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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission.

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

FEDERAL SECURITY AGENCY

Effective upon publication in the FEDERAL REGISTER subparagraphs (4) (5) (6), (7) and (8) are added to § 6.123 (a) the headnote of paragraph (c) is amended and paragraph (c) is revised to read as set out below. As amended, § 6.123 will read in pertinent part as follows:

§ 6.123 *Federal Security Agency*—
(a) *Office of the Administrator.* * * *

(4) Two Assistant Administrators.

(5) General Counsel.

(6) Director, Office of International Relations.

(7) Director, Office of Federal State Relations.

(8) Director, Office of Field Services.

(c) *Social Security Administration.*

(1) Commissioner of Social Security.

(2) NC/PD. Five positions in the Children's Bureau which are part of a joint project undertaken with an agency of a State or subdivision thereof or with a private organization provided that the agreement basic to the joint project specifies that the agency or organization is to participate in the establishment of recruitment standards and compensation rates for such positions and provided that at least one-half of the aggregate cost of such project (including salaries and the furnishing of quarters, materials, equipment, and other facilities and services) will be borne by such agency or organization.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633. E. O. 9830, Feb. 24, 1947, 12 F. R. 1259; 3 CFR 1947 Supp. E. O. 9973, June 28, 1948, 13 F. R. 3600; 3 CFR 1948 Supp.)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] C. L. EDWARDS,
Executive Director

[F. R. Doc. 53-2567; Filed, Mar. 24, 1953; 8:50 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

PART 930—HANDLING OF MILK IN THE TOLEDO, OHIO, MILK MARKETING AREA

TERMINATION OF CERTAIN PROVISIONS

The current provisions of the Toledo, Ohio, milk marketing order (7 CFR Part 930) which specify that handlers shall, upon request, make partial and final payments to a cooperative association with respect to milk of producers for which it has received written authorization to collect payment have been found by the District Court of the United States for the Northern District of Ohio, Western Division, in Babcock Dairy et al. vs. Charles F. Brannan (Civil Action 6668) decided on December 17, 1952, to be invalid. Therefore, the provisions of §§ 930.70 (a) 930.71 (a) and 930.22 (j) of the Toledo, Ohio, milk marketing order are hereby terminated, effective immediately, pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.)

The aforesaid decision of the District Court of the United States renders notice of proposed rule making and public procedure thereon impractical, unnecessary, and contrary to the public interest.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Issued at Washington, D. C., this 20th day of March 1953.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-2553; Filed, Mar. 24, 1953; 8:47 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6034]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

NASH & KINSSELLA LABORATORIES, INC., ET AL.

Subpart—*Advertising falsely or misleadingly: § 3.25 Competitors and their*
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(For use during 1953)

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Title 24 (\$0.65)

Title 25 (\$0.40)

Previously announced: Title 3 (\$1.75); Title 9 (\$0.40); Titles 10-13 (\$0.40); Title 17 (\$0.35); Title 18 (\$0.35); Title 49: Parts 71 to 90 (\$0.45)

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products—Competitors' products; § 3.45 Content; § 3.170 Qualities or properties of product or service; § 3.195 Safety. Subpart—Disparaging competitors and their products—Competitors' products; § 3.985 Manufacture or preparation, § 3.1000 Performance. In connection with the offering for sale, sale or distribution in commerce, of the insecticide preparation designated "2-Way Roach and Insect Spray" or any other insecticide of substantially similar composition or possessing substantially similar properties, whether sold under the same name or under any other name or names, representing, directly or by implication, (1) that said preparation will kill or control insects that normally infest food or feeds, including moths, mites, flour beetles and caddises, without rendering such food or feeds unfit for consumption; (2) that said preparation will control lice or mites on poultry or that it can be

wiped on the hair of dogs, cats or other animals in a sufficient amount to kill or repel lice or fleas without being injurious to said animals; (3) that fleas are flying insects and can be killed by spraying said preparation into the air; (4) that said preparation will, when used as directed and sprayed on doorways, screen doors, light bulbs and other surfaces repel insects that gather outside such doorways and screen doors at night under the light or kill all insects that walk on such sprayed surfaces; (5) that said preparation can be used to kill all termites either inside, other than flying termites, or outside of buildings, or that it has any practical value in the control of termites; (6) that said preparation is absolutely harmless or non-poisonous or that children can suffer no harm from it; (7) that said preparation is more effective against all insects than D. D. T., (8) that aerosol bombs ordinarily contain a smaller percentage of active ingredients than they actually do contain, or that a quart container of said preparation contains more insecticide in comparison with an aerosol bomb than it actually does; or, (9) that said preparation will be of practical effect in the killing of flies and insects when sprayed into an electric fan by means of a hydraulic sprayer; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Nash & Kinsella Laboratories, Inc., et al., St. Louis, Mo., Docket 6034, January 6, 1953]

In the Matter of Nash & Kinsella Laboratories, Inc., a Corporation, and Wesley K. Nash, Charles W. Taylor and Maxine B. Nash, Individually and as Officers of Said Corporation

This proceeding was instituted by complaint which charged respondents with the use of unfair methods in competition and unfair and deceptive acts and practices in violation of the provisions of the Federal Trade Commission Act.

It was disposed of, as announced by the Commission's "Notice," dated January 9, 1953, through the consent settlement procedure provided in Rule V of the Commission's Rule of Practice as follows:

The consent settlement tendered by the parties in this proceeding, a copy of which is served herewith, was accepted by the Commission on January 6, 1953, and ordered entered of record as the Commission's findings as to the facts,¹ conclusion,² and order in disposition of this proceeding.

Said order to cease and desist, thus entered of record, following the findings as to the facts and conclusion, reads as follows:

It is ordered, That Nash & Kinsella Laboratories, Inc., a corporation, and its officers and Wesley K. Nash, Charles W. Taylor and Maxine B. Nash, individually and as officers of said corporation and respondents' representatives, agents

and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce as "commerce" is defined in the Federal Trade Commission Act, of the insecticide preparation designated "2-Way Roach and Insect Spray" or any other insecticide of substantially similar composition or possessing substantially similar properties, whether sold under the same name or under any other name or names, do forthwith cease and desist from representing directly or by implication:

(1) That said preparation will kill or control insects that normally infest food or feeds, including moths, mites, flour beetles and cadelles, without rendering such food or feeds unfit for consumption.

(2) That said preparation will control lice or mites on poultry or that it can be wiped on the hair of dogs, cats or other animals in a sufficient amount to kill or repel lice or fleas without being injurious to said animals.

(3) That fleas are flying insects and can be killed by spraying said preparation into the air.

(4) That said preparation will, when used as directed and sprayed on doorways, screen doors, light bulbs and other surfaces repel insects that gather outside such doorways and screen doors at night under the light or kill all insects that walk on such sprayed surfaces.

(5) That said preparation can be used to kill all termites either inside, other than flying termites, or outside of buildings, or that it has any practical value in the control of termites.

(6) That said preparation is absolutely harmless or non-poisonous or that children can suffer no harm from it.

(7) That said preparation is more effective against all insects than D. D. T.

(8) That aerosol bombs ordinarily contain a smaller percentage of active ingredients than they actually do contain, or that a quart container of said preparation contains more insecticide in comparison with an aerosol bomb than it actually does.

(9) That said preparation will be of practical effect in the killing of flies and insects when sprayed into an electric fan by means of a hydraulic sprayer.

It is further ordered, That respondents shall, within 60 days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

The foregoing consent settlement is hereby accepted by the Federal Trade Commission and ordered entered of record on this 6th day of January 1953.

Issued: January 9, 1953.

By direction of the Commission.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 53-2530; Filed, Mar. 24, 1953; 8:45 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter IV—Salary and Wage Stabilization, Economic Stabilization Agency

Subchapter D—National Enforcement Commission
[General Procedural Reg. 1, Revised, Amdt. 1]

GPR 1—GENERAL PROCEDURAL REGULATION

MISCELLANEOUS AMENDMENTS

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 772, 81st Cong., Pub. Laws 96 and 429, 82d Cong.) Executive Order 10161, as amended (16 F. R. 3503) and General Orders Nos. 15 and 18, General Procedural Regulation, Revised, of the Economic Stabilization Agency, issued August 21, 1952 (17 F. R. 7737) as set forth in the Federal Register, is hereby amended as follows:

1. The designation "fifteen days" which appears in section 2.2 (a) is amended to read "ten days"

2. The first sentence of section 2.3 (b) is amended to read as follows:

(b) At the time of the issuance of the complaint, or as soon thereafter as possible, the National Enforcement Commission shall fix the time and place of hearing before an Enforcement Commissioner and give written notice thereof to the parties. The date of hearing shall be not less than ten days after the date originally set for the filing of the answer.

3. Section 2.3 (b) (4) is amended to read as follows:

(4) The name and post office address of the designated Enforcement Commissioner if there has been such a designation, as of the time of the issuance of the notice.

4. The present section 2.3 (d) is amended by the addition of the following language at the end thereof: "If an Enforcement Commissioner has not been designated, a request for change in the place of hearing shall be addressed to the National Enforcement Commission in Washington, D. C. Such requests may be ruled upon by the National Enforcement Commission itself or may be referred to a designated Enforcement Commissioner."

5. The present section 2.5 is amended by the addition of the following language at the end thereof: "If an Enforcement Commissioner has not been designated, motions shall be addressed to the National Enforcement Commission in Washington, D. C. Motions may be ruled upon by the National Enforcement Commission itself or may be referred to a designated Enforcement Commissioner."

6. Section 3.2 (a) is amended by the addition of the following language at the end thereof: "If an Enforcement Commissioner has not been designated, applications for subpoenas shall be addressed to the National Enforcement Commission in Washington, D. C. These

¹Filed as part of the original document.

applications may be ruled upon by the National Enforcement Commission itself or may be referred to a designated Enforcement Commissioner."

7. The designation "15 days" which appears in section 4.1 (a) is amended to read "10 days"

8. The designation "30 days" which appears in section 5.1 (c) is amended to read "15 days"

9. Section 8.1 is hereby amended to read as follows:

SEC. 8.1 Stipulations for Certificates of Disallowance. (a) The parties to an enforcement proceeding may enter into stipulations providing for the entry by the National Enforcement Commission of a Certificate of Disallowance upon consent of the parties; such a stipulation may be entered into prior to the issuance of the complaint, or at any stage of an enforcement proceeding. Whenever a stipulation is entered into, the procedure contained in this section shall apply. This procedure shall be applicable to all stipulations in which Certificates of Disallowance have not been issued.

(b) Stipulations shall set forth sufficient facts to establish: (1) That the wage, salary or other compensation which is the subject of the enforcement proceeding relates to employees within the jurisdiction of the Wage Stabilization Board, the Salary Stabilization Board or the Railroad and Airline Wage Board; (2) that the respondent has engaged in conduct in violation of section 405 (b) of the Defense Production Act of 1950, as amended, by contravening a regulation or order issued or promulgated pursuant to the act; (3) whether and by what means the respondent has come into compliance with the appropriate regulations; (4) the amount which the parties have agreed shall be disregarded or disallowed by a department or agency of the government, which departments or agencies of the government shall disregard or disallow such amount, and the purpose for which such departments or agencies shall disregard such amounts (5) in a proper case, the extenuating or mitigating circumstances, if any, which, in the opinion of the parties, justify a disallowance of less than the full amount of the illegal payment, on the basis of the standards set forth in General Order 15 of the Economic Stabilization Administrator and (6) a waiver by each respondent of his or its right to all other and further proceedings under this regulation.

(c) Stipulations for Certificates of Disallowance upon consent of the parties shall be filed with and shall conform to procedural regulations of the appropriate Board or Office. The Executive Director of the appropriate Board or Office (or his designee) shall conduct such review as he deems necessary to effectuate the equitable and expeditious processing of stipulation cases.

(d) Upon approval of a stipulation, the Executive Director of the appropriate Board or Office (or his designee) shall transmit a copy of the stipulation for Certificate of Disallowance to the National Enforcement Commission, which shall thereupon issue and trans-

mit the Certificate in accordance with section 6.1 of this regulation. In cases where a complaint has been issued and served, the enforcement proceeding shall thereupon be terminated by the National Enforcement Commission.

10. Section 12.1 is amended to read as follows:

SEC. 12.1 Effect of this regulation on other orders. Any orders or regulations or parts of orders or regulations, the provisions of which are inconsistent with the provisions of this amended regulation, are hereby superseded except that with respect to cases pending as of the effective date of this amendment the time limitations set forth in this regulation prior to the present amendment shall apply to the procedural step in which time limitations have not yet expired. These amendments shall be applicable to all further procedural steps in pending cases and all new cases.

(Sec. 704, 64 Stat. 816, as amended, 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110, Sec. 703, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2153; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., E. O. 10281, Aug. 28, 1951, 16 F. R. 87, 89; 3 CFR, 1951 Supp.)

Effective date. This amendment is to be effective upon publication in the Federal Register.

Issued at Washington, D. C., March 20, 1953.

ROSS S. SHEARER,
Assistant Economic
Stabilization Administrator

[F. R. Doc. 53-2610; Filed, Mar. 24, 1953; 9:43 a. m.]

Chapter VI—National Production Authority, Department of Commerce

[CMP Regulation No. 1, Direction 21 of March 23, 1953]

CMP REG. 1—BASIC RULES OF THE CONTROLLED MATERIALS PLAN

DIR. 21—RULES RELATING TO TRANSITION FROM THE CONTROLLED MATERIALS PLAN TO THE DEFENSE MATERIALS SYSTEM

This direction is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this direction, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. However, consultation with representatives of all industries affected in advance of the issuance of this direction has been rendered impracticable because the regulation affects many different industries.

REGULATORY PROVISIONS

Sec.

1. What this direction does.
2. Definition.
3. Applicability of other regulations and orders.
4. Placement of orders pursuant to CMP regulations and DMS Regulation No. 1.
5. Cancellation of certain unused allotments and authority to place preferential orders for controlled materials.

Sec.

6. Cancellation of certain unused rating authority.
7. Automatic conversion of authorized controlled material orders and DO-rated orders bearing suffix B-5.
8. Cancellation of allotment numbers and symbols on certain preferential orders for controlled materials.
9. Validation of certain carry-over orders for controlled materials.
10. Authorization to accept nonpreferential delivery orders for controlled materials.
11. Cancellation of ratings on certain rated orders.

AUTHORITY: Sections 1 to 11 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp., secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789; 3 CFR, 1951 Supp.

SECTION 1. What this direction does. The purpose of this direction is to establish rules and procedures for an orderly transition, beginning with operations for the third calendar quarter of 1953, from the Controlled Materials Plan (provided for in the CMP regulations) to the Defense Materials System (provided for in DMS Regulation No. 1 which is issued concurrently with this direction) Under CMP all manufacturers of Class A and Class B products (those containing steel, copper, and aluminum) whether or not they sell such products against rated orders, are subject to the provisions of CMP Regulation No. 1. In other words, every manufacturer of Class A or Class B products derives his authority to manufacture such products from the rules established by CMP Regulation No. 1. Under DMS, only those manufacturers of Class A and Class B products who receive rated orders for such products bearing the program identifications A, B, C, D, or E, are governed by the provisions of DMS Regulation No. 1 with respect to such orders. On the other hand, production of Class A and Class B products, other than production to fill rated orders, is not subject to or restricted by the rules established by DMS Regulation No. 1. The provisions of CMP Regulation No. 1 apply to orders calling for delivery of products and materials prior to the third calendar quarter of 1953 and to all actions to be taken in connection therewith. The provisions of DMS Regulation No. 1 apply to orders calling for delivery of products and materials after the second calendar quarter of 1953, and to all actions to be taken in connection therewith.

SEC. 2. Definition. As used in this direction, "preferential delivery order" means an order for controlled materials which is not specifically designated as an authorized controlled material order but which nevertheless must be accepted pursuant to the provisions of any regulation or order of NPA.

SEC. 3. Applicability of other regulations and orders. The provisions of all CMP regulations and of all other NPA regulations and orders, including the directions and amendments thereto, as heretofore issued, are superseded to the extent to which they are inconsistent

with the provisions of this direction. In all other respects, the provisions of all NPA regulations and orders heretofore issued shall remain in full force and effect.

SEC. 4. Placement of orders pursuant to CMP regulations and DMS Regulation No. 1. (a) Beginning March 23, 1953, the provisions of the CMP regulations, including the directions thereto, shall not be used to place authorized controlled material orders or rated orders calling for delivery after the second calendar quarter of 1953.

(b) Manufacturers of Class A and Class B products who have received or who receive rated orders for such products bearing a program identification consisting of the letter A, B, C, D, or E, and one digit (including the program identification B-5 where it appears as a suffix) shall obtain materials and products needed for delivery after the second calendar quarter of 1953, to fill such rated orders or to replace in inventory materials and products used in the manufacture of the products covered by such rated orders, in accordance with the provisions of DMS Regulation No. 1. *Provided, however* That where such rated orders bear a program identification followed by B-5 as a suffix, the program identification B-5 alone shall be used in lieu thereof.

SEC. 5. Cancellation of certain unused allotments and authority to place preferential orders for controlled materials.

(a) Except as provided in paragraph (b) of this section, all unused allotments of controlled materials and all unused authority to place authorized controlled material orders or preferential delivery orders issued or granted pursuant to the provisions of any CMP regulation or of any other regulation or order of NPA, including the directions thereto, for deliveries in the third calendar quarter of 1953 or any succeeding calendar quarter, which do not bear or permit the use of a program identification consisting of the letter A, B, C, D, or E, and one digit (including the program identification B-5 where it appears as a suffix), are hereby cancelled.

(b) Notwithstanding the provisions of paragraph (a) of this section, allotments of, and authority to place authorized controlled material orders or preferential delivery orders for, nickel-bearing stainless steel, identified other than by a program identification consisting of the letter A, B, C, D, or E, and one digit (including the program identification B-5 where it appears as a suffix) for deliveries in the third calendar quarter of 1953 only, are not cancelled. Such allotments and authority may be used to place authorized controlled material orders or preferential delivery orders for nickel-bearing stainless steel calling for delivery in the third calendar quarter of 1953 pursuant to the provisions of DMS Regulation No. 1, by use of the program identification SS alone in lieu of any other identification, followed by the quarterly designation 3Q53.

SEC. 6. Cancellation of certain unused rating authority. (a) All unused DO rating authority issued or granted pursuant to the provisions of any CMP reg-

ulation or of any other regulation or order of NPA, including the directions thereto, or of any other authority of NPA, which could be used on purchase orders calling for delivery in the third calendar quarter of 1953 or any succeeding calendar quarter, which does not bear or permit the use of a program identification consisting of the letter A, B, C, D, or E, and one digit (including the program identification B-5 where it appears as a suffix), is hereby cancelled.

(b) The provisions of this section do not apply to DX rating authority.

SEC. 7. Automatic conversion of authorized controlled material orders and DO-rated orders bearing suffix B-5. All allotment numbers and allotment symbols accompanying authorized controlled material orders and all DO ratings accompanying DO-rated orders, identified by the program identification B-5 where it appears as a suffix, placed pursuant to the provisions of any CMP regulation or of any other regulation or order of NPA, including the directions thereto, shall be deemed to bear the program identification B-5 alone in lieu of any other program identification.

SEC. 8. Cancellation of allotment numbers and symbols on certain preferential orders for controlled materials.

(a) Except as provided in paragraph (b) of this section, all allotment numbers and allotment symbols accompanying authorized controlled material orders, and all symbols and certifications accompanying preferential delivery orders, placed pursuant to the provisions of any CMP regulation or of any other regulation or order of NPA, including the directions thereto, and calling for delivery in the third calendar quarter of 1953 or any succeeding calendar quarter, other than those bearing a program identification consisting of the letter A, B, C, D, or E, and one digit, are hereby cancelled.

(b) Notwithstanding the provisions of paragraph (a) of this section, allotment numbers and allotment symbols accompanying authorized controlled material orders for nickel-bearing stainless steel, and symbols and certifications accompanying preferential delivery orders for nickel-bearing stainless steel, identified other than by a program identification consisting of the letter A, B, C, D, or E, and one digit, and calling for delivery in the third calendar quarter of 1953 only, are not cancelled. Such orders shall be deemed to bear the program identification SS alone in lieu of any other program identification.

SEC. 9. Validation of certain carry-over orders for controlled materials. A controlled materials producer who has accepted or who accepts an authorized controlled material order or a preferential delivery order, identified other than by a program identification consisting of the letter A, B, C, D, or E, and one digit, for delivery prior to July 1, 1953, and which is not shipped prior to such date, shall make shipment against each such carry-over order in preference to any other orders for controlled materials except those identified by a program identification consisting of the letter A, B, C, D, or E, and one digit.

SEC. 10. Authorization to accept non-preferential delivery orders for controlled materials. Subject to any obligation now or hereafter imposed to provide priority for authorized controlled material orders and preferential delivery orders, including space reservations on books of controlled materials producers, a controlled materials producer may accept orders for controlled materials other than authorized controlled material orders or preferential delivery orders, irrespective of lead time provisions, but only if they call for delivery after the second calendar quarter of 1953.

SEC. 11. Cancellation of ratings on certain rated orders. (a) All DO ratings accompanying DO-rated orders placed pursuant to the provisions of any CMP regulation or of any other regulation or order of NPA, including the directions thereto, or of any other authority of NPA, and calling for delivery in, or which are not shipped until, the third calendar quarter of 1953 or any succeeding calendar quarter, other than those bearing a program identification consisting of the letter A, B, C, D, or E, and one digit, are hereby cancelled.

(b) The provisions of this section do not apply to DX ratings or DX-rated orders.

This direction shall take effect March 23, 1953.

NATIONAL PRODUCTION
AUTHORITY,
By GEORGE W. AUXIER,
Executive Secretary.

[F. R. Doc. 53-2594; Filed, Mar. 23, 1953;
3:43 p. m.]

[NPA Reg. 2, Direction 6, of March 23, 1953]

NPA REG. 2—BASIC RULES OF THE
PRIORITIES SYSTEM

DIR. 6—CANCELLATION AND CONVERSION OF
CERTAIN DO RATINGS

This direction to NPA Reg. 2 is found necessary and appropriate to promote the national defense and is issued pursuant to the authority granted by the Defense Production Act of 1950, as amended. In the formulation of this direction, consultation with industry representatives, including trade association representatives, has been rendered impracticable by the fact that this direction applies to all trades and industries.

REGULATORY PROVISIONS

SECTION 1. Cancellation and conversion of certain DO ratings. (a) Effective March 23, 1953, all DO ratings used prior to that date on purchase orders accepted and calling for delivery on or after July 1, 1953, except those bearing the program identification A, B, C, D, or E, followed by a digit, are hereby canceled.

(b) Effective March 23, 1953, all authority granted by NPA to use DO ratings except (1) DO ratings bearing the program identification A, B, C, D, or E, followed by a digit, and except (2) all other DO ratings which, on or after March 23, 1953, and prior to July 1, 1953, are used on purchase orders accepted and calling for delivery prior to July 1, 1953, is hereby canceled.

(c) Effective July 1, 1953, all DO ratings used prior to July 1, 1953, on purchase orders accepted and calling for delivery prior to July 1, 1953, except those bearing the program identification A, B, C, D, or E, followed by a digit, are hereby canceled.

(d) Effective March 23, 1953, all DO ratings bearing the program identification B5 wherever it appears as a suffix, which have been used on purchase orders shall be deemed to bear the program identification B5 alone in lieu of any other program identification. A person who has been authorized to use a DO rating bearing the program identification B5 as a suffix shall not use the program identification B5 as a suffix but, instead, is hereby authorized to use such rating bearing the program identification B5 alone.

(e) The rating DO-Z9 used on any purchase order prior to March 23, 1953, is hereby converted to the rating DO-B8 and every such order shall have the same preferential status as though it was originally rated DO-B8. A person who has been authorized to use the rating DO-Z9 but has not used it prior to March 23, 1953, is hereby authorized to use the rating DO-B8 in lieu of the rating DO-Z9.

(f) The provisions of this section do not apply to any DX rating or DX-rated order.

(64 Stat. 816, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2154)

This direction shall, except as otherwise provided herein, take effect March 23, 1953.

NATIONAL PRODUCTION
AUTHORITY,
By GEORGE W AUXIER,
Executive Secretary.

[F. R. Doc. 53-2599; Filed, Mar. 23, 1953;
3:44 p. m.]

[Revised CMP Regulation No. 6, Direction 11
of March 23, 1953]

REV. CMP REG. 6—CONSTRUCTION

DIR. 11—RULES RELATING TO TRANSITION FROM CMP TO DMS

This direction is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this direction, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. However, consultation with representatives of all industries affected in advance of the issuance of this direction has been rendered impracticable because the direction affects many different industries.

REGULATORY PROVISIONS

Sec.

1. What this direction does.
2. Applicability of other regulations and orders.
3. Placement of orders for construction.
4. Cancellation of certain unused allotments and authority to place authorized controlled material orders.

Sec.

5. Cancellation of certain unused rating authority.
6. Cancellation of allotment numbers and symbols on certain authorized controlled material orders.
7. Cancellation of ratings on certain rated orders.

AUTHORITY: Sections 1 to 7 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1950 Supp., secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789; 3 CFR, 1951 Supp.

SECTION 1. *What this direction does.*

The purpose of this direction is to establish rules and procedures for an orderly transition, beginning with operations for the third calendar quarter of 1953, from the Controlled Materials Plan for construction (provided for in Revised CMP Regulation No. 6, and NPA Orders M-46, M-46A, M-46B, M-50, and M-77, and in the directions thereto) to the Defense Materials System (DMS) for construction (provided for in DMS Regulation No. 2, which is issued concurrently with this direction) Under CMP all owners of and contractors for construction projects, and all producers of Class A products required for fulfillment of authorized construction schedules, are subject to the provisions of one or more of the regulations, orders, or directions mentioned above. Under DMS for construction, only those persons, contractors, or producers of Class A products who receive a construction or production schedule bearing the program identification A, B, C, D, or E, are governed by the provisions of DMS Regulation No. 2. Construction of projects, other than those bearing the program identification A, B, C, D, or E, is not subject to or restricted by the rules established by DMS Regulation No. 2. The provisions of Revised CMP Regulation No. 6, and of NPA Orders M-46, M-46A, M-46B, M-50, and M-77, and the directions thereto, apply to construction under CMP and to orders calling for delivery of products and materials for use in such construction prior to the third calendar quarter of 1953, and to all actions to be taken in connection therewith. The provisions of DMS Regulation No. 2 apply to construction under DMS and to orders calling for delivery of products and materials for use in such construction after the second calendar quarter of 1953, and to all actions to be taken in connection therewith.

SEC. 2. *Applicability of other regulations and orders.* The provisions of all CMP regulations and of all other NPA regulations and orders, including the directions and amendments thereto, as heretofore issued, are superseded to the extent to which they are inconsistent with the provisions of this direction. In all other respects, the provisions of all NPA regulations and orders heretofore issued shall remain in full force and effect. Direction 21 to CMP Regulation No. 1, issued concurrently herewith, provides that a controlled materials producer who has accepted or who accepts an authorized controlled material order

identified other than by a program identification consisting of the letter A, B, C, D, or E, and one digit, for delivery prior to July 1, 1953, and which is not shipped prior to such date, shall make shipment against each such carry-over order in preference to any other orders for controlled materials except those identified by a program identification consisting of the letter A, B, C, D, or E, and one digit. Said Direction 21 further provides that, subject to any obligation now or hereafter imposed to provide priority for authorized controlled material orders, including space reservations on books of controlled materials producers, a controlled materials producer may accept orders for controlled materials other than authorized controlled material orders, irrespective of lead time provisions, but only if they call for delivery after the second calendar quarter of 1953.

SEC. 3. *Placement of orders for construction.* (a) Beginning March 23, 1953, the provisions of Revised CMP Regulation No. 6 and of NPA Orders M-46, M-46A, M-46B, M-50, and M-77, and the directions thereto, shall not be used to place authorized controlled material orders or rated orders calling for delivery after the second calendar quarter of 1953.

(b) Every owner, contractor, or person producing Class A products required for the fulfillment of an authorized construction schedule, who has received or who receives an allotment and rating bearing a program identification consisting of the letter A, B, C, D, or E, and one digit, shall obtain the materials and products needed for delivery after the second calendar quarter of 1953 to fulfill his construction or production schedule, or to replace in inventory materials and products used in the fulfillment of such schedule, in accordance with the provisions of DMS Regulation No. 2.

SEC. 4. *Cancellation of certain unused allotments and authority to place authorized controlled material orders.* (a) Except as provided in paragraph (b) of this section, all unused allotments of controlled materials and all unused authority to place authorized controlled material orders issued or granted for construction purposes pursuant to the provisions of Revised CMP Regulation No. 6 or of any other regulation or order of NPA, including the directions thereto, for deliveries in the third calendar quarter of 1953 or any succeeding calendar quarter, which do not bear or permit the use of a program identification consisting of the letter A, B, C, D, or E, and one digit, are hereby cancelled.

(b) Notwithstanding the provisions of paragraph (a) of this section, allotments of, and authority to place authorized controlled material orders for, nickel-bearing stainless steel, identified other than by a program identification consisting of the letter A, B, C, D, or E, and one digit, for deliveries in the third calendar quarter of 1953 only, are not cancelled. Such allotments and authority may be used to place authorized controlled material orders for nickel-bearing stainless steel calling for delivery in the third calendar quarter of 1953 pursuant to the provisions of DMS Regulation No. 2, by

use of the program identification SS alone in lieu of any other identification, followed by the quarterly designation 3Q53.

SEC. 5. Cancellation of certain unused rating authority. (a) All unused DO rating authority issued or granted for construction purposes pursuant to the provision of Revised CMP Regulation No. 6, or of any other regulation or order of NPA, including the directions thereto, or of any other authority of NPA, which could be used on purchase orders calling for delivery in the third calendar quarter of 1953 or any succeeding calendar quarter, which does not bear or permit the use of a program identification consisting of the letter A, B, C, D, or E, and one digit, is hereby cancelled.

(b) The provisions of this section do not apply to DX rating authority.

SEC. 6. Cancellation of allotment numbers and symbols on certain authorized controlled material orders. (a) Except as provided in paragraph (b) of this section, all allotment numbers and allotment symbols accompanying authorized controlled material orders placed for construction purposes pursuant to the provision of Revised CMP Regulation No. 6, or of any other regulation or order of NPA, including the directions thereto, and calling for delivery in the third calendar quarter of 1953 or any succeeding calendar quarter, other than those bearing a program identification consisting of the letter A, B, C, D, or E, and one digit, are hereby cancelled.

(b) Notwithstanding the provisions of paragraph (a) of this section, allotment numbers and allotment symbols accompanying authorized controlled material orders for nickel-bearing stainless steel, identified other than by a program identification consisting of the letter A, B, C, D, or E, and one digit, and calling for delivery in the third calendar quarter of 1953 only, are not cancelled. Such orders shall be deemed to bear the program identification SS alone in lieu of any other program identification.

SEC. 7. Cancellation of ratings on certain rated orders. (a) All DO ratings accompanying DO-rated orders placed for construction purposes pursuant to the provisions of Revised CMP Regulation No. 6, or of any other regulation or order of NPA, including the directions thereto, or of any other authority of NPA, and calling for delivery in, or which is not shipped until, the third calendar quarter of 1953 or any succeeding calendar quarter, other than those bearing a program identification consisting of the letter A, B, C, D, or E, and one digit, are hereby cancelled.

(b) The provisions of this section do not apply to DX ratings or DX-rated orders.

This direction shall take effect March 23, 1953.

NATIONAL PRODUCTION
AUTHORITY,
By GEORGE W. AUXIER,
Executive Secretary.

[F. R. Doc. 53-2595; Filed, Mar. 23, 1953;
3:43 p. m.]

[DMS Regulation No. 1]

DMS REG. 1—BASIC RULES OF THE
DEFENSE MATERIALS SYSTEM

This regulation is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this regulation, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. However, consultation with representatives of all industries affected in advance of the issuance of this regulation has been rendered impracticable because the regulation affects many different industries.

REGULATORY PROVISIONS

- Sec.
1. What this regulation does.
 2. When this regulation becomes effective.
 3. Definitions.
 4. General production schedule and allotment procedure for Class A products.
 5. Use of allotment and rating authority to fill rated orders for Class A and Class B products.
 6. Statements of requirements.
 7. Applications for authorized production schedules and allotments for Class A products.
 8. How production schedules for Class A products are authorized.
 9. How Class B products are obtained and produced.
 10. How allotments are made.
 11. Designation and use of allotment numbers.
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 13. Allotments by consumers and manufacturers of Class B products.
 14. How to cancel or reduce allotments.
 15. Transfer of allotments.
 16. Special provisions regarding manufacturers and distributors of Class A products.
 17. Alternative procedure for simultaneous allotments.
 18. Restrictions on placing authorized controlled material orders and on use of allotments and materials.
 19. Adjustments for changes in requirements.
 20. How to place orders with controlled materials producers and distributors.
 21. Rules applicable to controlled materials producers.
 22. Rules applicable to controlled materials distributors.
 23. Production requirements of controlled materials producers.
 24. Applicability of other regulations and orders.
 25. Records and reports.
 26. Requests for adjustment or exception.
 27. Communications.
 28. False statements.
 29. Violations.

AUTHORITY: Sections 1 to 29 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Supp. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Supp. 2071; sec. 101, D. O. 10161, Sept. 9, 1950, 15 F. R. 6103; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp., secs. 403, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8763; 3 CFR, 1951 Supp.

SECTION 1. What this regulation does. (a) The purpose of this regulation is to establish the basic rules of the Defense Materials System beginning with operations for the third calendar quarter of

1953. It defines rights and obligations of persons who produce certain products and materials for the defense program. Corresponding rules relating to construction for the defense program are contained in DMS Regulation No. 2. Although certain provisions of the Controlled Materials Plan regulations have been incorporated in DMS Regulations Nos. 1 and 2, the new regulations are substantially different in scope and effect from the CMP regulations.

(b) Production under the Controlled Materials Plan is provided for in CMP Regulation No. 1 and covers all manufacturers of Class A and Class B products (those containing steel, copper, or aluminum) whether or not they sell such products against rated orders. In other words, every manufacturer of Class A or Class B products, with respect to operations prior to the third calendar quarter of 1953, derives his authority to manufacture such products from the rules established by CMP Regulation No. 1. Production under the Defense Materials System is provided for in DMS Regulation No. 1 and covers only those manufacturers of Class A and Class B products who receive rated orders for such products bearing the program identification A, B, C, D, or E. On the other hand production of Class A and Class B products, other than production to fill rated orders, with respect to operations after the second calendar quarter of 1953, is not subject to or restricted by the rules established by DMS Regulation No. 1.

(c) This regulation explains how manufacturers who receive rated orders for Class A or Class B products, calling for delivery after the second calendar quarter of 1953, obtain materials for production of such products. It also sets forth rules that apply to controlled materials producers and to controlled materials distributors. The provisions of CMP Regulation No. 1 relate to operations under the Controlled Materials Plan prior to the third calendar quarter of 1953. Direction 21 to CMP Regulation No. 1, issued concurrently with this regulation, explains the status of unused allotment and rating authority issued, and of outstanding orders placed, under CMP Regulation No. 1 (and under other NPA regulations and orders) for the third calendar quarter of 1953 and succeeding calendar quarters.

SEC. 2. When this regulation becomes effective. The procedures provided for in this regulation are applicable to orders for products and materials which call for delivery only after the second calendar quarter of 1953, and to all actions taken in connection therewith.

SEC. 3. Definitions. As used in this regulation and any other DMS regulation (unless otherwise indicated)

(a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States Government or any other government.

(b) "NPA" means the National Production Authority.

(c) "Controlled material" means domestic and imported steel, copper, and aluminum, in the forms and shapes indicated in Schedule I of this regulation, whether new, remelted, rerolled, or redrawn.

(d) "Claimant Agency" means the Department of Defense or the Atomic Energy Commission; and "Allotting Agency" means the Department of Defense, the Atomic Energy Commission, NPA, or any other Government agency or subdivision thereof designated as such by the Office of Defense Mobilization.

(e) "Prime consumer" means any person who receives an allotment of controlled material from an Allotting Agency.

(f) "Secondary consumer" means any person who receives an allotment of controlled material from a person other than an Allotting Agency or the Office of Defense Mobilization.

(g) "Allotment" means (1) an authorization by the Office of Defense Mobilization of the amount of controlled materials which may be received and/or allotted by a Claimant Agency during a specified period, or (2) an authorization by a Claimant Agency of the amount of controlled materials which may be received and/or allotted by an Allotting Agency or by a prime consumer during a specified period, or (3) an authorization by an Allotting Agency of the amount of controlled materials which may be received and/or allotted by a prime consumer during a specified period, or (4) an authorization by a prime or secondary consumer, or a manufacturer of Class B products, of the amount of controlled materials which may be received and/or allotted by a secondary consumer during a specified period.

(h) "Class A product" means any product which is not a Class B product (as defined in paragraph (i) of this section) and which contains any controlled material, fabricated or assembled beyond the forms and shapes specified in Schedule I of this regulation, other than any controlled material which may be contained in Class B products incorporated in it.

(i) "Class B product" means any product designated as such in the "Official Class B Product List" issued by NPA, as the same may be modified from time to time, and which contains any controlled material other than any controlled material which may be contained in other Class B products incorporated in it.

(j) "Program" means a statement of the amounts of an item or class of items to be provided in specified periods of time.

(k) "Authorized program" means a program specifically approved by the Office of Defense Mobilization.

(l) "Production schedule" means a statement of the amounts of an item or class of items to be produced by an individual consumer in specified periods of time.

(m) "Authorized production schedule" means a production schedule specifically approved by an Allotting Agency with respect to a prime consumer, or

specifically approved by a prime or secondary consumer, or a manufacturer of Class B products, with respect to a secondary consumer producing Class A products.

(n) "Delivery order" means any purchase order, contract, shipping or other instruction calling for delivery of any material or product on a particular date or dates or within specified periods of time.

(o) "Authorized controlled material order" means any delivery order for any controlled material (as distinct from a product containing controlled material) which is placed pursuant to an allotment, or pursuant to self-authorization, as provided in section 20 of this regulation, or which is specifically designated to be such an order by any regulation or order of NPA.

(p) "Rated order" means any delivery order for any product or material other than controlled material bearing an authorized rating and the certification required by this regulation, NPA Reg. 2, or any other applicable regulation or order of NPA.

(q) "Controlled materials distributor" means (1) a distributor of steel controlled materials as defined in NPA Order M-1A, (2) a distributor of aluminum controlled materials as defined in NPA Order M-5A, or (3) a distributor of copper controlled materials as defined in NPA Order M-11A.

(r) "Maintenance" means the minimum upkeep necessary to continue any plant, facility, or equipment in sound working condition. "Repair" means, with respect to any person, the restoration of any plant, facility, or equipment to sound working condition when it has been rendered unsafe or unfit for service by wear and tear, damage, failure of parts, or the like, where such repair is not capitalized according to his established accounting practice. Neither "maintenance" nor "repair" includes the replacement of any plant, facility, or equipment; nor does it include the improvement of any plant, facility, or equipment by replacing material which is still in sound working condition with material of a new or different kind, quality, or design.

(s) "Operating supplies" means any kind of material carried by a person as operating supplies according to his established accounting practice. It includes expendable tools, jigs, dies, and fixtures used on production equipment, regardless of the accounting practice of the person. It also includes items, such as hand tools, purchased by an employer for sale to his employees solely for use in his business if such items would have constituted operating supplies had they been issued to employees without charge.

SEC. 4. General production schedule and allotment procedure for Class A products.

(a) Each Allotting Agency shall authorize production schedules, pursuant to authorized programs, of prime consumers manufacturing Class A products for it. Each prime consumer who has an authorized production schedule for Class A products shall, pursuant thereto, authorize production schedules

of secondary consumers manufacturing Class A products for it. Each secondary consumer who has an authorized production schedule for Class A products shall, pursuant thereto, authorize production schedules of secondary consumers manufacturing Class A products for it.

(b) Each Allotting Agency shall make allotments to prime consumers manufacturing Class A products for it, to fulfill related authorized production schedules, pursuant to allotments which it has received. Each prime consumer manufacturing Class A products who has received an allotment shall, pursuant thereto, make allotments to secondary consumers manufacturing Class A products for it, to fulfill related authorized production schedules. Each secondary consumer manufacturing Class A products who has received an allotment shall, pursuant thereto, make allotments to secondary consumers manufacturing Class A products for it, to fulfill related authorized production schedules.

(c) Except where otherwise specifically provided by NPA, no production schedules shall be authorized, or allotments made, for the production of Class B products. Instead, manufacturers of Class B products who receive rated orders for such products shall obtain their controlled material requirements by self-authorization in accordance with the provisions of section 9 of this regulation.

(d) Each manufacturer of Class B products who receives rated orders for such products shall authorize production schedules of secondary consumers manufacturing Class A products for it, and shall make allotments to such secondary consumers, in accordance with the provisions of section 9 of this regulation, for the purpose of fulfilling related authorized production schedules.

SEC. 5. Use of allotment and rating authority to fill rated orders for Class A and Class B products. (a) Each person who has received a rated order for a Class A or a Class B product must, to fill such order or to replace in inventory products and materials used in the manufacture of the product covered by such order, acquire controlled materials by use of the related allotment or by self-authorization, whichever is appropriate, and acquire products and materials other than controlled materials by use of the related DO rating. If such a person has received an allotment and obtains controlled materials or Class A products without placing an authorized controlled material order or making an allotment, he must charge such controlled materials (or the controlled material content of such Class A products) against his allotment.

(b) Notwithstanding the provisions of paragraph (a) of this section or of any other provisions of this regulation, no person, except a prime consumer, shall be required to use an allotment, self-authorization, or DO rating to acquire materials or products where the quantities of such materials or products are insignificant in relation to the total procurement of materials or products by such person.

(c) Nothing in this regulation shall be interpreted to prohibit the production of a Class A or a Class B product by a person who has received a rated order for such product, in addition to the production required to fill such rated order: *Provided, however* That such additional production, except where otherwise provided by NPA, shall not be accomplished by use of allotment, self-authorization, or rating authority.

(d) Nothing in this regulation shall be interpreted to prohibit the production of a Class A or a Class B product by a person who has not received a rated order for such product: *Provided, however* That such production, except where otherwise provided by NPA, shall not be accomplished by use of allotment, self-authorization, or rating authority.

SEC. 6. *Statements of requirements.*

(a) The basis for an allotment to a consumer manufacturing Class A products shall be his actual requirements for controlled materials in connection with the fulfillment of an authorized production schedule. A statement of requirements is to be furnished only when requested. Such statement is ordinarily submitted as an application for allotment.

(b) An application for allotment includes only (1) the quantities of controlled materials required by the submitting consumer for his own production of Class A products to fill rated orders (including the controlled material requirements of any Class A and Class B components or subassemblies which he makes himself for incorporation in his product) and (2) the quantities of controlled materials required by his secondary consumers supplying Class A products to him for incorporation in his product to be delivered on rated orders. The provisions of section 18 of this regulation set forth the permissible uses of controlled materials obtained pursuant to allotment.

SEC. 7. *Applications for authorized production schedules and allotments for Class A products.* (a) Production schedules for Class A products may be authorized and related allotments made on the basis of information furnished by application on Form DMS-4A.

(b) Any manufacturer of Class A products, upon the request of an Allotting Agency or other person for whom he produces Class A products to fill rated orders, shall furnish to such Allotting Agency or other person, the information called for in Form DMS-4A. Such information shall be submitted on Form DMS-4A or in such other manner as may be prescribed.

SEC. 8. *How production schedules for Class A products are authorized.* (a) A production schedule for each prime consumer producing a Class A product pursuant to an authorized program will be authorized by the appropriate Allotting Agency on such form as may be prescribed.

(b) A production schedule for each secondary consumer producing a Class A product shall be authorized by the consumer or manufacturer of Class B products for whom such Class A product

is to be produced, pursuant to an authorized production schedule or pursuant to the self-authorization provisions of section 9 of this regulation, on such form as may be prescribed. A consumer having two or more authorized production schedules bearing the same allotment number may, pursuant thereto, authorize a single production schedule for a secondary consumer. A person having two or more DO-rated orders for Class B products may, pursuant thereto, authorize a single production schedule for a secondary consumer.

(c) A consumer receiving allotments from two or more persons shall obtain separate authorized production schedules from each.

(d) Except where otherwise specifically provided by NPA, no person shall authorize a production schedule unless at the same time he makes an allotment as provided in section 10 of this regulation, and no person shall make an allotment unless at the same time he authorizes a related production schedule as provided in this section.

(e) When the production schedule of a consumer is authorized and a related allotment is made to him, a DO rating, bearing the appropriate program identification consisting of a letter and one digit, shall be assigned or applied to such schedule by the person authorizing the production schedule, for use in accordance with the provisions of this regulation and of NPA Reg. 2.

(f) If inability to obtain maintenance, repair, or operating supplies would result in failure to fulfill an authorized production schedule by a consumer, he may, by self-authorization and without filing any application, use the allotment number D-9 and the rating DO-D-9 in obtaining products and materials required for such maintenance, repair, or operating supplies. In placing authorized controlled material orders, he shall indicate thereon the allotment number D-9 and the calendar quarter in which delivery of the controlled materials is required. Even though he receives no allotment for maintenance, repair, or operating supplies, he may nevertheless authorize a production schedule and make an allotment to a person manufacturing Class A products for him in the manner prescribed by this regulation. Such allotments shall bear the allotment number D-9 and shall show the calendar quarter in which delivery of the controlled materials is required by his Class A product supplier. In placing rated orders he shall use the rating DO-D-9 in accordance with the provisions of this regulation and of NPA Reg. 2. In no event shall a consumer use the allotment number D-9 or rating DO-D-9 to acquire products and materials in a greater amount or on an earlier date than required to provide the maintenance, repair, or operating supplies necessary to enable him to fulfill his authorized production schedule.

SEC. 9. *How Class B products are obtained and produced.* (a) Except where otherwise specifically provided by NPA, no person shall authorize a production schedule or make an allotment for the

production of a Class B product, and no person shall accept an authorized production schedule or an allotment for the production of a Class B product. Instead, persons authorized to use ratings shall obtain Class B products by placing rated orders therefor.

(b) A manufacturer of a Class B product who receives a rated order for such product shall obtain his requirements of controlled materials, and of products and materials other than controlled materials, to fill such rated order, in accordance with the provisions of this section. He shall not extend any DO rating received by him from a customer. He may, however, extend any DX rating which he receives, to the extent permitted by NPA Reg. 2.

(c) A manufacturer of a Class B product who receives a rated order for such product shall, by self-authorization and without filing any application, use the allotment number B-5 in obtaining controlled materials or Class A products needed to fill such rated order or to replace in inventory controlled materials or Class A products used in the manufacture of the product covered by such rated order: *Provided, however* That with respect to inventory replacement of controlled materials he may use the allotment number B-5 to place orders for controlled materials only in the calendar quarter in which taken from inventory or in the immediately succeeding calendar quarter. In placing authorized controlled material orders, he shall indicate thereon the allotment number B-5 and the calendar quarter in which delivery of the controlled materials is required. Even though he receives no authorized production schedule or allotment, he shall nevertheless authorize a production schedule and make allotments to a person manufacturing Class A product components for him, in the manner prescribed by this regulation. Such allotments shall bear the allotment number B-5 and shall show the calendar quarter in which delivery of the controlled materials is required by his Class A product supplier. The provisions of section 18 of this regulation set forth the permissible uses of controlled materials obtained pursuant to self-authorization or allotment.

(d) A manufacturer of a Class B product who receives a rated order for such product shall, by self-authorization and without filing any application, use the rating DO-B-5 in obtaining products and materials other than controlled materials needed to fill such rated order or to replace in inventory products and materials other than controlled materials used in the manufacture of the product covered by such rated order. The rating DO-B-5 shall be used in accordance with the provisions of this regulation and of NPA Reg. 2.

(e) If inability to obtain maintenance, repair, or operating supplies would result in failure to fulfill a rated order by a manufacturer of Class B products, he may, by self-authorization and without filing any application, use the allotment number D-9 and the rating DO-D-9 in obtaining products and materials required for such maintenance, repair, or

operating supplies. In placing authorized controlled material orders, he shall indicate thereon the allotment number D-9 and the calendar quarter in which delivery of the controlled materials is required. Even though he receives no allotment for maintenance, repair, or operating supplies, he may nevertheless authorize a production schedule and make an allotment to a person manufacturing Class A products for him in the manner prescribed by this regulation. Such allotments shall bear the allotment number D-9 and shall show the calendar quarter in which delivery of the controlled materials is required by his Class A product supplier. In placing rated orders he shall use the rating DO-D-9 in accordance with the provisions of this regulation and of NPA Reg. 2. In no event shall a manufacturer of Class B products use the allotment number D-9 or rating DO-D-9 to acquire products and materials in a greater amount or on an earlier date than required to provide the maintenance, repair, or operating supplies necessary to enable him to fulfill his rated order.

SEC. 10. How allotments are made.

(a) Each Allotting Agency, consumer, or manufacturer of Class B products authorizing a production schedule for a Class A product as provided in section 8 or 9 of this regulation, shall concurrently make a related allotment, pursuant to allotments which it has received or pursuant to self-authorization, as the case may be, to the consumer whose production schedule has been authorized, on such form as may be prescribed.

(b) The allotment shall specify the quantities and the kinds of controlled materials needed for delivery in specified calendar quarters to complete the related authorized production schedule. Allotments shall be made in terms of (1) carbon steel (including wrought iron) (2) alloy steel (except stainless steel) (3) nickel-bearing stainless steel, (4) copper and copper-base alloy brass mill products, (5) copper wire mill products, (6) copper and copper-base alloy foundry products and powder, and (7) aluminum, in each case without further breakdown.

(c) The allotment shall be identified by an allotment number as provided in section 11 of this regulation.

(d) Advance allotments by Allotting Agencies to prime consumers may be made within such limits as may be specified by the Office of Defense Mobilization. Prime consumers receiving such advance allotments shall, in turn, make advance allotments to their secondary consumers, and secondary consumers shall make advance allotments, in the same manner as in the case of regular allotments, but no consumer shall make any allotment before receiving his own allotment. Manufacturers of Class B products shall make allotments pursuant to the provisions of section 9 (c) of this regulation.

(e) An Allotting Agency or consumer may make allotments only in the same kinds of controlled materials in which it has received its allotment.

SEC. 11. *Designation and use of allotment numbers.* (a) Allotments shall be identified by an allotment number consisting of a program identification bearing the letter A, B, C, D, or E, and one digit, designating the authorized program of the appropriate Allotting Agency, or such other appropriate program identification specified by this regulation or any other regulation or order of NPA.

(b) Authorized controlled material orders shall show the related allotment number and the calendar quarter for which the allotment is valid or, in the case of self-authorization, the calendar quarter in which delivery is required. For example, a delivery order for controlled materials placed pursuant to an allotment identified by allotment number A-6 which is valid for the fourth quarter of 1953 shall be designated as follows: A-6-4Q53. The date or dates on which delivery is required must also be specified on such delivery order.

SEC. 12. Designation and use of ratings.

(a) DO ratings shall be identified by the prefix DO followed by a program identification bearing the letter A, B, C, D, or E, and one digit, designating the authorized program of the appropriate Allotting Agency or such other appropriate program identification specified by this regulation or any other regulation or order of NPA.

(b) Delivery orders for products and materials other than controlled materials shall show the DO rating authorized, for example, DO-A-6. The date or dates on which delivery is required must also be specified on such delivery orders. Such date or dates, in the case of delivery orders to fulfill an authorized production schedule for Class A products, need not be during the calendar quarter for which such production schedule is authorized and for which the related allotment is valid.

(c) To the extent consistent with this regulation, all the provisions of NPA Reg. 2 shall apply to delivery orders for products and materials other than controlled materials. However, in lieu of the certification prescribed in NPA Reg. 2 for rated orders, the following certification may be used:

Certified under DMS Regulation No. 1

This certification accompanying a rated order shall be deemed to be and shall have the same force and effect as a certification under NPA Reg. 2.

SEC. 13. *Allotments by consumers and manufacturers of Class B products.* (a) Each consumer receiving an allotment may use that portion of the allotment which he requires to obtain controlled materials, as such, for his authorized production schedule, and shall allot from the remainder to his secondary consumers producing Class A products for him sufficient quantities to cover their requirements for controlled materials for related authorized production schedules. A manufacturer of Class B products shall make allotments to secondary consumers producing Class A products for him in accordance with the provisions of section

9 of this regulation. A secondary consumer producing Class A products for two or more customers shall obtain separate allotments from each.

(b) No consumer shall make any allotment in an amount which exceeds the related allotment received by him, after deducting all other allotments made by him and all orders for controlled materials placed by him pursuant to his related allotment.

(c) No consumer or manufacturer of Class B products shall make any allotment in excess of the amount required, to the best of his knowledge and belief, to fulfill the related authorized production schedule of the secondary consumer to whom the allotment is made (including the schedules of any secondary consumers supplying the latter)

(d) Except where otherwise specifically provided by NPA, no person shall make, and no person shall accept, any allotment for the production of Class B products. Controlled materials required for the production of Class B products to fill rated orders shall be obtained in accordance with the self-authorization provisions of section 9 of this regulation.

(e) No consumer manufacturing Class A products who has received his allotment for an authorized production schedule, and no manufacturer of Class B products who has received a rated order for such products, shall place any delivery order for any Class A product required to fulfill said schedule or rated order, unless, concurrently therewith, he makes an allotment to the person with whom the order is placed, in the amount required by such person to fill said order: *Provided, however* That if he purchases a Class A product from a distributor under the conditions specified in section 16 of this regulation, he shall make no allotment but must deduct the appropriate amount from his own allotment balance.

(f) A consumer or manufacturer of Class B products may make an allotment to his secondary consumer on such form (including Form DMS-5 set forth in Schedule II of this regulation) as may be prescribed for the purpose. Allotments may be made by telegraphing or telephoning the information required by the appropriate form and confirming the same with such form, within 15 days thereafter.

(g) A manufacturer of a Class A product may request an allotment from his customer for the calendar quarter in which he needs it to obtain delivery of the controlled material for the manufacture of the Class A product or, if he is asking for an allotment to replace in inventory controlled materials he has used or will use in producing the product, he may ask for an allotment for the calendar quarter in which the order is placed by the customer or for any of the next three calendar quarters. Such a manufacturer does not have to accept an order for the Class A product he makes unless his request for an allotment, within the above time limit, is complied with by the customer.

SEC. 14. *How to cancel or reduce allotments.* A person who has made an

allotment may cancel or reduce the same by notice in writing to the person to whom it was made. A person who has received an allotment may cancel or reduce the same by making an appropriate notation thereon and notifying the person from whom he received it. In either case, if an allotment received by a person is cancelled, he must cancel all allotments which he has made, and all authorized controlled material orders which he has placed, on the basis of the allotment; and, if an allotment received by a person is reduced, he must cancel or reduce allotments which he has made, or authorized controlled material orders which he has placed, to the extent that the same exceed the allotment as reduced. If and to the extent that cancellation or reduction is impracticable, he may receive, use, or dispose of controlled materials or Class A products which he gets with such allotment in the manner provided in section 18 of this regulation.

SEC. 15. Transfer of allotments. (a) No consumer shall transfer or assign any allotment (as distinct from making an allotment) in any way unless: (1) Delivery orders for Class A products placed with him, in connection with which the allotment was made to him, have been transferred or assigned to another consumer; (2) the authorized production schedules of the respective consumers have been duly adjusted; and (3) the transfer or assignment is approved in writing by the person who made the allotment.

(b) Transfers or assignments of allotments may be made without complying with paragraph (a) of this section in connection with the transfer or assignment of a business as a going concern where the transferee continues to operate substantially the same business in the same plant. The transferee may use the allotments and ratings of the transferor, but the transferee must notify NPA of the details of the transaction, giving the names of the persons involved and furnishing one extra copy of such notification for each authorized production schedule that he has received.

SEC. 16. Special provisions regarding manufacturers and distributors of Class A products. (a) For the purposes of this section "distributor" means any person engaged in the business of buying and taking physical delivery of Class A products which he does not manufacture and selling the same, for his own account, but only to the extent that he is so engaged.

(b) If a distributor buys and sells Class A products, he shall do so without making or receiving allotments. Class A products which a manufacturer produces and sells to distributors against rated orders shall be deemed Class B products for the purposes of this regulation. Such a manufacturer shall, with respect to such production of Class A products sold to distributors against rated orders, operate under the self-authorization provisions of section 9 of this regulation. If the manufacturer makes physical delivery directly to a distributor's customer, the latter (unless he is also a distributor)

shall make an allotment directly to the manufacturer in the same manner and subject to the same conditions as if the distributor had no part in the transaction.

SEC. 17. Alternative procedure for simultaneous allotments. A prime or secondary consumer or manufacturer of Class B products who has two or more secondary consumers in different degrees of remoteness, may, at his option, to fill rated orders, authorize individual production schedules and make simultaneous direct allotments to all such secondary consumers of all degrees of remoteness. The person who is to make the allotment under this alternative procedure (the originating consumer or manufacturer) may request each supplier of all degrees of remoteness to furnish him directly with information regarding such supplier's requirements for controlled materials, and each such supplier shall comply with such request. If this procedure is followed, each supplier shall include in the information he furnishes to the originating consumer or manufacturer only his own requirements for controlled materials and not those of his suppliers. In no event shall a consumer who uses this alternative procedure make an allotment of more controlled materials than he has received. All the provisions of this regulation regarding authorized production schedules and allotments shall apply to the alternative procedure for simultaneous allotments, except as specifically provided in this section.

SEC. 18. Restrictions on placing authorized controlled material orders and on use of allotments and materials. (a) In no event shall a consumer, or a manufacturer of Class B products, placing an authorized controlled material order, request delivery of any controlled material in a greater amount or on an earlier date than required to fill his rated orders. If the quantity of any controlled material required by a consumer, or a manufacturer of Class B products, to fill such rated orders, is less than the minimum mill quantity specified in Schedule IV of this regulation, and is not procurable from a distributor, he may place an authorized controlled material order for and accept delivery of the full minimum shown in such schedule.

(b) Except where otherwise specifically provided by NPA, no prime consumer who has received an allotment of controlled material shall place orders calling for delivery of more than 40 percent of the quantity of controlled material stated in such allotment during each of the first 2 months of the quarter for which the allotment is valid: *Provided, however,* That any prime consumer who has received an advance allotment of controlled material, as provided in section 10 of this regulation, may place orders calling for delivery of not in excess of 50 percent of the quantity of controlled material stated in such advance allotment during each of the first 2 months of the quarter for which the said advance allotment is valid: *And provided further* That the limitation on the placement of orders imposed by this par-

agraph shall not apply to orders placed pursuant to supplemental allotments. Notwithstanding the provisions of this paragraph, no prime consumer shall be required to reduce any delivery order for controlled material below the minimum mill quantity specified in Schedule IV of this regulation. Notwithstanding the provisions of this paragraph, no prime consumer shall be required to reduce any delivery order for carbon steel, copper, or aluminum (1) below a carload lot, or (2) below his allotment authority if it is less than a carload lot: *Provided, however* That he does not exceed his allotment authority by ordering such a quantity.

(c) No consumer shall use an allotment, or any controlled material or Class A product obtained pursuant to an allotment, for any purpose except: (1) To fill the related authorized production schedule for Class A products, or (2) to fill any of his other authorized production schedules for Class A products which bear the same allotment number, or (3) to replace in inventory, controlled materials or Class A products used to fill any of such authorized production schedules, or (4) for such other purpose as may be expressly authorized by an Allotting Agency. Where an allotment made for one schedule is used in filling another schedule as provided in this paragraph, no charge need be made against the allotment account of the second schedule, but an appropriate record must be made, on the allotment accounts or otherwise, describing the circumstances.

(d) No manufacturer of Class B products shall use any controlled material or Class A product obtained pursuant to self-authorization or allotment, for any purpose except: (1) To fill the related rated order for Class B products, or (2) to fill any of his other rated orders for Class B products which bear the same rating, or (3) to replace in inventory, controlled materials or Class A products used to fill any of such rated orders, or (4) for such other purpose as may be expressly authorized by an Allotting Agency.

(e) Controlled materials or Class A products which may be obtained by a consumer, or a manufacturer of Class B products, to fill an authorized production schedule or rated order, as the case may be, include such controlled materials or Class A products which will be physically incorporated into his product. They also include the portion of such controlled materials and Class A products normally consumed or converted into scrap in the course of processing, and controlled materials and Class A products used for packaging or containers required to make delivery. However, they do not include controlled materials or Class A products for construction, production equipment, or for maintenance, repair, or operating supplies.

(f) If the needs of a consumer for a controlled material or Class A product are reduced before he has ordered them, he must return the excess allotment as provided in section 19 of this regulation unless he uses the allotment for the purposes permitted by paragraph (c) of this section. If he has already placed au-

thorized controlled material orders or rated orders for Class A products in excess of his reduced requirements, he must notify his supplier that the allotment number or DO rating, as the case may be, is cancelled with respect to such excess. If such cancellation is impracticable, he may accept delivery of the controlled materials and Class A products, in which case his use of them is covered by paragraph (h) of this section.

(g) If the needs of a manufacturer of Class B products for a controlled material or Class A product are reduced after he has ordered them pursuant to self-authorization or allotment, as the case may be, he must notify his supplier that the allotment number or DO rating, as the case may be, is cancelled with respect to the excess over his reduced requirements. If such cancellation is impracticable, he may accept delivery of the controlled materials and Class A products, in which case his use of them is covered by paragraph (h) of this section.

(h) Unless otherwise provided by NPA, if it develops after a consumer, or a manufacturer of Class B products, has received delivery of controlled materials or Class A products pursuant to an allotment or self-authorization, as the case may be, that he cannot use them for a purpose permitted under paragraph (c) or (d) of this section, he may use or dispose of them subject to restrictions of other regulations or orders of NPA.

(i) If, before using or disposing of controlled materials or Class A products obtained pursuant to allotment or self-authorization in a way permitted by this section, a consumer, or a manufacturer of Class B products, receives instructions from an Allotting Agency as to disposition or use of the same, he must comply with such instructions.

(j) A consumer need not segregate inventories of controlled materials or Class A products which he obtained by use of his allotments, even though different allotment numbers are used in ordering them, nor does he have to earmark them for a particular schedule. A manufacturer of Class B products need not segregate inventories of controlled materials or Class A products which he obtained by self-authorization or allotment, nor does he have to earmark them for a particular rated order. Although a consumer must charge the appropriate allotment account when placing an authorized controlled material order or making an allotment, he may keep all controlled materials and Class A products received in a common inventory. A consumer who is operating under two or more authorized production schedules need not maintain separate records of the production obtained from the allotment received for each schedule if the records which he normally keeps show that his use of material for his respective schedules is substantially proportionate to the amounts of material allotted for each.

Sec. 19. Adjustments for changes in requirements. (a) If a consumer's requirements for controlled materials or Class A products needed to fulfill an authorized production schedule are in-

creased after he receives his allotment, he may apply for an additional allotment to the person who made the allotment for that schedule.

(b) If a consumer finds that he has been allotted substantially more than he needs, he must return the excess. As of the first of each month, each consumer must check up on his anticipated requirements for the quarter and determine whether he has been allotted more than he anticipates he needs. If he has, he must return the excess by the tenth of the month. He need not take a physical inventory for this purpose, but must check up on the effect of known changes in his requirements or errors which he has discovered in his statement of requirements. As of the end of each quarter, he must determine whether he has used his entire allotment for that quarter by placing authorized controlled material orders or making allotments to his secondary consumers, and, if he has any excess, he must return it by the tenth day after the close of the quarter.

(c) The return of an unneeded allotment must be made to the person from whom the allotment was received on such form as may be prescribed. If it is impracticable to obtain the prescribed form, the return may be made by letter setting forth the facts.

(d) In those cases where it is impracticable for a secondary consumer to return an allotment to the person from whom he received it, he may make the return directly to the appropriate Allotting Agency.

(e) Manufacturers of Class B products who receive returned allotments from their secondary consumers shall make an appropriate notation in their records cancelling such allotments and shall not transmit such allotments to any Allotting Agency or customer.

Sec. 20. How to place orders with controlled materials producers and distributors. (a) A delivery order placed with a controlled materials producer or a controlled materials distributor for controlled material shall be deemed an authorized controlled material order only if (1) it contains an allotment number and the calendar quarter for which the allotment is valid or, in the case of self-authorization, the calendar quarter in which delivery is required, as provided in section 11 of this regulation, and complies with the provisions of this section, or (2) it is specifically designated as an authorized controlled material order by any regulation or order of NPA.

(b) A consumer who has received an allotment, or a manufacturer of Class B products who has received a rated order, may place an authorized controlled material order with any controlled materials supplier unless otherwise specifically directed. An allotment to a prime consumer may include an instruction to place delivery orders for controlled materials with one or more designated controlled materials suppliers. In such event the consumer shall use the allotment only to obtain controlled materials from the designated controlled materials supplier or suppliers or to make allotments to secondary consumers, design-

ating therein only suppliers named in the allotment received by him. Except as required by the allotment which he has received or other specific instruction from an Allotting Agency, no consumer shall impose any such restriction in any allotment made by him.

(c) Except where otherwise specifically provided by NPA, every authorized controlled material order must contain a certification in addition to specifying the allotment number, the calendar quarter for which the allotment is valid or, in the case of self-authorization, the calendar quarter in which delivery is required, and the delivery date or dates. Unless another form of certification is specifically prescribed by an applicable order or regulation of NPA, such certification shall be in the following form:

Certified under DMS Regulation No. 1

and shall be signed as provided in NPA Reg. 2. This certification shall constitute a representation that, subject to the criminal penalties provided for in applicable United States statutes, (1) the purchaser has received an allotment of controlled material authorizing him, in accordance with the provisions of this regulation, to place such order, and that the amount ordered is within the related allotment received by him, after he has deducted from such allotment all allotments made by him to secondary consumers and all other orders for controlled material placed by him and accepted by suppliers pursuant to the same allotment, or (2) the amount ordered by the purchaser is within and pursuant to the self-authorization provisions of this regulation, or (3) the purchaser is expressly authorized by NPA, or by any regulation or order of NPA, to place such order.

(d) An authorized controlled material order must be in sufficient detail to permit entry on mill schedules and must be received by the controlled materials producer at such time in advance as is specified in Schedule III of this regulation, or at such later time as the controlled materials producer may find it practicable to accept the same.

(e) No person shall place an authorized controlled material order unless the amount of controlled material ordered is within the related allotment received by him, after deducting all allotments made by him and all orders for controlled material placed by him pursuant to the same allotment, or unless such order is placed pursuant to the self-authorization provisions of this regulation, or unless he is expressly authorized to place such an order by any applicable regulation or order of NPA.

(f) A delivery order for controlled materials pursuant to a directive issued by NPA shall take precedence over any other delivery order (including an authorized controlled material order) previously or subsequently received, unless a contrary instruction appears in the directive. All authorized controlled material orders shall have equal preferential status, and shall take precedence over other orders for controlled materials to the extent provided in NPA Order M-1A (steel) NPA Order M-5A (aluminum), and NPA Order M-11A

(copper) and the directions thereto, or in any other applicable regulation or order of NPA.

(g) A delivery order for controlled materials not covered by an allotment or self-authorization shall not be combined with an authorized controlled material order. However, if the total of such orders is less than the minimum mill quantity specified in Schedule IV of this regulation and is not procurable from a controlled materials distributor, then a combined order may be placed for such minimum mill quantity. Where such orders are combined, the portion covered by allotment or self-authorization must be specifically identified by the appropriate allotment number, and such delivery order must contain the certification provided in paragraph (c) of this section. Authorized controlled material orders identified by different allotment numbers may be combined if the portion covered by each allotment number is specifically identified by the appropriate allotment number, and such delivery order must contain the certification provided in paragraph (c) of this section.

Sec. 21. Rules applicable to controlled materials producers. (a) Each controlled materials producer shall comply with such production and other directives as may be issued from time to time by NPA and with the provisions of all other applicable regulations and orders of NPA regarding production and delivery of controlled materials.

(b) Each controlled materials producer shall accept all (1) authorized controlled material orders, (2) orders which he is required to accept pursuant to any regulation or order of NPA, and (3) orders which he is required to accept pursuant to NPA directive.

(c) A controlled materials producer shall be required to accept orders for controlled materials in conformity with the provisions of this regulation, as the same is or may be modified by the provisions of NPA Order M-1A (steel) NPA Order M-5A (aluminum) and NPA Order M-11A (copper) and the directions thereto, or of any other applicable regulation or order of NPA. In no event shall a controlled materials producer accept an authorized controlled material order which calls for delivery in a quarter other than that indicated in the quarterly identification accompanying such order.

(d) A controlled materials producer may reject authorized controlled material orders in the following cases, but he shall not discriminate between customers in rejecting or accepting such orders:

(1) If the order is one for less than the minimum mill quantity specified in Schedule IV of this regulation and has not been combined with another order pursuant to section 20 (g) of this regulation.

(2) If the person seeking to place the order is unwilling or unable to meet such producer's regularly established prices and terms of sale or payment.

(e) In any case where a controlled materials producer is of the opinion that

the filling of an order which he is required to accept pursuant to this section would substantially reduce his overall production owing to the large or small size of the order, unusual specifications, or otherwise, he shall notify NPA, setting forth the pertinent facts. NPA may, at its discretion, direct that the order be placed with another supplier or take other appropriate action.

(f) A controlled materials producer shall make shipment on each authorized controlled material order as close to the requested delivery date as is practicable. He may make shipment during the 15 days prior to the requested delivery month, but not before then, provided such shipment does not interfere with shipment on other authorized controlled material orders, and provided production to meet such shipment would not violate any production directive. If a producer, after accepting an order within the limits provided in this section, finds that, due to contingencies which he could not reasonably have foreseen, he is obliged to postpone the shipment date, he must promptly advise his customer of the approximate date when shipment can be scheduled, and keep his customer advised of any changes in that date. Shipment of any such carry-over order must be scheduled and made in preference to any order originally scheduled for such later date. When the new date for shipment on a carry-over order falls within a later quarter than that indicated on the original order, the producer must make shipment on the basis of the original order even if that order shows a quarterly identification earlier than the one in which shipment is actually made, and the customer, if the order was placed pursuant to an allotment, is not required to charge his allotment for the quarter during which shipment on such carry-over order is actually made.

(g) If a controlled materials producer takes controlled materials which he has produced to fill orders which he is required to accept, and processes them into a form other than a controlled materials form, or a product or a material other than a controlled material, such processing shall be considered a delivery for the purposes of this section.

(h) If the controlled material delivered pursuant to an authorized controlled material order varies from the exact amount specified in such order, the making and acceptance of such delivery shall not be deemed a violation of this regulation by the controlled materials producer or his customer, provided such variation does not exceed the commercially recognized shipping tolerance or allowance for excess or shortage.

(i) An authorized controlled material order shall not constitute an allotment of controlled material to the controlled materials producer with whom it is placed. If a controlled materials producer requires delivery of controlled materials from other controlled materials producers, to be processed by him and sold to his customers in another form or shape constituting a controlled material, such delivery may be made or accepted only pursuant to a specific in-

struction of NPA, or pursuant to the provisions of section 23 of this regulation.

Sec. 22. Rules applicable to controlled materials distributors. (a) Each controlled materials distributor shall comply with such directives as may be issued from time to time by NPA and with the provisions of all other applicable regulations and orders of NPA regarding delivery of controlled materials.

(b) Each controlled materials distributor shall accept all (1) authorized controlled material orders, (2) orders which he is required to accept pursuant to any regulation or order of NPA, and (3) orders which he is required to accept pursuant to NPA directive.

(c) A controlled materials distributor shall be required to accept orders for controlled materials in conformity with the provisions of this regulation, as the same is or may be modified by the provisions of NPA Order M-1A (steel) NPA Order M-5A (aluminum) and NPA Order M-11A (copper) and the directions thereto, or of any other applicable regulation or order of NPA. In no event shall a controlled materials distributor accept an authorized controlled material order which calls for delivery after the end of the quarter indicated in the quarterly identification accompanying such order. However, a controlled materials distributor may accept, and make shipment against, any authorized controlled material order calling for delivery during the 15 days prior to the quarter indicated in the quarterly identification accompanying such order.

(d) An authorized controlled material order may be placed with a controlled materials distributor orally or by telephone, provided that the person placing the order makes written confirmation of such order, conforming to the requirements of this regulation, within 15 days thereafter. If such confirmation is not received within 15 days, the controlled materials distributor shall promptly notify NPA of the circumstances.

(e) A delivery order for controlled material placed with a controlled materials distributor shall be considered as calling for immediate delivery unless such order specifically provides otherwise. A controlled materials distributor may reject any order for controlled material which is not for immediate delivery. If he elects to accept such an order, he shall not set aside or hold any material to fill it.

(f) A controlled materials distributor may reject any authorized controlled material order if he does not have the material ordered in his stock, unless he knows that such material is in transit to his stock, but shall not discriminate between customers in rejecting or accepting such orders.

(g) A controlled materials distributor may reject any authorized controlled material order if the person seeking to place the order is unwilling or unable to meet such distributor's regularly established prices and terms of sale or payment, but shall not discriminate between customers in rejecting or accepting such orders.

(h) An authorized controlled material order shall not constitute an allotment of controlled material to the controlled materials distributor with whom it is placed. However, a controlled materials distributor may obtain controlled materials in accordance with and subject to the provisions of NPA Order M-1A (steel) NPA Order M-5A (aluminum) and NPA Order M-11A (copper)

SEC. 23. Production requirements of controlled materials producers. (a) For the purposes of this section, "production material" means, with respect to any controlled materials producer, any material (including controlled material) or product which will be physically incorporated into controlled materials which he produces, and includes the portion of such material normally consumed or converted into scrap in the course of processing. It also includes containers and packaging materials required to make delivery of the materials he produces, and also chemicals used directly in the production of the materials he produces. It does not include any items purchased by him for construction, production equipment, or for maintenance, repair, or operating supplies.

(b) A controlled materials producer may, by self-authorization and without filing any application, use the allotment number B-5 in obtaining production materials consisting of controlled materials or Class A products needed to fill orders for controlled materials which he is required to accept by this regulation, or by any other regulation, order, or directive of NPA. *Provided, however* That (1) a steel controlled materials producer shall not use the allotment number B-5 to obtain steel controlled materials but shall obtain such materials in accordance with the provisions of NPA Order M-1A, (2) an aluminum controlled materials producer shall not use the allotment number B-5 to obtain aluminum controlled materials but shall obtain such materials in accordance with the provisions of NPA Order M-5A, and (3) a copper controlled materials producer shall not use the allotment number B-5 to obtain copper controlled materials but shall obtain such materials in accordance with the provisions of NPA Order M-11A. In placing authorized controlled material orders, he shall indicate thereon the allotment number B-5 and the calendar quarter in which delivery of the controlled materials is required. Even though he receives no allotment, he shall nevertheless authorize a production schedule and make allotments to a person manufacturing Class A product components for him in the manner prescribed by this regulation. Such allotments shall bear the allotment number B-5 and shall show the calendar quarter in which delivery of the controlled materials is required by his Class A product supplier.

(c) Except where otherwise specifically provided by NPA, a controlled materials producer may, by self-authorization and without filing any application, use the rating DO-B-5 in obtaining production materials consisting of products and materials other than controlled ma-

terials needed to fill orders for controlled materials which he is required to accept by this regulation, or by any other regulation, order, or directive of NPA. The rating DO-B-5 shall be used in accordance with the provisions of this regulation and of NPA Reg. 2.

SEC. 24. Applicability of other regulations and orders. Nothing in this regulation shall be construed to relieve any person from complying with all other applicable regulations and orders of NPA. In case compliance by any person with the provisions of any such regulation or order would prevent fulfillment of an authorized production schedule or a rated order, he shall immediately report the matter to NPA and to the appropriate Allotting Agency. NPA will thereupon take such action as is deemed appropriate, but unless and until otherwise expressly authorized or directed by NPA, such person shall comply with the provisions of such regulation or order.

SEC. 25. Records and reports. (a) Each person participating in any transaction covered by this regulation shall make and preserve, for at least 2 years thereafter, accurate and complete records of receipts, deliveries, inventories, production, and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this regulation. This regulation does not specify any particular accounting method and does not require alteration of the system of records customarily used, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals by those persons who, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(b) Except as otherwise specifically provided, records of self-authorization and records of allotments received and made shall be kept separately by allotment numbers and shall include separate entries under each allotment number for each customer or Allotting Agency from whom allotments are received, and for each supplier to whom such allotments are made, and shall include procurement pursuant to the use of self-authorization and all allotments, and the subdivision of all allotments among direct secondary consumers.

(c) All records required by this regulation shall be made available for inspection and audit by duly authorized representatives of NPA, or Allotting Agencies authorized by NPA, at the usual place of business where maintained.

(d) Persons subject to this regulation shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139-139F)

SEC. 26. Requests for adjustment or exception. (a) Any person subject to any provision of this regulation, may file a request for adjustment, or exception, upon the ground that such provision works an undue or exceptional hardship upon him not suffered gener-

ally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. The filing of a request for adjustment or exception shall not relieve any person of his obligation to comply with any such provision. In examining requests for adjustment or exception claiming that the public interest is prejudiced by the application of any provision of this regulation, consideration will be given to the requirements of public health and safety civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each request shall be in writing, by letter in triplicate, shall set forth all pertinent facts and the nature of the relief sought, and shall state the justification therefor.

(b) A producer of Class A products making a large variety of items which are sold to many customers pursuant to rated orders and whose allotments originate from several customers or Allotting Agencies, may file a request to be treated as a producer of Class B products with respect to production to fill rated orders. Such request shall be in writing submitted in triplicate, shall set forth all pertinent facts, and shall state the justification therefor.

SEC. 27. Communications. All communications concerning this regulation, except as otherwise specified in this regulation, shall be addressed to the National Production Authority, Washington 25, D. C., Ref: DMS Regulation No. 1.

SEC. 28. False statements. The furnishing of false information or the concealment of any material fact in the course of operation under this regulation constitutes a violation of this regulation.

SEC. 29. Violations. Violation of any provision of this regulation may subject any person committing or participating in such violation to administrative action to suspend his privilege of making or receiving further deliveries of materials, or using materials or facilities under priority or allocation control and to deprive him of further priority and allocation assistance. In addition to such administrative action, an injunction and order may be obtained prohibiting any such violation and enforcing compliance with the provisions hereof. Any person who wilfully violates any provision of this regulation, or who wilfully furnishes false information or conceals any material fact in the course of operation under this regulation, is guilty of a crime and upon conviction may be punished by fine or imprisonment or both.

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This regulation shall take effect March 23, 1953.

NATIONAL PRODUCTION
AUTHORITY,
By GEORGE W AUXIER,
Executive Secretary.

SCHEDULE I TO DMS REGULATION No. 1—
CONTROLLED MATERIALS

(See sections 3 (c) and 3 (h))

CARBON STEEL (INCLUDING WROUGHT IRON)¹

- (a) Bar, bar shapes.
Includes:
Bar, hot-rolled, stock for projectile and shell bodies.²
Bar, hot-rolled, other (including light shapes).
Bar, reinforcing (straight lengths—as rolled).
Bar, cold-finished.
- (b) Sheet, strip (uncoated and coated).
Includes:
Sheet, hot-rolled.
Sheet, cold-rolled.
Sheet, galvanized.
Sheet, all other coated.
Sheet, enameling.
Roofing, galvanized, corrugated, V-crimped channel drains.
Ridge roll, valley, and flashing.
Siding, corrugated and brick.
Strip, hot-rolled.
Strip, cold-rolled.
Strip, galvanized.
Electrical sheet and strip.
Tin mill black plate.
Tin plate, hot-dipped.
Ternes, special coated manufacturing.
Tin plate, electrolytic.
- (c) Plate.³
- (d) Structural shapes,⁴ piling.
- (e) Pipe, tubing.⁵
Includes:
Standard pipe (including type of couplings furnished by mill).⁶
Oil country goods (casings, tubular goods, type of couplings furnished by mill).

¹For the purpose of this schedule "carbon steel (including wrought iron)" means any steel customarily so classified and also includes: (1) Ingot iron; (2) all grades of electrical sheet and strip; (3) low-alloy, high-strength steels; and (4) clad and coated carbon steels not included with alloy steels; e. g., galvanized, tin, terne, copper (excluding copper wire mill products) or aluminum clad and/or coated carbon steels. "Low-alloy, high-strength steels" means only the proprietary grades promoted and sold for this purpose.

²Includes projectile body stock, sizes under 2 3/8 inches and component parts; all sizes.

³Carbon plates not only include the following minimum size specifications, but also floor plates of any thickness:

- 0.180 inch or thicker, over 48 inches wide.
- 0.230 inch or thicker, over 6 inches wide.
- 7.53 pounds per square foot or heavier, over 48 inches wide.
- 9.62 pounds per square foot or heavier, over 6 inches wide.

⁴"Structural shapes" means rolled flanged sections having at least one dimension of their cross section 3 inches or greater, commonly referred to as angles, channels, beams, and wide flange sections.

⁵Steel pipe or tubing exceeding 36 inches O. D. is not a controlled material, but is a Class A product.

⁶Standard pipe includes the following:

- Ammonia pipe.
- Bedstead tubing.
- Driven well pipe.
- Drive pipe.
- Dry kiln pipe.
- Dry pipe for locomotives.
- English gas and steam pipe.

- (e) Pipe, tubing⁵—Continued
Includes:
Line pipe (including type of couplings furnished by mill).
Pressure tubing—seamless and welded.
Mechanical tubing—seamless and welded.
- (f) Wire, wire products.
Includes:
Wire—drawn.
Nails—bright steel wire, steel cut, galvanized, cement-coated, and painted.
Spikes and brads—steel wire, galvanized, and cement-coated.
Staples, bright and galvanized (farm and poultry).
Wire rope and strand.
Welded wire mesh and woven wire netting.
Barbed and twisted wire.
Wire fence, woven and welded (farm and poultry).
Bale ties.
Coiled automatic baler wire.
- (g) Tool steel (including die blocks and tool steel forgings).
- (h) Other mill forms and products (not including forgings except for wheels).
Includes:
Ingots.
Billets, shell quality for body stock only.⁷
Billets, shell quality for component parts and rockets.
Blooms, slabs, other billets, tube rounds, sheet bars.
Skelp.
Wire rod.
Ralls.
Joint bars (track).
Tie plates (track).
Track spikes.
Wheels, rolled or forged (railroad).
Axles (railroad).
- (i) Castings (not including cast iron).

ALLOY STEEL⁸ (EXCEPT STAINLESS STEEL⁹)

- (a) Bar, bar shapes.
Includes:
Bar, hot-rolled projectile and shell quality.

Furniture pipe.
Ice machine pipe.
Mechanical service pipe.
Nipple pipe.
Pipe for piling.
Pipe for plating and enameling.
Pump pipe.
Signal pipe.
Standard pipe coupling.
Structural pipe.
Turbine pump pipe.
Water main pipe.
Water well casing.
Water well reamed and drifted pipe.

⁷Includes only projectile body stock, sizes 2 3/8 inches and larger, rounds, and round-cornered squares.

⁸For purposes of this schedule "alloy steel" means steel containing 50 percent or more of iron or steel and any one or more of the following elements in the following amounts: Manganese, maximum of range in excess of 1.65 percent; silicon, maximum of range in excess of 0.60 percent (excepting electrical sheet and strip); copper, maximum of range in excess of 0.60 percent; aluminum, boron, chromium, cobalt, columbium, molybdenum, nickel, tantalum, titanium, tungsten, vanadium, zirconium, or any other alloying elements in any amount specified or known to have been added to obtain a desired alloying effect. Clad steels which have an alloy steel base or carbon steel for which nickel and/or chromium is contained in the coating or cladding material (e. g., Inconel, monel, or stainless) are alloy steels.

- (a) Bar, bar shapes—Continued
Includes:
Bar, hot-rolled, other (including light shapes).
Bar, cold-finished.
- (b) Sheet, strip.
Includes:
Sheet, hot-rolled.
Sheet, cold-rolled.
Sheet, galvanized.
Strip, hot-rolled.
Strip, cold-rolled.
- (c) Plates.¹⁰
Includes:
Rolled armor.
Other.
- (d) Structural shapes.⁴
- (e) Pipe, tubing.⁵
Includes:
Oil-country goods.
Pressure tubing—seamless and welded.
Mechanical tubing—seamless and welded.
- (f) Wire.
- (g) Tool steel (including die blocks and tool steel forgings).
- (h) Other mill forms and products (not including forgings except for wheels).
Includes:
Ingots.
Billets, projectile and shell quality.
Blooms, slabs, other billets, tube rounds, sheet bars.
Wire rods.
Ralls.
Wheels, rolled or forged (railroad).
Axles (railroad).
- (i) Castings.

NICKEL-BEARING STAINLESS STEEL¹¹

- (a) Seamless tubing.³
- (b) Other mill forms and products (not including forgings).
Includes:
Bar, bar shapes (including light shapes).
Includes:
Bar, hot-rolled (including light shapes).
Bar, cold-finished.
Sheet, strip.
Includes:
Sheet, hot-rolled.
Sheet, cold-rolled.
Strip, hot-rolled.
Strip, cold-rolled.
Plate.¹²
Structural shapes.⁴
Tubing (except seamless).⁵
Wire, wire products.
Includes:
Wire, drawn.
Wire rope and strand.
Welded wire mesh and woven wire netting.

¹⁰"Stainless steel" means heat- and corrosion-resisting steel containing 50 percent or more of iron or steel and 10 percent or more of chromium whether with or without nickel, molybdenum, or other elements. However, stainless steel containing less than 1 percent nickel is not a controlled material, nor is it a Class A or a Class B product.

¹¹Alloy steel plates include the following size specifications:

- 0.180 inch or thicker, over 48 inches wide.
- 0.230 inch or thicker, over 12 inches wide.
- 7.53 pounds per square foot or heavier, over 48 inches wide.
- 9.62 pounds per square foot or heavier, over 12 inches wide.

¹²Nickel-bearing stainless steel means a stainless steel containing 1 percent or more of nickel.

¹³Nickel-bearing stainless steel plates include the following size specifications: 3/16 inch (0.1875) or thicker, over 10 inches wide.

RULES AND REGULATIONS

SCHEDULE II TO DMS REGULATION No. 1—SHORT FORM OF ALLOTMENT

(See section 13 (f))

(b) Other mill forms and products (not including forgings)—Continued

Includes:
Ingots, blooms, billets, tube rounds, sheet bars, wire rods.

(c) Castings.²³

COPPER AND COPPER-BASE ALLOY BRASS MILL PRODUCTS.²⁴

- Copper (unalloyed)
 - (a) Bar, rod, shapes, wire (except electrical wire).
 - (b) Sheet, strip, plate, rolls.
 - (c) Pipe, tubing (seamless).
- Copper-base alloy²⁵
 - (d) Bar, rod, wire, shapes.
 - (e) Sheet, strip, plate, rolls, military ammunition cups and discs.
 - (f) Pipe, tubing (seamless).

COPPER WIRE MILL PRODUCTS

All copper wire and cable for electrical conduction, including but not limited to:

- Bare and tinned.
- Weatherproof.
- Magnet wire.
- Insulated building wire.
- Paper and lead power cable.
- Paper and lead telephone cable.
- Asbestos cable.
- Portable and flexible cord and cable.
- Communication wire and cable.
- Shipboard cable.
- Automotive and aircraft wire and cable.
- Insulated power cable.
- Signal and control cable.
- Coaxial cable.

Copper-clad steel wire containing over 20 percent copper by weight regardless of end use.

COPPER AND COPPER-BASE ALLOY FOUNDRY PRODUCTS AND POWDER

Includes:
Copper, brass, and bronze castings.²⁶
Copper, brass, and bronze powder.

ALUMINUM²⁷

- Rolled bar, rod, wire (including drawn wire), structural shapes.
- Aluminum cable steel reinforced (ACSR) and bare aluminum cable.
- Insulated or covered wire or cable.
- Extruded bar, rod, shapes, tubing (including drawn or welded tubing).
- Sheet, strip, plate.
- Pig or ingot, granular or shot.

²³ "Nickel-bearing stainless steel castings" means any steel casting which is heat-corrosion- or abrasion-resistant, containing 50 percent or more of iron and 8 percent or more of chromium with 1 percent or more of nickel, with or without molybdenum or other alloying elements.

²⁴ Includes anodes—rolled, forged, or sheared from cathodes.

²⁵ "Copper-base alloy" means any alloy in the composition of which the percentage of copper metal equals or exceeds 40 percent by weight of the metallic content of the alloy. It does not include alloyed gold produced in accordance with U. S. Commercial Standard CS 67-38.

²⁶ Cast copper and copper-base alloy shapes or forms suitable for ultimate use without remelting, rolling, drawing, extruding, or forging. (The process of casting includes the removal of gates, risers, and sprues, and sandblasting, tumbling, and dipping, but does not include any further machining or processing. For centrifugal castings the process includes the removal of the rough cut in the inner and/or outer diameter before delivery to a customer.) Castings include anodes cast in a foundry or by an ingot maker.

²⁷ Aluminum foil and aluminum powder (atomized or flake, including paste) are not controlled materials or Class A or Class B products.

Controlled material	Allotment (specify short tons or pounds)			
	---Quarter 195--	---Quarter 195--	---Quarter 195--	---Quarter 195--
Carbon steel (including wrought iron)				
Alloy steel (except stainless steel)				
Nickel-bearing stainless steel				
Copper and copper-base alloy brass mill products				
Copper wire mill products				
Copper and copper-base alloy foundry products and powder				
Aluminum				
Allotment No.				
Signature and title				
Date				
Above allotments are made for use in filling this delivery order in compliance with DMS Regulation No. 1				

INSTRUCTIONS FOR USE OF SHORT FORM OF ALLOTMENT—FORM DMS-5

The above short form of allotment may be used by any consumer who has received an allotment, or by any manufacturer of Class B products who has received a rated order for such products, for the purpose of making an allotment to a secondary consumer producing Class A products for him. The short form of allotment must be either placed on or physically attached to the delivery order calling for delivery of the Class A products. If it is attached, the delivery order number or other identification must be indicated on the form.

The form must be signed by an authorized official of the consumer, or manufacturer of Class B products, making the allotment, but need not be separately signed if it is placed on the delivery order in such a position that the signature of the delivery order by such an authorized official clearly applies to the allotment as well as to the order itself.

The size of the form may be varied, but all information called for by the form must be supplied and the general arrangement and wording of the form must be followed.

SCHEDULE III TO DMS REGULATION No. 1—TIME FOR PLACING AUTHORIZED CONTROLLED MATERIAL ORDERS

(See section 20 (d))

Name of product ¹	Number of days in advance of first day of month in which shipment is required				Aluminum and copper
	Carbon	Low-alloy high-strength	Stainless	Alloy ²	
Steel:					
Bar, bar shapes (including light shapes):					
Bar, hot-rolled projectile and shell quality.....	45	75		75	
Bar, hot-rolled, other (including light shapes).....	45	75	90	75	
Bar, reinforcing (straight lengths—as rolled).....	45				
Bar, cold-finished.....	75	105	105	105	
Sheet, strip (uncoated and coated):					
Sheet, hot-rolled.....	45	75	90	75	
Sheet, cold-rolled.....	45	75	105	90	
Sheet, galvanized.....	45				
Sheet, all other coated.....	45				
Sheet, enameling.....	45				
Roofing, galvanized, corrugated, V-cripped channel drains.....	45				
Ridge roll, valley, and flashing.....	45				
Siding, corrugated and brick.....	45				
Strip, hot-rolled.....	45	75	90	75	
Strip, cold-rolled.....	45	75	105	90	
Strip, galvanized.....	45				
Electrical sheet and strip.....	(4)				
Tin mill black plate.....					
Tin plate, hot-dipped.....	45				
Ternes, special coated manufacturing.....	45				
Tin plate, electrolytic.....	45				
Plate.....	45	75	90	75	
Structural shapes, piling.....	45	75	150	90	
Pipe, tubing:					
Standard pipe (including couplings furnished by mill). Oil-country goods (casings, tubular goods, couplings furnished by mill).....	45		120		
Line pipe (including couplings furnished by mill).....	45			60	
Pressure tubing—seamless and welded.....	70		120	120	
Mechanical tubing—seamless and welded.....	70		120	120	

See footnotes at end of table.

SCHEDULE IV TO DMS REGULATION NO. 1—MINIMUM MILL QUANTITIES—Continued
(See sections 18 (a), 20 (g), and 21 (d))

[DMS Regulation No. 2]

DMS REG. 2—CONSTRUCTION UNDER THE DEFENSE MATERIALS SYSTEM

This regulation is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this regulation, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. However, consultation with representatives of all industries affected, in advance of the issuance of this regulation, has been rendered impracticable because the regulation affects many different industries.

REGULATORY PROVISIONS

- Sec.
1. What this regulation does.
 2. When this regulation becomes effective.
 3. Definitions.
 4. General construction and production schedule and allotment procedure.
 5. Use of allotment and rating authority.
 6. Statements of requirements.
 7. Applications for authorized schedules and allotments.
 8. How schedules are authorized.
 9. How allotments are made.
 10. Designation and use of allotment numbers.
 11. Designation and use of ratings.
 12. Allotments by owners, contractors, and producers of Class A products.
 13. How to cancel or reduce allotments.
 14. Transfer of allotments.
 15. Alternative procedure for simultaneous allotments.
 16. Restrictions on placing authorized controlled material orders and on use of allotments and materials.
 17. Adjustments for changes in requirements.
 18. How to place orders with controlled materials producers and distributors.
 19. Applicability of other regulations and orders.
 20. Scope of this regulation.
 21. Records and reports.
 22. Requests for adjustment or exception.
 23. Communications.
 24. False statements.
 25. Violations.

AUTHORITY: Sections 1 to 25 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp., secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789; 3 CFR, 1951 Supp.

SECTION 1. What this regulation does.
(a) This regulation establishes the basic rules of the Defense Materials System relating to construction for the defense program, beginning with the third calendar quarter of 1953. It defines the rights and obligations of owners and contractors engaged in construction for the defense program. Corresponding rules relating to the production of certain products and materials for the defense program are contained in DMS Regulation No. 1. Although certain provisions of the Controlled Materials Plan regulations have been incorporated in DMS Regulations Nos. 1 and 2, the DMS regulations are substantially different in scope and effect from the CMP regulations.

Name of product ¹	Minimum quantity for each size and grade of any item for mill shipment at any one time to any one destination		
	Steel ²		Aluminum and copper (pounds)
	Carbon	Alloy	
Steel—Continued			
Sheet, strip (uncoated and coated):			
Sheet, hot-rolled.....net tons.....	5	(3)	
Sheet, cold-rolled.....net tons.....	5	(3)	
Sheet, galvanized.....	(3)		
Sheet, all other coated.....	(3)		
Sheet, enameling.....	(3)		
Roofing, galvanized, corrugated, V-crimped channel drains	(3)		
Ridge roll, valley, and flashing.....	(3)		
Siding, corrugated and brick.....	(3)		
Strip, hot-rolled.....net tons.....	3	(3)	
Strip, cold-rolled.....net tons.....	3	(3)	
Strip, galvanized.....	(3)		
Electrical sheet and strip.....	(3)		
Tin mill black plate.....pounds.....	5,000		
Tin plate, hot-dipped.....pounds.....	5,000		
Tin plate, special coated manufacturing.....pounds.....	5,000		
Tin plate, electrolytic.....pounds.....	5,000		
Plate:			
Rolled armor.....	(3)	(3)	
Continuous strip mill production.....net tons.....	10	(3)	
Sheared, universal, or bar mill production.....net tons.....	3	(3)	
Structural shapes, piling	(3)	(3)	
Pipe, tubings:			
Standard pipe (including couplings furnished by mill)	(3)	(3)	
Oil-country goods (casings, tubular goods, couplings furnished by mill)	(3)	(3)	
Line pipe (including couplings furnished by mill)	(3)	(3)	
Pressure and mechanical tubing (seamless and welded):			
Seamless cold-drawn (O. D. in inches):			
Up to 3/4, inclusive.....feet.....	1,000	1,000	
Over 3/4 to 1 1/2, inclusive.....feet.....	800	800	
Over 1 1/2 to 3, inclusive.....feet.....	600	600	
Over 3 to 6, inclusive.....feet.....	400	400	
Over 6.....feet.....	250	250	
Seamless hot-rolled.....	(3)	(3)	
Welded.....	(3)	(3)	
Wire, wire products:			
Wire, drawn.....		(3)	
Low carbon.....net ton.....	1		
High carbon (0.40 carbon and higher):			
Under 0.021 inch.....pounds.....	500		
From 0.021 inch to 0.0475 inch.....pounds.....	1,000		
0.0475 inch and heavier.....net ton.....	1		
Nails—bright steel wire, steel cut, galvanized, cement-coated, and painted.....net tons.....	5		
Spikes and brads—steel wire, galvanized, and cement-coated.....net tons.....	5		
Staples, bright and galvanized (farm and poultry).....net tons.....	5		
Wire rope and strand.....	(3)		
Welded wire mesh.....	(3)		
Woven wire netting.....net tons.....	5		
Barbed and twisted wire.....net tons.....	5		
Wire fence, woven and welded (farm and poultry).....net tons.....	5		
Bale ties.....net tons.....	5		
Coiled automatic baler wire.....net tons.....	5		
Tool steel (including die blocks and tool steel forgings).....pounds.....	500	500	
Other mill forms and products:			
Ingot.....net tons.....	25	(3)	
Billets, projectile and shell quality.....	(3)	(3)	
Blooms, slabs, other billets, tube rounds, sheet bars.....net tons.....	25	(3)	
Skelp.....net tons.....	25	(3)	
Wire rod.....net tons.....	5	5	
Rails and track accessories.....	(3)	(3)	
Wheels, rolled or forged (railroad).....	(3)	(3)	
Axles (railroad).....	(3)	(3)	
Castings (not including cast iron).....	(3)	(3)	
Copper and copper-base alloy brass mill products:			
Copper (unalloyed):			
Bar, rod, shapes, wire (except electrical wire).....			500
Sheet, strip, plate, rolls.....			500
Pipe, tubing (seamless).....			500
Copper-base alloy:			
Bar, rod, wire, shapes.....			200
Sheet, strip, plate, rolls, military ammunition cups and discs.....			200
Pipe, tubing (seamless).....			200
Copper wire mill products:			(3)
Aluminum:			
Rolled bar, rod, wire (including drawn wire), structural shapes.....			(3)
Aluminum cable steel reinforced (ACSR) and bare aluminum cable.....			(3)
Insulated or covered wire or cable.....			(3)
Extruded bar, rod, shapes, tubing (including drawn or welded tubing).....			(3)
Sheet, strip, plate.....			(3)
Pig or ingot, granular or shot.....			(3)

¹ See definitions contained in footnotes to Schedule I of this regulation.
² All stainless steel products are by negotiation. If no acceptable arrangements are worked out, NPA should be notified.
³ By negotiation between mill and its customer. If no acceptable arrangements are worked out, NPA should be notified.
⁴ Published carload minimum (mixed sizes and grades).
⁵ Quantity refers to any assortment of wire merchant trade products.
⁶ For forging quality, product of one heat.
⁷ Product of one heat.
⁸ Standard package quantities as published by each mill.
⁹ Standard minimum quantities as published by each mill, after approval by NPA.

(b) Construction under the Controlled Materials Plan is provided for in Revised CMP Regulation No. 6 and in NPA Orders M-46, M-46A, M-46B, M-50, and M-77, and in the directions thereto, which apply to the commencement and continuance of construction regardless of the relation of the particular construction project to the defense program. In other words, each owner of and contractor for any construction project, with respect to construction prior to the third calendar quarter of 1953, derives his authority to commence and continue construction of that project from one or more of the regulations and orders specified above.

(c) Construction under the Defense Materials System includes only, and this regulation applies only to, construction projects in the following categories: (1) Construction projects of or for the account of the Department of Defense or the Atomic Energy Commission pursuant to a program designated by one of the program identification symbols A, B, C, or E; and (2) construction projects specifically authorized by an Allotting Agency pursuant to a program designated by one of the program identification symbols A, B, C, D, or E.

(d) Accordingly, this regulation does not apply to construction projects not included in one of the two categories referred to in paragraph (c) of this section, and any construction project not so included may (subject to the provisions of any other applicable order or regulation of NPA) be undertaken and may proceed without regard to the provisions of this regulation.

(e) Manufacturers of Class A products for use in construction, who receive authorized production schedules and allotments under this regulation, must comply with all applicable provisions of DMS Regulation No. 1.

(f) This regulation explains how owners of and contractors for construction projects included in the two categories referred to in paragraph (c) of this section obtain delivery, after the second calendar quarter of 1953, of materials and products for the construction of such projects. The provisions of Revised CMP Regulation No. 6 and of NPA Orders M-46, M-46A, M-46B, M-50, and M-77 relate to construction under the Controlled Materials Plan prior to the third calendar quarter of 1953. Direction 11 to Revised CMP Regulation No. 6, issued concurrently with this regulation, explains the status, for the third calendar quarter of 1953 and succeeding calendar quarters, of unused allotment and rating authority issued, and of outstanding orders placed, under Revised CMP Regulation No. 6 and the directions thereto, and under NPA Orders M-46, M-46A, M-46B, M-50, and M-77, and the directions thereto.

SEC. 2. When this regulation becomes effective. The procedures provided for in this regulation are applicable to orders for products and materials which call for delivery only after the second calendar quarter of 1953, and to all actions taken in connection therewith.

SEC. 3. Definitions. As used in this regulation and in any other DMS regulation (unless otherwise indicated)

(a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States Government or of any other government.

(b) "NPA" means the National Production Authority.

(c) "Controlled material" means domestic and imported steel, copper, and aluminum, in the forms and shapes indicated in Schedule I of DMS Regulation No. 1, whether new, remelted, rerolled, or redrawn.

(d) "Claimant Agency" means the Department of Defense or the Atomic Energy Commission; and "Allotting Agency" means the Department of Defense, the Atomic Energy Commission, NPA, or any other Government agency or subdivision thereof designated as such by the Office of Defense Mobilization.

(e) "Allotment" means (1) an authorization by the Office of Defense Mobilization of the amount of controlled materials which may be received and/or allotted by a Claimant Agency during a specified period; or (2) an authorization by a Claimant Agency of the amount of controlled materials which may be received and/or allotted by an Allotting Agency or by an owner during a specified period; or (3) an authorization by an Allotting Agency of the amount of controlled materials which may be received and/or allotted by an owner during a specified period; or (4) an authorization by an owner, contractor, or a producer of Class A products, of the amount of controlled materials which may be received and/or allotted by one of his contractors or suppliers of Class A products during a specified period.

(f) "Class A product" means any product which is not a Class B product (as defined in paragraph (g) of this section) and which contains any controlled material, fabricated or assembled beyond the forms and shapes specified in Schedule I of DMS Regulation No. 1, other than any controlled material which may be contained in Class B products incorporated in it.

(g) "Class B product" means any product designated as such in the "Official Class B Product List" issued by NPA, as the same may be modified from time to time, and which contains any controlled material other than any controlled material which may be contained in other Class B products incorporated in it.

(h) "Authorized program" means a program specifically approved by the Office of Defense Mobilization.

(i) "Production schedule" means a statement of the amounts of an item or class of items to be produced by an individual producer of Class A products in specified periods of time.

(j) "Authorized production schedule" means a production schedule for Class A products specifically approved by an Allotting Agency, owner, contractor, or other person with respect to a producer of Class A products.

(k) "Delivery order" means any purchase order, contract, shipping or other instruction calling for delivery of any material or product on a particular date or dates or within specified periods of time.

(l) "Authorized controlled material order" means any delivery order for any controlled material (as distinct from a product containing controlled material) which is placed pursuant to an allotment as provided in section 9 of this regulation, or which is specifically designated to be such an order by any regulation or order of NPA.

(m) "Rated order" means any delivery order for any product or material other than controlled material bearing an authorized rating and the certification required by this regulation, NPA Reg. 2, or any other applicable regulation or order of NPA.

(n) "Manufacturer of a Class B product" means a person who performs the manufacturing operations which result in the production of a Class B product pursuant to a rated order for such product.

(o) "Authorized construction schedule" means a construction schedule specifically approved by an Allotting Agency pursuant to this regulation with respect to an owner, or specifically approved pursuant to this regulation by an owner or a contractor with respect to a prime contractor or a subcontractor.

(p) "Construction" means the erection of any building, structure, or project, or addition or extension thereto, or alteration thereof, through the incorporation-in-place on the site of materials which are to be an integral and permanent part of the building, structure, or project, but it does not include maintenance and repair.

(q) "Contractor" means the person who does the actual construction of any building, structure, or project. A person who performs such work by virtue of an agreement directly with the owner is a prime contractor. A person who does such work as the result of an agreement with a prime contractor or a subcontractor is a subcontractor.

(r) "Owner" means the person who owns the building, structure, or project being constructed, or who will own it upon its completion. If a Claimant Agency will have title to a completed project, then the person under a direct contract with that Claimant Agency covering construction of that particular project shall also be considered the owner for the purposes of this regulation.

(s) "Project" means a construction plan contemplated for execution, irrespective of the time when it is to be carried into effect in full or in part, involving all or portions of a single building or structure, or involving two or more buildings or structures, or portions thereof, which are physically contiguous, or are parts of an integrated design or plan, so that each is an element of a single operation. In addition, a project also means a type of construction which is not a building or structure, but which requires a construction operation for its completion, such as a freight yard or airport runway.

(t) "Maintenance" means the minimum upkeep necessary to continue any plant, facility or equipment in sound working condition. "Repair" means, with respect to any person, the restoration of any plant, facility, or equipment to sound working condition when it has been rendered unsafe or unfit for service by wear and tear, damage, failure of parts, or the like, where such repair is not capitalized according to his established accounting practice. Neither "maintenance" nor "repair" includes the replacement of any plant, facility, or equipment; nor does it include the improvement of any plant, facility, or equipment by replacing material which is still in sound working condition with material of a new or different kind, quality or design.

(u) "Operating supplies" means any kind of material carried by a person as operating supplies according to his established accounting practice. It includes expendable tools, jigs, dies, and fixtures used on production equipment, regardless of the accounting practice of the person. It also includes items, such as hand tools, purchased by an employer for sale to his employees solely for use in his business if such items would have constituted operating supplies had they been issued to employees without charge.

SEC. 4. General construction and production schedule and allotment procedure. (a) Each Allotting Agency shall authorize construction schedules pursuant to authorized programs bearing the program identification A, B, C, D, or E, for owners constructing projects coming within its jurisdiction. Each owner who has an authorized construction schedule pursuant to this regulation shall, pursuant thereto, authorize construction schedules for his contractors, with respect to the specific construction project, or authorize production schedules for persons producing Class A products to be used in the construction project. Each contractor who has received an authorized construction schedule pursuant to this regulation shall, pursuant thereto, authorize construction schedules for his subcontractors, or authorize production schedules for persons producing Class A products to be used by him in the construction project. Each producer of Class A products who has received an authorized production schedule pursuant to this regulation shall, pursuant thereto, authorize production schedules for persons producing Class A products for him to fulfill his related authorized production schedule.

(b) Each Allotting Agency shall make allotments to owners of construction projects for which it has authorized construction schedules pursuant to this regulation, to enable the completion of such schedules, pursuant to allotments which the Allotting Agency has received. Each owner who has received an allotment pursuant to this regulation shall, pursuant thereto, make allotments to his contractors and to persons producing Class A products for him to be used in the construction project, to fulfill related authorized construction or production schedules. Each contractor who has received an allotment pursuant to this reg-

ulation shall, pursuant thereto, make allotments to his subcontractors and to persons producing Class A products for him for use in the specific construction project, to fulfill related authorized construction or production schedules. Each producer of Class A products who has received an allotment pursuant to this regulation shall, pursuant thereto, make allotments to persons producing Class A products for him for use in the specific construction project to fulfill related authorized production schedules.

SEC. 5. Use of allotment and rating authority. (a) Each person who has received an authorized construction or production schedule pursuant to this regulation must, to fulfill his authorized schedule or to replace in inventory products and materials used in the fulfillment of such schedule, acquire controlled materials by use of the related allotment, and acquire products and materials (other than controlled materials) by use of the related DO rating. If such a person has received an allotment and obtains controlled materials or Class A products without placing an authorized controlled material order or making an allotment, he must charge such controlled material or the controlled materials contained in such Class A products against his allotment.

(b) Nothing in this regulation shall be interpreted to prohibit the construction, by a person who has received an authorized construction schedule, of a project other than, or in addition to, the project or projects for the construction of which he has received an authorized construction schedule or schedules: *Provided, however* That such additional construction shall not be accomplished by use of allotment or rating authority.

(c) Nothing in this regulation shall be interpreted to prohibit the construction of any project by a person who has not received an authorized construction schedule: *Provided, however* That such construction shall not be accomplished by use of allotment or rating authority.

SEC. 6. Statements of requirements. (a) The basis for an allotment shall be the actual requirements for controlled materials in connection with the fulfillment of an authorized construction schedule or production schedule. A statement of requirements is to be furnished only when requested. Such statement is ordinarily submitted as an application for allotment.

(b) An application for allotment includes only (1) the quantities of controlled materials required by the owner for the construction project (including the controlled material requirements of any Class A and Class B components or subassemblies which he makes himself for incorporation into the project) and (2) the quantities of controlled materials required by his contractors, and by persons supplying Class A products for incorporation into the project. The provisions of section 16 of this regulation set forth the permissible uses of controlled materials obtained pursuant to allotment.

SEC. 7. Applications for authorized schedules and allotments. (a) Construction schedules shall be authorized,

and related allotments made, on the basis of information furnished by application on Form DMS-4C; or on such other form as may be prescribed.

(b) Production schedules for persons producing Class A products required for fulfillment of construction schedules authorized pursuant to this regulation shall be authorized, and related allotments made, on the basis of information furnished by application on Form DMS-4A, or on such other form as may be prescribed.

(c) No person shall approve any application for a construction or production schedule under this regulation, or make any allotment hereunder, unless the applicant is the owner of, or a contractor, or a supplier of Class A products for, (1) a construction project of, or for the account of, the Department of Defense or the Atomic Energy Commission pursuant to a program designated by one of the program identification symbols A, B, C, or E; or (2) a construction project specifically authorized by an Allotting Agency pursuant to a program designated by one of the program identification symbols A, B, C, D, or E.

SEC. 8. How schedules are authorized.

(a) A construction schedule for each owner, pursuant to an authorized program, will be authorized by the appropriate Allotting Agency on such form as may be prescribed.

(b) A construction schedule for each contractor performing services for the construction project shall be authorized on such form as may be prescribed, by the owner or contractor for whom the service is to be performed pursuant to an authorized construction schedule.

(c) A production schedule for each producer of Class A products required for completion of the construction project shall be authorized, on such form as may be prescribed, by the person for whom the Class A product is to be produced pursuant to an authorized construction schedule.

(d) Any person having two or more authorized construction schedules bearing the same allotment number, or two or more production schedules authorized under this regulation bearing the same allotment number, may authorize, pursuant thereto, a single production schedule for a person who is to produce Class A products for him.

(e) Any person receiving allotments from two or more persons shall obtain separate authorized construction or production schedules from each.

(f) Except where otherwise specifically provided by NPA, no person shall authorize a construction or production schedule pursuant to this regulation unless, at the same time, he makes an allotment as provided in section 9 of this regulation; and no person shall make an allotment pursuant to this regulation unless, at the same time, he authorizes a related construction or production schedule as provided in this section.

(g) When a construction or production schedule is authorized pursuant to this regulation and a related allotment is made, a DO rating bearing the appropriate program identification consisting

of a letter and one digit shall be assigned or applied to such schedule by the person authorizing the construction or production schedule, for use in accordance with the provisions of this regulation and of NPA Reg. 2.

(h) If inability to obtain maintenance, repair, or operating supplies would result in failure to fulfill an authorized construction schedule by an owner or contractor, he may, by self-authorization and without filing any application, use the allotment number D-9 and the rating DO-D-9 in obtaining products and materials required for such maintenance, repair, or operating supplies. In placing authorized controlled material orders, he shall indicate thereon the allotment number D-9 and the calendar quarter in which delivery of the controlled materials is required. Even though he receives no allotment for maintenance, repair, or operating supplies, he may nevertheless authorize a production schedule and make an allotment to a person manufacturing Class A products for him in the manner prescribed by this regulation. Such allotments shall bear the allotment number D-9, and shall show the calendar quarter in which delivery of the controlled materials is required by his Class A product supplier. In placing rated orders, he shall use the rating DO-D-9 in accordance with the provisions of this regulation and of NPA Reg. 2. In no event shall an owner or contractor use the allotment number D-9 or the rating DO-D-9 to acquire products or materials in a greater amount or on an earlier date than required to provide the maintenance, repair, or operating supplies necessary to enable him to fulfill his authorized construction schedule.

Sec. 9. How allotments are made. (a) Each Allotting Agency or other person authorizing a construction or production schedule as provided for in this regulation shall concurrently make a related allotment, pursuant to allotments which it has received, to the person whose construction or production schedule has been authorized, on such form as may be prescribed.

(b) The allotment shall specify the quantities and the kinds of controlled materials needed for delivery in specified calendar quarters to complete the related authorized construction or production schedule. Allotments shall be made in terms of (1) carbon steel (including wrought iron) (2) alloy steel (except stainless steel) (3) nickel-bearing stainless steel, (4) copper and copper-base alloy brass mill products, (5) copper wire mill products, (6) copper and copper-base alloy foundry products and powder, and (7) aluminum, in each case without further breakdown.

(c) The allotment shall be identified by an allotment number as provided in section 10 of this regulation.

(d) Advance allotments by Allotting Agencies to owners may be made within such limits as may be specified by the Office of Defense Mobilization. Owners receiving such advance allotments shall, in turn, make advance allotments to their contractors or Class A product producers, who shall make advance al-

lotments, in the same manner as in the case of regular allotments; but no person shall make any allotment before receiving his own allotment.

(e) An Allotting Agency or other person may make allotments only in the same kinds of controlled materials in which it has received its allotment.

Sec. 10. Designation and use of allotment numbers. (a) Allotments shall be identified by an allotment number consisting of a program identification bearing the letter A, B, C, D, or E, and one digit, designating the authorized program of the appropriate Allotting Agency, or such other appropriate program identification specified by this regulation or any other regulation or order of NPA.

(b) Authorized controlled material orders shall show the related allotment number and the calendar quarter for which the allotment is valid. For example, a delivery order for controlled materials placed pursuant to an allotment identified by allotment number C-2 which is valid for the fourth quarter of 1953 shall be designated as follows: C-2-4Q53. The date or dates on which delivery is required must also be specified on such delivery order.

Sec. 11. Designation and use of ratings. (a) DO ratings shall be identified by the prefix DO followed by a program identification bearing the letter A, B, C, D, or E, and one digit, designating the authorized program of the appropriate Allotting Agency, or such other appropriate program identification specified by this regulation or any other regulation or order of NPA.

(b) Delivery orders for products and materials other than controlled materials shall show the DO rating authorized; for example, DO-C-2. The date or dates on which delivery is required must also be specified on such delivery orders. Such date or dates, in the case of delivery orders to fulfill a production schedule authorized pursuant to this regulation for Class A products, need not be during the calendar quarter for which such production schedule is authorized and for which the related allotment is valid.

(c) An owner or contractor who has received a DO rating for an authorized construction schedule, as provided in paragraph (g) of section 8 of this regulation, may use such rating with the related allotment number on delivery orders for the following purposes only: (1) To acquire products and materials other than controlled materials in the minimum practicable amounts required, and on a date or dates no earlier than required, to fulfill such schedule; (2) to replace in his inventory products and materials other than controlled materials used to fulfill such schedule; (3) to acquire production machinery and production equipment necessary for the operation of the completed construction project covered by such schedule; and (4) such other purpose or purposes as may be expressly authorized by an Allotting Agency.

(d) To the extent consistent with this regulation, all the provisions of NPA Reg. 2 shall apply to delivery orders for

products and materials other than controlled materials. However, in lieu of the certification prescribed in NPA Reg. 2 for rated orders, the following certification may be used:

Certified under DMS Regulation No. 2

This certification accompanying a rated order shall be deemed to be, and shall have the same force and effect as, a certification under NPA Reg. 2. A producer of Class A products who has received a DO rating for an authorized production schedule as provided in paragraph (g) of section 8 shall use such rating in accordance with the provisions of DMS Regulation No. 1.

Sec. 12. Allotments by owners, contractors, and producers of Class A products. (a) Each person receiving an allotment may use that portion of the allotment which he requires to obtain controlled materials, as such, for his authorized construction or production schedule, and shall allot from the remainder to his contractors, or to persons producing Class A products for him, sufficient quantities to cover their requirements for controlled materials for related authorized construction or production schedules. A person producing Class A products for two or more owners or contractors shall obtain separate allotments from each.

(b) No person shall make any allotment in an amount which exceeds the related allotment received by him, after deducting all other allotments made by him and all orders for controlled materials placed by him pursuant to his related allotment.

(c) No person shall make any allotment in excess of the amount required, to the best of his knowledge and belief, to fulfill the related authorized construction or production schedule of the person to whom the allotment is made (including the schedules of any persons supplying the latter).

(d) Except where otherwise specifically provided by NPA, no person shall make, and no person shall accept, any allotment for the production of Class B products. Controlled materials required for the production of Class B products to fill rated orders shall be obtained in accordance with the self-authorization provisions of section 9 of DMS Regulation No. 1.

(e) An allotment may be made on such form (including Form DMS-5 set forth in Schedule II of DMS Regulation No. 1) as may be prescribed for the purpose. Allotments may be made by telegraphing or telephoning the information required by the appropriate form and confirming the same with such form within 15 days thereafter.

Sec. 13. How to cancel or reduce allotments. A person who has made an allotment may cancel or reduce the same by notice in writing to the person to whom it was made. A person who has received an allotment may cancel or reduce the same by making an appropriate notation thereon and notifying the person from whom he received it. In either case, if an allotment received by a person is cancelled, he must cancel all allotments which he has made, and all authorized

controlled material orders which he has placed, on the basis of the allotment; and, if an allotment received by a person is reduced, he must cancel or reduce allotments which he has made, or authorized controlled material orders which he has placed, to the extent that the same exceed the allotment as reduced. If and to the extent that cancellation or reduction is impracticable, he may receive, use, or dispose of controlled materials or Class A products which he gets with such allotment in the manner provided in section 16 of this regulation.

SEC. 14. Transfer of allotments. No person, except an Allotting Agency, shall transfer or assign any allotment made pursuant to this regulation (as distinct from making an allotment) without the written approval of the Allotting Agency which authorized the construction schedule.

SEC. 15. Alternative procedure for simultaneous allotments. A person who has received an authorized construction schedule and a related allotment of controlled materials, and who, in connection with such construction project, has two or more contractors, or two or more persons producing for him Class A products which are to be used in the construction project, and who are in different degrees of remoteness, may, at his option, authorize individual construction and/or production schedules and may make simultaneous direct allotments to all such persons of all degrees of remoteness. The person who is to make the allotment under this alternative procedure may request each such person of all degrees of remoteness to furnish him directly with information regarding such person's requirements of controlled materials, and each such person shall comply with such request. If this procedure is followed, each such person shall include in the information he furnishes to the person requesting the same only his own requirements for controlled materials and not those of his suppliers. In no event shall a person who uses this alternative procedure make an allotment of more controlled materials than he has received. All the provisions of this regulation regarding authorized construction schedules, authorized production schedules, and allotments, shall apply to the alternative procedure for simultaneous allotments, except as specifically provided in this section.

SEC. 16. Restrictions on placing authorized controlled material orders and on use of allotments and materials. (a) In no event shall any person placing an authorized controlled material order request delivery of any controlled material in a greater amount or on an earlier date than required to fill his authorized construction or production schedule, as the case may be. If the quantity of any controlled material required by any person to fill his authorized construction or production schedule is less than the minimum mill quantity specified in Schedule IV of DMS Regulation No. 1, and is not procurable from a distributor, he may

place an authorized controlled material order for and accept delivery of the full minimum shown in such schedule.

(b) No person shall use an allotment, or any controlled material or Class A product obtained pursuant to an allotment, for any purpose except (1) to fill the related authorized construction or production schedule, or (2) to fill any of his other authorized construction or production schedules which bear the same allotment number, or (3) to replace in inventory controlled materials or Class A products used to fill any of such authorized construction or production schedules, or (4) for such other purpose as may be expressly authorized by an Allotting Agency. Where an allotment made for one schedule is used in filling another schedule as provided in this paragraph, no charge need be made against the allotment account of the second schedule, but an appropriate record must be made, on the allotment accounts or otherwise, describing the circumstances.

(c) Controlled materials or Class A products which may be obtained by any owner, contractor, or producer of Class A products, to fill an authorized construction or production schedule pursuant to this regulation, include such controlled materials or Class A products which will be physically incorporated into the construction project. They also include the portion of such controlled materials and Class A products normally consumed or converted into scrap in the course of processing, and controlled materials and Class A products used for packaging or containers required to make delivery. However, they do not include controlled materials or Class A products for maintenance, repair, or operating supplies.

(d) If the needs of any person for a controlled material or Class A product are reduced before he has ordered them, he must return the excess allotment as provided in section 17 of this regulation unless he uses the allotment for the purposes permitted by paragraph (b) of this section. If he has already placed authorized controlled material orders or rated orders for Class A products in excess of his reduced requirements, he must notify his supplier that the allotment number or DO rating, as the case may be, is cancelled with respect to such excess. If such cancellation is impracticable, he may accept delivery of the controlled materials and Class A products, in which case his use of them is covered by paragraph (e) of this section.

(e) Unless otherwise provided by NPA, if it develops after a person has received delivery of controlled materials or Class A products pursuant to an allotment that he cannot use them for a purpose permitted under this section, he may use or dispose of them subject to restrictions of other regulations or orders of NPA.

(f) If, before using or disposing of controlled materials or Class A products obtained pursuant to allotment in a way permitted by this section, a person receives instructions from an Allotting

Agency as to disposition or use of the same, he must comply with such instructions.

(g) No person need segregate inventories of controlled materials or Class A products which he obtained by use of his allotments, even though different allotment numbers are used in ordering them, nor does he have to earmark them for a particular schedule. Although each person must charge the appropriate allotment account when placing an authorized controlled material order or making an allotment, he may keep all controlled materials and Class A products received in a common inventory. A person who is operating under two or more authorized construction or production schedules need not maintain separate records of the construction or production obtained from the allotment received for each schedule if the records which he normally keeps show that his use of material for his respective schedules is substantially proportionate to the amounts of material allotted for each.

SEC. 17. Adjustments for changes in requirements. (a) If a person's requirements for controlled materials or Class A products needed to fulfill an authorized construction or production schedule are increased after he receives his allotment, he may apply for an additional allotment to the person who made the allotment for that schedule.

(b) If a person finds that he has been allotted substantially more than he needs, he must return the excess. As of the first of each month, each person must check up on his anticipated requirements for the quarter and determine whether he has been allotted more than he anticipates he needs. If he has, he must return the excess by the tenth of the month. He need not take a physical inventory for this purpose, but must check up on the effect of known changes in his requirements or errors which he has discovered in his statement of requirements. As of the end of each quarter, he must determine whether he has used his entire allotment for that quarter by placing authorized controlled material orders or making allotments to his contractors or suppliers, and, if he has any excess, he must return it by the tenth day after the close of the quarter.

(c) The return of an unneeded allotment must be made to the person from whom the allotment was received on such form as may be prescribed. If it is impracticable to obtain the prescribed form, the return may be made by letter setting forth the facts.

(d) In those cases where it is impracticable for a person to return an allotment to the person from whom he received it, he may make the return directly to the appropriate Allotting Agency.

SEC. 18. How to place orders with controlled materials producers and distributors. (a) A delivery order placed with a controlled materials producer or a controlled materials distributor for controlled materials shall be deemed an au-

thorized controlled material order only if (1) it contains an allotment number and the calendar quarter for which the allotment is valid, as provided in section 10 of this regulation, and complies with the provisions of this section, or (2) it is specifically designated as an authorized controlled material order by any regulation or order of NPA.

(b) A person who has received an allotment pursuant to this regulation may place an authorized controlled material order with any controlled materials supplier unless otherwise specifically directed. An allotment to an owner may include an instruction to place delivery orders for controlled materials with one or more designated controlled materials suppliers. In such event, the owner shall use the allotment only to obtain controlled materials from the designated controlled materials supplier or suppliers or to make allotments to his contractors, or to persons producing Class A products for him, designating therein only suppliers named in the allotment received by him. Except as required by the allotment which he has received or other specific instruction from an Allotting Agency, no person shall impose any such restriction in any allotment made by him.

(c) Except where otherwise specifically provided by NPA, every authorized controlled material order must contain a certification in addition to specifying the allotment number, the calendar quarter for which the allotment is valid, and the delivery date or dates. Unless another form of certification is specifically prescribed by an applicable order or regulation of NPA, such certification shall be in the following form:

Certified under DMS Regulation No. 2

and shall be signed as provided in NPA Reg. 2. This certification shall constitute a representation that, subject to the criminal penalties provided for in applicable United States statutes, (1) the purchaser has received an allotment of controlled material authorizing him, in accordance with the provisions of this regulation, to place such order, and that the amount ordered is within the related allotment received by him, after he has deducted from such allotment all allotments made by him to contractors or Class A product producers, and all other orders for controlled material placed by him and accepted by suppliers pursuant to the same allotment, or (2) the purchaser is expressly authorized by NPA, or by any regulation or order of NPA, to place such order.

(d) An authorized controlled material order must be in sufficient detail to permit entry on mill schedules and must be received by the controlled materials producer at such time in advance as is specified in Schedule III of DMS Regulation No. 1, or at such later time as the controlled materials producer may find it practicable to accept the same.

(e) No person shall place an authorized controlled material order unless the amount of controlled material ordered is within the related allotment received by him, after deducting all allotments

made by him and all orders for controlled material placed by him pursuant to the same allotment, or unless he is expressly authorized to place such an order by any applicable regulation or order of NPA.

(f) A delivery order for controlled materials pursuant to a directive issued by NPA shall take precedence over any other delivery order (including an authorized controlled material order) previously or subsequently received, unless a contrary instruction appears in the directive. All authorized controlled material orders shall have equal preferential status, and shall take precedence over other orders for controlled materials to the extent provided in DMS Regulation No. 1, and in NPA Order M-1A (steel) NPA Order M-5A (aluminum) and NPA Order M-11A (copper) and the directions thereto, or in any other applicable regulation or order of NPA.

(g) A delivery order for controlled materials not covered by an allotment shall not be combined with an authorized controlled material order. However, if the total of such orders is less than the minimum mill quantity specified in Schedule IV of DMS Regulation No. 1 and is not procurable from a controlled materials distributor, then a combined order may be placed for such minimum mill quantity. Where such orders are combined, the portion covered by allotment must be specifically identified by the appropriate allotment number, and such delivery order must contain the certification provided in paragraph (c) of this section. Authorized controlled material orders identified by different allotment numbers may be combined if the portion covered by each allotment number is specifically identified by the appropriate allotment number, and such delivery order must contain the certification provided in paragraph (c) of this section.

SEC. 19. Applicability of other regulations and orders. Nothing in this regulation shall be construed to relieve any person from complying with all other applicable regulations and orders of NPA. In case compliance by any person with the provisions of any such regulation or order would prevent fulfillment of an authorized construction or production schedule, he shall immediately report the matter to NPA and to the appropriate Allotting Agency. NPA will thereupon take such action as is deemed appropriate, but unless and until otherwise expressly authorized or directed by NPA, such person shall comply with the provisions of such regulation or order.

SEC. 20. Scope of this regulation. This regulation shall apply to construction in the 48 States, the District of Columbia, and in the territories and insular possessions of the United States. However, where construction is being performed by contract with the Department of Defense outside the confines of the area just described, and it is necessary to get materials from the United States or its territories to complete the project, DO ratings and allotments of controlled materials may be issued in accordance with the provisions of this regulation.

SEC. 21. Records and reports. (a) Each person participating in any transaction covered by this regulation shall make and preserve, for at least 2 years thereafter, accurate and complete records of receipts, deliveries, inventories, production, and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this regulation. This regulation does not specify any particular accounting method and does not require alteration of the system of records customarily used, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals by those persons who, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(b) Except as otherwise specifically provided, records of allotments received and made shall be kept separately by allotment numbers and shall include separate entries under each allotment number for each person from whom allotments are received, and for each supplier to whom such allotments are made, and shall include procurement pursuant to all allotments, and the subdivision of all allotments among contractors and suppliers of Class A products.

(c) All records required by this regulation shall be made available for inspection and audit by duly authorized representatives of NPA, or Allotting Agencies authorized by NPA, at the usual place of business where maintained.

(d) Persons subject to this regulation shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139-139F).

SEC. 22. Requests for adjustment or exception. Any person subject to any provision of this regulation may file a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. The filing of a request for adjustment or exception shall not relieve any person of his obligation to comply with any such provision. In examining requests for adjustment or exception claiming that the public interest is prejudiced by the application of any provision of this regulation, consideration will be given to the requirements of public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each request shall be in writing, by letter in triplicate, shall set forth all pertinent facts and the nature of the relief sought, and shall state the justification therefor.

SEC. 23. Communications. All communications concerning this regulation shall be addressed as follows:

All construction by, or for the account of, the Atomic Energy Commission; industrial construction sponsored by the Atomic Energy Commission; federally owned housing on federally owned property under the control of the Atomic Energy Commission.

Construction by, or for the account of, the Department of Defense; Navy construction, Army construction, Air Force construction, including but not limited to projects of an industrial nature financed by the military departments; housing on military reservations, and all military housing under Public Law 211, 81st Congress (Wherry Act), whether on or off military bases and reservations; military command construction; and construction for the National Advisory Committee for Aeronautics.

Atomic Energy Commission. Appropriate operations offices of the Atomic Energy Commission, Ref: DMS Regulation No. 2.

Department of Defense. Department of the Navy, Bureau of Yards and Docks, B-620, Washington 25, D. C. Army, Air Force, and Associated Agencies of the Department of Defense; Local representative of the military department or associated agency concerned.

specific regulations, orders, or directives of NPA state otherwise.

SEC. 2. Definitions. (a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States or any other government.

(b) "Materials" means any raw, in-process, or manufactured commodity, equipment, component, accessory, part, assembly, or product of any kind.

(c) "NPA" means the National Production Authority.

(d) "Rated order" means any purchase order, contract, or other form of procurement for materials or services bearing an authorized rating and the certification required by this regulation or any other applicable regulation or order of NPA.

(e) "Assignment" of a rating. A rating is assigned when NPA, or a Government agency that it has authorized, grants a person the right to use the rating.

(f) "Application" of a rating. A rating is applied when the person to whom it is assigned uses the rating.

(g) "Extension" of a rating. A rating is extended when it is used by the person to whom it was applied or when it is further used by another person to whom it was extended.

SEC. 3. Ratings authorized. (a) The following ratings are authorized:

(1) *A DO rating.* This rating will be indicated by the prefix DO and an identification of the program which must be furnished a supplier by the person who is using the rating.

(2) *A DX rating.* This rating will be indicated by the prefix DX and an identification of the program. The DX rating will be authorized for use only as an emergency rating, to obtain products and materials in cases of extreme urgency. Except where expressly provided to the contrary in any NPA regulation or order, any provision of any NPA regulation or order applicable to any DO rating shall also be applicable to any DX rating. For example, in the case of an NPA order which provides for a limitation on the acceptance of DO-rated orders by a supplier, a DX-rated order shall be considered, only for the purpose of such limitation, as though it were a DO-rated order.

(b) Rated orders shall have the following preferential status:

(1) All DX-rated orders will have equal preferential status. Any DX rated order shall take priority over any unrated or DO-rated order.

(2) All DO-rated orders will have equal preferential status. Any DO-rated order shall take priority over any unrated order.

(c) A rating shall have no effect on deliveries on orders calling for delivery of "controlled materials" as defined in CMP regulations or DMS regulations.

SEC. 4. When ratings may be assigned or applied. (a) A claimant agency, or other person designated by NPA, may be authorized by NPA to assign or apply a rating. However, no authorization to assign or apply ratings, whether by delegation, regulation, or otherwise,

In section 3, paragraph (a) (1) the reference to B5 as a suffix is omitted. In the same section, paragraph (c) is amended and paragraph (d) is deleted. Minor changes are made in section 8, paragraph (a) and in section 9, paragraph (d). A new sentence is inserted at the end of section 12, paragraph (a). In section 14, paragraph (d) is deleted, and paragraphs (e) and (f) are redesignated (d) and (e) respectively. A new section 26 is inserted and former section 26 is redesignated section 27. An additional item is added to paragraph 1 of List A.

REGULATORY PROVISIONS

Sec.

1. What this regulation does.
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6. Additional restrictions upon the use of ratings for certain materials.
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AUTHORITY: Sections 1 to 27 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp., secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8769; 3 CFR, 1951 Supp.

SECTION 1. What this regulation does. This regulation states the basic rules of the priorities system to be administered by the National Production Authority. It states what kind of orders are rated orders, how to place them, and the preference status of such orders. These rules apply to all business transactions within the jurisdiction of NPA unless more

SEC. 24. False statements. The furnishing of false information or the concealment of any material fact in the course of operation under this regulation constitutes a violation of this regulation.

SEC. 25. Violations. Violation of any provision of this regulation may subject any person committing or participating in such violation to administrative action to suspend his privilege of making or receiving further deliveries of materials, or using materials or facilities under priority or allocation control and to deprive him of further priority and allocation assistance. In addition to such administrative action, an injunction and order may be obtained prohibiting any such violation and enforcing compliance with the provisions hereof. Any person who wilfully violates any provision of this regulation, or who wilfully furnishes false information or conceals any material fact in the course of operation under this regulation, is guilty of a crime and upon conviction may be punished by fine or imprisonment or both.

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This regulation shall take effect March 23, 1953.

NATIONAL PRODUCTION AUTHORITY,

By GEORGE W. AUXIER,
Executive Secretary.

[F. R. Doc. 53-2597; Filed, Mar. 23, 1953; 3:44 p. m.]

[NPA Reg. 2, as Amended March 23, 1953]

REG. 2—BASIC RULES OF THE PRIORITIES SYSTEM

This regulation, as amended, is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this regulation as amended, consultation with industry representatives has been rendered impracticable because this regulation applies to all trades and industries.

EXPLANATORY

This regulation, as amended, affects NPA Reg. 2, as amended November 10, 1952, and as further amended by Amendment 1 of March 11, 1953, as follows: In order to conform with the Defense Materials System regulations and Direction 21 to CMP Regulation No. 1, which will become effective March 23, 1953, the changes in NPA Reg. 2 referred to in this paragraph have been made.

shall include authority to assign or apply a DX rating, unless expressly so stated thereon.

(b) When a regulation, order, or certificate assigns a rating to any person either by naming him or by describing the class of persons to which he belongs, that person may apply the rating to get delivery of materials or the performance of certain services.

(c) No person may place rated orders for more material than he is authorized to rate even though he intends to cancel some of the orders or reduce the quantity of material ordered to the authorized amount before it is all delivered.

Sec. 5. When ratings may be extended for material. (a) When a person has received a rated order for the delivery of material, he may extend the rating to get the material which he will deliver on that order, or which will be physically incorporated in the material which he will deliver, including containers and packaging materials required to make the delivery, and including also chemicals directly used in the production of the material. If the material is to be processed, this includes the portion of it which would normally be consumed or converted into scrap or byproducts in the course of processing. However, he may not extend such a rating to get material for plant improvement, expansion, or construction, or to get machine tools or other items which he will carry as capital equipment, or to get maintenance, repair, or operating supplies.

(b) If a person has made delivery of material or has incorporated it into the material which he has delivered on a rated order, he may extend the rating to replace it in his inventory subject to the inventory provisions of any NPA regulation or order. Any material ordered with a rating as replacement in inventory must be substantially the same as the material which the person delivered or incorporated in the material which he delivered, except for minor variations in size, shape, or design.

Sec. 6. Additional restrictions upon the use of ratings for certain materials. The ratings established by this regulation shall have no effect upon deliveries of any of the items listed or referred to in List A of this regulation. No person shall use ratings to obtain any of such items, and no person selling any such items shall require a rating as a condition of sale. Any rating purporting to be used to obtain any such items on a preferred basis shall be void.

Sec. 7. Use of ratings for services. (a) When a person is entitled to use a rating to get processed material, he may furnish the unprocessed material to a processor and use the same rating to get the material processed.

(b) If NPA specifically authorizes a person to use a rating to get services, he may use it for that purpose.

(c) Except as provided in paragraphs (a) and (b) of this section, no person may use a rating to get services.

(d) A person to whom a rating for services, as distinct from the production or delivery of material, has been applied

or extended may not extend the rating for any purpose.

Sec. 8. How to apply or extend a rating. (a) When a person applies or extends a rating, he must put the prefix DO and an identification of the program supplied to him; for example, DO-A9 or DO-D9, on his purchase order, or on a separate piece of paper attached to the order or clearly identifying it, together with the words "Certified under NPA Reg. 2," signed as prescribed in this section. This certificate constitutes a representation to the supplier and to NPA that the purchaser is authorized under the provisions of this regulation or CMP regulations or DMS regulations to use the rating for the delivery of the materials covered by the purchase order. A certification under any CMP regulation or DMS regulation shall be deemed to be a certification under this regulation.

(b) Certifications on purchase or delivery orders must be signed by the person placing the order or by a responsible individual who is duly authorized to sign for that purpose. The signature must be either by hand or in the form of a rubber stamp or other facsimile reproduction of a handwritten signature. If a facsimile signature is used, the individual who uses it must be duly authorized in writing to use it for this purpose by the person whose signature it is, and a written record of the authorization must be kept.

(c) When a rated order is placed by telegram, the rating identification and certificate must be set out in full in the telegram. It will be sufficient if the file copy of the telegram is signed in the manner required for certification by this regulation.

(d) On rated orders requiring shipment within 7 days, the substance of the certification may be stated verbally or by telephone. However, the following rules must be complied with:

(1) The person making the statement for the buyer must be a person duly authorized to make the certification.

(2) Both the buyer and the seller must promptly make a written record of the fact that the certification was given orally and the record must be signed by the buyer in the same way as a certification.

(e) The person who places a rated order, the individual whose signature is used, and the individual who approves the use of the signature, will each be considered to be making a representation to NPA that the statements contained in the certification are true to the best of his knowledge and belief. The person receiving the certification and any other information required to be included with it, shall be entitled to rely on it as a representation of the buyer unless he knows or has reason to believe that it is false.

(f) No person shall knowingly apply or extend or purport to apply or extend a rating to do so. No person shall apply or extend a rating for material or services after he has received the material or after the services have been performed, and any person who receives such a rating shall not extend it.

Sec. 9. Special provisions applicable to extensions; grouping of orders. (a) No person may extend any rating to replace inventory after the expiration of 3 months from the date of receipt of the order bearing the rating, or 1 month from the date he took from inventory the material being replaced, whichever date is later.

(b) If the purchase requirements for filling a number of rated orders for different items bearing different rating identifications are combined in one purchase order, each applicable rating identification must be placed alongside the related item.

(c) If the purchase requirements for filling a number of rated orders for the same material but bearing different rating identifications are combined in one purchase order, the purchase order must show the amount of such material to which a particular rating identification is extended.

(d) In the case of a manufacturer of common components or shelf items, or of any other person who has a number of DO-rated orders or DO-rated and DX-rated orders, for which he cannot place orders for minimum commercially procurable quantities of materials to fill the rated orders individually, he may place one DO-rated order for all the materials using the rating DO-B5 (formerly DO-Z8). However, the amounts so ordered may not exceed the total amount of the material required for the rated orders so combined. An order placed pursuant to this paragraph may bear a DX rating only if all materials ordered will be used to fill DX-rated orders, in which case the rating DX-B5 shall be used.

Sec. 10. Rules for acceptance and rejection of rated orders. Every order bearing a rating must be accepted and filled regardless of existing contracts and orders except as provided in this section. The "existing contracts and orders" referred to include not only ordinary purchase contracts but other arrangements achieving substantially the same results, though in form they may concern the use of production facilities rather than the material produced.

(a) A person must not accept a DO-rated order for delivery on a date which would interfere with delivery of any rated order which he has already accepted, nor accept a DX-rated order for delivery on a date which would interfere with delivery of any DX-rated order already accepted. However, except as provided in paragraph (c) of this section, or except where a provision of an NPA order or other regulation does not require the acceptance of a DX-rated order (whether expressly or by reason of section 3, paragraph (a) (2) of this regulation) a DX-rated order must be accepted without regard to the effect of such acceptance upon the filling of un-rated or DO-rated orders.

(b) If a person, when receiving a rated order bearing a specific delivery date, does not expect to be able to fill it by the time requested, he must not accept it for delivery at that time. He must either (1) reject the order, stating when he could fill it, or (2) accept it for deliv-

ery on the earliest date he expects to be able to deliver, informing the customer of that date. He may adopt either of these two courses, depending upon his understanding of which his customer would prefer. He may not reject a rated order just because he expects to receive other rated orders in the future.

(c) A supplier does not have to accept a rated order in any of the following cases, but there must be no discrimination in such cases against rated orders or between rated orders of different customers:

(1) If the person seeking to place the order is unwilling or unable to meet regularly established prices and terms of sale or payment. When a person who has a rated order asks a supplier to quote his regularly established prices and terms of sale or payment, the supplier must do so, except that if this would require detailed engineering or accounting work, he may give his best estimate without such work and say that it is not binding. However, the supplier need not quote if he is not required to accept the rated order and advises the person seeking the quotation of the reason for his refusal.

(2) If the order is for the manufacture of a product or the performance of a service of a kind which the person to whom the order is offered has not usually made or performed, and in addition, if either (i) he cannot fill the order without substantially altering or adding to his facilities, or (ii) the order can readily be performed by someone else who has usually accepted and performed such orders.

(3) If an order for material is offered to a person who produces or acquires it for his own use only, and he has not filled any orders for that material within the past 2 years. If he has filled any orders within that period, but the rated order would take more than the excess over his own needs, he may reject the order for any amount over the excess.

(4) If filling the order would stop or interrupt the supplier's operations during the next 60 days in a way which would cause a substantial loss of total production or a substantial delay in operations.

(5) If the acceptance or performance of the order would violate any other regulation or order of NPA in effect at the time such order is received.

(d) A producer need not accept a rated order from another person who produces the same product. A processor need not accept a rated order from another person who performs the same processing service.

(e) Any person who refuses to accept a rated order shall, upon written request of the person placing the order, promptly give his reasons in writing for his refusal.

SEC. 11. Report to NPA of improperly rejected orders. When a rated order is rejected in violation of this regulation, a report of the relevant facts may be filed with the National Production Authority, Washington 25, D. C. Ref: NPA Reg. 2. NPA will take such action as it considers appropriate after receiving an explanation from the person rejecting the order.

SEC. 12. Cancellation of ratings. (a) If a rating which has been used by a person is revoked, he must immediately in the case of each order to which he has applied such rating, inform his supplier that the rating is cancelled and that the order is no longer to be treated as a rated order. However, if in any regulation, order, or direction thereto, NPA invalidates the effectiveness of a rating previously used, he need not so inform his suppliers.

(b) If after placing with a supplier a rated order for any material and prior to delivery of such material the customer finds that he no longer needs such material for the purpose for which he applied the rating, he must immediately inform his supplier in writing that the rating is cancelled and that his order is no longer to be treated as a rated order.

(c) If any person receives notice from his customer or otherwise that the customer's order is no longer a rated order or that the customer's order is cancelled, he must immediately withdraw any extensions of that rating which he has made to any purchase order placed by him.

SEC. 13. Sequence of filling rated orders. (a) Every person who has rated orders on hand must schedule his operations, if possible, so as to fill each rated order by the required delivery or performance date. If this is not possible, he must give precedence as follows:

(1) He must give precedence to any DX-rated order over any unrated or DO-rated order, and he must give precedence to any rated order over any unrated order.

(2) As between conflicting rated orders of otherwise equal preferential status, he must give precedence to the order which was received first with the rating.

(3) As between conflicting rated orders of otherwise equal preferential status received on the same date, he must give precedence to the order which has the earliest required delivery or performance date.

(4) If he has accepted a rated order, he may not schedule delivery on an order of the same or lower preferential status which he later receives, if such scheduling will interfere with scheduled delivery on the rated order previously accepted. However, if both deliveries can be made on schedule, he need not make delivery on the first customer's order ahead of the second.

(b) In the usual case, the date on which specifications on a rated order have been furnished to the manufacturer in sufficient detail to enable him to put the product into production is to be considered the date on which the rated order is received.

(c) If a rated order or a rating applicable to an order is cancelled when the supplier has material in production to fill it, he need not immediately stop processing in order to put other rated orders into production. He may continue to process the material which he had put into production for such order to a stage of completion which will avoid a substantial loss of total production, but he may not incorporate any material which he needs to fill any rated orders

on hand. He may not, however, delay putting other rated orders into production for more than 15 days.

Sec. 14. How changes in customers' orders affect ratings. (a) Except as provided in paragraph (c) of this section, the general rule is that any change in a customer's rated order, when made by the customer, constitutes a cancellation of the rating, if the change will require the manufacturer to interfere with his production. If the change does require such interference, the order shall be deemed to be rated on the date of receipt of notice of the change. For example:

(1) A change in shipping destination does not constitute a cancellation of the rating on the order.

(2) An increase in the total amount of a material ordered pursuant to a rated order shall, if the order for the increased amount is rated, be deemed to be a new order to the extent of the increase, unless the order for such increased amount can be filled with only a negligible interference with the filling of rated orders scheduled prior to receipt of notice of such increase.

(3) A change in the date of delivery, whether advanced or deferred, when made by the customer shall be deemed to be, for the purpose of the rating, an order rated on the date of receipt of notice of such change, if it interferes with production or delays delivery on any other rated order previously scheduled.

(4) A reduction in the total amount ordered will presumably not require a change in the manufacturer's schedule and, if such is the case, the rating on the order will not be affected. If, however, the amount is reduced below a minimum production quantity, the manufacturer may require that the amount for delivery be not less than such minimum production quantity, and if the customer is not willing to agree to that quantity, the manufacturer may consider the order as unrated for all purposes. The manufacturer may not discriminate between customers in requiring delivery of minimum production amounts.

(5) When the customer directs the manufacturer to hold or suspend production without specifying a new delivery date, the rating on such order is cancelled. If requested to do so within 10 days after receipt of such direction, the manufacturer must again treat the order as a rated order and reinstate it as nearly as possible to its former place in his proposed schedule of delivery, as long as the reinstatement does not cause loss of production or delay in the scheduled deliveries of other rated orders. Any request for reinstatement of the rating made after 10 days from the date of receipt of such direction shall be deemed to be a new rating applied to the order on the date of receipt of such request.

(6) Where any minor variation in size, design, capacity, etc., is requested by the customer and can be arranged by the manufacturer without interfering with his production, such change would not have any effect upon the rating.

(7) In any case where a rating has been properly authorized and used on a rated order, a change thereafter in the program identification of such rating approved by, or through the authority of, NPA, does not affect the date on which such order was originally received as a rated order.

(b) If, after acceptance of a rated order, the supplier and customer mutually agree upon a delivery date earlier or later than the delivery date called for in such rated order, the change in delivery date shall not affect the date on which such order was originally received as a rated order, provided that the change in delivery date will not interfere with delivery upon any other rated order accepted by the supplier prior to the time of such change.

(c) The application of a DX rating to an order bearing a DO rating shall not constitute a cancellation of the DO rating but shall give such order the preferential status to which a DX-rated order is entitled under this regulation: *Provided, however* That an order to which a DX rating is applied shall not thereby take precedence over any other DX-rated order previously received.

(d) Where a change in an order has the effect, pursuant to this section, of cancelling a rating and treating the order as being rated on the date of receipt of notice of such change, or on any later date as provided in this section, the conditions existing on such date shall, only so far as the rating is concerned, govern its acceptance and sequence in delivery under the rules of this regulation.

(e) This section affects only a rating on a rated order which has been accepted by the supplier, and nothing in this section shall authorize the cancellation of any rated order.

SEC. 15. Delivery or performance dates. (a) Every rated order must specify delivery or performance on a particular date or dates or during a particular month, which, in no case, may be earlier than required by the person placing the order. Any order which fails to comply with this requirement shall not be treated as a rated order. Except in the case of a DX-rated order, the words "immediately" or "as soon as possible" or other words to that effect do not meet the requirements of this paragraph.

(b) The required delivery or performance date, for purposes of determining the sequence of deliveries or performance pursuant to section 13 of this regulation, shall be the date on which delivery or performance is actually required. The person with whom the rated order is placed may assume that the required delivery or performance date is the date specified in the order or contract unless he knows either (1) that the date so specified was earlier than required at the time the order was placed, or (2) that delivery or performance by the date originally specified is no longer required by reason of any change of circumstances. A delay in the scheduled receipt of any other material which the person placing the order requires prior to or concurrently with the material ordered,

shall be deemed a change of circumstances.

(c) If, after accepting a rated order which specifies the time of delivery, the person with whom it is placed finds that he cannot fill it approximately on time, he must promptly notify the customer, telling him when he expects to be able to fill the order.

(d) Until July 1, 1953, if a person finds that he cannot fill on schedule all DO-rated orders which he has accepted and scheduled for delivery, he must give precedence over any other DO-rated order to any DO-rated order which bears a program identification consisting of the letter A, B, C, or E, followed by a digit, or the program identification Z-2, unless the person who placed such order having such program identification otherwise consents in writing.

SEC. 16. Mandatory orders and directives. Every person shall comply with each mandatory order and directive issued to him by NPA. Mandatory orders and directives issued by NPA take precedence over rated orders previously or subsequently received, unless a contrary instruction appears in the mandatory order or directive.

SEC. 17. Use or disposition of material acquired under this regulation. (a) Any person who gets material with a rating or through a specific authorization or a directive of NPA must, if possible, use or dispose of it (or of the product into which it has been incorporated) for the purpose for which the assistance was given. However, material obtained with any DO rating may be used to fill any DX rated order, or to fill any order which is entitled to precedence under section 15 (d) of this regulation. Physical segregation is not required as long as the restrictions applicable to any specific lot of material or product are observed with respect to an equivalent amount of the same material or product.

(b) The restriction in paragraph (a) of this section does not apply when a material, or a product into which it has been incorporated, can no longer be used for the purpose for which the priority assistance was given; for example, when the assistance was given to fill a particular order and the material or product does not meet the customer's specifications or the contract or order is cancelled. In such cases the rules on further use or disposition in paragraph (c) of this section must be observed.

(c) The holder of a material or product subject to paragraph (b) of this section may sell it as long as he complies with all requirements of other applicable sections of this regulation and of other orders and regulations of NPA, or he may use it himself in any manner or for any purpose as long as he complies with such requirements.

SEC. 18. Delivery for unlawful purposes prohibited. No person shall deliver any material which he knows or has reason to believe will be accepted, redelivered, held, or used in violation of any order or regulation of NPA.

SEC. 19. Intracompany deliveries. The provisions of this regulation apply not only to deliveries to other persons, in-

cluding affiliates, and subsidiaries, but also to deliveries from one branch, division, or section of a single enterprise to another branch, division, or section of the same or any other enterprise under common ownership or control.

SEC. 20. Effect of ratings upon materials subject to inventory restrictions. The inventory restrictions described in all NPA regulations and orders (including CMP Regulation No. 2) apply to all materials subject thereto, including such materials obtained with ratings or other priorities assistance.

SEC. 21. Scope of regulations and orders. (a) All regulations and orders of NPA (including directions, directives, and other instructions) apply to all subsequent transactions even though they are covered by contracts previously entered into. Regulations and orders apply to transactions in the territories or insular possessions of the United States unless the regulation or order specifically states that it is limited to the continental United States or to the 48 States and the District of Columbia. However, restrictions of NPA orders or regulations on the use of material or on the amount of inventory shall not apply when the material is used or the inventory is held directly by the Department of Defense outside the 48 States and the District of Columbia, unless otherwise specifically provided.

(b) All orders and regulations of NPA which control the sale, transfer, or delivery of any material, product, or equipment, apply to sales made by any person, whether for his own account or for the account of others, and all restrictions upon accepting delivery apply to acceptance of delivery at any type of sale, including sales made by auctioneers, receivers, and trustees in bankruptcy, and in other cases where the assets of a business are being liquidated.

SEC. 22. Defense against claims for damages. No person shall be held liable for damages or penalties for any act or failure to act resulting directly or indirectly from compliance with a rule, regulation, or order of NPA (including any direction, directive, or other instruction) notwithstanding that any such rule, regulation, or order shall thereafter be declared by judicial or other competent authority to be invalid.

SEC. 23. Request for adjustment or exception. Any person affected by any provision of this regulation may file a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. The filing of a request for adjustment or exception shall not relieve any person of his obligation to comply with any such provision. In examining requests for adjustment or exception claiming that the public interest is prejudiced by the application of any provision of this regulation, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor

and resulting unemployment that would impair the defense program. Each request shall be in writing, by letter in triplicate, and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

Sec. 24. Records and reports. (a) Each person participating in any transaction covered by this regulation shall make and preserve, for at least 3 years thereafter, accurate and complete records of receipts, deliveries, inventories, production, and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this regulation. This regulation does not specify any particular accounting method and does not require alteration of the system of records customarily used, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals by those persons who, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(b) All records required by this regulation shall be made available for inspection and audit by duly authorized representatives of the National Production Authority at the usual place of business where maintained.

(c) Persons subject to this regulation shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139-139F)

Sec. 25. Communications. All communications concerning this regulation shall be addressed to the National Production Authority Washington 25, D. C., Ref: NPA Reg. 2.

Sec. 26. False statements. The furnishing of false information or the concealment of any material fact in the course of operation under this regulation constitutes a violation of this regulation.

Sec. 27. Violations Violation of any provision of this regulation may subject any person committing or participating in such violation to administrative action to suspend his privilege of making or receiving further deliveries of materials, or using materials or facilities, under priority or allocation control and to deprive him of further priority and allocation assistance. In addition to such administrative action, an injunction and order may be obtained prohibiting any such violation and enforcing compliance with the provisions hereof. Any person who wilfully violates any provision of this regulation or who wilfully furnishes false information or conceals any material fact in the course of operation under this regulation is guilty of a crime and upon conviction may be punished by fine or imprisonment or both.

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

NPA Reg. 2, as amended, shall take effect March 23, 1953.

NATIONAL PRODUCTION
AUTHORITY,
By **GEORGE W AUXIER,**
Executive Secretary.

LIST A OF NPA REG. 2

1. The following items are not presently subject to any ratings issued by or under the authority of NPA and therefore no rating shall be effective to obtain any of them:

Communications services.

Copper raw materials as that term is defined in NPA Order M-16, as the same may hereafter be amended from time to time.

Crushed stone.

Gravel.

Sand.

Scrap.

Slag.

Steam heat, central.

Waste paper.

Water.

Wood pulp.

2. Items with respect to which priority and allocation functions are within the jurisdiction of other Government agencies and therefore subject to regulation by them, are listed or referred to below. Such items are not subject to ratings issued by or under the authority of NPA. However, producers of such items are subject to NPA regulations and orders with respect to other materials used by them.

(a) Solid fuels:¹ All forms of anthracite, bituminous, subbituminous, and lignitic coals, coke, and coal chemicals, except with respect to the distribution of coal chemicals produced as byproducts of coke made from coal which distribution was delegated to NPA by Defense Solid Fuels Administration Delegation 1 of May 2, 1951 (16 F R. 4590).

(b) Gas and gas pipelines:¹ Natural gas, manufactured gas, and pipelines for the movement thereof.

(c) Petroleum and petroleum pipelines:¹ Crude oil, synthetic liquid fuel, their products and associated hydrocarbons, including pipelines for the movement thereof. The priority and allocation functions with respect to certain of such products listed in Petroleum Administration for Defense Delegation 1 of April 18, 1951 (16 F R. 3389) were delegated to NPA.

(d) Electric power:¹ All forms of electric power and energy.

(e) Radioisotopes, stable isotopes, source and fissionable materials.²

(f) Farm equipment:³ Domestic distribution of equipment manufactured for use on farms in connection with the production or processing of food. "Farm equipment" as used in Executive Order 10161 is determined to be only that equipment listed in Appendix A of a Memorandum of Agreement between Production and Marketing Administration (Department of Agriculture) and NPA, bearing dates of June 18 and June 26, 1952 (17

¹ Under jurisdiction of the Department of the Interior—E. O. 10161, as amended by E. O. 10200, E. O. 10281, E. O. 10324 (15 F. R. 6105; 16 F. R. 61; 16 F. R. 8789; 17 F. R. 1711) DPA Del. 1, as amended (16 F. R. 11245).

² Under jurisdiction of the Atomic Energy Commission—60 Stat. 755; 42 U. S. C. et seq.

³ Under jurisdiction of the Department of Agriculture—E. O. 10161, as amended by E. O. 10200, E. O. 10281, E. O. 10324; DPA Del. 1, as amended. (See footnote 1 above for volume and page numbers of Federal Register.)

F R. 6129), as the same may from time to time be amended.

(g) Fertilizer, commercial:⁴ In form for distribution to users.

(h) Food, except in certain cases where used industrially:⁵ In general, foods and other agricultural commodities and products are within the jurisdiction of the Department of Agriculture, but those which have industrial uses are within the jurisdiction of NPA when they lose their identity as food or agricultural commodities or products. The respective jurisdictions of the Department of Agriculture and NPA are described generally (and in certain cases specifically) in an agreement between the Production and Marketing Administration (Department of Agriculture) and NPA signed on March 30 and April 13, 1951, respectively (16 F R. 3410) which agreement is referred to in NPA Delegation 10 of April 26, 1951 (16 F R. 3669). The agreement (reference to which should be made) does not attempt to list all foods and agricultural commodities and products which involve industrial uses but does cover the major items as to which there might be a question of jurisdiction. In general, the respective jurisdictions fall within the following categories:

(1) Commodities which are within the jurisdiction of the Department of Agriculture until they enter any manufacturing process which results in their being neither food nor agricultural commodities or products (certain examples of which are listed in the agreement, such as egg products, fats, oils, grain and grain products, molasses, potatoes, spices, starches, sugar, and tartaric acid).

(2) Commodities which are within the jurisdiction of the Department of Agriculture until the point specified in the agreement (such as cotton lint and linters, hemp, flax fiber, skim milk for casein, wool, and mohair).

(3) Commodities which are within the exclusive jurisdiction of the Department of Agriculture (ice, naval stores, tobacco, and tobacco products).

(i) Transportation, storage, and port facilities, including air transport, coastwise, intercoastal, and overseas shipping.⁴

(j) Products (production and distribution) used in the petroleum industry and listed in NPA Delegation 9 (Feb. 26, 1951), as follows:⁵

- (1) Tetraethyl lead fluid.
- (2) Petroleum cracking catalysts.
- (3) Special inhibitors used in gasoline.
- (4) Lubricating oil additives.
- (5) Fluids and additives made especially for oil and gas drilling, and demulsifiers.

(k) Ores, minerals, and other source materials listed in Column II of Appendix A of NPA Delegation 5, as amended January 20, 1952.⁶

⁴ Partly under jurisdiction of that Commissioner of the Interstate Commerce Commission responsible for supervision of its Bureau of Service and partly under jurisdiction of the Secretary of Commerce—E. O. 10161, as amended by E. O. 10200, E. O. 10281, E. O. 10324; DPA Del. 1, as amended. (See footnote 1 above for volume and page numbers of Federal Register.)

⁵ Under jurisdiction of the Department of the Interior—NPA Delegation 9 (16 F R. 1908).

⁶ Under jurisdiction of Defense Materials Procurement Agency—NPA Del. 5, as amended January 29, 1952 (17 F. R. 902) and as further amended from time to time.

[F R. Doc. 53-2598; Filed, Mar. 23, 1953; 3:44 p. m.]

[NPA Reg. 3, as Amended March 23, 1953]

NPA REG. 3—OPERATIONS OF THE PRIORITIES AND ALLOCATIONS SYSTEMS BETWEEN CANADA AND THE UNITED STATES

This regulation as amended is found necessary and appropriate to promote the national defense and to implement the provisions of The Statement of Principles for Economic Cooperation issued by the Governments of the United States and Canada, dated October 26, 1950, and is issued pursuant to the authority granted by the Defense Production Act of 1950, as amended. Consultation with industry representatives, including trade association representatives, in advance of the issuance of this regulation as amended has been rendered impracticable by the fact that this regulation as amended applies to all trades and industries.

EXPLANATORY

This regulation, as amended, affects NPA Reg. 3, as last amended August 20, 1952, as follows: Paragraphs (b) (c) and (d) are eliminated from section 2, and paragraphs (e) (f) and (g) are relettered (b) (c) and (d), respectively. Section 3 has been revised to provide in paragraph (a) for assistance on the delivery of materials on or before June 30, 1953, and in paragraph (b) for assistance on the delivery of materials for specified purposes after June 30, 1953. Section 4 has been amended by limiting the applicability of paragraph 4 (a) to assistance on the delivery of materials on or before June 30, 1953; by transferring the former paragraph 4 (b) to section 5; and by adding a new paragraph 4 (b) to provide for assistance on the delivery of materials for specified purposes after June 30, 1953. Section 6 has been eliminated entirely. Sections 7, 8, and 9 are renumbered 6, 7, and 8, respectively and appropriate changes have been made in references to other regulations and to sections of this regulation.

NPA Reg. 3, as amended August 20, 1952, is hereby revised to read as follows:

REGULATORY PROVISIONS

Sec.

1. What this regulation does.
2. Definitions.
3. Orders from the United States placed with Canadian suppliers.
4. Canadian orders for materials placed with United States suppliers.
5. Certifications by Canadian purchasers to suppliers in the United States.
6. Relation to other regulations and orders of NPA.
7. Communications.
8. Violations.

AUTHORITY: Sections 1 to 8 issued under sec. 704, 64 Stat. 816, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 429, 82d Cong.; 50 U. S. C. App. Sup. 2071; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp., sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61; 3 CFR, 1951 Supp., secs. 402, 405, E. O. 10281, Aug. 28, 1951, 16 F. R. 8789; 3 CFR, 1951 Supp.

SECTION 1. What this regulation does. In order that the control, priorities, and allocations systems of the two countries may be comparable in effect, and in order to coordinate the defense economies of the two countries, this regulation describes how and to what extent

persons located in Canada may have the benefits of the priorities and allocations systems of the United States, and how persons located in the United States may receive assistance in obtaining Canadian materials and services.

SEC. 2. Definitions. For the purposes of this regulation:

(a) "Person" means any individual, partnership, corporation, association, or any other organized group of persons, and includes specifically Canadian distributors and importers as well as any agency of the United States Government or the Canadian Government.

(b) "Controlled materials" means controlled materials as defined in CMP Regulation No. 1 or Defense Materials System Regulation No. 1.

(c) "Materials" means any raw, in-process, or manufactured commodity, equipment, component, accessory, part, or product of any kind.

(d) "NPA" means the National Production Authority.

SEC. 3. Orders from the United States placed with Canadian suppliers—(a) Deliveries on or before June 30, 1953. Any person located in the United States who needs assistance to obtain materials in Canada for delivery on or before June 30, 1953, may apply through the Canadian Division of NPA to the Canadian Department of Defence Production, Ottawa, Canada, for the required assistance. Such requests shall be made by letter in triplicate and shall set forth all pertinent facts, the nature of the assistance required, and the justification therefor, and these requests shall be processed in accordance with procedures agreed upon by NPA and the Canadian Department of Defence Production.

(b) **Deliveries after June 30, 1953.** Any person located in the United States who needs assistance to obtain materials in Canada, for delivery after June 30, 1953, to fill rated orders bearing a program identification A, B, C, D, or E, and one digit, may apply through the Canadian Division of NPA to the Canadian Department of Defence Production, Ottawa, Canada, for the required assistance. Such requests shall be made by letter in triplicate and shall set forth all pertinent facts, the nature of the assistance required, and the justification therefor, and these requests shall be processed in accordance with procedures agreed upon by NPA and the Canadian Department of Defence Production.

SEC. 4. Canadian orders for materials placed with United States suppliers—(a) Deliveries on or before June 30, 1953. Any person located in Canada who needs priority or allocation assistance to obtain materials in the United States for delivery on or before June 30, 1953, may make application through the Canadian Department of Defence Production, Ottawa, Canada, to the National Production Authority for the required assistance. Such applications shall be made in accordance with the procedures agreed upon by NPA and the Canadian Department of Defence Production and implemented by forms, instructions, and

regulations issued by the Canadian Department of Defence Production.

(b) **Deliveries after June 30, 1953.** Any person located in Canada who needs priority or allocation assistance to obtain materials in the United States, for delivery after June 30, 1953, to fill Canadian defense and atomic energy orders; orders bearing the program identification A, B, C, D, or E, and one digit; or for any other purpose specifically authorized by NPA, may make application through the Canadian Department of Defence Production, Ottawa, Canada, to the National Production Authority for the required assistance. Such applications shall be made in accordance with the procedures agreed upon by NPA and the Canadian Department of Defence Production and implemented by forms, instructions, and regulations issued by the Canadian Department of Defence Production.

SEC. 5. Certifications by Canadian purchasers to suppliers in the United States. Any person authorized pursuant to section 4 (a) or (b) of this regulation to apply allotment symbols or DO ratings to delivery orders shall use the allotment symbols or the ratings which are specified by the authorization. Such delivery orders shall also contain a certification in the following form:

Certified under NPA Reg. 3

Such certification shall be signed in the manner prescribed in NPA Reg. 2, and shall constitute a representation to the supplier in the United States, to NPA, and to the Canadian Department of Defence Production, that the person signing such certification has been authorized by NPA to use the allotment symbol or the DO rating under this regulation, and that such allotment symbol or DO rating is being used for the purpose authorized.

SEC. 6. Relation to other regulations and orders of NPA. All of the provisions of NPA regulations and orders (including CMP regulations, Defense Materials System regulations, and directions and amendments thereto) apply to all persons affected by the provisions of this regulation except to the extent that such provisions are inconsistent with this regulation, in which event the provisions of this regulation prevail.

SEC. 7. Communications. All communications from persons located in the United States concerning this regulation shall be addressed to the National Production Authority, Washington 25, D. C., Ref: NPA Reg. 3. All communications from persons located in Canada concerning this regulation shall be addressed to the Canadian Department of Defence Production, Ottawa, Canada (and, where necessary, forwarded by that Department to the National Production Authority).

SEC. 8. Violations. Violation of this regulation is punishable under the Defense Production Act of 1950, as amended, and under the Canadian Defence Production Act and the Canadian Emergency Powers Act, as they may be applicable.

RULES AND REGULATIONS

This regulation as amended shall take effect March 23, 1953.

**NATIONAL PRODUCTION
AUTHORITY,
By GEORGE W. AUXIER,
Executive Secretary.**

[F. R. Doc. 53-2600; Filed, Mar. 23, 1953;
3:44 p. m.]

**Chapter XIV—General Services
Administration**

[Amdt. 2]

MANGANESE REGULATIONS: PURCHASE PROGRAM FOR DOMESTIC MANGANESE ORE AT WENDEN, ARIZONA

Pursuant to the authority vested in me by the Defense Materials Procurement Administrator (Delegation No. 13, June 27, 1952) this regulation is amended as follows:

In section 3, delete the words "Building 41, Denver Federal Center, Denver, Colorado" and in lieu thereof substitute the following: "4th floor, 49 4th Street, San Francisco 3, California."

(Sec. 704, 64 Stat. 816, as amended, Pub. Law 429, 82d Cong., 50 U. S. C. App. Sup. 2154)

This amendment shall be effective as of April 1, 1953.

Dated: March 20, 1953.

**RUSSELL FORBES,
Acting Administrator**

[F. R. Doc. 53-2593; Filed, Mar. 23, 1953;
4:04 p. m.]

Chapter XXI—Office of Rent Stabilization, Economic Stabilization Agency

[Rent Regulation 1, Amdt. 43 to Schedule B]

[Rent Regulation 2, Amdt. 44 to Schedule B]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE B—SPECIFIC PROVISIONS RELATING TO INDIVIDUAL DEFENSE-RENTAL AREAS OR PORTIONS THEREOF

FAIRBANKS DEFENSE-RENTAL AREA

Effective March 25, 1953, Rent Regulation 1 and Rent Regulation 2 are amended as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 20th day of March 1953.

**WILLIAM G. BARR,
Acting Director of Rent Stabilization.**

Item 45 of Schedule B of Rent Regulation 1 and Item 50 of Schedule B of Rent Regulation 2 are amended by adding the following at the end thereof:

Effective March 25, 1953, by Amendment to Schedule A of this regulation, the name of the Defense-Rental Area which includes the Territory to which this item of Schedule B relates was changed to the Fairbanks Defense-Rental Area.

[F. R. Doc. 53-2564; Filed, Mar. 24, 1953;
8:50 a. m.]

[Rent Regulation 1, Amdt. 128 to Schedule A]

[Rent Regulation 2, Amdt. 126 to Schedule A]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE A—DEFENSE-RENTAL AREA

ALASKA

Effective March 25, 1953, in Schedules A of Rent Regulation 1 and Rent Regulation 2, Item 370 is amended and Items 370 (a) and 370 (b) are added, to read as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 20th day of March 1953.

**WILLIAM G. BARR,
Acting Director of Rent Stabilization.**

State and name of defense-rental area	Class	County or counties in defense-rental area under regulation	Maximum rent date	Effective date of regulation
<i>Alaska</i>				
(370) Fairbanks.....	B	In the Territory of Alaska, all the area within a 20-mile radius surrounding the post office of each of the following localities: the city of Fairbanks, Eielson Air Force Base, and Ladd Air Force Base.	Mar. 1, 1942	Nov. 1, 1942
(370a) Anchorage....	C	do.....	July 1, 1950	Oct. 1, 1951
	B	In the Territory of Alaska, all the area within a 20-mile radius surrounding the post office of each of the following localities: the city of Anchorage, Elmendorf Air Force Base, and Fort Richardson; and all other territory in the Seward District of the Third Judicial Division; and Kodiak Island.	Mar. 1, 1942	Nov. 1, 1942
	O	In the Territory of Alaska, all the area within a 20-mile radius surrounding the post office of each of the following localities: the city of Anchorage, Elmendorf Air Force Base, and Fort Richardson.	July 1, 1950	Oct. 1, 1951
	C	In the Territory of Alaska, Kodiak Island.....	do.....	Jan. 21, 1952
(370b) Juneau.....	C	In the Territory of Alaska, the Seward District of the Third Judicial Division, except those portions of the district which are within a 20-mile radius of the post office of the city of Anchorage, Fort Richardson, and Elmendorf Air Force Base.	Aug. 1, 1952	Nov. 17, 1952
	B	In the Territory of Alaska, the cities of Douglas, Juneau, and Sitka and the towns of Petersburg and Skagway.	Mar. 1, 1942	Nov. 1, 1942

These amendments divide what was the one defense-rental area, known as the Alaska Defense-Rental Area, into three defense-rental areas to be known as the Fairbanks Defense-Rental Area, the Anchorage Defense-Rental Area and the Juneau Defense-Rental Area.

[F. R. Doc. 53-2562; Filed, Mar. 24, 1953; 8:49 a. m.]

[Rent Regulation 3, Amdt. 122 to Schedule A]

[Rent Regulation 4, Amdt. 65 to Schedule A]

RR 3—HOTELS

RR 4—MOTOR COURTS

SCHEDULE A—DEFENSE-RENTAL AREAS

ALASKA

Effective March 25, 1953, in Schedules A of Rent Regulation 3 and Rent Regulation 4, Item 370 is amended and Item 370 (a) is added, to read as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 20th day of March 1953.

**WILLIAM G. BARR,
Acting Director of Rent Stabilization.**

Name of defense-rental area	State	County or counties in defense-rental area under regulation	Maximum rent date	Effective date of regulation
(370) Fairbanks.....	Alaska.....	In the Territory of Alaska, all the area within a 20-mile radius surrounding the post office of each of the following localities: the city of Fairbanks, Eielson Air Force Base, and Ladd Air Force Base.	July 1, 1950	Oct. 1, 1951
(370a) Anchorage....	Alaska.....	In the Territory of Alaska, all the area within a 20-mile radius surrounding the post office of each of the following localities: the city of Anchorage, Elmendorf Air Force Base, and Fort Richardson.	do.....	Do.
		In the Territory of Alaska, Kodiak Island.....	do.....	Jan. 21, 1952
		In the Territory of Alaska, the Seward District of the Third Judicial Division, except those portions of the district which are within a 20-mile radius of the post office of the city of Anchorage, Fort Richardson, and Elmendorf Air Force Base.	Aug. 1, 1952	Nov. 17, 1952

These amendments divide what was the one Defense-Rental Area known as the Alaska Defense-Rental Area into two Defense-Rental Areas to be known as the Fairbanks Defense-Rental Area and the Anchorage Defense-Rental Area.

[F. R. Doc. 53-2563; Filed, Mar. 24, 1953; 8:50 a. m.]

[Rent Regulation 4, Amdt. 11 to Schedule B]

RR 4—MOTOR COURTS

SCHEDULE B—SPECIFIC PROVISIONS RELATING TO INDIVIDUAL DEFENSE-RENTAL AREAS OR PORTIONS THEREOF

FAIRBANKS DEFENSE-RENTAL AREA

Effective March 25, 1953, Rent Regulation 4 is amended as set forth below. (Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 20th day of March 1953.

WILLIAM G. BARR,

Acting Director of Rent Stabilization.

Item 4 of Schedule B of Rent Regulation 4 is amended by adding the following at the end thereof:

Effective March 25, 1953, by Amendment to Schedule A of this regulation, the name of the Defense-Rental Area which includes the territory to which this item of Schedule B relates was changed to the Fairbanks Defense-Rental Area.

[F. R. Doc. 53-2565; Filed, Mar. 24, 1953; 8:50 a. m.]

**PROPOSED
RULE MAKING**

DEPARTMENT OF AGRICULTURE

**Production and Marketing
Administration**

[7 CFR Part 28]

**REGULATIONS UNDER COTTON STANDARDS
ACT**

PRACTICAL FORMS OF COTTON STANDARDS

Notice is hereby given that the Secretary of Agriculture is considering amending §§ 28.115, 28.118, 28.130, 28.131, and 28.133 of the regulations governing cotton standards (7 CFR Part 28) pursuant to the authority contained in the United States Cotton Standards Act (42 Stat. 1517, as amended; 7 U. S. C. 51 et seq.)

The proposed amendments concern the availability of practical forms of revised cotton standards for grades of American upland cotton which are to become effective on August 15, 1953. The prices charged for practical forms of all official cotton standards for grade and length of staple, and the tentative standards for preparation of American upland long-staple cotton are to be revised to cover more nearly the costs of preparing and shipping the forms.

Any interested person who wishes to submit written data, views, or argu-

ments concerning the proposed amendments, may do so by filing them with the Director, Cotton Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 15 days after publication of this notice in the FEDERAL REGISTER.

The proposed amendments are as follows:

1. The undesignated center head immediately preceding § 28.115 would be changed to read "Practical Forms of Cotton Standards."

2. The headnote of § 28.115 and the portion of paragraph (a) of said section preceding "Standards for length of staple" would be amended to read:

§ 28.115 *Practical forms of cotton standards.* (a) Practical forms of the cotton standards of the United States enumerated in this paragraph, each certified under the seal of the United States Department of Agriculture and under the signature of the Secretary, thereto affixed by himself or by some other official or employee of the Department duly authorized by him, and in the case of the standards for grade and color accompanied by photographs representing the cotton in such practical forms on the date of certification, will be furnished to any person requesting the same, upon prepayment of the cost thereof as determined by the Secretary, subject to the other conditions of this section.

Official cotton standards of the United States for the grade of American upland cotton (12 samples or positions in each box) also referred to as the Universal Standards for American Cotton, as follows:

- White grades:
 - Strict Middling.
 - Middling.
 - Strict Low Middling.
 - Low Middling.
 - Strict Good Ordinary.
 - Good Ordinary.
- Tinged grades:
 - Strict Middling Tinged.
 - Middling Tinged.
 - Strict Low Middling Tinged.
 - Low Middling Tinged.

Guide boxes (6-sample practical forms of cotton standards) for the grade of American upland cotton as follows:

- White grades:
 - Strict Middling.
 - Middling.
 - Strict Low Middling.
 - Low Middling.
 - Strict Good Ordinary.
 - Good Ordinary.
- Tinged grades:
 - Strict Middling Tinged.
 - Middling Tinged.
 - Strict Low Middling Tinged.
 - Low Middling Tinged.

3. Paragraph (b) of § 28.115 would be amended by deleting the word "official" immediately following the words "Each applicant for practical forms of the"

4. Paragraph (b) (1) of § 28.115 would be amended to read:

(1) That no practical form of any of the official cotton standards, the 6-sample guide boxes for the grade of American upland cotton, or the tenta-

tive standards for the preparation of long-staple cotton shall be considered or used as representing such standards after the date of its cancellation in accordance with this section or in any event after the expiration of 18 months following the date of its certification: *Provided*, That sets of practical forms stored, protected, and preserved in accordance with certain agreements for the adoption of universal standards may be used for such periods as may be prescribed in such agreements.

5. Paragraph (b) (3) of § 28.115 would be amended by deleting the word "official" immediately following the words "for any reason misrepresents the"

6. Section 28.118 would be amended by deleting the words "the 15th and" in the second sentence immediately following the words "Such bills shall be rendered as soon as practicable"

7. The headnote of § 28.130 and the text of paragraph (a) of said section would be amended to read:

§ 28.130 *Costs of practical forms of cotton standards.* (a) The cost of any practical form of the official cotton standards of the United States for the grade of American upland cotton, also referred to as the Universal Standards for American Cotton, shall be at the rate of \$10 each, f. o. b. Washington, D. C., for shipments within the continental United States, and \$12 each, delivered to destination, for shipments outside the continental United States. The cost of any practical form of cotton standards for the grade of American Egyptian cotton or for the grade of Sea Island cotton shall be at the rate of \$10 each, f. o. b. Washington, D. C., for shipments within the United States, and \$12 each, delivered to destination, for shipments outside the continental United States.

8. Paragraph (b) of § 28.130 would be deleted in its entirety and the following substituted therefor:

(b) The cost of any of the guide boxes (6-sample practical forms of cotton standards) for the grade of American upland cotton shall be at the rate of \$5 each, f. o. b., Washington, D. C., for shipments within the continental United States, and \$6.50 each, delivered to destination, for shipments outside the continental United States.

9. Paragraph (c) of § 28.130 would be amended only by increasing the cost of any of the practical forms of the official cotton standards of the United States for length of staple from \$1 to \$2 each, f. o. b. Washington, D. C., for shipments within the United States, and from \$1.25 to \$2.50 each, delivered to destination for shipments outside the continental United States.

10. Section 28.131 would be amended only by increasing the cost of any of the practical forms of tentative standards for preparation of American upland long-staple cotton from \$3 to \$5 each, f. o. b. Washington, D. C., for shipments within the continental United States, and from \$4 to \$6.50 each, delivered to destination, for shipments outside the continental United States.

11. Section 23.133 would be amended to read:

§ 28.133 *Cost of practical forms hereafter established.* The cost of practical forms of cotton standards which may hereafter be established shall be such as the Secretary of Agriculture may determine.

Done at Washington, D. C., this 20th day of March 1953.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-2552; Filed, Mar. 24, 1953;
8:47 a. m.]

[7 CFR Part 39]

NONFAT DRY MILK SOLIDS

U. S. STANDARDS FOR GRADES

Notice is hereby given that the United States Department of Agriculture is considering the amendment as hereinafter proposed of United States Standards for Grades of Nonfat Dry Milk Solids (16 F. R. 5420) pursuant to the authority contained in the Agricultural Marketing Act, 1946 (60 Stat. 1087· 7 U. S. C. 1621 et. seq.)

The amendment will increase the permitted scorched particle content for Extra Grade roller process nonfat dry milk solids. Such amendment was requested by the American Dry Milk Institute. All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed amendment should file the same, in duplicate, with the Director, Dairy Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C., not later than the close of business on the 30th day after publication of this notice in the FEDERAL REGISTER.

The proposed amendment is as follows:

1. In subparagraph (2) of paragraph (a) of § 39.4 *U. S. Grades*, the scorched particle content is changed from "22.5 mg." to read "32.5 mg."

Done at Washington, D. C., this 20th day of March 1953.

[SEAL] GEORGE A. DICE,
Acting Assistant Administrator
Production and Marketing
Administration.

[F. R. Doc. 53-2570; Filed, Mar. 24, 1953;
8:51 a. m.]

[7 CFR Part 51]

FRESH SHELLED LIMA BEANS FOR PROCESSING

U. S. STANDARDS

Notice is hereby given that the United States Department of Agriculture is con-

sidering the issuance of revised United States Standards for Fresh Shelled Lima Beans for Processing under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087· 7 U. S. C. 1621 et seq.) and the Department of Agriculture Appropriation Act 1953 (Pub. Law 451, 82d Cong., approved July 5, 1952) to supersede United States Standards for Fresh Shelled Lima Beans for Processing effective December 27, 1945.

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed standards should file the same with E. E. Conklin, Chief, Fresh Products Standardization and Inspection Division, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, South Building, Washington 25, D. C., not later than 5:30 p. m., e. s. t., on the thirtieth (30) day after the date of publication of this notice in the FEDERAL REGISTER.

The proposed standards are as follows:

§ 51.129 *Standards for fresh shelled lima beans for processing*—(a) *Grades*—

(1) *U. S. No. 1.* U. S. No. 1 consists of shelled lima beans of similar varietal characteristics which are fairly tender, have a green color and which are free from decay and from injury caused by discoloration, shriveling, sunscald, heating, freezing, disease, insects, or other means.

(2) *U. S. No. 2.* U. S. No. 2 consists of shelled lima beans which are free from decay, and from damage caused by discoloration, shriveling, sunscald, heating, freezing, disease, insects, or other means.

(b) *Culls.* Culls are lima beans which fail to meet the requirements of either of the foregoing grades.

(c) *Foreign material.* Thistle buds, weed seeds, pods or other foreign material are not incorporated in the standards since their presence is not a factor of quality for the purpose of these grades. However, the amount of such foreign material permitted in a lot may be fixed by agreement between grower and processor.

(d) *Definitions.* (1) "Fairly tender" means that the lima beans are not hard, tough, or rubbery.

(2) "Green color" means that the cotyledons of each bean shall have a green color characteristic of a tender or fairly tender bean for the variety.

(3) "Injury" means any defect which more than slightly affects the canning or freezing quality. Split or broken beans incident to proper harvesting and vining operations shall not be considered as injury.

(4) "Damage" means any defect which materially affects the canning or freezing quality. Split or broken beans inci-

dent to proper harvesting and vining operations shall not be considered as damage.

Done at Washington, D. C., this 20th day of March 1953.

[SEAL] GEORGE A. DICE,
Acting Assistant Administrator
Production and Market-
ing Administration.

[F. R. Doc. 53-2568; Filed, Mar. 24, 1953;
8:51 a. m.]

[7 CFR Part 52]

FROZEN ASPARAGUS

U. S. STANDARDS FOR GRADES

Notice is hereby given that the United States Department of Agriculture is considering the amendment, as herein proposed, of United States Standards for Grades of Frozen Asparagus (17 F. R. 3443) pursuant to the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U. S. C. 1621, et seq.) and the Department of Agriculture Appropriation Act, 1953 (Pub. Law 451, 82d Cong., approved July 5, 1952)

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed amendment should file the same, in duplicate, with the Chief, Processed Products Standardization and Inspection Division, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 30 days after publication hereof in the FEDERAL REGISTER.

The proposed amendment is as follows:

Section 52.144, paragraph (g), "*Ascertaining the rating for the factors which are scored*," subdivision (v) (a) of subparagraph (4) is amended to read as follows:

(a) *Spears (or stalks) and tips.* Not less than 50 percent, by count, of all the heads are well developed, and not more than 10 percent, by count, fail to meet the requirements for reasonably well developed heads: *Provided*, That immediately after thawing and cooking the appearance of the product is not seriously affected by shriveling, and not more than 20 percent, by count, of the units may possess tough fibers.

Done at Washington, D. C., this 20th day of March 1953.

[SEAL] GEORGE A. DICE,
Acting Assistant Administrator,
Production and Marketing
Administration.

[F. R. Doc. 53-2569; Filed, Mar. 24, 1953;
8:51 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ALASKA

TRANSFER OF JURISDICTION; CORRECTION OF LAND DESCRIPTION

MARCH 17, 1953.

There was published in the February 5th, 1953, issue of the FEDERAL REGISTER (F. R. Doc. 53-1194) an Order of Transfer of Jurisdiction of Interest to the Office of Territories, Department of the Interior, in and to a certain tract of land described by metes and bounds near the Town of Cordova, Alaska.

It has been noted that the description of the boundary of the tract is incomplete and is hereby amended by deleting after the word "starting" in the 1st line of the description, the following words, "at Corner No. 1 M. C. of U. S. Survey 1765 and running 1138 ft. S. 47° 43' E." and inserting in lieu thereof, "at Corner No. 1, meander corner of U. S. Survey 1765; thence S. 78° 38' E., 3566.07 feet to point of beginning and Corner No. 1, thence 1138 feet S. 47° 43' E."

LOWELL M. PUCKETT,
Regional Administrator

[F. R. Doc. 53-2547; Filed, Mar. 24, 1953; 8:47 a. m.]

ALASKA

NOTICE OF FILING OF PLAT OF SURVEY

MARCH 17, 1953.

Notice is given that the plat of original survey of the following described lands, accepted November 24, 1952, will be officially filed in the Land Office, Anchorage, Alaska, effective at 10:00 a. m. on the 35th day after the date of this notice:

U. S. Survey No. 2990, Lots 4 to 15 incl. 16A, 16B, 16C, 17A, 17B, 18, 19A, 19B, 19C, 20, 20A, 21A, 21B, and 22 to 25 incl., Lat. 55°20'07" N., Long. 131°38'50" W., containing 24.24 acres.

U. S. Survey No. 2993, Lot 37, Lat. 55°20'01" N., Long. 131°38'50" W., containing 39.43 acres.

The above-described land is located in Tongass Narrows about three-eighths of a mile southwest of the main business district of Ketchikan. Pennock Island can be reached only by boat from Ketchikan. It is approximately 2.50 miles long and 0.75 mile wide at the widest point. The island is accessible at almost all points by small boat, which seems to provide adequate transportation at all times for the present residents of the island. The interior of the island is accessible only by foot, there being at present no roads on the island.

The shore of the island is composed of sand and gravel beaches with occasional rocky promontories with boulder and cobble beaches. The land rises gently from the beach, and a belt of Sitka Spruce and Western Hemlock up to three feet in diameter line the shore for a dis-

tance of from 100 to 200 yards. This cover gives way to scrub lodgepole pine interspersed with small muskegs. Soil is very thin to absent on all parts of the island, and is very acid.

At the hour and date specified above the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-one day period for preference-right filings.* For a period of 91 days, commencing at the hour and on the day specified above, the public lands affected by this notice shall be subject only to (1) application under the homestead or the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 U. S. C. 602a), as amended, home or headquarter site under the act of May 26, 1934 (43 Stat. 803, 48 U. S. C. 461) by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944 (53 Stat. 747, 43 U. S. C. 279-284), as amended, subject to the requirements of applicable law, and (2) applications under any applicable public land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications under subdivision (1) of this paragraph shall be subject to applications and claims of the classes described in subdivision (2) of this paragraph. All applications filed under the paragraph either at or before 10:00 a. m. on the 35th day after the date of this notice shall be treated as though filed simultaneously at that time. All applications filed under this paragraph after 10:00 a. m. on the said 35th day shall be considered in the order of filing.

(b) *Date for non-preference-right filings.* Commencing at 10:00 a. m. on the 126th day after the date of this notice, any lands remaining unappropriated shall become subject to such application, petition, location, selection, or other appropriation by the public generally as may be authorized by the public-land laws. All such applications filed either at or before 10:00 a. m. on the 126th day after the date of this notice, shall be treated as though filed simultaneously at the hour specified on such 126th day. All applications filed thereafter shall be considered in the order of filing.

A veteran shall accompany his application with a complete photostatic, or other copy (both sides) of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable discharge as defined in § 181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated

statement in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the Land Office at Anchorage, Alaska, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations to the extent such regulations are applicable. Applications under the homestead and homestead laws shall be governed by the regulations contained in Parts 64, 65 and 166 of Title 43 of the Code of Federal Regulations and applications under the Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Part 257 of that title.

Inquiries concerning these lands shall be addressed to the Manager, Land Office.

VIRGIL O. SEISER,
Manager.

[F. R. Doc. 53-2541; Filed, Mar. 24, 1953; 8:45 a. m.]

TOWNSITE OF WALLULA, WASHINGTON

NOTICE OF SALE OF TOWN LOTS

MARCH 16, 1953.

On February 18, 1953, the Acting Regional Administrator issued notice of sale of town lots, townsite of Wallula, Washington. The notice was published in the FEDERAL REGISTER of February 27, 1953.

Paragraph 4 of the notice recited in part that "Any qualified person may purchase lots for which he is the highest bidder, not exceeding 6 lots in Blocks 3, 4, 5, 10, zone commercial, and 4 lots in Blocks 1, 2, 6, 9, zone residential." The quoted provisions in paragraph 4 are amended to read: "Any qualified person including actual residents who have filed preemption claims may purchase at the public sale any lots for which he or she is the highest bidder, not exceeding 6 lots in Blocks 3, 4, 5, 10, zone commercial, and 4 lots in Blocks 1, 2, 6, 9, zone residential."

Paragraph 8 of the notice as published recites in part: "After all the lots to be sold have been offered, the sale will be adjourned or closed as the officer conducting the sale may deem proper and if the sale is closed, said officer shall reappraise any unsold lots as a basis for private entry whenever he shall find that the amounts bid or the appraised prices are inadequate." The quoted recital contained in paragraph 8 is amended to read: "After all the lots to be sold have been offered, the sale will be adjourned or closed as the officer conducting the sale may deem proper. If the sale is adjourned, the unsold lots will be held for a future disposition at public sale."

Paragraph 9 of the published notice reads in part "Lots remaining unsold at the close of the sale shall be subject to private entry for cash at the price fixed by any reappraisal pursuant to paragraph 8 hereof, or if not reappraised, then at their appraised price, and said lots may be purchased from the Man-

NOTICES

ager, Washington Land and Survey Office, Spokane, Washington." The foregoing quoted provisions of paragraph 9 of the notice are amended to read: "Lots remaining unsold at the close of the sale shall be subject to private entry for cash at the appraised price to be fixed and said lots may be purchased from the Manager, Land and Survey Office, Spokane, Washington. Lots sold at public sale and forfeited because of nonpayment of the purchase price, or for any other reason, will be held for reentry at private sale at the appraised price to be fixed, and said lots may be purchased from the Manager, Washington Land and Survey Office, Spokane, Washington."

JAMES F. DOYLE,
Assistant Regional Administrator

SCHEDULE OF AREA AND MINIMUM PRICES OF LOTS AND
BLOCKS IN THE TOWNSITE OF WALLULA, WASHINGTON

Block	Lot	Area in square feet	Minimum price per lot	Zoned
3-----	1 to 32 incl..	4,200	\$10	Commercial.
4-----	1 to 32 incl..	4,200	10	
5-----	1 to 32 incl..	4,200	10	
6-----	1 to 32 incl..	4,200	10	
10-----	1 to 32 incl..	4,200	10	Residential.
1-----	1 to 32 incl..	4,200	10	
2-----	1 to 32 incl..	4,200	10	
6-----	1 to 32 incl..	4,200	10	
9-----	1 to 32 incl..	4,200	10	Do.

[F. R. Doc. 53-2561; Filed, Mar. 23, 1953; 11:02 a. m.]

DEPARTMENT OF COMMERCE

National Production Authority

[Suspension Order 38; Docket No. 39—
Modification 1]

TASCOSA DRIVE-IN THEATRE

ORDER OF MODIFICATION

This proceeding has to do with the matter of the National Production Authority vs. W. O. Bearden and L. R. Doyal d/b/a Tascosa Drive-In Theatre, a partnership composed of W. O. Bearden and L. R. Doyal, of Amarillo, Texas, in connection with which NPA Hearing Commissioner H. Bascom Thomas entered Suspension Order 38 on October 8, 1952, at Dallas, Texas.

In conformity with the policy established by Direction 20 to CMP Regulation No. 1, dated February 16, 1953, and Direction 10 to Revised CMP Regulation No. 6, dated February 16, 1953 (see also Designation of Scarce Materials 1, as amended February 18, 1953) and

On motion of Robert H. Winn, Esquire, Assistant General Counsel of the National Production Authority

It is hereby ordered, Pursuant to the provisions of paragraph (c) of section 5 of NPA Rules of Practice (17 F. R. 8156) that the above-identified suspension order be modified so that the respondents herein, any provision in the suspension order notwithstanding, may acquire any controlled material which is acquired pursuant to the provisions of section 6 of Direction 20 to CMP Regulation No. 1 or section 2 (a) of Direction 10 to Revised CMP Regulation No. 6; and

It is further ordered, That the said suspension order be further modified so that the respondents herein may use or dispose of any controlled material so acquired, and the suspension order herein shall not be treated as effecting a prohibition by a regulation or order of NPA as referred to in section 7 of Direction 20 to CMP Regulation No. 1 as to any controlled material acquired pursuant to the provisions of said Direction 20 or of Direction 10 to Revised CMP Regulation No. 6.

In all other respects the aforesaid Suspension Order 38 remains unmodified.

Issued this 12th day of March 1953 at Washington, D. C.

NATIONAL PRODUCTION
AUTHORITY,
By MORRIS R. BEVINGTON,
Deputy Chief Hearing Commissioner

[F. R. Doc. 53-2601; Filed, Mar. 23, 1953; 3:44 p. m.]

[Suspension Order 41, Docket Nos. 57 and A-7, Modification 2]

JOHN J. NACLERIO ET AL.

ORDER OF MODIFICATION

This proceeding has to do with the matter of the National Production Authority vs. John J. Naclerio, et al., d/b/a/ Paramount Roll Thread Company, 76 Franklin Street, New Haven, Connecticut, in connection with which NPA Hearing Commissioner Warren A. Seavey, at Boston, Massachusetts, entered Suspension Order 41 on October 28, 1952, and Deputy Chief Hearing Commissioner Curtis Bok, at Philadelphia, Pennsylvania, entered affirming order on January 12, 1953.

In conformity with the policy established by Direction 20 to CMP Regulation No. 1, dated February 16, 1953, and Direction 10 to Revised CMP Regulation No. 6, dated February 16, 1953 (see also Designation of Scarce Materials 1, as amended February 18, 1953) and

On motion of Robert H. Winn, Esquire, Assistant General Counsel of the National Production Authority

It is hereby ordered, Pursuant to the provisions of paragraph (c) of section 5 of NPA Rules of Practice (17 F. R. 8156) that the above-identified suspension order be modified so that the respondents herein, any provision in the suspension order notwithstanding, may acquire any controlled material which is acquired pursuant to the provisions of section 6 of Direction 20 to CMP Regulation No. 1 or section 2 (a) of Direction 10 to Revised CMP Regulation No. 6; and

It is further ordered, That the said suspension order be further modified so that the respondents herein may use or dispose of any controlled material so acquired, and the suspension order herein shall not be treated as effecting a prohibition by a regulation or order of NPA as referred to in section 7 of Direction 20 to CMP Regulation No. 1 as to any controlled material acquired pursuant to the provisions of said Direction 20 or of

Direction 10 to Revised CMP Regulation No. 6.

In all other respects the aforesaid Suspension Order 41 remains unmodified.

Issued this 12th day of March 1953 at Washington, D. C.

NATIONAL PRODUCTION
AUTHORITY,
By MORRIS R. BEVINGTON,
Deputy Chief Hearing Commissioner

[F. R. Doc. 53-2602; Filed, Mar. 23, 1953; 3:44 p. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-1907, G-1915, G-1961]

SOUTHERN NATURAL GAS CO. ET AL.
ORDER FIXING DATE OF ORAL ARGUMENT

MARCH 17, 1953.

In the matters of Southern Natural Gas Company, Docket No. G-1907; South Georgia Natural Gas Company, Docket No. G-1915; South Carolina Natural Gas Company, Docket No. G-1961.

On March 10, 1953, exceptions to the intermediate decision of the Presiding Examiner in the above-consolidated proceedings were filed by Commission staff counsel and by National Coal Association, et al., and on March 13, 1953, exceptions were filed by Georgia Public Service Commission.

On March 9, 1953, Southern Natural Gas Company Applicant at Docket No. G-1907, and South Georgia Natural Gas Company Applicant at Docket No. G-1915, filed a motion for oral argument before the Commission, if any party should file exceptions to the decision of the Examiner.

The Commission finds: It would be in the public interest to hear oral argument on the matters and issues presented by the filed exceptions to the intermediate decision herein, as hereinafter ordered.

The Commission orders:

(A) Oral argument be had before the Commission on April 8, 1953, at 10:00 a. m., e. s. t. in the Hearing Room, Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters and issues presented by the exceptions filed in these consolidated proceedings to the intermediate decision of the Presiding Examiner.

(B) Parties to this proceeding who intend to participate in the oral argument shall so notify the Secretary of the Commission on or before April 2, 1953, and of the time requested for presentation of their argument.

(C) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f))

Date of issuance: March 19, 1953.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-2543; Filed, Mar. 24, 1953; 8:46 a. m.]

[Docket No. G-2130]

EQUITABLE GAS CO.

NOTICE OF APPLICATION

MARCH 19, 1953.

Take notice that Equitable Gas Company (Applicant) a Pennsylvania Corporation having its principal place of business at 420 Boulevard of the Allies, Pittsburgh, Pennsylvania, filed on March 2, 1953, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of a compressor station and certain gas storage pipelines and authorizing the operation of certain other facilities as hereinafter described.

The facilities which Applicant seeks authorization to construct and operate and the facilities for which Applicant seeks authority to operate are (1) a storage field in the Big Injun Sand in Mannington District, Marion County, West Virginia, (2) a compressor station located in Grant District, Wetzel County, West Virginia, approximately 9 miles from the storage pool, (3) a 12-inch pipeline connecting the compressor station and the storage pool with Applicant's existing 16-inch pipeline in Grant District, Wetzel County, West Virginia, and (4) 6-inch and 8-inch well-connecting pipelines in the storage area. It is proposed that the storage pool will have a capacity of 3,023,100 Mcf at a pool pressure of 975 psig with a maximum daily deliverability from storage of approximately 59,500 Mcf.

Applicant estimates the cost of the proposed facilities to be \$2,217,400. Applicant represents that no additional financing will be required for construction of the proposed facilities, such construction being included in \$7,200,000 construction program for 1953 of Applicant and its subsidiaries which will be financed from the issuance of preferred stock, and from Applicant's general funds, cash on hand and cash to be generated from operations.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 7th day of April 1953. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-2542; Filed, Mar. 24, 1953;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 7-1493, 7-1494]

AMERICAN TOBACCO CO. AND MERCK & CO.,
INC.

NOTICE OF APPLICATION FOR UNLISTED
TRADING PRIVILEGES AND OF OPPORTUNITY FOR HEARING

In the matter of application by the San Francisco Stock Exchange for Unlisted Trading Privileges in the Amer-

ican Tobacco Company, Common Stock, \$25 Par Value, 7-1493; Merck & Co., Inc., Common Stock, 16 $\frac{2}{3}$ ¢ Par Value, 7-1494.

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 17th day of March A. D. 1953.

The San Francisco Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, \$25 Par Value, of the American Tobacco Company, registered and listed on the New York Stock Exchange; and the Common Stock, 16 $\frac{2}{3}$ ¢ Par Value, of Merck & Co., Inc., registered and listed on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to April 7, 1953, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-2524; Filed, Mar. 23, 1953;
8:46 a. m.]

[File Nos. 7-1495, 7-1496]

AMERICAN CYANAMID CO. AND SOUTHERN
RAILWAY CO.

NOTICE OF APPLICATION FOR UNLISTED TRADING
PRIVILEGES AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 18th day of March, A. D. 1953.

In the matter of application by the San Francisco Stock Exchange for unlisted trading privileges in: American Cyanamid Company Common Stock, \$10 Par Value, 7-1495; Southern Railway Co., Common Stock, No Par Value, 7-1496.

The San Francisco Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, \$10 Par Value, of American Cyanamid Company, registered and listed on the New York Stock Exchange; and the Common Stock, No Par Value,

of Southern Railway Co., registered and listed on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to April 8, 1953, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-2546; Filed, Mar. 24, 1953;
8:47 a. m.]

[File No. 70-3003]

INDIANA & MICHIGAN ELECTRIC CO.

ORDER AUTHORIZING BANK BORROWINGS

MARCH 19, 1953.

Indiana & Michigan Electric Company ("Indiana") an electric utility subsidiary of American Gas and Electric Company, a registered holding company, having filed an application, and an amendment thereto, with this Commission pursuant to section 6 of the Public Utility Holding Company Act of 1935 with respect to the following proposed transactions:

Indiana proposes to borrow from banks from time to time prior to December 31, 1953, amounts not to exceed in the aggregate \$5,500,000. Said borrowings will be evidenced by promissory notes dated as of the date of each such borrowing, maturing not more than nine months after the issuance thereof, and bearing interest from the date of issuance at the then current prime credit rate which Indiana is informed is at present 3 percent per annum. The initial borrowing is proposed to be made on or about April 1, 1953, in the amount of \$1,000,000, and subsequent borrowings will be made from time to time prior to December 31, 1953, in amounts depending upon Indiana's cash requirements.

At least five days before each borrowing subsequent to the initial borrowing, Indiana will file an amendment herein setting forth the amount of such proposed borrowing and the annual interest rate thereon, such amendment to become effective five days after the filing thereof if no action is taken by the Commission within such five-day period.

The proposed borrowings will be in addition to borrowings aggregating

\$6,000,000, made or expected to be made prior to the effective date of the application, which Indiana states are exempted from the provisions of section 6 (a) of the act by the provisions of the first sentence of section 6 (b)

Proceeds from the proposed borrowings will be used to finance, in part, the construction program of Indiana which, it is estimated, will require the expenditure of approximately \$32,800,000 during the year 1953. Indiana states that financing of a more permanent nature, expected to be undertaken late in 1953 or early in 1954, will provide for the payment of the then outstanding notes.

The proposed issuance of notes by Indiana having been authorized by the Public Service Commission of Indiana, the State in which Indiana is organized and doing business; and

Said application having been filed on February 25, 1953, and an amendment thereto having been filed on March 17, 1953, and notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to the act, and the Commission not having received a request for a hearing with respect to said application, as amended, within the period specified in said notice or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to the application, as amended, that the applicable provisions of the act and rules promulgated thereunder are satisfied and that no adverse findings are necessary and deeming it appropriate in the public interest and in the interest of investors and consumers that said application, as amended, be granted effective forthwith.

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application, as amended, be, and hereby is, granted effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-2545; Filed, Mar. 24, 1953;
8:47 a. m.]

[File No. 70-3019]

SOUTHERN CO. ET AL.

NOTICE OF FILING REGARDING SALES OF
ADDITIONAL COMMON STOCK BY TWO SUB-
SIDIARIES TO PARENT

MARCH 19, 1953.

In the matter of The Southern Company, Alabama Power Company, Mississippi Power Company File No. 70-3019.

Notice is hereby given that a joint application-declaration has been filed with this Commission by The Southern Company ("Southern") a registered holding company, and two of its subsidiary public utility companies, namely, Alabama Power Company ("Alabama") and Mississippi Power Company ("Mississippi") Applicants-declarants have designated sections 6, 7, 9 (a) 10 and 12 (f) of the act and Rule U-43 promul-

gated thereunder, as applicable to the proposed transactions which are summarized as follows:

Alabama and Mississippi propose to issue and sell an additional 60,000 shares and 146,000 shares, respectively of their authorized but unissued common stock without par value. Such shares are to be sold to Southern, which owns all of the common stock of Alabama and Mississippi, for an aggregate consideration of \$6,000,000 in the case of Alabama and of \$3,000,000 in the case of Mississippi. The proceeds from such sales are to be used by these subsidiary companies to provide a portion of the funds required to finance improvements, extensions and additions to their utility plants.

The joint application - declaration states that the proposed issuance and sale of additional shares of common stock by Alabama are subject to the jurisdiction of the Alabama Public Service Commission.

It is requested that the Commission's order herein become effective upon issuance.

Notice is further given that any interested person may not later than April 6, 1953, at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest, and the issues of fact or law raised by said joint application-declaration which he desires to controvert, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW, Washington 25, D. C. At any time after said date, the joint application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 and U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-2544; Filed, Mar. 24, 1953;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 27902]

BAKERY GOODS AND OTHER COMMODITIES
BETWEEN POINTS IN TEXAS

APPLICATION FOR RELIEF

MARCH 20, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by Lee Douglass, Agent, for carriers parties to schedule listed below.

Commodities involved: Bakery goods, ethyl acetate, and formaldehyde, carloads.

Between: Points in Texas.

Grounds for relief: Competition with rail carriers, circuitous routes, and to meet intrastate rates.

Schedules filed containing proposed rates: Lee Douglass, Agent, I. C. C. No. 807, Supp. 22.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD,
Acting Secretary.

[F. R. Doc. 53-2554; Filed, Mar. 24, 1953;
8:48 a. m.]

[4th Sec. Application 27903]

MERCHANDISE IN MIXED CARLOADS, FROM
MEMPHIS, TENN., TO POINTS IN TRUNK-
LINE AND NEW ENGLAND TERRITORIES

APPLICATION FOR RELIEF

MARCH 20, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Merchandise, in mixed carloads.

From: Memphis, Tenn.

To: Points in trunk-line and New England territories.

Grounds for relief: Competition with rail carriers, circuitous routes, and to apply over short tariff routes rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1305, Supp. 17.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hear-

ing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-2555; Filed, Mar. 24, 1953;
8:48 a. m.]

[4th Sec. Application 27904]

CORN FROM CLAY CITY, IND., TO
LOUISVILLE, KY.

APPLICATION FOR RELIEF

MARCH 20, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by The New York Central Railroad Company and Louisville & Jeffersonville Bridge and Railroad Company. Commodities involved: Corn, in carloads.

From: Clay City, Ind.
To: Louisville, Ky.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: NYC RR. tariff I. C. C. No. 1169, Supp. 46.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-2556; Filed, Mar. 24, 1953;
8:48 a. m.]

[4th Sec. Application 27905]

PROPORTIONAL GRAIN RATES FROM OMAHA
AND SOUTH OMAHA, NEBR., COUNCIL
BLUFFS AND SIOUX CITY, IOWA, TO
POINTS IN TEXAS

APPLICATION FOR RELIEF

MARCH 20, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Grain, grain products, and related articles, carloads.

From: Omaha and South Omaha, Nebr., Council Bluffs and Sioux City, Iowa.

To: Points in Texas.

Grounds for relief: Competition with rail carriers, circuitous routes, and to maintain grouping.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, I. C. C. No. 3941, Supp. 52.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-2557; Filed, Mar. 24, 1953;
8:48 a. m.]

[4th Sec. Application 27906]

CLAY FROM SOUTHERN TERRITORY TO OHIO
RIVER CROSSINGS AND POINTS IN THE
SOUTH

APPLICATION FOR RELIEF

MARCH 20, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Clay, kaolin or pyrophyllite, crude, carloads.

From: Points in southern territory.

To: Points in southern territory, Ohio River crossings, and points in northern Virginia and West Virginia.

Grounds for relief: Rail competition, circuitous routes, grouping, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1323, Supp. 12.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the

Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-2558; Filed, Mar. 24, 1953;
8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of the Attorney General

[Order 6-53]

DIRECTOR OF BUREAU OF PRISONS

DELEGATION OF AUTHORITY PROVIDING FOR
PERFORMANCE OF FUNCTIONS RELATING TO
FEDERAL PRISONS AND PRISONERS IN
ALASKA

MARCH 11, 1953.

By virtue of the authority vested in me by section 161 of the Revised Statutes of the United States (5 U. S. C. 22) and section 2 of Reorganization Plan No. 2 of 1950 (64 Stat. 1261) it is hereby ordered as follows:

1. The authority and responsibility for the management and operation of Federal prisons in Alaska and for the care, custody, treatment, classification, and transfer of Federal prisoners in Alaska are hereby vested in the Director of the Bureau of Prisons.

2. In carrying out his authority and responsibility under this order the Director of the Bureau of Prisons shall—

(a) Establish an integrated Alaskan Jail System which shall include adequate physical facilities, a centralized administrative office, and a receiving and classification center.

(b) Issue rules and regulations for the classification of prisoners, administration of Federal Alaskan prisons, designation of prison institutions in Alaska and the United States for the serving of Federal sentences, and conduct of the transportation of prisoners.

(c) Provide for the detention and care of prisoners, under prescribed rules and regulations, in facilities at outlying points in Alaska.

3. The centralized administrative office established pursuant to paragraph 2 (a) of this order shall coordinate, supervise, and manage the Alaskan Jail System, and its head shall represent the Director of the Bureau of Prisons in the administration of the Alaskan Jail program.

4. The services and facilities under the jurisdiction of the United States Marshals may be utilized by the Director of the Bureau of Prisons in carrying out his functions under this order.

5. The Director of the Bureau of Prisons is authorized, subject to applicable laws and regulations, to employ such professional, custodial, and other personnel as may be required for carrying out the

provisions of this order, and to determine rates of compensation for employees whose compensation is not fixed by or pursuant to law.

HERBERT BROWNELL, JR.,
Attorney General.

[F. R. Doc. 53-2566; Filed, Mar. 24, 1953;
8:50 a. m.]

Office of Alien Property

[Vesting Order 19194]

WOLFGANG W KAESBIEER

In re: Estate of Wolfgang W Kaesebier, deceased. File No. D-28-13155 E & T sec. 17260.

Under the authority of the Trading With the Enemy Act, as amended (50 U. S. C. App. and Sup. 1-40) Public Law 181, 82d Congress, 65 Stat. 451, Executive Order 9193, as amended by Executive Order 9567 (3 CFR 1943 Cum. Supp., 3 CFR 1945 Supp.) Executive Order 9788 (3 CFR 1946 Supp.) and Executive Order 9989 (3 CFR 1948 Supp.) and pursuant to law, after investigation, it is hereby found:

1. That Hester Kaesebier Harvey, whose last known address is Germany, on or since December 11, 1941, and prior to January 1, 1947, was a resident of Germany and is, and prior to January 1, 1947, was a national of a designated enemy country (Germany)

2. That all right, title, interest and claim of any kind or character whatsoever of Hester Kaesebier Harvey in and to the Estate of Wolfgang W Kaesebier, deceased, is property which is and prior to January 1, 1947, was within the United States owned or controlled by, payable or deliverable to, or which is evidence of ownership or control by the aforesaid national of a designated enemy country (Germany)

3. That such property is in the process of administration by Francis J. Mulligan, as administrator, acting under the judi-

cial supervision of the Surrogate's Court of New York County, New York.

and it is hereby determined:

4. That the national interest of the United States requires that the person identified in subparagraph 1 hereof be treated as a person who is and prior to January 1, 1947, was a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 19, 1953.

For the Attorney General.

[SEAL] PAUL V MYRON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 53-2559; Filed, Mar. 24, 1953;
8:49 a. m.]

[Vesting Order 19195]

CONRAD HINRICH DONNER

In re: Bank account owned by Conrad Hinrich Donner. F-28-1295-E-4

Under the authority of the Trading With the Enemy Act, as amended (50 U. S. C. App. and Sup. 1-40) Public Law 181, 82d Congress, 65 Stat. 451, Executive Order 9193, as amended by Executive Order 9567 (3 CFR 1943 Cum. Supp., 3 CFR 1945 Supp.) Executive Order 9788 (3 CFR 1946 Supp.) and Executive Order 9989 (3 CFR 1948 Supp.) and pursuant to law, after investigation, it is hereby found:

1. That Conrad Hinrich Donner, whose last known address is Hamburg, Germany on or since December 11, 1941,

and prior to January 1, 1947, was a resident of Germany and is, and prior to January 1, 1947, was a national of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obligation of the Guaranty Trust Company of New York, 140 Broadway New York 15, New York, arising out of a Dollar Account entitled Conrad Hinrich Donner, maintained with the aforesaid company and any and all rights to demand, enforce and collect the same,

is property which is and prior to January 1, 1947, was within the United States owned or controlled by payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Conrad Hinrich Donner, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That the national interest of the United States requires that the person identified in subparagraph 1 hereof, be treated as a person who is and prior to January 1, 1947, was a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 19, 1953.

For the Attorney General.

[SEAL] PAUL V MYRON,
Deputy Director
Office of Alien Property.

[F. R. Doc. 53-2560; Filed, Mar. 24, 1953;
8:49 a. m.]