ALLOCATION AUTHORIZED

Because it is deemed necessary and proper to carry out the purposes and provisions of the Emergency Price Control Act, of 1942, 50 U. S. C. 921 Supp. et seq., to stabilize the national economy, to maintain and increase production and to aid in the effective prosecution of the war, and by virtue of the authority conferred upon him by Executive Order No. 9328 (8 F.R. 4681) the Economic Stabilization Director issues the following directive:

The Secretary of the Interior is authorized and directed to issue such order[1] as he deems necessary to set up a plan for the allocation of Pacific halibut, and other fish caught with halibut, among dealers for the current season, in order to carry out the purpose of the Emergency Price Control Act of 1942 and to cooperate with the Office of Price Administration in support of its price regulations, and with the War Food Administration in its food distribution program.

In passing upon any application to have a share of the halibut landings in a port allocated to a particular person, the Price Administrator and the War Food Administrator may be called upon by the Secretary of the Interior to furnish statements of facts as to how the granting of such application is likely to affect the programs of the two agencies, respectively, and recommendations as to the appropriate action upon such applications; and the Secretary of the Interior shall take such recommendations and statements into consideration in passing upon the application.

As used herein the word "dealer" means any individual, partnership, association, firm, broker, agent, corporation, or other business entity engaged in the primary buying of halibut and other fish for his own account or the account of others.

[1] See Title 50, Chapter IV, this issue.

The authority of the Secretary of the Interior under this directive may be exercised through such members of his staff as he designates for that purpose.

Dated this 3d of June 1944.

FRED M. VINSON,
*Economic Stabilization Director.*

[F. R. Doc. 44-8718; Filed, June 15, 1944; 11:23 a. m.]

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## OFFICE OF PRICE ADMINISTRATION.

Regional and District Office Orders.

[Region I Order G-70 Under RMPR 122, Amdt. 3]

SOLID FUELS IN PITTSFIELD, MASS., AREA

Amendment No. 3 to Order No. G-70 under Revised Maximum Price Regulation No. 122. Solid fuels sold and delivered by dealers. Specific maximum prices for solid fuels within specified areas in Region I.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of Region I of the Office of Price Administration by § 1340.260 of Revised Maximum Price Regulation No. 122 and the Emergency Price Control Act of 1942, as amended, subparagraph (3) containing Appendix 3, is hereby added to paragraph (c) of Region I Order No. G-70 under Revised Maximum Price Regulation No. 122 to read as follows:

(c) *Appendices establishing specific maximum prices.* * *

(3) *Appendix 3: Specified solid fuels; Pittsfield, Massachusetts Area*—(a) *Maximum prices established by this Appendix 3.* This Appendix 3 establishes specific maximum prices for sales of Pennsylvania anthracite in the Pittsfield, Massachusetts, area by dealers, and for specified services rendered by dealers in connection with the sale or handling of said solid fuel. Price Schedule I contains prices for sales on a delivered basis: Price Schedule II contains prices for yard sales to consumers; and Price Schedule III sets forth prices for yard sales to dealers. The Pittsfield, Massachusetts Area shall include the following cities and towns in the Commonwealth of Massachusetts: Dalton, Hancock, Hinsdale, Lanesboro, Pittsfield and Windsor.

(b) *Price Schedule I. Sales on a delivered basis.* (1) Base maximum prices for sales on a "direct delivery" basis to consumers at any point in the Pittsfield, Massachusetts area;

| Kind and size | Per net ton | ½ ton | ¼ ton | 100 lbs. |
|---|---|---|---|---|
| Pennsylvania anthracite: | | | | |
| Broken, egg, stove, and chestnut | $10.10 | $3.00 | $4.40 | $1.00 |
| Pea | 14.20 | 7.40 | 3.95 | .90 |
| Buckwheat | 12.65 | 6.00 | 3.55 | .80 |
| Rice | 11.60 | 6.00 | 3.25 | .75 |
| Yard screenings | 3.50 | ------ | ------ | ------ |

(2) *Additions for specified deliveries.* The foregoing base prices in Price Schedule I shall apply to deliveries to con-

sumers whose bins or storage facilities are located in Dalton and Pittsfield. There may be added to the foregoing base prices, for deliveries to consumers whose bins or storage facilities are located in Hancock, Hinsdale, Lanesboro, and Windsor, the sum of One Dollar ($1.00) per ton, or fifty cents (50¢) per half-ton, or twenty-five cents (25¢) per quarter-ton.

(3) *Maximum authorized service and deposit charges:* (a) The maximum prices per 100 pounds include carrying or wheeling to buyer's bin or storage space. If the buyer requests such service of him, the dealer may charge seventy-five cents (75¢) per ton, or fifty cents (50¢) per half-ton, or twenty-five cents (25¢) per quarter-ton for any carrying or wheeling of quarter-ton and larger quantities from a "direct delivery" point to the buyer's bin or storage space.

(b) If the buyer requests that fuel delivered in burlap bags furnished by the dealer be left in the bags, the maximum amount which may be required by the dealer as a deposit on, or as predetermined liquidated damages for failure to return, the bags shall be 25 cents per bag.

(c) *Price Schedule II. Yard sales to consumers.* (1) Maximum prices for sales delivered at the yard of any dealer in the Pittsfield, Massachusetts area to consumers:

| Kind and size | Per net ton | ½ ton | ¼ ton | 100 lbs. |
|---|---|---|---|---|
| Pennsylvania anthracite: | | | | |
| Broken, egg, stove, chestnut | $15.10 | $7.55 | $3.80 | $0.90 |
| Pea | 13.30 | 6.65 | 3.35 | .80 |
| Buckwheat | 11.65 | 5.85 | 2.95 | .70 |
| Rice | 10.50 | 5.25 | 2.65 | .65 |
| Yard screenings | 2.50 | ------ | ------ | ------ |

(2) *Maximum authorized bagging and deposit charges.* (a) The maximum prices per 100 pounds are for 100 pounds bagged, but do not include the bag. If the buyer requests such service of him, the dealer may make the following charges for bagging quarter-ton and larger quantities in 100 pound bags, exclusive of any deposit charges on bags furnished by the dealer.

| | Cents |
|---|---|
| Per net ton | 50 |
| Per half-ton | 25 |
| Per quarter-ton | 15 |

(b) The maximum amount which may be required by the dealer as a deposit on, or as predetermined liquidated damages for failure to return, burlap bags furnished by the dealer shall be 25 cents per bag.

(d) *Terms of sale; sales to consumers.* If payment is made by the buyer within 10 days after receipt of the fuel, the maximum prices set forth in paragraphs (b) and (c) shall, except in the case of Pennsylvania Anthracite yard screenings, be reduced by $1.00 per ton, or by 50 cents per half-ton or by 25 cents per quarter-ton, which reductions are "cash discounts" No further discount is required for cash on delivery, and no "cash discount" is required on sales of Pennsylvania Anthracite yard screenings or on any sales of less than a quarter-ton. If payment is not required or made at the time of delivery or (except in the cases of yard screenings and less than quarter-ton lots) within 10 days thereafter, terms shall be net 30 days.

(e) *Price Schedule III. Yard sales to dealers.* (1) Maximum prices for sales delivered at the yard of any dealer in the Pittsfield, Massachusetts area to dealers in fuels who resell them:

| Kind and size | Per net ton | Per ½ ton | Per ¼ ton |
|---|---|---|---|
| Pennsylvania anthracite: | | | |
| Broken, egg, stove, and chestnut | $13.10 | $6.55 | $3.30 |
| Pea | 11.30 | 5.65 | 2.85 |
| Buckwheat | 10.15 | 5.10 | 2.55 |
| Rice | 9.00 | 4.50 | 2.25 |
| Yard screenings | 2.50 | -------- | -------- |

(2) *Terms of sale.* Terms of sale may be net cash, but no additional charge shall be made for the extension of credit terms of net 30 days or net 10 days E. O. M.

(3) *Maximum authorized bagging and deposit charges.* (a) If the buyer requests such service of him, the seller may make the following charges for bagging in 100 pound bags, exclusive of any deposit charges on bags furnished by the seller.

| | Cents |
|---|---|
| Per net ton | 50 |
| Per half-ton | 25 |
| Per quarter-ton | 15 |

(b) The maximum amount which may be required by the seller as a deposit on, or as predetermined liquidated damages for failure to return, burlap bags furnished by the seller shall be 25 cents per bag.

(f) *Certain named Pennsylvania anthracite coals.* The specific maximum prices set forth above for Pennsylvania anthracite may be increased by the following amounts when the following sizes of listed named Pennsylvania anthracite coals are sold:

| Kind and size | Per net ton | ½ ton | Amount of addition | |
|---|---|---|---|---|
| | | | ¼ ton | 100 lb. |
| Jeddo Highland: | | | | |
| Broken, egg, stove, chestnut, pea and buckwheat | $0.25 | $0.15 | $0.05 | None |
| Rice | .15 | .10 | None | None |
| Greenwood: Egg, stove, chestnut and pea | .25 | .15 | .05 | None |
| Black Stork or Legitts Creek: | | | | |
| Broken, egg, stove, chestnut and pea | .35 | .20 | .10 | None |
| Buckwheat | .20 | .10 | .05 | None |
| Rice | .10 | .05 | None | None |

(g) *Special treating.* The sum of ten cents (10¢) per ton may be charged, in addition to the specific prices hereinabove set forth, for buckwheat and rice sizes which have been specially treated to allay dust or to prevent freezing: *Provided,* That said charge is shown as a separate item on the invoice.

This Amendment No. 3 shall become effective June 19, 1944.

(56 Stat. 23, 765, Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued this 10th day of June 1944.

ELDON C. SHOUP,
*Regional Administrator*

[F. R. Doc. 44-8719; Filed, June 16, 1944; 2:09 p. m.]

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[Region II Order G-40 Under RMPR 122]

PENNSYLVANIA ANTHRACITE IN MONMOUTH AND OCEAN COUNTIES, N. J.

Order No. G-40 under §§ 1340.260 and 1340.259 (a) (1) of Revised Maximum Price Regulation No. 122. Solid fuels sold and delivered by dealers. Pennsylvania anthracite delivered by dealers in Monmouth and Ocean Counties, State of New Jersey, Coal Area XII.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by §§ 1340.260 and 1340.259 (a) (1) of Revised Maximum Price Regulation No. 122, it is ordered:

(a) *What this order does*—(1) *Dealers' maximum prices; area covered.* If you are a dealer in "Pennsylvania anthracite" this order fixes the maximum prices which you may charge, and if you are a purchaser in the course of trade or business, this order fixes the maximum prices which you may pay, for certain sizes and quantities of "Pennsylvania anthracite" (hereinafter called simply "anthracite") delivered to or at any point in the zones comprising State of New Jersey—Coal Area XII. That area consists of four zones, as follows:

*Zone 1.* Zone 1 includes all of Monmouth County and the Boroughs of Point Pleasant, Point Pleasant Beach, Bayhead and Mantoloking; and the Townships of Brick and Plumstead in Ocean County.

*Zone 2.* Zone 2 includes the Borough of Lakehurst, and the Townships of Jackson, Lakewood, and Manchester in Ocean County.

*Zone 3.* Zone 3 includes all of Ocean County not included in Zones 1, 2 and 4.

*Zone 4.* Zone 4 includes the Boroughs of Beach Haven, Ship-Bottom Beach Arlington, Barnegat City, Harvey Cedars, and Surf City, and the Township of Long Beach in Ocean County.

(2) *Schedules of prices, charges and discounts.* The applicable prices, authorized charges, and required discounts, from which you shall determine the maximum prices for designated sizes and quantities of anthracite delivered within Zones 1, 2, 3, and 4 are set forth in Schedules I, II, III, and IV respectively.

(3) *To what sales this order applies.* If you are a dealer in anthracite, you are bound by the prices, charges and discounts, and by all other provisions of this order for all deliveries within Zones 1, 2, 3, and 4.

You shall determine the maximum price for "direct-delivery" sales, as hereinafter defined, by reference to the appropriate schedule of this order covering the zone to which delivery is made, whether or not you are located in one of the four zones.

You shall determine your maximum price for a "yard" sale, as hereinafter defined, by reference to the appropriate schedule of this order covering the zone in which the purchaser takes physical possession or custody of the anthracite.

(b) *What this order prohibits.* Regardless of any contract or other obligations, you shall not:

(1) Sell or, in the course of trade or business, buy anthracite of the sizes and in the quantities set forth in the schedules herein, at prices higher than the maximum prices computed as set forth in paragraph (c) of this order, although you may charge, pay or offer less than maximum prices.

(2) Obtain any price higher than the applicable maximum price by:

(i) Changing the discounts authorized herein, or

(ii) Charging for any service which is not expressly requested by the buyer, or

(iii) Charging for any service for which a charge is not specifically authorized by this order, or

(iv) Charging a price for any service higher than the Schedule price for such service, or

(v) Using any tying agreement or requiring that the buyer purchase anything in addition to the fuel requested by him, except that a dealer may comply with requirements or standards with respect to deliveries which have been or may be issued by an agency of the United States Government.

(vi) Using any other device by which a higher price than the applicable maximum price is obtained, directly or indirectly.

(c) *How to compute maximum prices.* You must figure your maximum prices as follows:

(1) *Use the schedule which covers your sale.* (Schedule I applies to sales on a "direct-delivery" basis, "yard sales," and "sales of bagged coal," within Zone 1. You will find Schedule I in paragraph (d) In like manner, Schedules II, III, and IV apply to "direct-delivery" sales and "yard sales" in Zones 2, 3, and 4 respectively. You will find Schedule II in paragraph (e) Schedule III in paragraph (f) and Schedule IV in paragraph (g).)

(2) Take the dollars-and-cents figure set forth in the applicable schedule, for the sizes and quantity you are selling.

(3) Deduct from that figure the amount of the discount which you are required to give, as specified in each schedule. Where a discount is required you must state it separately on your invoice.

(4) If, at your purchaser's request, you actually render him a service for which this order authorizes a charge, you may add to the figure obtained as above, no more than the maximum authorized service charge. You must state that charge separately on your invoice. The only authorized service charges are those provided for in the schedules.

(d) *Schedule I.* Schedule I establishes specific maximum prices for certain sizes of anthracite in certain specific quantities, delivered to or at any point within Zone 1. There is a separate table of prices for "direct-delivery" sales, "yard sales," and "sales of bagged coal."

(1) *Sales on a "direct-delivery" basis.* For sales of anthracite of the sizes and in the quantities specified.

| Size | Per net ton | Per net ½ ton | Per net ¼ ton | Per 100 lbs. for sales of 100 lbs. or more, but less than ¼ ton |
|---|---|---|---|---|
| Broken, egg, stove, nut | $13.85 | $7.20 | $3.85 | $0.85 |
| Pea | 12.00 | 6.40 | 3.45 | .75 |
| Buckwheat | 10.15 | 5.35 | 2.95 | .65 |
| Rice | 9.35 | 4.95 | 2.75 | .60 |
| Barley | 8.35 | 4.45 | 2.50 | ---------- |
| Screenings | 4.00 | 2.15 | ------ | ---------- |

*Required discounts.* You shall deduct from the prices set forth in table (1) of this schedule, on sales and deliveries of all sizes except screenings, in quantities of ¼ ton or more, a discount of 50¢ per net ton, and 25¢ per net ½ ton, and 15¢ per net ¼ ton, where payment is made within ten days after delivery. Nothing herein requires you to sell on other than a cash basis.

MAXIMUM AUTHORIZED SERVICE CHARGES

Special service rendered at the request of the purchaser:

"Carry" or "wheel" (except for sales amounting to less than ¼ ton). 50¢ per net ton; 25¢ per net ½ ton; 15¢ per net ¼ ton.

(2) *"Yard sales." For sales of anthracite of the sizes and in the quantities specified to dealers and to consumers.*

| Size | Per net ton, for sales of ½ ton or more | | For 100 lbs. for 100 lbs. or more, but less than ½ ton |
|---|---|---|---|
| | To dealers | To consumers | |
| Broken, egg, stove, nut | $12.65 | $12.85 | $0.75 |
| Pea | 10.80 | 11.00 | .65 |
| Buckwheat | 8.65 | 9.15 | .55 |
| Rice | 7.85 | 8.[illegible] | .50 |
| Barley | 6.85 | 7.05 | ---------- |
| Screenings | 2.00 | 2.00 | ---------- |

*Required discounts.* You shall deduct from the prices set forth in table (2) of this schedule, on sales and deliveries of all sizes except screenings in quantities of ½ ton or more, a discount of 50¢ per net ton and 25¢ per net ½ ton, where payment is made within ten days after delivery. Nothing herein requires you to sell on other than a cash basis.

(3) *"Sales of bagged coal"*

Maximum Prices Per 50 lb. Paper Bag

| Size | Delivered at dealer's yard | | Delivered to retail stores | Sales to ultimate consumer |
|---|---|---|---|---|
| | To dealers | To consumers | | |
| Nut | $0.38 | $0.43 | $0.43 | $0.43 |
| Pea | .38 | .38 | .38 | .43 |

Maximum Prices Per 25 lb. Paper Bag

| Size | Delivered at dealer's yard | | Delivered to retail stores | Sales to ultimate consumer |
|---|---|---|---|---|
| | To dealers | To consumers | | |
| Nut | $0.195 | $0.22 | $0.22 | $0.25 |
| Pea | .17 | .195 | $0.195 | .225 |

(e) *Schedule II.* Schedule II establishes specific maximum prices for certain sizes of anthracite, in certain specific quantities, delivered to or at any point within Zone 2. There is a separate table of prices for "direct-delivery" sales and "yard sales"

(1) *Sales on a "direct-delivery" basis. For sales of anthracite of the sizes and in the quantities specified.*

| Size | Per net ton | Per net ½ ton | Per net ¼ ton | Per 100 lbs. for sales of 100 lbs. or more but less than ½ ton | Per 50 lb. paper bag |
|---|---|---|---|---|---|
| Broken, egg, stove, nut | $14.10 | $7.20 | $3.95 | $0.90 | $0.50 |
| Pea | 12.65 | 6.55 | 3.55 | .80 | .45 |
| Buckwheat | 10.15 | 5.35 | 2.95 | .70 | ------ |
| Rice | 9.35 | 4.95 | 2.75 | .65 | ------ |
| Barley | 8.35 | 4.45 | 2.50 | ---------- | ------ |
| Screenings | 4.00 | 2.15 | ------ | ---------- | ------ |

*Required discounts.* You shall deduct from the prices set forth in table (1) of this schedule, on sales and deliveries of all sizes except screenings, in quantities of ¼ ton or more, a discount of 50¢ per net ton, 25¢ per net ½ ton, and 15¢ per net ¼ ton, where payment is made within ten days after delivery. Nothing herein requires you to sell on other than a cash basis.

MAXIMUM AUTHORIZED SERVICE CHARGES

Special service rendered at the request of the purchaser:

"Carry" or "wheel" (except for sales amounting to less than ¼ ton) 50¢ per net ton; 25¢ per net ½ ton; 15¢ per net ¼ ton.

(2) *"Yard sales." For sales of anthracite of the sizes and in the quantities specified to dealers and to consumers.*

| Size | Per net ton for sales of ½ ton or more | | Per 100 lbs. for 100 lbs. or more, but less than ½ ton | Per 50 lb. paper bag |
|---|---|---|---|---|
| | To dealers | To consumers | | |
| Broken, egg, stove, nut | $12.00 | $12.10 | $0.80 | $0.45 |
| Pea | 11.05 | 11.05 | .70 | .40 |
| Buckwheat | 8.05 | 9.15 | .60 | ------ |
| Rice | 7.85 | 8.35 | .55 | ------ |
| Barley | 6.85 | 7.05 | ---------- | ------ |
| Screenings | 2.00 | 2.00 | ---------- | ------ |

*Required discounts.* You shall deduct from the prices set forth in table (2) of this schedule, on sales and deliveries of all sizes except screenings in quantities of ½ ton or more, a discount of 50¢ per net ton and 25¢ per net ½ ton, where payment is made within ten days after delivery. Nothing herein requires you to sell on other than a cash basis.

(f) *Schedule III.* Schedule III establishes specific maximum prices for certain sizes of anthracite, in certain specific quantities, delivered to or at any point within Zone 3. There is a separate table of prices for "direct-delivery" sales and "yard sales"

(1) *Sales on a "direct-delivery" basis.*

| Size | Per net ton | Per net ½ ton | Per net ¼ ton | Per 100 lbs. for sales of 100 lbs. or more but less than ¼ ton | Per 50 lbs. paper bag |
|---|---|---|---|---|---|
| Broken, egg, stove, nut | $14.35 | $7.45 | $4.00 | $0.90 | $0.50 |
| Pea | 12.80 | 6.65 | 3.60 | .80 | .45 |
| Buckwheat | 10.15 | 5.35 | 2.95 | .70 | ------ |
| Rice | 9.10 | 4.80 | 2.65 | .65 | ------ |
| Barley | 8.10 | 4.30 | 2.40 | ------ | ------ |
| Screenings | 4.30 | 2.15 | ------ | ------ | ------ |

*Required Discounts.* You shall deduct from the prices set forth in table (1) of this schedule on sales and deliveries of all sizes except screenings, in quantities of ¼ ton or more, a discount of 50¢ per net ton, 25¢ per net ½ ton, and 15¢ per net ¼ ton, where payment is made on delivery. Nothing herein requires you to sell on other than a cash basis.

MAXIMUM AUTHORIZED SERVICE CHARGES

Special service rendered at the request of the purchaser:

"Carry" or "wheel" (except for sales amounting to less than ¼ ton) 50¢ per net ton; 25¢ per net ½ ton; 15¢ per net ¼ ton.

(2) *"Yard sales" For sales of anthracite of the sizes and in the quantities specified to dealers and to consumers.*

| Size | Per net ton for sales of ½ ton or more | | Per 100 lbs. for 100 lbs. or more, but less than ½ ton | Per 50 lb. paper bag |
|---|---|---|---|---|
| | To dealers | To consumers | | |
| Broken, egg, stove, nut | $12.85 | $13.35 | $0.80 | $0.45 |
| Pea | 11.30 | 11.80 | .70 | .40 |
| Buckwheat | 8.65 | 9.15 | .60 | ------ |
| Rice | 7.60 | 8.10 | .55 | ------ |
| Barley | 6.60 | 7.10 | ------ | ------ |
| Screenings | 2.50 | 2.50 | ------ | ------ |

*Required discounts.* You shall deduct from the prices set forth in table (2) of this schedule, on sales and deliveries of all sizes except screenings, in quantities of ½ ton or more, a discount of 50¢ per net ton and 25¢ per net ½ ton, where payment is made on delivery. Nothing herein requires you to sell on other than a cash basis.

(g) *Schedule IV* Schedule IV establishes specific maximum prices for certain sizes of anthracite, in certain specific quantities, delivered to or at any point within Zone 4. There is a separate table of prices for "direct-delivery" sales and "yard sales"

(1) *Sales on a "direct-delivery" basis.*

| Size | Per net ton | Per net ½ ton | Per net ¼ ton | Per 100 lbs. for sales of 100 lbs. or more but less than ¼ ton | Per 50 lb. paper bag |
|---|---|---|---|---|---|
| Broken, egg, stove, nut | $14.90 | $7.70 | $4.10 | $0.90 | $0.50 |
| Pea | 13.35 | 6.95 | 3.75 | .80 | .45 |
| Buckwheat | 10.70 | 5.60 | 3.05 | .70 | ------ |
| Rice | 9.60 | 5.05 | 2.80 | .65 | ------ |
| Barley | 8.60 | 4.55 | 2.55 | ------ | ------ |
| Screenings | 4.30 | 2.15 | ------ | ------ | ------ |

*Required discounts.* You shall deduct from the prices set forth in table (1) of this schedule on sales and deliveries of all sizes except screenings, in quantities of ¼ ton or more, a discount of 50¢ per net ton, 25¢ per net ½ ton, and 15¢ per net ¼ ton, where payment is made on delivery. Nothing herein requires you to sell on other than a cash basis.

MAXIMUM AUTHORIZED SERVICE CHARGES

Special service rendered at the request of the purchaser:

"Carry" or "wheel" (except for sales amounting to less than ¼ ton) 50¢ per net ton; 25¢ per net ½ ton; 15¢ per net ¼ ton.

(2) *"Yard sales" For sales of anthracite of the sizes and in the quantities specified to dealers and to consumers.*

| Size | Per net ton for sales of ½ ton or more | | Per 100 lbs. for 100 lbs. or more, but less than ½ ton | Per 50 lb. paper bag |
|---|---|---|---|---|
| | To dealers | To consumers | | |
| Broken, egg, stove, nut | $13.40 | $13.90 | $0.80 | $0.45 |
| Pea | 11.85 | 12.35 | .70 | .40 |
| Buckwheat | 9.20 | 9.70 | .60 | ------ |
| Rice | 8.10 | 8.60 | .55 | ------ |
| Barley | 7.10 | 7.60 | ------ | ------ |
| Screenings | 2.50 | 2.50 | ------ | ------ |

*Required discounts.* You shall deduct from the prices set forth in table (2) of this schedule, on sales and deliveries of all sizes except screenings, in quantities of ½ ton or more, a discount of 50¢ per net ton and 25¢ per net ½ ton, where payment is made on delivery. Nothing herein requires you to sell on other than a cash basis.

(h) *Commingling.* If you sell one size of anthracite, commingled with another size of anthracite, your maximum price for the combination shall be the maximum price established in this order for the smallest of the sizes so commingled, whether the sale be a "direct-delivery" sale, "yard sale" or "sale of bagged coal" except in the following situation. Where a purchaser requests that two or more sizes of anthracite be commingled in one delivery, then, and in that event, if those sizes are separately weighed at the point of loading, or when bagged, the dealer may commingle those sizes in the truck or other vehicle, or in the bags, in which the delivery is made. The price for anthracite so commingled shall be calculated on the basis of the applicable per net ton price or, in the case of bagged coal, on the basis of the applicable bagged price, for each size in the combination, and the invoice shall separately state the price, so determined, for the quantity of each size in the combination.

(i) *Ex Parte 148; freight rate increase.* Since the Ex Parte 148 freight rate increase has been rescinded by the Interstate Commerce Commission, dealers' freight rates are the same as those of December 1941. Therefore, you may not increase any schedule price on account of freight rates.

(j) *Addition of increase in suppliers' maximum prices prohibited.* You may not increase the specific maximum prices established by this order to reflect, in whole or in part, any subsequent increase to you in your supplier's maximum price for the same fuel. The specific maximum prices already reflect increases to you in your supplier's maximum prices occurring up to the effective date of this order. If increases in your supplier's maximum prices should occur after such date, as the result of any amendment to or revision of a maximum price regulation issued by the Office of Price Administration governing sales and deliveries made by such suppliers, the Regional Administrator will, if he then deems it to be warranted, take appropriate action to amend this order to reflect such increases.

(k) *Taxes.* If you are a dealer subject to this order, you may collect, in addition to the specific maximum prices established herein, provided you state it separately, the amount of the Federal tax upon the transportation of property imposed by section 620 of the Revenue Act of 1942 actually paid or incurred by you, or an amount equal to the amount of such tax paid by any of your prior suppliers and separately stated and collected from you by the supplier from whom you purchased. On sales to the United States or any agency thereof, or to the State of New Jersey or any political subdivision thereof, you need not state this tax separately.

(l) *Adjustable pricing.* You may not make a price adjustable to a maximum price which will be in effect at some time after delivery of the anthracite has been completed; but the price may be adjustable to the maximum price in effect at the time of delivery.

(m) *Petitions for amendment.* Any person seeking an amendment of any provision of this order may file a petition for amendment in accordance with the provisions of Revised Procedural Regulation No. 1, except that the petition shall be filed with the Regional Administrator and acted upon by him.

(n) *Right of amendment or revocation.* The Regional Administrator or the Price Administrator may amend, revoke or rescind this order, or any provision thereof, at any time.

(o) *Applicability of other regulations.* If you are a dealer subject to this order, you are governed by the licensing provisions of Licensing Order 1. Licensing Order 1 provides, in brief, that a license is required of all persons making sales for which maximum prices are established. A license is automatically granted. It is not necessary to apply for a license. The license may be suspended for violations in connection with the sale of any commodity for which maximum prices are established. If your license is suspended, you may not sell any such commodity during the period of suspension.

(p) *Records.* If you are a dealer subject to this order, you shall preserve, keep, and make available for examination by the Office of Price Administration, a record of every sale of anthracite hereunder, showing the date, the name and address of the buyer, if known, the

per net ton price charged, and the solid fuel sold. The solid fuel shall be identified in the manner in which it is described in the order. The record shall also state separately each service rendered and the charge made for it.

(q) *Posting of maximum prices; sales slips and receipts.* (1) If you are a dealer subject to this order, you shall post all your maximum prices (as set forth in the applicable schedule or schedules of this order) in your place of business in a manner plainly visible to and understandable by the purchasing public.

(2) If you are a dealer subject to this order, you shall, except for a sale of less than one half ton, give each purchaser a sales slip or receipt showing your name and address, the kind, size, and quantity of the anthracite sold to him, the date of the sale or delivery and the price charged, separately stating the amount, if any, of the required discounts which must be deducted from, and the authorized service charges and the taxes which may be added to the specific maximum prices prescribed herein.

In the case of all other sales, you shall give each purchaser a sales slip or receipt containing the information described in the foregoing paragraph, if requested by such purchaser or if, during December 1941, you customarily gave purchasers such sales slips or receipts.

(r) *Enforcement.* (1) Persons violating any provision of this order are subject to civil and criminal penalties, including suits for treble damages, provided for by the Emergency Price Control Act of 1942, as amended.

(2) Persons who have any evidence of any violation of this order are urged to communicate with the Trenton District Office of the Office of Price Administration, or with the Price Panel of the appropriate War Price and Rationing Board.

(s) *Definitions and explanations.* When used in this Order No. G-40, the term:

(1) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

(2) "Sell" includes sell, supply, dispose, barter, exchange, lease, transfer, and deliver, and contracts and offers to do any of the foregoing. The terms "sale" "selling" "sold" "seller" "buy" "purchase" and "purchaser" shall be construed accordingly.

(3) "Dealer" means any person selling anthracite of the sizes set forth in the schedule herein, and does not include a producer or distributor making sales at or from a mine, a preparation plant operated as an adjunct of any mine, or a briquette plant.

(4) "Pennsylvania anthracite" means all coal produced in the Lehigh, Schuylkill and Wyoming regions in the Commonwealth of Pennsylvania.

(5) The sizes of "Pennsylvania anthracite" described as broken, egg, stove, nut, pea, buckwheat, rice, barley and screenings shall refer to the same sizes of the same fuel as were sold and delivered in the State of New Jersey—Coal Area XII with such designation during December 1941.

(6) "Direct delivery" except with respect to sales in 100 lb. lots, means delivery to the buyer's bin or storage space by dumping or chuting directly from the seller's truck or vehicle, or, where such delivery to the buyer's bin or storage space is physically impossible, by discharging at the point nearest and most accessible to the buyer's bin or storage space and at which the coal can be discharged directly from the seller's truck. "Direct delivery" in 100 lb. lots shall mean depositing in buyer's bin or other storage space designated by buyer.

(7) "Carry" and "wheel" refer to the movement of coal to buyer's bin or storage space in baskets or other containers, or by wheelbarrow or barrel, from seller's truck or vehicle, or from the point nearest and most accessible to the buyer's bin or storage space at which the coal is discharged from the seller's truck in the course of "direct delivery"

(8) "Yard sales" means sales accompanied by physical transfer to the buyer's truck or vehicle at the yard, dock, barge, car, or at a place of business of the seller other than at seller's truck or vehicle.

(9) "Delivered at dealer's yard" as applied to "sales of bagged coal" means physical transfer at the dealer's yard to the purchaser's truck or other vehicle.

(10) "Delivered to retail stores" as applied to "sales of bagged coal" means deposit in that part of the store designated by the purchaser.

(11) "Sales to ultimate consumer" as applied to "sales of bagged coal" means sales by dealers, other than sales at a dealer's yard, whether or not delivered to the consumer's premises.

(12) Except as otherwise provided herein, or as the context may otherwise require, the definitions set forth in §§ 1340.255 and 1340.266 of Revised Maximum Price Regulation No. 122 shall apply to terms used herein.

(t) *Effect of order on Revised Maximum Price Regulation No. 122.* This order shall supersede Revised Maximum Price Regulation No. 122, except as to any sales or deliveries of solid fuels not specifically subject to this order.

*Effective date.* This order shall become effective June 11, 1944.

NOTE: The record-keeping provisions of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(56 Stat. 23, 765; Pub. Law 151 78th Cong., E.O. 9250, 7 F.R. 7871, and E.O. 9328, 8 F.R. 4681)

Issued this 7th day of June 1944.

DANIEL P. WOOLLEY,
*Regional Administrator.*

[F. R. Doc. 44-8720; Filed, June 15, 1944; 2:11 p. m.]

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[Region IV Gen. Order G-1 Under MPR 165, Amdt. 2]

CITRUS FRUITS IN FLORIDA

Amendment No. 2 to General Order No. G-1 under Maximum Price Regulation No. 165. Adjustment of maximum prices for citrus fruit packing services sold by sellers located in the State of Florida.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.114 (d) of Maximum Price Regulation No. 165 and paragraph (h) of General Order No. G-1 thereunder, *It is hereby ordered,* That a new sub-paragraph designated (5) be added to paragraph (a) of said General Order No. G-1 to read as set forth below:

(a) * * *

(5) The prices set forth in this paragraph (a) may be charged only when the supplier of the service also supplies the container, in which the fruit is packed. When the purchaser of the service supplies the container, the maximum price for the service shall be as set forth in General Order No. G-1 prior to the issuance of Amendment No. 1 thereto.

This Amendment No. 2 to General Order No. G-1 shall become effective June 10, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued June 8, 1944.

ALEXANDER HARRIS,
*Regional Administrator.*

[F. R. Doc. 44-8723; Filed, June 15, 1944; 2:12 p. m.]

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[Region IV Orders G-2—G-17 Under RMPR 122, Supp. Orders 1, 2, 3, 4]

SOLID FUELS IN SPECIFIED AREAS IN ATLANTA REGION

Supplementary Order No. 1 to Order No. G-2, Supplementary Order No. 2 to Orders No. G-12, G-14, and G-17, Supplementary Order No. 3 to Orders No. G-3, G-4, G-6, G-7, G-8, G-9, G-11, G-13, G-15, and G-16, Supplementary Order No. 4 to Orders No. G-5 and G-10 under Revised Maximum Price Regulation No. 122. Solid fuels sold and delivered by dealers in specified areas in Region IV.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1340.260 of Revised Maximum Price Regulation No. 122 and the amendment provisions of the above captioned orders, *It is hereby ordered,* That:

When any dealer whose maximum prices for Bituminous Coal are established by one of the above orders pays his supplier a charge not in excess of 10¢ per net ton for chemical or oil dust laying service he may add to his maximum price established by the foregoing orders and amendments thereto the same amount that he paid for this service, not to exceed 10¢ per net ton, for such coals from Districts 7 and 8.

These Supplementary Orders No. 1, 2, 3, and 4 shall become effective May 18, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued May 26, 1944.

ALEXANDER HARRIS,
*Regional Administrator.*

[F. R. Doc. 44-8724; Filed, June 15, 1944; 2:13 p. m.]

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[Region IV Orders G-5, G-10, G-13, G-15, G-16, G-17, Under RMPR 122, Supp. Orders 3, 4, 5, 6]

SOLID FUELS IN SPECIFIED AREAS IN ATLANTA REGION

Supplementary Order No. 3 to Order No. G-17, Supplementary Order No. 4 to Orders No. G-13, G-15, G-16, Supplementary Order No. 5 to Order No. G-5, Supplementary Order No. 6 to Order No. G-10, under Revised Maximum Price Regulation No. 122. Solid fuels sold and delivered by dealers in Specified Areas in Region IV

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1340.260 of Revised Maximum Price Regulation No. 122 and the amendment provisions of the above captioned orders, *It is hereby ordered,* That:

Effective June 1, 1944, through June 9, 1944, dealers whose maximum prices for Pennsylvania Anthracite Coal are established by the above captioned orders and amendments and supplementary orders thereto may sell Pennsylvania Anthracite Coal at the prices in effect under said orders on May 31, 1944.

On and after June 10, 1944, the maximum prices for Pennsylvania Anthracite Coal in effect on May 31, 1944, under the provisions of the above captioned orders and amendments and supplementary orders thereto shall be reduced 15¢ per ton, 8¢ per ½ ton, and 4¢ per ¼ ton.

These Supplementary Orders No. 3, 4, 5, and 6 shall become effective June 1, 1944.

(56 Stat. 23,765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued June 5, 1944.

ALEXANDER HARRIS,
*Regional Administrator*

[F. R. Doc. 44-8726; Filed, June 15, 1944; 2:12 p. m.]

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[Region IV Order G-10 Under RMPR 122, Supp. Order 5]

SOLID FUELS IN HENRICO AND CHESTERFIELD COUNTIES, VA.

Supplementary Order No. 5 to order No. G-10 under Revised Maximum Price Regulation No. 122. Solid fuels sold and delivered by dealers. Maximum prices for solid fuels in the Counties of Henrico and Chesterfield in the State of Virginia and the Independent City of Richmond, Virginia.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1340.260 of Revised Maximum Price Regulation No. 122 and by paragraph (f) of Order No. G-10, *It is hereby ordered,* That:

On and after June 8, 1944, the maximum prices for Bituminous Coals from Districts 7 and 8 as established in paragraph (c) (1) of Order No. G-10, together with amendments and supplementary orders thereto, shall be reduced by the sum of 20¢ per ton, 10¢ per ½ ton, and 5¢ per ¼ ton.

This Supplementary Order No. 5 shall become effective June 8, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued June 5, 1944.

ALEXANDER HARRIS,
*Regional Administrator.*

[F. R. Doc. 44-8725; Filed, June 15, 1944; 2:13 p. m.]

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[Region V Order G-1 Under RMPR 122, Amdt. 7]

SOLID FUELS IN ST. LOUIS, MO., AREA

Amendment No. 7 to Order No. G-1 under Revised Maximum Price Regulation No. 122. Maximum prices for solid fuels sold in the City of St. Louis, Missouri, and parts of St. Louis County, Missouri.

Pursuant to the Emergency Price Control Act of 1942, as amended, and the authority vested in the Regional Administrator of Region V by § 1340.260 of Revised Maximum Price Regulation No. 122, and for the reasons set forth in the opinion issued simultaneously herewith, *It is ordered:*

Section (c) Price Schedule IV Pennsylvania Anthracite, as amended, is amended to read as follows:

| | *Price* |
|---|---|
| 1. Egg, stove, and nut | $15.35 |
| 2. Pea | 13.80 |
| 3. Buckwheat | 12.50 |

(56 Stat. 23, 765, Pub. Law 151, 76th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 6 F.R. 4631)

This order shall become effective the 11th day of June, 1944.

Issued at Dallas, Texas, this the 5th day of June 1944.

MAX MCCULLOUGH,
*Regional Administrator*

[F. R. Doc. 44-8732; Filed, June 15, 1944; 2:13 p. m.]

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[Region VI Order G-2 Under MPR 329, Amdt. 1]

MILK IN BARABOO, WIS.

Amendment No. 1 to Order No. G-2, under Maximum Price Regulation No. 329. Purchases of milk from producers for resale as fluid milk. Producers' milk prices in Baraboo, Wisconsin.

For reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration, by § 1351.408 of Maximum Price Regulation No. 329, *It is hereby ordered,* That Regional Order No. 50, renumbered G-2, be amended to read as follows:

(a) *Maximum producer prices.* The maximum prices which milk distributors may pay to producers for milk sold for human consumption in fluid form shall be $3.00 per cwt. for 3.5 percent butterfat test milk, plus not more than 6 cents for each 1/10 of a pound of butterfat in excess of 3.5 percent and minus not less than 6 cents for each 1/10 of a pound of butterfat below 3.5 percent.

(b) *Applicability of producer prices.* Maximum prices established by paragraph (a) of this order shall apply to all purchases of milk from producers for resale for human consumption in fluid form by distributors whose bottling plants are located within Baraboo, Wisconsin, or who sell within that city 50 percent or more of the milk sold by them.

This order has been approved by the Regional Director of the War Food Administration.

This Amendment No. 1 to Regional Order No. 50, renumbered G-2, shall be effective May 31, 1944.

(56 Stat. 23.765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 29th day of May 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8736; Filed, June 15, 1944; 2:16 p. m.]

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[Region VI Order G-36 Under MPR 329]

MILK IN SPRINGFIELD, ILL.

Amendment No. 1 to Order No. G-36 under Maximum Price Regulation No. 329. Purchases of milk from producers for resale as fluid milk. Producers' milk prices in Springfield, Illinois.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1351.408 (b) of Maximum Price Regulation No. 329, *It is hereby ordered,* That paragraph (a) of Order No. G-36 be amended to read as follows:

(a) *Maximum producer prices.* The maximum price which milk distributors may pay to producers for milk sold for human consumption in fluid form shall be $3.05 per cwt. for 4% butterfat test milk, plus not more than 5¢ for each 1/10 of a pound of butterfat in excess of 4% and minus not less than 4¢ for each 1/10 of a pound of butterfat below 4%.

This order has been approved by the Regional Director of the War Food Administration.

This Amendment No. 1 to Order No. G-36 shall be effective May 16, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 16th day of May 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8737; Filed, June 15, 1944; 2:16 p. m.]

[Region VI Order G-55 Under SR 15, MPR 280, MPR 329]

FLUID MILK IN JACKSONVILLE, ILL.

Order No. G-55 Under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, under maximum Price Regulation No. 280, maximum prices for specific food products, and under Maximum Price Regulation No. 329. Purchases of milk from producers for resale as fluid milk.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, by § 1351.807 (a) of Maximum Price Regulation No. 280, and § 1351.408 (a) of Maximum Price Regulation 329, it is ordered:

(a) *Maximum producer prices.* The maximum price which distributors may pay to producers for milk sold for human consumption in fluid form shall be $3.05 per cwt. for 4% milk, plus not more than 4¢ for each additional 1/10 of a pound of butterfat in excess of 4% and minus not less than 4¢ for each 1/10 of a pound of butterfat below 4%.

(b) *Applicability of producer prices.* Maximum prices established by paragraph (a) of this order shall apply to all purchases of fluid milk from producers for resale for human consumption in fluid form by distributors whose bottling plants are located within the corporate limits of the communities of Jacksonville, Illinois, or who sell within those communities 50% or more of the milk sold by them. The maximum price provided in paragraph (a) of this order shall apply only to purchases from producers from whom distributors covered by this order purchased during August 1, 1943 through December 31, 1943 and are not applicable to purchases from producers who did not in that period, sell to distributors located in the communities of Jacksonville, Illinois.

(c) *Maximum distributor prices for sales to civilian purchasers.* The maximum price for the sale and delivery of fluid milk at wholesale and retail in Jacksonville, Illinois, shall be the maximum price determined under the General Maximum Price Regulation or under Maximum Price Regulation 280, whichever shall be applicable, or the following prices, whichever shall be the higher:

| Standard or homogenized and chocolate flavored | Wholesale | Retail |
|---|---|---|
| Gallon (bulk) | $0.36 | |
| Gallon | .41 | $0.49 |
| Quarts | .12 | .14 |
| Pint | .07 | .08 |
| Half-Pint | .04 | .05 |

(d) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (c) of this order for the particular size and type of container, plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(d) *Applicability of distributor prices.* For the purpose of paragraph (c) of this order, sales and deliveries within the Jacksonville, Illinois, area shall mean:

(1) All sales made within the city limits of Jacksonville, Illinois, and all sales at or from an establishment located in Jacksonville, Illinois:

2. All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Jacksonville, Illinois.

(f) *Definitions.* (1) Milk shall mean cow's milk having a butterfat content of not less than 3.2 or the legal minimum established by statute or municipal ordinance, distributed and sold for consumption in fluid form as whole milk.

(2) Sales at wholesale shall include all sales to retail stores, restaurants, Army camps, prisons, schools, hospitals and other institutions.

(3) Army or Navy means the War Department or the Department of the Navy of the United States, including such Departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(g) *Relation to Office of Price Administration Regulations.* No purchaser shall pay a larger proportion of transportation costs incurred in the delivery or supply of milk from producers than he paid on deliveries during January 1943. Except as otherwise herein provided, the provisions of the General Maximum Price Regulation 329 shall remain in full force and effect and shall not be evaded by any change in the customary delivery, business, or trade practices in effect during the base periods established by those regulations.

(h) *Revocability.* This order may be revoked, amended or corrected at any time.

The portion of this order which applies to prices which may be paid to producers has been approved by the Regional Director of the War Food Administration.

This order shall be effective May 23, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681.

Issued this 20th day of May 1944.

RAE E. WALTERS,
*Regional Administrator.*

[F. R. Doc. 44-8738; Filed, June 15, 1944; 2:16 p. m.]

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[Region VI Order G-58 Under SR 15 and MPR 280]

FLUID MILK IN BEARDSTOWN, ILL.

Order No. G-58 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and under § 1351.807 (a) of Maximum Price Regulation No. 280. Adjustment of fluid milk prices in Beardstown, Illinois.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and by § 1351.807 (a) of Maximum Price Regulation No. 280, it is ordered:

(a) *Maximum distributor prices for sales to civilian purchasers.* The maximum prices for the sale and delivery of fluid milk for human consumption at wholesale and retail in Beardstown, Illinois shall be the maximum prices determined under the General Maximum Price Regulation or under Maximum Price Regulation No. 280, whichever shall be applicable, or the following prices, whichever shall be the higher:

| Standard butterfat content fluid milk | Wholesale | Retail |
|---|---|---|
| Gallon (bulk) | $0.37 | |
| Gallon | .37 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10 | .12 |
| Pint | .05½ | .06½ |
| ½ pint | .03 | .03½ |

Where the maximum price set forth is expressed in terms of ½¢, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(b) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sales and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (a) of this order for the particular size and type of container plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(c) *Applicability of distributor prices.* For the purpose of paragraph (a) of this order, sales and deliveries within Beardstown area shall mean:

(1) All sales made within the city limits of Beardstown, Illinois and all sales at or from an establishment located in Beardstown, Illinois.

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Beardstown, Illinois.

(d) *Definitions.* (1) Standard butterfat content milk shall mean cow's milk having a butterfat content of not less than 3.2% or the legal minimum established by statute or municipal ordinance, distributed and sold for consumption in fluid form as whole milk.

(2) Sales at wholesale shall include all sales to retail stores, hotels, restaurants, schools, hospitals, prisons, and other institutions.

(3) Army or Navy means the War Department or the Department of the Navy of the United States, including such departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(e) *Relation of this order to Office of Price Administration regulations.* Except as modified by this order, the provisions of the General Maximum Price Regulation and the Maximum Price Regulation No. 280 shall remain in full force and effect and shall not be evaded by any change in business or trade practices.

(f) *Revocability.* This order may be revoked, amended or corrected at any time.

This order shall be effective May 29, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 27th day of May 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8739; Filed, June 15, 1944; 2:17 p. m.]

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[Region VI Order G-59 Under SR 15, MPR 280, MPR 329]

FLUID MILK IN NEW ULM, MINN.

Order G-59 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, under Maximum Price Regulation No. 280 and under Maximum Price Regulation No. 329. Adjustment of fluid milk prices for New Ulm, Minnesota.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation 15 to the General Maximum Price Regulation, by § 1351.807 (a) of Maximum Price Regulation 280 and § 1351.408 (b) of Maximum Price Regulation 329, it is ordered:

(a) *Maximum producer prices.* The maximum price which distributors may pay to producers for milk sold for human consumption in fluid form shall be $2.75 per cwt. for 3.5% milk plus not more than 5¢ for each 1/10 of a pound of butterfat in excess of 3.5%, and minus not less than 5¢ for each 1/10 of a pound of butterfat below 3.5%.

(b) *Applicability of producer prices.* Maximum prices established by section (a) of this order shall apply to all purchases of milk from producers for resale for human consumption in fluid form by distributors whose bottling plants are located within New Ulm, Minnesota, or who sell within that city 50% or more of the milk sold by them. Prices provided in section (a) of this order shall apply only to purchases from producers from whom distributors covered by this order purchased milk during the period January, February, March and April, 1944, and are not applicable to purchases from producers who did not in those months sell to any New Ulm, Minnesota, distributor covered by this order.

(c) *Maximum distributor prices to civilian purchasers.* The maximum price for the sale and delivery of fluid milk at wholesale and retail in New Ulm, shall be the maximum price determined under the General Maximum Price Regulation and under Maximum Price Regulation 280, whichever is appropriate for the type of sale being made or the following prices, whichever shall be higher.

| | Wholesale | Retail |
|---|---|---|
| | *Cents* | *Cents* |
| Gallon (in bulk) | 37 | |
| Gallon | 37 | 45 |
| Quart | 10 | 12 |
| Pint | 5½ | 6½ |
| Half pint | 3 | 3½ |

Where the maximum price set forth is expressed in terms of ½¢, the price charged for a single unit may be increased to the next even cent. An opportunity must, however, be given to each purchaser to buy two units for which the maximum price will be twice the single unit price. All home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(d) *Maximum distributor prices for sales to Army and Navy.* The maximum price for the sale and delivery of fluid milk to the army or navy shall be the price at wholesale computed under section (c) of this order for the particular size and type of container, plus whichever of the following provisions is the higher:

(1) ½¢ per quart or a proportionate amount for a part of a quart.

(2) The actual transportation cost from the seller's plant to the point of delivery at the lowest common carrier rate.

(e) *Applicability of distributor prices.* For the purpose of section (c) of this order, sales and deliveries in New Ulm, Minnesota shall mean:

(1) All sales made within the city limits of New Ulm, Minnesota and all sales at or from an establishment located in New Ulm, Minnesota;

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located in New Ulm, Minnesota.

(f) *Definitions.* (1) "Fluid milk" means cows' milk having a butterfat content of not less than 3.2% or the legal minimum established by statute or municipal ordinance distributed and sold for human consumption in fluid form as whole milk.

(2) "Sales at wholesale" shall include all sales to retail stores, restaurants, army camps, prisons, schools, hospitals and other institutions.

(3) "Army and Navy" means the War Department or the Department of the Navy of the United States, including such Departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(g) *Relationship to regulations.* Except as otherwise herein provided, the provisions of the General Maximum Price Regulation, Maximum Price Regulation 280 and Maximum Price Regulation 329 shall remain in full force and effect and shall not be evaded by any change in the customary business or trade practices.

(h) *Revocability.* This order may be revoked, amended or corrected at any time.

(i) The portion of this order which applies to prices which may be paid to producers has been approved by the Regional Director of the War Food Administration.

(j) *Effective date.* This order shall become effective May 31, 1944.

(56 Stat. 23, 765, Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued this 29th day of May 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8740; Filed, June 15, 1944; 2:17 p. m.]

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[Region VI Order G-60 Under SR 15 and MPR 280]

FLUID MILK IN SANDOVAL, ILL.

Order No. G-60 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and under § 1351.807 (a) of Maximum Price Regulation No. 280.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and by § 1351.807 (a) of Maximum Price Regulation No. 280, it is ordered:

(a) *Maximum distributor prices for sales to civilian purchasers.* The maximum prices for the sale and delivery of 4.5% butterfat content fluid milk for human consumption at wholesale and retail in Sandoval, Illinois, shall be the maximum prices determined under the General Maximum Price Regulation or under Maximum Price Regulation No. 280, whichever shall be applicable, or the following prices, whichever shall be the higher:

| Container size | Wholesale | Retail |
|---|---|---|
| Gallon (in bulk) | $0.37 | |
| Gallon | .37 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10 | .12 |
| Pint | .05½ | .06½ |
| ½ pint | .03 | .03½ |

Where the maximum price set forth is expressed in terms of ½ cent, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for

which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(b) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (a) of this order for the particular size and type of container plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(c) *Applicability of distributor prices.* For the purpose of paragraph (a) of this order, sales and deliveries within Sandoval, Illinois area shall mean:

(1) All sales made within the City limits of Sandoval, Illinois and all sales at or from an establishment located in Sandoval, Illinois.

(2) All sales of fluid milk by any seller at retail at or from an astablishment obtaining the major portion of its supply of milk from a seller at wholesale located within Sandoval, Illinois.

(d) *Definitions.* (1) Sales at wholesale shall include all sales to retail stores, hotels, restaurants, schools, hospitals, prisons and other institutions.

(2) Army or Navy means the War Department or the Department of the Navy of the United States, including such departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(e) *Relation of this order to office of Price Administration regulations.* Except as modified by this order, the provisions of the General Maximum Price Regulation and the Maximum Price Regulation No. 280 shall remain in full force and effect and shall not be evaded by any change in business or trade practices.

(f) *Revocability.* This order may be revoked, amended or corrected at any time.

This order shall be effective May 31, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 29th day of May 1944.

RAE WALTERS,
*Regional Administrator.*

[F. R. Doc. 44-8741; Filed, June 15, 1944; 2:17 p. m.]

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[Region VI G-61 Under SR 15, MPR 280 and MPR 329]

FLUID MILK IN BRAINERD, MINN.

Order No. G-61 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, under § 1351.807 (a) of Maximum Price Regulation No. 280 and under § 1351.408 (a) of Maximum Price Regulation No. 329.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, by § 1351.807 (a) of Maximum Price Regulation No. 280 and by §1351.408 (a) of Maximum Price Regulation No. 329, it is ordered:

(a) *Maximum producer prices.* The maximum prices which distributors may pay to producers for milk sold for human consumption in fluid form shall be 80¢ per pound of butterfat in whole milk.

(b) *Applicability of producer prices.* Maximum prices established by paragraph (a) of this order shall apply to all purchases of milk from producers for resale for human consumption in fluid form by distributors whose bottling plants are located within the corporate limits of the City of Brainerd, Minnesota, or who sell within that city 50% or more of the milk sold by them. Maximum prices provided in paragraph (a) of this Order shall apply only to purchases from producers from whom distributors covered by this order purchased from June 1, 1943 to December 31, 1943 and are not applicable to purchases from producers who did not in that period sell to any distributors covered by this order.

(c) *Maximum distributor prices for sales to civilian purchasers.* The maximum price for the sale and delivery of standard content butterfat fluid milk at wholesale and retail in Brainerd, Minnesota shall be the maximum price determined under the General Maximum Price Regulation or Maximum Price Regulation No. 280, whichever is appropriate for the type of sale being made, or the following prices, whichever shall be the higher:

| Container sizes | Wholesale | Retail |
|---|---|---|
| Gallon (in bulk) | $0.33 | |
| Gallon | .33 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10½ | .12½ |
| Pint | .06 | .07 |
| ½ pint | .03 | .05 |

When the maximum price set forth is expressed in terms of ½ cent, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(d) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (c) of this order for the particular size and type of container, plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(e) *Applicability of distributor prices.* For the purpose of paragraph (c) of this order, sales and deliveries within the Brainerd, Minnesota area shall mean:

(1) All sales made within the city limits of Brainerd, Minnesota and all sales at or from an establishment located in Brainerd, Minnesota.

(2) All sales of fluid milk by any seller at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Brainerd, Minnesota.

(3) All sales and deliveries by any pasteurizing plant or distributor located within the City of Brainerd, Minnesota and all sales by any seller purchasing from such distributor or pasteurizing plant.

(f) *Definitions.* (1) Standard butterfat content milk shall mean cow's milk having a butterfat content of not less than 3.2% or legal minimum established by statute or municipal ordinance, distributed and sold for human consumption in fluid form as whole milk.

(2) Sales at wholesale shall include all sales to retail stores, restaurants, schools, hospitals, prisons and other institutions.

(3) Army or Navy means the War Department or the Department of the Navy of the United States, including such Departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(g) *Relation of this order to Office of Price Administration regulations.* No purchaser shall pay a larger proportion of transportation costs incurred in the delivery or supply of milk than he paid on deliveries during January 1943. Except as modified by this order, the provisions of the Supplementary Regulation No. 15 to the General Maximum Price Regulation, General Maximum Price Regulation No. 280, Maximum Price Regulation No. 329, and Regional Orders Nos. 4 and 21 shall remain in full force and effect and shall not be evaded by any change in business or trade practices in effect during that month.

(h) *Revocability.* This order may be revoked, amended or corrected at any time.

The portion of this order which applies to prices which may be paid to producers has been approved by the Administrator of the War Food Administration.

This order shall be effective May 31, 1944.

(56 Stat. 23,765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681)

Issued this 29th day of May 1944.

RAE E. WALTERS,
*Regional Administrator.*

[F. R. Doc. 44-8742, Filed, June 15, 1944; 2:17 p. m.]

[Region VI Order G-62 Under SR 15, and MPR 280]

FLUID MILK IN TAYLOR FALLS, MINN.

Order No. G-62 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and under § 1351.807 (a) of Maximum Price Regulation No. 280.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and by § 1351.807 (a) of Maximum Price Regulation No. 280, it is ordered:

(a) *Maximum distributor prices for sales to civilian purchasers.* The maximum prices for the sale and delivery of 4.5% butterfat content fluid milk for human consumption at wholesale and retail in Taylors Falls, Minnesota shall be the maximum prices determined under the General Maximum Price Regulation or under Maximum Price Regulation No. 280, whichever shall be applicable, or the following prices, whichever shall be the higher:

| Container size | Wholesale | Retail |
|---|---|---|
| Gallon (in bulk) | $0.37 | |
| Gallon | .37 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10 | .12 |
| Pint | .05½ | .06½ |
| ½ pint | .03 | .03½ |

Where the maximum price set forth is expressed in terms of ½ cent, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(b) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (a) of this order for the particular size and type of container plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(c) *Applicability of distributor prices.* For the purpose of paragraph (a) of this order, sales and deliveries within Taylors Falls, Minnesota area shall mean:

(1) All sales made within the city limits of Taylors Falls, Minnesota and all sales at or from an establishment located in Taylors Falls, Minnesota.

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Taylors Falls, Minnesota.

(d) *Definitions.* (1) Sales at wholesale shall include all sales to retail stores, hotels, restaurants, schools, hospitals, prisons and other institutions.

(2) Army or Navy means the War Department or the Department of Navy of the United States, including such departments' sales stores, commissaries, ships' stores, officers' messes and stores operated as Army canteens or post exchanges.

(e) *Relation of this order to Office of Price Administration regulations.* Except as modified by this order, the provisions of the General Maximum Price Regulation and the Maximum Price Regulation No. 280 shall remain in full force and effect and shall not be evaded by any change in business or trade practices.

(f) *Revocability.* This order may be revoked, amended or corrected at any time.

This order shall be effective May 31, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 29th day of May 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8743; Filed, June 15, 1944; 2:18 p. m.]

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[Region VI Order G-63 Under SR 15, MPR 280 and MPR 329]

FLUID MILK IN GLENWOOD AND STARBUCK, MINN.

Order No. G-63 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, under Maximum Price Regulation 280 and under Maximum Price Regulation 329.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation by § 1351.807 (a) of Maximum Price Regulation 280, and § 1351.408 (a) of Maximum Price Regulation No. 329, it is ordered:

(a) *Maximum producer prices.* The maximum price which distributors may pay to producers for milk for human consumption in fluid form shall be $2.75 per cwt. for 3.5 percent milk, plus not more than 5 cents for each 1/10 of a pound of butterfat in excess of 3.5 percent and minus not less than 5 cents for each 1/10 of a pound of butterfat below 3.5 percent.

(b) *Applicability of producer prices.* Maximum prices established by paragraph (a) of this order shall apply to all purchases of fluid milk from producers for resale for human consumption in fluid form by distributors whose bottling plants are located within the corporate limits of the Cities of Glenwood, Minnesota and Starbuck, Minnesota, or who sell within those communities 50 percent or more of the milk sold by them. The maximum price provided in paragraph (a) of this order shall apply only to purchases from producers from whom distributors covered by this order purchased from January 1, 1944 to April 30, 1944, and are not applicable to purchases from producers who did not in that period sell to distributors located in the Cities of Glenwood, Minnesota and Starbuck, Minnesota.

(c) *Maximum distributor prices for sales to civilian purchasers.* The maximum price for the sale and delivery of fluid milk at wholesale and retail in Glenwood, Minnesota and Starbuck, Minnesota shall be the maximum price determined under the General Maximum Price Regulation or the following prices, whichever shall be the higher:

| Standard butterfat content fluid milk | Wholesale | Retail |
|---|---|---|
| Gallon (in bulk) | $0.37 | |
| Gallon | .37 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10 | .12 |
| Pint | .05½ | .06½ |
| ½ pint | .03 | .03½ |

Where the maximum price set forth is expressed in terms of ½ cent, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(d) *Maximum distributor prices for sales to the Army and Navy.* The maximum price for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (c) of this order for the particular size and type of container, plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(e) *Applicability of distributor prices.* For the purpose of paragraph (c) of this order, sales and deliveries within the Glenwood, Minnesota and Starbuck, Minnesota area shall mean:

(1) All sales made within the city limits of Glenwood, Minnesota and Starbuck, Minnesota and all sales at or from an establishment located in Glenwood, Minnesota and Starbuck, Minnesota;

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Glenwood, Minnesota and Starbuck, Minnesota.

(f) *Definitions.* (1) Standard butterfat content milk shall mean cow's milk having a butterfat content of not less than 3.2 percent or the legal minimum if higher established by statute or municipal ordinance and distributed and sold for consumption in fluid form as whole milk.

(2) Sales at wholesale shall include all sales to retail stores, restaurants, schools, hospitals, prisons and other institutions.

(3) Army or Navy means the War Department or the Department of the Navy of the United States, including such Departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(g) *Relations of this order to Office of Price Administration regulations.* No purchaser shall pay a larger proportion of transportation costs incurred in the delivery or supply of milk from producers than he paid on deliveries during January 1943. Except as modified by this order, the provisions of Maximum Price Regulation No. 280, of Maximum Price Regulation No. 329, and of the General Maximum Price Regulation shall remain in full force and effect and shall not be evaded by any change in business or trade practices in effect during the applicable base period of such regulations.

(h) *Revocability.* This order may be revoked, amended or corrected at any time.

The portion of this order which applies to prices which may be paid to producers has been approved by the Administrator of the War Food Administration.

This order shall be effective June 5, 1944.

(56 Stat. 23,765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 3d day of June 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8744; Filed, June 15, 1944; 2:18 p. m.]

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[Region VI Order G-64 Under SR 15 and MPR 280]

FLUID MILK PRICES IN BARNUM, MAHTOWA, DUQUETTE AND KERRICK, MINN.

Order No. G-64 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and under § 1351.807 (a) of Maximum Price Regulation No. 280.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and by § 1351.807 (a) of Maximum Price Regulation No. 280, it is ordered:

(a) *Maximum distributor prices for sales to civilian purchasers.* The maximum prices for the sale and delivery of 4% butterfat content fluid milk for human consumption at wholesale and retail in Barnum, Mahtowa, Duquette and Kerrick, Minnesota shall be the minimum prices determined under the General Maximum Price Regulation or under Maximum Price Regulation No. 280, whichever shall be applicable, or the following prices, whichever shall be the higher:

| Container size | Wholesale | Retail |
|---|---|---|
| Gallon (in bulk) | $0.37 | |
| Gallon | .37 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10 | .12 |
| Pint | .05½ | .06½ |
| ½ pint | .03 | .03½ |

Where the maximum price set forth is expressed in terms of ½ cent, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(b) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (a) of this order for the particular size of container plus whichever of the following provisions is the higher:

(1) One-half per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(c) *Applicability of distributor prices.* For the purpose of paragraph (a) of this order, sales and deliveries within Barnum, Mahtowa, Duquette and Kerrick, Minnesota area shall mean:

(1) All sales made within the city limits of Barnum, Mahtowa, Duquette and Kerrick, Minnesota and all sales at or from an establishment located in Barnum, Mahtowa, Duquette and Kerrick, Minnesota.

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Barnum, Mahtowa, Duquette and Kerrick, Minnesota.

(d) *Definitions.* (1) Sales at wholesale shall include all sales to retail stores, hotels, restaurants, schools, hospitals, prisons and other institutions.

(2) Army or Navy means the War Department or the Department of Navy of the United States, including such departments' sales stores, commissaries, ships' stores, officers' messes and stores operated as Army canteens or post exchanges.

(e) *Relation of this order to Office of Price Administration regulations.* Except as modified by this order, the provisions of the General Maximum Price Regulation and the Maximum Price Regulation No. 280 shall remain in full force and effect and shall not be evaded by any change in business or trade practices.

(f) *Revocability.* This order may be revoked, amended or corrected at any time.

This order shall be effective June 5, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 2d day of June 1944.

RAE E. WALTERS,
*Regional Administrator.*

[F. R. Doc. 44-8745; Filed, June 15, 1944; 2:18 p. m.]

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[Region VI Order G-65 Under SR 15, MPR 280 and 329]

FLUID MILK IN BRODHEAD, WIS.

Order No. G-65 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation, under Maximum Price Regulation 280 and under Maximum Price Regulation 329. Adjustment of fluid milk prices for Brodhead, Wisconsin.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation by § 1351.807 (a) of Maximum Price Regulation 280, and Section 1351.408 (a) of Maximum Price Regulation No. 329, it is ordered:

(a) *Maximum producer prices.* The maximum price which distributors may pay to producers for milk for human consumption in fluid form shall be $2.90 per cwt. for 3.5% milk, plus not more than 5¢ for each 1/10 of a pound of butterfat in excess of 3.5% and minus not less than 5¢ for each 1/10 of a pound of butterfat below 3.5%.

(b) *Applicability of producer prices.* Maximum prices established by paragraph (a) of this order shall apply to all purchases of fluid milk from producers for resale for human consumption in fluid form by distributors whose bottling plants are located within the corporate limits of Brodhead, Wisconsin, or who sell within this community 50% or more of the milk sold by them. The maximum price provided in paragraph (a) of this order shall apply only to purchases from producers from whom distributors covered by this order purchased from August 1, 1943 to December 31, 1943, and are not applicable to purchases from producers who did not in that period sell to distributors located in Brodhead, Wisconsin.

(c) *Maximum distributor prices for sales to civilian purchasers.* The maximum price determined under the General Maximum Price Regulation or the following prices, whichever shall be the higher:

| | Wholesale | Retail |
|---|---|---|
| Standard butterfat content fluid milk: | | |
| Gallon (in bulk) | $0.37 | |
| Gallon | .37 | $0.45 |
| ½ gallon | .19 | .23 |
| Quart | .10 | .12 |
| Pint | .05½ | .06½ |
| ½ pint | .03 | .03½ |
| Guernsey milk: Quart | .11 | .13 |

Where the maximum price set forth is expressed in terms of ½ cent, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(d) *Maximum distributor prices for sales to the Army and Navy.* The maximum price for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (c) of this order for the particular size and type of container, plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(e) *Applicability of distributor prices.* For the purpose of paragraph (c) of this order, sales and deliveries within the Brodhead, Wisconsin area shall mean:

(1) All sales made within the city limits of Brodhead, Wisconsin, and all sales at or from an establishment located in Brodhead, Wisconsin.

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Brodhead, Wisconsin.

(f) *Definitions.* (1) "Standard butterfat content milk" shall mean cow's milk having a butterfat content of not less than 3.2% or the legal minimum established by statute or municipal ordinance and distributed and sold for consumption in fluid form as whole milk.

(2) "Guernsey milk" shall mean cow's milk, produced from Guernsey herds, having a butterfat content of not less than 4%.

(3) "Sales at wholesale" shall include all sales to retail stores, restaurants, schools, hospitals, prisons and other institutions.

(4) "Army or Navy" means the War Department or the Department of the Navy of the United States, including such Departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(g) *Relation of this order to Office of Price Administration regulations.* No purchaser shall pay a larger proportion of transportation costs incurred in the delivery or supply of milk from producers than he paid on deliveries during January 1943. Except as modified by this Order, the provisions of Maximum Price Regulation No. 280, of Maximum Price Regulation No. 329, and of the General Maximum Price Regulation shall remain in full force and effect and shall not be evaded by any change in business or trade practices in effect during the applicable base period of such regulations.

(h) *Revocability.* This order may be revoked, amended or corrected at any time.

The portion of this order which applies to prices which may be paid to producers has been approved by the Administrator of the War Food Administration.

This order shall be effective June 9, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 7th day of June 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8746; Filed, June 15, 1944; 2:19 p. m.]

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[Region VI Order G-66 Under SR 15, MPR 280]

FLUID MILK IN ANTIOCH, ILL.

Order No. G-66 under § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and under § 1351.807 (a) of Maximum Price Regulation 280. Adjustment of fluid milk prices in Antioch, Illinois.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) of Supplementary Regulation No. 15 to the General Maximum Price Regulation and by § 1351.807 (a) of Maximum Price Regulation No. 280, it is ordered:

(a) *Maximum distributor prices for sales to civilian purchasers.* The maximum prices for the sale and delivery of fluid milk for human consumption at wholesale and retail in Antioch, Illinois, shall be the maximum prices determined under the General Maximum Price Regulation or under Maximum Price Regulation No. 280, whichever shall be applicable, or the following prices, whichever shall be the higher:

| Standard butterfat content fluid milk | Wholesale | Retail |
|---|---|---|
| Gallon (in bulk) | $0.40 | |
| Gallon | .42 | $0.48 |
| ½ gallon | .21 | .24 |
| Quart | .12 | .14 |
| Pint | .06½ | .07½ |
| ½ pint | .03½ | .05 |

Where the maximum price set forth is expressed in terms of ½¢, the price charged for a single unit at retail may be increased to the next even cent. An opportunity must, however, be given to each buyer to purchase two units for which the maximum price will be twice the single unit price. All sales at wholesale and home delivery sales at retail shall be considered multiple unit sales unless separate collections are made for single units when delivered.

(b) *Maximum distributor prices for sales to the Army and Navy.* The maximum prices for the sale and delivery of fluid milk to the Army and Navy shall be the price at wholesale computed under paragraph (a) of this order for the particular size and type of container plus whichever of the following provisions is the higher:

(1) One-half cent per quart or a proportionate amount for a part of a quart.

(2) The actual transportation costs from the seller's plant to the point of delivery at the lowest common carrier rate.

(c) *Applicability of distributor prices.* For the purpose of paragraph (a) of this order, sales and deliveries within the Antioch, Illinois area shall mean:

(1) All sales made within the corporate limits of Antioch, Illinois and all sales at or from an establishment located in Antioch, Illinois.

(2) All sales of fluid milk by any seller at retail at or from an establishment obtaining the major portion of its supply of milk from a seller at wholesale located within Antioch, Illinois.

(d) *Definitions.* (1) Standard butterfat content milk shall mean cow's milk having a butterfat content of not less than 3.2%, or the legal minimum established by statute or municipal ordinance, distributed and sold for consumption in fluid form as whole milk.

(2) Sales at wholesale shall include all sales to retail stores, hotels, restaurants, schools, hospitals, prisons and other institutions.

(3) Army or Navy means the War Department or the Department of the Navy of the United States, including such departments' sales stores, commissaries, ships' stores, officers' messes, and stores operated as Army canteens or post exchanges.

(e) *Relation of this order to Office of Price Administration regulations.* Except as modified by this order, the provisions of the General Maximum Price Regulation and the Maximum Price Regulation No. 280 shall remain in full force and effect and shall not be evaded by any change in business or trade practices.

(f) *Revocability.* This order may be revoked, amended or corrected at any time.

This order shall be effective June 10, 1944.

(56 Stat. 23,765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 8th day of June 1944.

RAE E. WALTERS,
*Regional Administrator*

[F. R. Doc. 44-8747; Filed, June 15, 1944; 2:19 p. m.]

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[Region VII Order G-11 Under MPR 329, Amdt. 2]

FLUID MILK IN WYOMING

Order No. G-11 under Maximum Price Regulation No. 329, Amendment No. 2. Purchases of milk from producers in the State of Wyoming.

Pursuant to the Emergency Price Control Act of 1942, as amended, and § 1351.408 (b) of Maximum Price Regulation No.

329, as amended, and for the reasons set forth in the accompanying opinion, this Amendment No. 2 is issued.

1. Paragraph (c) as amended by Amendment No. 1, is hereby further amended by adding to the list of names and addresses set forth in the proviso thereof the following three names, to be designated (45) (46) and (47) respectively, as follows:

(45) Tom Crom, Pierce, Colo.
(46) Max Rohwer, Carr, Colo.
(47) John Pickett, Carr, Colo.

2. This Amendment No. 2 shall become effective on the 8th day of June 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, and E.O. 9328, 8 F.R. 4681)

Issued this 8th day of June 1944.

RICHARD Y. BATTERTON,
*Regional Administrator*

[F. R. Doc. 44-8727; Filed, June 15, 1944; 2:09 p. m.]

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[Region VII Rev. Order G-46 Under 18 (c)]

FIREWOOD IN COLORADO

Revised Order No. G-46 Under § 1499.18 (c) of the General Maximum Price Regulation. Adjustment of maximum prices for firewood sold anywhere within the State of Colorado.

Pursuant to the Emergency Price Control Act of 1942 as amended, and § 1499.18 (c) of the General Maximum Price Regulation, and for the reasons set forth in the accompanying opinion, this Order No. G-46 is redesignated Revised Order No. G-46, and is rewritten to include Amendments No. 1 and No. 2, and is further amended to read as follows:

(a) *What this order does.* This Revised Order No. G-46 makes a flat upward adjustment of 25% on firewood over the March, 1942, prices of all sellers in the State of Colorado who have established maximum prices for firewood under the General Maximum Price Regulation.

(b) *How adjusted prices are determined.* From and after the effective date hereof, all sellers of firewood in the State of Colorado who have established their maximum prices for firewood in accordance with the General Maximum Price Regulation shall have as and for their adjusted maximum prices for firewood when sold anywhere within the State of Colorado, such previously established maximum price multiplied by 1.25. *Provided, however* That in the Longmont Trade Area, which means the municipality of Longmont, Colorado, and a distance of five miles beyond the corporate limits thereof at all points, specific maximum prices for slabwood, cut into lengths suitable for domestic use, are hereby established as follows:

$15.00 per cord of 128 cubic feet, delivered to buyer.
$7.50 per ½-cord of 64 cubic feet, delivered to buyer.
$3.75 per ¼-cord of 32 cubic feet, delivered to buyer.

(c) *Invoices and records.* Every person making a sale of firewood for which a maximum price is set by this revised order shall give the purchaser or his agent at the time of the sale an invoice or other memorandum of sale, which shall show:

(1) The date of sale.
(2) The name and address of the buyer and seller.
(3) The quantity of firewood sold.
(4) Description of firewood sold, in the same manner as it is described in this Revised Order. (This shall include the kind of wood, i. e., hard, soft, or mixed, and length of pieces of wood.)
(5) Place of sale. (If the price is dependent on place of delivery, then the place of delivery shall be stated.)
(6) The total price of the wood.

On the invoice or memorandum, a separate statement shall be made of any discounts and of each service rendered, such as delivery, carrying and stacking, and the charge made for each such service. The seller shall keep an exact copy of such invoice or memorandum for a period of two years, and such copy shall be made available for inspection by the Office of Price Administration.

(d) *Bureau of the Budget approval.* The record-keeping provision of this Revised Order No. G-46 has been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(e) *Applicability of other regulations.* Except insofar as the same may be inconsistent with or contradictory of this Revised Order No. G-46, all of the terms and provisions of the General Maximum Price Regulation shall remain in full force and effect and be applicable to all persons who sell firewood in the State of Colorado.

(f) *Right to revoke or amend.* This Revised Order No. G-46 may be revoked, modified, or amended by the Price Administrator or the Regional Administrator at any time.

(g) *Effective date.* This Revised Order No. G-46 shall become effective on the 8th day of June 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, and E.O. 9328, 8 F.R. 4681)

Issued this 8th day of June 1944.

RICHARD Y. BATTERTON,
*Regional Administrator*

[F. R. Doc. 44-8728; Filed, June 15, 1944; 2:09 p. m.]

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[Region VIII Order G-2 Under 18 (c) Corr. to Amdt. 25]

FLUID MILK IN CERTAIN LOCALITIES IN CALIFORNIA

Correction to Amendment No. 25 to Order No. G-2 under § 1499.18 (c) as amended of the General Maximum Price Regulation. Fluid milk prices at wholesale and retail in certain localities in the State of California.

Paragraph (e) of Amendment No. 25 to Order No. G-2 under § 1499.18 (c) as amended, of the Maximum Price Regulation is hereby corrected to read as follows:

"Lompoc Area" means that portion of the Santa Barbara Marketing Area lying west of the line beginning at the Pacific Ocean thence north along the range line between ranges 33 and 34 west to the line between townships 5 and 6 north, thence east along that line to a line beginning 2 miles west of the range line between ranges 32 and 33 west and thence north to the San Luis Obispo Marketing Area Line.

This correction shall become effective on the date of issuance.

(56 Stat. 23, 765, Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, and E.O. 9328, 8 F.R. 4681)

Issued this 7th day of June 1944.

L. F. GENTNER,
*Regional Administrator.*

[F. R. Doc. 44-8729; Filed, June 15, 1944; 2:10 p.m.]

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[Region VIII Order G-3 Under MPR 329, Corr. to Amdt. 6]

FLUID MILK IN SANTA BARBARA, CALIF., MARKETING AREA

Correction to Amendment No. 6 to Order No. G-3 under Maximum Price Regulation No. 329, as amended. Purchases of milk from producers for resale as fluid milk.

Paragraph (a) of Amendment No. 6 to Order No. G-3, under Maximum Price Regulation No. 329, is hereby corrected to read as follows:

| *Location of dairy* | *Maximum price* |
|---|---|
| Santa Barbara Marketing Area—that portion of the Santa Barbara Marketing Area lying east of the line beginning at the Pacific Ocean thence north along the range line between ranges 33 and 34 west to the line between townships 5 and 6 north, thence east along that line to a line beginning 2 miles west of the range line between ranges 33 and 33 west and thence north to the San Luis Obispo Marketing Area Line | $1.02 |
| Santa Barbara Marketing Area—the remaining portion | .935 |

This correction shall become effective on the date of issuance.

(56 Stat. 23, 756; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued this 7th day of June 1944.

L. F. GENTNER,
*Regional Administrator.*

[F. R. Doc. 44-8730; Filed, June 15, 1944; 2:10 p. m.]

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[Region VIII Order G-3 Under MPR 165, Amdt. 7]

LAUNDRY SERVICES IN SAN FRANCISCO REGION

Amendment No. 7 to Order No. G-3 under Maximum Price Regulation No. 165, as Amended. Services.

For the reasons set forth in the accompanying opinion and pursuant to the authority of the Regional Administrator under § 1400.114 (d) of Maximum Price Regulation No. 165, as amended, Order

No. G-3 under Maximum Price Regulation No. 165, as amended (including Amendment 2) is hereby amended as follows:

Paragraph (a) (9) is amended to read as follows:

(9) The maximum prices established herein for power laundries and their agents shall be reduced by the following amounts when cash and carry services are sold:

10 percent in the case of the following laundries:

Peerless Laundry, 5862 S. Main St., Los Angeles.

Modern Craft Laundry, 900 N. La Brea, Los Angeles.

Sav-a-Day Laundry, 6101 Sante Fe Ave., Huntington Park.

Beverly Hills Laundry, 321 N. Maple Drive, Beverly Hills.

Craig Laundry, 900 N. Highland Ave., Los Angeles.

Ann Stephens Laundry, 1000 N. Highland Ave., Hollywood.

15 percent in the case of the following laundries:

French Colonial Laundry, 601 S. Figueroa St., Los Angeles.

Whittier Laundry, 202 S. Greenleaf Ave., Whittier.

And 20 percent in all other cases.

This Amendment No. 3 shall become effective June 12, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, and E.O. 9328, 8 F.R. 4681)

Issued this 7th day of June 1944.

L. F. GENTNER,
*Regional Administrator*

[F. R. Doc. 44-8733; Filed, June 15, 1944; 2:11 p. m.]

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[Region VIII Order G-31 Under 18 (c), Amdt. 4]

MILK IN IDAHO

Amendment No. 4 to Order No. G-31 under § 1499.18 (c) as Amended of the General Maximum Price Regulation. Sales of fluid milk at wholesale and retail in certain localities in the State of Idaho.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the Regional Administrator of the Office of Price Administration by § 1499.75 (a) (9) (i) (*a*) of Supplementary Regulation No. 15, and special authorization conferred by the Price Administrator: *It is hereby ordered,* That Order No. G-31 under § 1499.18 (c) as amended, of the General Maximum Price Regulation be amended as set forth below:

(a) Paragraph (a) is hereby amended by adding at the end thereof the following:

THE TOWN OF PIERCE

| Quantity | Wholesale | Retail |
|---|---|---|
| Quart | $0.12 | $0.13 |

This amendment shall become effective June 15, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, and E.O. 9328, 8 F.R. 4681)

Issued this 7th day of June 1944.

L. F. GENTNER,
*Regional Administrator*

[F. R. Doc. 44-8731; Filed, June 15, 1944; 2:11 p. m.]

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[Seattle Order G-6 Under 18 (c)]

FIREWOOD IN ELLENSBURG AND YAKIMA COUNTY, WASH.

Order No. G-6 under § 1499.18 (c) as amended of the General Maximum Price Regulation. Adjusted maximum prices for sales of state firewood to industrial users in the City of Ellensburg, Washington, and in the County of Yakima, Washington.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the District Director of the Seattle District Office of the Office of Price Administration by § 1499.18 (c) as amended of the General Maximum Price Regulation and Order of Delegation No. 34 under General Order No. 32, it is hereby ordered:

(a) *General scope of order* The underlined terms used herein are defined in paragraph (c) below.

(1) On and after the effective date of this order, the adjusted maximum prices of State firewood sold and delivered by the State to any qualified dealer shall be those prescribed in Appendix A of this order.

(2) On and after the effective date of this order, the adjusted maximum prices of State firewood sold and delivered by any qualified dealer shall be those prescribed in appendix B of this order.

(3) The maximum prices for all other sales and deliveries of State firewood shall continue to be those now established by the General Maximum Price Regulation or orders of adjustment duly issued thereunder, without reference to this order.

(b) *Applicability of adjusted maximum prices.* (1) No previously existing maximum price established under the General Maximum Price Regulation or any order of adjustment, other than this order, shall be applicable to any sales of State firewood for which maximum prices are established by this order. The adjusted maximum prices fixed by this order are in lieu of, and not optional alternatives for, the previously existing maximum prices.

(2) No order heretofore issued adjusting maximum prices for sales of firewood, other than this order, shall be applicable to any sale of State firewood for which the maximum price is established by this order, and no order issued hereafter adjusting maximum prices for sales of firewood in general terms, without express reference to sales of State firewood, shall be deemed to be intended to amend, alter or adjust any maximum prices established by this order.

(c) *Definitions.* When used in this order the following terms shall have the meanings set forth below:

(1) "State" means the State of Washington or any department or agency thereof.

(2) "State Firewood" means dry, sound firewood, split and sawed into 4-foot lengths, which has been produced by the State on its own land in Winston Creek Valley, Lewis County, Washington.

(3) "Qualified dealer" means a fuel dealer selling to industrial or commercial users whose place of business is located in the County of Yakima and the City of Ellensburg, Washington: *Provided,* That any place of business located within a distance of three miles from the limits of the City of Ellensburg be deemed to be located within such city. A person who sells fuel at more than one place of business shall be deemed to be a different dealer in respect to each such separate place of business.

(4) "Cord" means 128 cubic feet of wood stacked or 192 cubic feet loose measure.

(d) *State records and reports.* For every sale of State firewood for which a maximum price is set by this order the State shall give the purchaser or his agent at the time of the sale an invoice or other memorandum of sale which shall show:

(1) The date of sale.

(2) The name and address of the buyer and seller.

(3) The quantity of State firewood sold.

(4) The total price of the wood.

The State shall keep an exact copy of such invoice or memorandum for a period of 2 years, which copy shall be made available for inspection by the Office of Price Administration.

(e) *Qualified dealers' records and reports.* (1) Each qualified dealer making a sale of State firewood for which a maximum price is set by this order shall give the purchaser or his agent at the time of the sale an invoice or other memorandum of sale which shall show:

(i) The date of the sale.

(ii) The name and address of the buyer and seller.

(iii) The quantity of firewood sold.

(iv) Description of the firewood sold in the same manner as it is described in this order.

(v) Place of sale (if the price is dependent on the place of delivery then the place of delivery shall be stated)

(vi) The total price of the order.

The seller shall keep an exact copy of such invoice or memorandum for a period of 2 years, which copy shall be made available for inspection by the Office of Price Administration.

(f) *Revocation and amendment.* This order is subject to revocation or amendment by the Office of Price Administration at any time hereafter, either by special order or by any price regulation issued hereafter, or by any supplement or amendment hereafter issued to any price regulation the provisions of which are contrary hereto.

(g) *Effective date.* This Order G-6 shall become effective June 2, 1944.

(h) *Appendix A. Maximum Prices for sales by the State.* The maximum price for the sale by the State of State firewood to qualified dealers f. o. b. car at Winston Creek Railroad Siding is:

4 foot lengths, $4.50 per cord: *Provided,* That the State shall deliver a copy of this order to each qualified dealer who purchases State firewood and shall require each qualified dealer to promise and agree in consideration of the sale by the State to him that he will not violate any of the terms of this order which may be applicable to his purchase or resale of such State firewood.

(i) *Appendix B: Maximum prices for sales by qualified dealers.* The maximum prices for sales by a qualified dealer of State firewood under the conditions of delivery indicated below are those set forth opposite the name of the city or county in which each qualified dealer has his place of business:

City of Ellensburg: delivered to the premises of the industrial or commercial user via qualified dealers' equipment, $11.25 per cord. Delivered in carload quantities to the rail siding nearest the industrial or commercial users' place of business, $9.50 per cord.

County of Yakima: Delivered to the industrial or commercial users' premises via the qualified dealers' equipment, $11.75 per cord. Delivered in carload quantities to the retail siding nearest the industrial or commercial users' place of business, $10.00 per cord.

NOTE: The record-keeping provisions of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued June 2, 1944.

ARTHUR J. KRAUSS,
*District Director*

[F. R. Doc. 44-8735; Filed, June 15, 1944; 2:10 p. m.]

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[Spokane Order 1-B Under MPR 426]

LETTUCE IN SPOKANE, WASH.

Order No. 1-B under section 8 (a) (7) of Maximum Price Regulation No. 426, as Amended, Lettuce.

For the reasons set forth in an opinion issued simultaneously herewith, and under authority vested in the District Director of the Spokane District Office by section 8 (a) (7) of Maximum Price Regulation No. 426, as amended, and by Order of Delegation No. 35 issued under said section by the San Francisco Regional Office, Region VIII, of the Office of Price Administration, *It is hereby ordered:*

With respect to the commodity described in line (a) of "Table X" there is set forth in said table in line (b) the basing point; in line (c) the wholesale receiving point; in line (d) the method of transportation which is hereby determined to be the cheapest method of transportation which is customary and generally available from said basing point to said wholesale receiving point; and in line (e) the freight rate per cwt. by said method (d) between said points. With respect to the units of sale of said commodity set forth in the respective vertical columns of said "Table X" there is also set forth in said table, in line (f) the freight charge by said method (d) from said basing point to said wholesale receiving point; in line (g) the basing point cost; in line (h) the charge, if any, allowable for protective services in connection with such transportation; and in line (i) the maximum price chargeable for said commodity in said wholesale receiving point.

TABLE X

(a) Commodity: Lettuce.
(b) Basing Point: Salinas, California.
(c) Wholesale receiving point: Spokane, Washington.
(d) Method of transportation: Carlot.
(e) Freight rate by Method (d) from basing point to wholesale receiving point: $9.91.

| | Per unit of sale | |
|---|---|---|
| | Per crate of 60 lbs. net | Per lb. |
| (f) Freight charge by Method (d) | $9.60 | ------ |
| (g) Basing point cost | 3.25 | ------ |
| (h) Protective services | ------ | ------ |
| (i) Maximum price in wholesale receiving point (sum of "f" "g" and "h") | 3.04 | $0.029 |

This order shall become effective June 1, 1944, and may be revoked, amended or corrected at any time.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871, E.O. 9328, 8 F.R. 4681)

Issued this 1st day of June 1944.

DAVE S. COHN,
*District Director.*

[F. R. Doc. 44-8734; Filed, June 15, 1944; 2:10 p. m.]

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[Louisville Order G-1 Under MPR 426]

FRESH FRUITS AND VEGETABLES IN LOUISVILLE, KY., AREA

Louisville district Order No. G-1 under Maximum Price Regulation No. 426. Order defining free delivery zones of fresh fruits and vegetables for table use; sales except at retail.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of Region III by section 15, Appendix H, paragraph (f) (1) of Maximum Price Regulation No. 426, and by him delegated to the District Director of the Louisville District by virtue of Delegation Order 1-A, Revised, *It is hereby ordered,* That:

(a) "Free delivery zone" when referred to in Appendix H of Maximum Price Regulation No. 426, shall be limited to any point not more than one mile from the corporate limits of the town or city in which the seller's place of business is located. In no case shall "free delivery zone" included any point beyond the boundaries of the State of Kentucky.

(b) This order shall apply to the following towns and cities located in the Louisville, Kentucky District:

Bardstown, Ky.
Bowling Green, Ky.
Burkesville, Ky.
Buffalo, Ky.
Central City, Ky.
Danville, Ky.
Elizabethtown, Ky.
Frankfort, Ky.
Glasgow, Ky.
Greenville, Ky.
Harrodsburg, Ky.
Henderson, Ky.
Hickman, Ky.
Hopkinsville, Ky.
Louisville, Ky.
Madisonville, Ky.
Mayfield, Ky.
Murray, Ky.
Owensboro, Ky.
Paducah, Ky.
Princeton, Ky.
Tompkinsville, Ky.

(c) This order may be revoked, amended or corrected at any time.

(d) This order shall become effective June 12, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued this 9th day of June 1944.

FRANK D. CRUTCHER,
*Acting District Director.*

[F. R. Doc. 44-8721; Filed, June 15, 1944; 2:11 p. m.]

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[Louisville Order G-2 Under MPR 426]

FRESH FRUITS AND VEGETABLES IN LOUISVILLE, KY., AREA

Louisville District Order No. G-2 under Maximum Price Regulation No. 426. Order defining free delivery zones of fresh fruits and vegetables for table use; sales except at retail.

For the reasons set forth in an opinion issued simultaneously herewith, and under the authority vested in the Regional Administrator of Region III by section 15, Appendix I, paragraph (g) (1) of Maximum Price Regulation No. 426, and by him delegated to the District Director of the Louisville District by virtue of Delegation Order 1-A, Revised, *It is hereby ordered,* That:

(a) "Free delivery zone" when referred to in Appendix I of Maximum Price Regulation No. 426, shall be limited to any point not more than one mile from the corporate limits of the town or city in which the seller's place of business is located. In no case shall "free delivery zone" include any point beyond the boundaries of the State of Kentucky.

(b) This order shall apply to the following towns and cities located in the Louisville, Kentucky District:

Bardstown, Ky.
Bowling Green, Ky.
Burkesville, Ky.
Buffalo, Ky.
Central City, Ky.
Danville, Ky.
Elizabethtown, Ky.
Frankfort, Ky.
Glasgow, Ky.
Greenville, Ky.
Harrodsburg, Ky.
Henderson, Ky.
Hickman, Ky.
Hopkinsville, Ky.
Louisville, Ky.
Madisonville, Ky.
Mayfield, Ky.

Murray, Ky.
Owensboro, Ky.
Paducah, Ky.
Princeton, Ky.
Tompkinsville, Ky.

(c) This order may be revoked, amended or corrected at any time.

(d) This order shall become effective June 12, 1944.

(56 Stat. 23, 765; Pub. Law 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued this 9th day of June 1944.

FRANK D. CRUTCHER,
*Acting District Director*

[F. R. Doc. 44-8722; Filed, June 15, 1944; 2:12 p. m.]

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[Raleigh Order G-2 Under MPR 426, Amdt. 1]

SERVICE WHOLESALERS IN RALEIGH, N. C., AREA

Amendment No. 1 to Order No. G-2 under Maximum Price Regulation 426. Fresh fruits and vegetables for table use, sales except at retail. Adjustment of certain maximum prices of service wholesalers.

For the reasons set forth in an opinion issued simultaneously herewith and under the authority vested in the District Director of the Office of Price Administration, Raleigh, North Carolina by Regional Delegation Orders Nos. 33 and 35 issued by the Atlanta Regional Office pursuant to Section 2 of Maximum Price Regulation 426 and section (f) of Appendix H and section (g) of Appendix I of that regulation, *It is hereby ordered,* That paragraph (a) of Order No. G-2 under Maximum Price Regulation No. 426 issued by the Raleigh, North Carolina District Office on April 15, 1944 be amended to read as follows:

(a) On and after the effective date of this order, the maximum delivered prices of service wholesalers whose places of business are located in the counties of Alamance, Beaufort, Bertie, Bladen, Brunswick, Camden, Carteret, Caswell, Chatham, Chowan, Columbus, Craven, Cumberland, Currituck, Dare, Duplin, Durham, Edgecombe, Franklin, Gates, Granville, Greene, Halifax, Harnett, Hertford, Hoke, Hyde, Johnston, Jones, Lee, Lenoir, Martin, Moore, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Robeson, Sampson, Scotland, Tyrrell, Vance, Wake, Warren, Washington, Wayne and Wilson, North Carolina, selling commodities covered by Appendices A, B, D, H and I of Maximum Price Regulation No. 426, are hereby increased 6¢ per container of less than 40 pounds, gross weight, 12¢ per container of 40 pounds to 60 pounds, gross weight; and 15¢ per container of over 60 pounds, gross weight, over and above the maximum prices established by Appendices A, B, D, H and I aforesaid. If the prices established in any of said Appendices shall have been modified by any order issued by the Raleigh, North Carolina District Office of the Office of Price Administration which order is in effect at the time of the sale or delivery the increases above stated shall be made to those prices as modified. These maximum delivered prices shall apply irrespective of the distance involved in making delivery to the purchaser. Less than the maximum delivered prices may always be charged.

It is further ordered that paragraph (b) of said order is amended to read as follows:

(b) If the purchaser elects to take delivery at the service wholesaler's platform there shall be no increase allowed over the maximum prices as established by Appendices A, B, D, H and I of Maximum Price Regulation No. 426.

This amendment shall become effective May 22, 1944.

(56 Stat. 23, 765; Pub. Laws 151, 78th Cong., E.O. 9250, 7 F.R. 7871 and E.O. 9328, 8 F.R. 4681)

Issued this 19th day of May, 1944.

THEODORE S. JOHNSON,
*District Director*

[F. R. Doc. 44-8750; Filed, June 15, 1944; 2:59 p. m.]

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## WAR PRODUCTION BOARD.

C. B. SLATER COMPANY

CONSENT ORDER

C. B. Slater Company, a corporation, in South Braintree, Massachusetts, shoe manufacturer, is charged by the War Production Board with having exceeded its civilian line quotas (a) in the $4.60 to $5.00 price range of women's and growing girls' line by 2257 pairs in the period from September 1, 1943, through February, 1944, and (b) in men's dress shoes by 3312 pairs in the period from March 1 through August, 1943, in violation of Conservation Order M-217. It has also failed to keep accurate production records, in violation of § 944.15 of Priorities Regulation No. 1. C. B. Slater Company admits these violations, but not that they were wilful, and does not care to contest the issue of wilfulness, and has consented to the issuance of this order.

Wherefore, upon the agreement and consent of C. B. Slater Company, the Regional Compliance Chief and the Regional Attorney, and upon the approval of the Compliance Commissioner. It *is hereby ordered,* That:

(a) C. B. Slater Company, its agents, successors and assigns, shall not produce in excess of 11,125 pairs of women's and growing girls' shoes, in addition to its unused military quota as permitted by paragraph (i) of Order M-217, and shall not produce in excess of 675 pairs of men's dress shoes; both in the current six months period from March 1 through August 31, 1944.

(b) C. B. Slater Company, its agents, successors and assigns, shall keep and preserve accurate current production records of all lines and all price ranges within lines.

(c) Nothing contained in this order shall be deemed to relieve C. B. Slater Company, its agents, successors and assigns, from any restriction, prohibition or provision contained in any other order or regulation of the War Production Board, except in so far as the same may be inconsistent with the provisions hereof.

(d) This order shall take effect on June 15, 1944, and shall expire on August 31, 1944.

Issued this 15th day of June 1944.

WAR PRODUCTON BOARD,
By J. JOSEPH WHELAN,
*Recording Secretary.*

[F R. Doc. 44-8752; Filed, June 16, 1944; 4:26 p. m.]