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Registry No. 1002—1—01

## NATIONAL RECOVERY ADMINISTRATION

## CODE OF FAIR COMPETITION

FOR THE

## ASBESTOS INDUSTRY

AS APPROVED ON NOVEMBER 1, 1933

BY

PRESIDENT ROOSEVELT



1. Executive Order
2. Letter of Transmittal
3. Code

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## EXECUTIVE ORDER

### CODE OF FAIR COMPETITION FOR THE ASBESTOS INDUSTRY

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Asbestos Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report and recommendations, and findings of the Administrator and do order that the said code of fair competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,  
*November 1, 1933.*

Approval Recommended:

HUGH S. JOHNSON,  
*Administrator.*

(III)

OCTOBER 27, 1933.

The PRESIDENT,  
*The White House.*

SIR: This is a report of the hearing on the Code of Fair Competition for the Asbestos Industry of the United States, conducted in Washington on October 19, 1933, in accordance with the provisions of the National Industrial Recovery Act.

#### PROVISIONS FOR HOURS AND WAGES

Employees in the Asbestos Industry are limited to a work week of 40 hours, except that to meet emergency production requirements, 48 hours per week are permitted for six weeks in any six months' period with time and one third for overtime over 8 hours per day. Overtime pay has never previously been paid in this Industry, and is here provided to restrict overtime work.

A tolerance of 10 percent over the 40 hours without overtime pay is granted to care and maintenance men, watchmen, engineers, and shipping employees, but for these classes of employees overtime at time and one third is provided for all hours above 44 per week. Highly skilled continuous-process workers may be permitted in special cases to work up to 48 hours per week where the limiting of hours would restrict production.

Outside salesmen and persons in a mananagerial capacity receiving more than \$35.00 per week are not limited by the above hours of labor, but all office employees receiving less than \$35.00 per week are limited to a maximum of 48 hours in any week and an average of 40 hours per week in any six-months' period.

The minimum wage prescribed for factory workers is 40 cents an hour, except for light work not requiring the strength and skill of male labor, where 35 cents per hour may be paid to female employees. This is not considered as a discrimination against female employees, and the provision is made that where female employees perform the same class of work as male employees they shall receive the same rates of pay. Office employees shall receive under this Code not less than \$15.00 per week in cities of over 500,000 population, \$14.50 in cities over 250,000, and \$14.00 in cities under 250,000.

The Code provides that the wage rates of all employees receiving more than the minimum rates shall be equitably readjusted, and that there shall be no evasion of the Code by reclassification of the functions of an employee.

No person under 16 years of age shall be employed in the Industry, and no minor under 18 years is to be employed in hazardous occupations.

#### ECONOMIC EFFECT OF THE CODE

Until the passage of the National Recovery Act this Industry had never been organized as a unit. The Industry comprises 58 com-

panies operating 71 plants and having a total invested capital above \$50,000,000. Its products are widely used as capital goods in the chief basic industries of the country.

Employment in the Industry in 1929 was about 10,000, and had declined to 59 percent in February 1933. Upon the adoption of the 40-hour week as prescribed in this Code employment rose to 90 percent of the 1929 level. About 4,000 persons have been reemployed under the provisions of this Code. This represents approximately a 30-percent increase.

In May 1933, the average weekly wage in the Industry was \$17.49. Through the operation of the provisions of this Code this average was increased to \$19.48, or an increase of about 10 percent in spite of the shorter work week.

#### FINDINGS

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Asbestos Industry.

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be approved.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*



# CODE OF FAIR COMPETITION FOR THE ASBESTOS INDUSTRY

## ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act the following provisions are submitted as a Code of Fair Competition for the Asbestos Industry, and upon approval by the President such provisions shall be the standard of fair competition in this Industry.

## ARTICLE II—DEFINITIONS

Whenever used in this Code or in any schedule or supplement appertaining thereto, the terms enumerated in this Article shall have the meanings herein defined unless the context shall otherwise clearly indicate.

SECTION 1. The term "the President" means the President of the United States of America.

SEC. 2. The term "the Administrator" means the administrator of Title I of the National Industrial Recovery Act and at the time in office.

SEC. 3. The term "the Act" means the National Industrial Recovery Act as approved by the President, June 16, 1933.

SEC. 4. The term "products" means the products listed in Schedule I hereto attached.

SEC. 5. The term "the industry" as used herein shall mean and include the manufacture and sale by the manufacturer either by himself or by subsidiaries or affiliates of the manufacturer, of the products listed in Schedule I hereof.

SEC. 6. The term "Division" means a section of the asbestos industry comprising a group of manufacturers who manufacture and/or sell a group of related products as set forth in Schedule I. A manufacturer who manufactures products in more than one Division shall be a member of each such Division.

SEC. 7. The term "member of the industry" means any person, including without limitation any other legal entity, engaged in the Asbestos Industry in the United States as defined in Section 5 above.

SEC. 8. The term "employee" means any person engaged in the asbestos industry, as defined in Section 5 above, in any capacity in the nature of employee, irrespective of the method of payment of his compensation.

SEC. 9. The term "employer" means anyone by whom such employee is compensated.

SEC. 10. The term "learner", as used herein, means a person who has had no previous experience in the manufacture of asbestos products and whose employment as such shall not exceed six weeks.

SEC. 11. The term "the Code" means this Code and all amendments thereof and all schedules and supplements appertaining thereto.

SEC. 12. The term "member of the Code" means any member of the Asbestos Industry who shall become a member of the Code as hereinafter provided in Section 1 (c) of Article VI.

SEC. 13. The term "the effective date" means the second Monday after the Code shall have been approved by the President.

SEC. 14. The term "the Institute" means the Asbestos Institute, an unincorporated association having an office in the City of New York, State of New York.

SEC. 15. The "Southern section" means the States of North Carolina, Tennessee, Arkansas, Oklahoma, Texas, New Mexico, and the States south thereof.

SEC. 16. The "Northern section" means that part of the United States not included in the Southern section.

SEC. 17. Population for the purpose of the Code shall be determined by reference to the 1930 Federal Census.

### ARTICLE III—HOURS OF LABOR

SECTION 1. Factory employees, mechanical workers, or artisans, except as hereinafter provided in sections 2 to 4, inclusive, shall not be employed (a) in excess of 40 hours per week, except that to meet seasonal requirements or emergencies 48 hours per week for not more than 6 weeks in any six months' period shall be permitted if the average employment over the six months' period is not more than 40 hours per week; (b) in excess of 8 hours in any 24-hour period, except that to meet seasonal requirements or emergencies more than 8 hours may be worked, provided time and one third is paid for overtime in any one day.

SEC. 2. There shall be a tolerance of 10% additional hours for (a) employees engaged in the preparation, care, and maintenance of plant, machinery, and production facilities, (b) watchmen, firemen, and engineers, and (c) shippers and delivery employees; provided, however, that any such work by such employees in excess of an average of 44 hours per week over a six weeks' period shall be compensated for at the rate of time and one third.

SEC. 3. The limitation as to hours of labor in any 24 hours shall not apply to very special cases where restriction of hours of labor of highly skilled workers in continuous processes would unavoidably reduce production; provided, however, that employees in such cases shall not work more than 48 hours in any one week.

SEC. 4. The limitation as to hours of labor shall not apply (a) to outside sales or sales-service men, technicians (highly skilled factory workers are not to be classed as technicians), nor to persons in a managerial, executive, or supervisory capacity who receive more than \$35.00 per week (foremen regularly engaged in manual labor shall not be considered to be in such supervisory capacity), nor (b) to employees engaged in emergency maintenance or repair work necessary because of breakdowns or involving danger to life and property, providing that such emergency overtime work in excess of 48 hours in any one week shall be paid for at the rate of time and one third.

SEC. 5. No employer shall work any accounting, clerical, office, inside sales, or other employee not provided for otherwise in this Article III who receives less than \$35.00 per week, more than an average of 40 hours per week during a six-month period, nor more than 48 hours per week in any one week.

SEC. 6. No employee shall be permitted to work a total number of hours in excess of the prescribed number, whether employed by one or more employers.

#### ARTICLE IV—MINIMUM WAGES

SECTION 1. Except as provided in Sections 2 to 6 below, the minimum wages that shall be paid to factory workers in the Northern section by any employer shall be at the rate of 40 cents per hour or of \$16.00 per week of 40 hours of labor; except that for such light work as does not usually require the strength and skill of male labor, and for which male labor has not been used, the minimum rate paid to female employees may be at the rate of 35 cents per hour or at \$14.00 per week of 40 hours of labor.

SEC. 2. In the Southern section the above-mentioned minimum rates shall be 2½ cents per hour lower.

SEC. 3. The above Sections 1 and 2 establish minimum rates of pay, regardless of whether the employee is paid a time rate or for piecework performance.

SEC. 4. The minimum wage that shall be paid by employers to any accounting, clerical, office, sales employee in any office, department, or establishment, or other employee not provided for otherwise in this Article IV, shall be at the following rates in cities of the sizes listed below and their immediate trade areas:

Over 500,000 population, not less than \$15.00 per week.

Between 250,000 and 500,000, not less than \$14.50 per week.

Under 250,000 population, not less than \$14.00 per week.

SEC. 5. No employees in the classes mentioned in Section 4 of this article shall have their compensation reduced on account of any reduction in their weekly hours of employment made because of the requirements of Section 5, Article III.

SEC. 6. The minimum rate of pay paid to office or messenger boys and girls and learners (the latter for not over the six weeks' period specified in the definition of learners) may, in the case of those members of the Industry where the total of such classes never exceed 5% of their total employees, be 20% less than the rates specified in Sections 1 and 2 above for learners, and Section 4 above for office or messenger boys and girls.

SEC. 7. No distinction in rates shall be made between male and female employees where the same class of work is performed, regardless of whether compensation is calculated on an hourly weekly, monthly, or piecework basis.

SEC. 8. Unless such readjustment has already been made because of the operation of the President's Reemployment Agreement, the wage rates of all employees receiving more than the minimum rates prescribed above, but less than \$35.00 per week, shall be equitably readjusted.

SEC. 9. There shall be no evasion of the Code by any employer by reclassification of the functions of an employee. An employee shall not be included in one of the classifications exempted from the provisions of this Code unless the identical functions were identically classified on June 16, 1933.

#### ARTICLE V—CHILD LABOR

No person under 16 years of age shall be employed in the Industry, and no person under 18 years of age engaged in unsanitary occupations or when operating hazardous manufacturing machinery.

#### ARTICLE VI—ADMINISTRATION

To further effectuate the policies of the Act, a Code Authority is hereby set up to cooperate with the Administrator in the administration of the Code.

SECTION 1. Organization and constitution of the Code Authority.

(a) The Code Authority shall consist of six voting members selected as specified in Article VI, Section 1(e), and such additional members, if any, not exceeding three, as shall be appointed by the President. Such additional members shall not be vested with voting rights.

(b) For purposes of administering the Code and selecting members of the Code Authority, the Asbestos Industry is divided into the following divisions:

Asbestos Paper and Allied Products Division.

Asbestos Cement Products Division.

Asbestos Magnesia Products Division.

Asbestos Textile Products Division.

Asbestos Brake-Lining and Related Friction Products Division.

The products manufactured by members of each of said Divisions are set forth under the designated Divisions in Schedule I hereto attached.

(c) Every member of the Industry shall be eligible to membership in the Code and there shall be no inequitable restrictions upon such membership. Any member of the Industry desiring to become a member of the Code may do so by signing and delivering to the Institute or to the Code Authority a letter substantially in the form set forth in Schedule II, annexed hereto.

(d) Every member of the Industry who manufactures one or more of the products listed in Schedule I under a designated Division shall be a member of such Division.

(e) At least five voting members of the Code Authority shall be selected from members of the Code. One voting member shall be elected by a two-thirds vote of the members of each Division of the Code. A democratic (majority) method of election and term of office shall be determined by the members of each Division. The sixth voting member shall be elected by a majority vote of the five so elected.

(f) The Code Authority shall adopt its own rules of procedure and may appoint such officers or agencies as it may deem necessary properly to administer the Code, subject to review by the Administrator.

It shall delegate to a Sub-Code Authority of each member Division, consisting of three members elected by each Division, the administration of all articles except III, IV, V, and X of the Code, subject to review by the Administrator. All contacts with the Administrator relating to the administration of Article III, IV, V, and X of the Code shall be by the Code Authority.

(g) The members of each Division shall adopt their own rules of procedure with respect to administering the Code, not inconsistent with the Act or with the Code, subject to review by the Administrator. Each Division may appoint agents, not members of the Industry, to investigate complaints of violation of the Code by members of the Division under rules which shall not be inconsistent with the provisions of the Act or of the Code.

(h) All members of the Code shall bear their proportionate share of the expense of maintenance of the Code Authority and its activities. Such expenses shall be assessed upon an equitable basis (proportionate to dollar sales or volume of production as Divisions may determine) by the Code Authority, subject to review by the Administrator. Assessments shall be paid by members of the Code in the manner and at such times as shall be directed by the Code Authority.

SEC. 2. The Code Authority shall have the following duties and powers to the extent permitted by the Act and subject to review by the Administrator.

(a) With a view to keeping the President and the members of the Code informed as to the observance or nonobservance of the Code and as to whether the members of the Industry are taking appropriate steps to effectuate the declared policy of the Act, the Code Authority shall report to the Administrator at such times and concerning such conditions in the Industry as he may from time to time require. Each member of the Industry, subject to review by the Administrator, shall file in such office as the Code Authority may designate and at such time, in such form and for such periods as required by the Code Authority, duly certified reports with respect to wages, hours of labor, conditions of employment, number of employees, production, and other matters pertinent to the proper supervision of the Industry as determined by the Code Authority. Any additional special reports required by the Administrator will be supplied without expense to the Code Authority. In addition to information required to be submitted to the Code Authority, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purposes recited in section 3 (a) of the Act.

(b) All confidential information of any nature so requested shall be collected through agents not connected with the Industry, selected by the Code Authority, and such information shall be kept confidential by the said agents except when required by the Code Authority for the proper administration of the Code. Only such information shall be requested by the Code Authority which is appropriate to the proper supervision of the Industry or to the administration of the Code.

(c) The Code Authority may designate agents not members of the Industry to investigate complaints of violations of the Code. The members of the Industry shall facilitate such investigations by

opening their correspondence, books, and accounts relating to alleged violation for examination by such authorized agents and by furnishing relevant information. All such information shall be kept confidential by the agents except that in the event of any such violation being substantiated, the Code Authority shall be informed and may present evidence thereof to the proper department of the Government. If, upon such investigation, any complaint of a violation of the Code shall be substantiated in any material respect, the member of the Code guilty of such violation shall pay the cost of the investigation; otherwise the cost shall be borne by the complainant. The guilty member shall be subject to all penalties provided for in the Act and if a member of the Code, any other penalties provided for by said member's Division of the Code.

(d) The Code Authority shall study conditions in the Industry and, subject to approval by four of its voting members and by a three-fourths vote of the Code members of each Division present at a meeting expressly called for that purpose, shall make such recommendations from time to time to the Administrator as it deems desirable to further the policies of the Act, which, upon the approval of the President or the Administrator or such other lawful officer as may be constituted, shall become a part of the Code and shall have full force and effect as provisions hereof.

#### SEC. 3. Appeals.

(a) Any interested party shall have the right of complaint to the Code Authority or a Sub-Code Authority, and a prompt hearing and decision thereon, under such rules and regulations as the Code Authority shall prescribe, in respect to any act of any member of the Industry or in respect to any agent or agency designated by the Code Authority or Sub-Code Authority to act in its behalf.

(b) Any interested party shall have the right of appeal to the Administrator, under such rules and regulations as he shall prescribe, with respect to any decision, rule, regulation, order, or finding made by the Code Authority or a Sub-Code Authority.

(c) Any member of the Industry who promptly files his appeal with the Code Authority or Sub-Code Authority and cooperates toward prompt decision thereof and who makes his appeal on the grounds that said restrictions or rulings will handicap his legitimate methods of operation or distribution tending toward jeopardizing his existence, shall not be bound by any restrictions which arise from the Merchandising Plan or Rulings of the Sub-Code Authority provided for herein in this Article VI, Section 4 (b) but supplemental to and not specifically covered by this Code, until such appeal has been heard and finally disposed of.

#### SEC. 4. Codes of Ethics and Merchandising Plans.

(a) The Code Authority may, with the approval of four of its voting members and by a three-fourths vote of the Code members of each Division present at a meeting expressly called for that purpose, and subject to review by the Administrator, formulate a Code of Ethics for all members of the Industry which will amplify and define the provisions of Article VII hereof.

(b) The members of each Division of the Industry may prepare Simplification and Standardization Specifications and a Merchandising Plan for such Division, incorporating the merchandising policies best calculated to promote fair competition in such Division.

Subject to the review of the Administrator, every such Merchandising Plan or Simplification and Standardization Specifications, when approved by three fourths of the Code members of the Division and filed with the Sub-Code Authority, shall be binding upon all members of the Industry who are members of the Division to which such Merchandising Plan or Specifications apply. Changes may be made in any such Merchandising Plan or Specifications in the same manner that the originals were established.

SEC. 5. Any notice, demand, or request required or permitted to be given to or to be made upon any member of the Industry shall be sufficiently given if mailed by registered mail, postage prepaid, addressed to such member of the Industry, at his address on file with the Secretary of the Code Authority.

## ARTICLE VII—UNFAIR TRADE PRACTICES

For the purposes of the Code the following shall constitute unfair trade practices:

SECTION 1. To invoice fictitiously, ship in excess of quantities invoiced, price at prices for a trade classification to which buyer is not properly entitled, permit unwarranted deductions, make fictitious or excessive allowances or guarantees.

SEC. 2. To grant secret rebates in any form, give or sell other materials at lower than prevailing prices to influence a sale, give improper "cut backs" or rebate to any buyer for stock on hand at date of any price decline.

SEC. 3. To subsidize buyers by special donations, give premiums, lavishly entertain a customer or prospective customer or their employees, split commissions, pay part or all of a customer's or prospective customer's expenses, buy of a customer or prospective customer other commodities at higher than prevailing open market prices, make improper advertising allowances, give gratuities or make loans or otherwise improperly influence business, consign stock or allow other than published terms, or fail to prescribe definite terms, or make improper price-maintenance guarantees.

SEC. 4. (a) To sell or offer any product with intent to deceive.

(b) To defame a competitor.

(c) To purchase a stock of competitor's materials from a customer or prospective customer.

(d) To misbrand material or to imitate the trade marks, trade names, slogans, or advertising matter of a competitor.

(e) To improperly entice away a competitor's employees.

SEC. 5. To sell for export until the buyer has agreed not to resell the goods within the United States.

SEC. 6. Using or employing any unfair trade practice shall be a violation of the Code and any member of the Industry who shall directly or indirectly through any officer, employee, agent, or representative, knowingly or willfully use or employ any such unfair practices shall have violated the Code.

## ARTICLE VIII—PUBLICITY OF PRICES, TERMS, AND CONDITIONS OF SALE

The purpose of the following publicity requirements of the Code is to insure complete publicity of all prices, terms, and conditions

of sale to manufacturers and to the trade concerned, and thus to promote fair competition. The trade concerned shall be all the trade of the member of the Industry directly affected by such prices, terms, or conditions of sale in the territory to which the same apply.

SECTION 1. Each member of the Industry shall have the right individually to establish new prices, terms, and conditions of sale from time to time not inconsistent with the provisions of the Code.

SEC. 2. No member of the Industry shall sell, pay a rebate, or allow a deduction at any time to any person except upon prices, terms, and conditions of sale then in effect and/or published in such manner as may hereinafter be required by the Code.

SEC. 3. Upon the effective date of the Code every member of a Division of the Industry shall forthwith file in the office designated for such Division a schedule of his prices, terms, and conditions of sale then in effect for distribution to all members of the Division in the manner and to the extent determined by the Sub-Code Authority of such Division. The members of each Division may determine the extent to which such schedules shall be open to inspection by members of the trade.

SEC. 4. In the event of any change being made by a member of the Industry in any price, term, or condition of sale, he shall, if so determined by the members of the Division of which he is a member, do either one or both of the following:

(a) Immediately publish to the trade concerned every such change and coincidentally file in the office designated for his Division full and complete copies of every such change in price and terms and conditions of sale for immediate distribution to the members of the Division; or

(b) File full and complete copies of every contemplated change in prices, terms, and conditions of sale in the office designated by his Division within such periods as may be designated for such Division but not exceeding 5 days in advance of the effective date of such change. Copies thereof shall in such cases be immediately filed with the Sub-Code Authority of the Division and then distributed to the trade concerned as required by the Division, in the manner provided in Article VIII, Section 3.

When a member of the Industry is a member of more than one Division the publicity requirements of any Division of which he shall be a member shall apply only to changes in prices, terms, and conditions of sale of products listed under such Division in Schedule I of the Code.

Merchandising Plans adopted pursuant to Section 4 of Article VI, containing provisions with reference to publicity of prices, terms, or conditions of sale, shall be controlling with respect to the members of the Division for which any such Merchandising Plan may be established, even though such provisions supplement or vary the publicity requirements of this Article VIII.

SEC. 5. After dates to be specified by each Sub-Code Authority for its Division, no member of the Division shall sell to any buyer for resale more than one small introductory order unless the buyer has agreed in writing (1) to make no improper use of the member's merchandising plans, prices, terms and/or conditions of sale or otherwise misrepresent the policies or products of the member; (2)

to sell from a list no higher than that from which the products were purchased; (3) to observe all of the provisions of this Code insofar as they are applicable.

#### ARTICLE IX—SELLING BELOW COST

SECTION 1. No member of the Industry shall initiate a price for the sale of any product to the trade at a net price after all discounts which shall be below the said member's own individual cost. Said cost shall be determined in accordance with any uniform cost accounting methods as may be approved by a three-fourths vote of the members of each Division and subject to review by the Administrator. Each such Division shall by the same method designate the cost accounting period to be used from time to time; provided, however, that any member of the Industry may sell below his own individual cost to meet prices established on products of essentially similar grade and quality by another member of the Industry.

SEC. 2. Complaints may be filed with a Subcode Authority against any member of its Division of the Industry to the effect that said member has made a sale at a price believed to be below said member's current total cost and not to meet existing competition in the Industry. Said Subcode Authority may in its discretion investigate such complaints, and if it finds that said prices were not made to meet existing competition in the industry, it shall designate a firm of certified public accountants to investigate whether or not the prices complained of were below said member's current total cost in conformity with sound accounting practice. The said accountants shall report their conclusions to the Subcode Authority without disclosing confidential details, and if the Subcode Authority finds after receiving such report, that such member actually sold below his current total cost and not to meet existing competition in the Industry, then the cost of the investigation shall be paid by said member if a member of the Code, otherwise by the complainant. The guilty member shall be subject to all penalties provided for in the Act, and if a member of the Code, any other penalties provided for by said member's Division of the Code.

#### ARTICLE X—LABOR PROVISIONS

SECTION 1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

SEC. 2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

SEC. 3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

SEC. 4. Within each state this Code shall not supersede any laws of such state imposing more stringent requirements on employer

regulating the age of employees, wages, hours of work, or help, fire, or general working conditions than under this Code.

SEC. 5. Each employer will make available without charge to his employees copies of the Code under which employer is operating.

#### ARTICLE XI—GENERAL

SECTION 1. For the purposes of the Code, all transactions between manufacturers who are members of the Industry and their respective subsidiaries and affiliates, which shall be defined in the respective divisional merchandising plans as described in Section 4 (b) of Article VI, shall be considered as interdepartmental transactions of the manufacturer. No such manufacturer shall sell to such subsidiary or affiliate unless such subsidiary or affiliate shall agree to and does conform to the pertinent provisions of this Code.

SEC. 2. Nothing contained in the Code shall be construed as prohibiting any member of the Industry from exercising its and/or their lawful patent rights or as requiring any member of the Industry to do any act in conflict with the terms of any patent licensing agreement.

SEC. 3. Section 4 of Article VI and Articles VII, VIII, and IX of the Code shall not apply to products exported from the United States.

SEC. 4. Nothing contained in the Code shall be deemed to constitute any of the members thereof partners for any purpose. No member of the Code shall be liable in any manner by reason of his participation therein to anyone for any act of any member or agent of the Code Authority. No member of the Code except as otherwise provided herein and no member of the Industry or of the Code Authority and no agent of the Industry shall be liable to anyone or in any manner other than as provided in the Act, or in the Code, for any act or failure to act under the Code.

SEC. 5. Where the costs of executing contracts entered into in the Asbestos Industry prior to the effective date are increased by the application of the provisions of the Code to the Industry, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise. The Code Authority is constituted an agency to assist in effecting such arbitral proceedings and adjustments.

SEC. 6. As required by Section 10 (b), Title I of the Act, the following provision is contained in the Code: The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under this Title.

SEC. 7. By presenting the Code the members of the Industry assenting thereto do not thereby consent to any modification thereof, and they reserve the right to object individually or jointly to any such modification.

#### ARTICLE XII—AMENDMENTS TO THE CODE

It is contemplated that from time to time supplementary provisions to the Code or additional codes may be submitted for the approval of the President to prevent unfair competition in prices or

other unfair or destructive practices and to effectuate the other purposes and policies of Title I of the Act. Such provisions of the Code as are not required to be included therein by the Act, may, with the approval of the President, be modified or eliminated if it appears that the public needs are not being served thereby, and as changes in circumstances or experience may indicate. The provisions of the Code shall remain in effect unless and until so modified or eliminated, or until the expiration of the Act; namely, June 16, 1935, unless sooner terminated in accordance with law for such case made and provided.

## **SCHEDULE I**

### **DIVISIONS OF THE ASBESTOS INDUSTRY AND PRODUCTS INCLUDED**

- 1. Asbestos Paper and Allied Products:**
  - All Asbestos Papers
  - All Types of Asbestos Millboard
  - Asbestos and Wool Felt Pipe Covering
  - Air Cell Pipe Covering
  - Asbestos Laminated Pipe Covering
  - Pipe Covering Accessories
  - Asbestos Insulating Cement
- 2. Asbestos Cement Products:**
  - Asbestos Shingles
  - Asbestos Corrugated Lumber
  - Asbestos Flat Lumber
  - Asbestos Wallboard Plain
  - Asbestos Board Pre-Decorated
  - Impregnated Asbestos Lumber
  - Asbestos Encased Insulating Board
  - Miscellaneous Molded Products
- 3. Asbestos Magnesia Products:**
  - 85% Magnesia Pipe Covering, Blocks and Cements
  - High temperature Insulation, Blocks and Cement
  - Insulating Bricks
  - Carbonate of Magnesia
- 4. Asbestos Textile Products:**
  - All Types of Asbestos Roving
  - All Types of Asbestos Yarn
  - All Types of Asbestos Cloth
  - All Types of Asbestos Listing
  - All Types of Asbestos Tubing
  - All Types of Asbestos Cord
  - Carded Asbestos Fibre Made from Crude Asbestos
- 5. Brake Lining and Related Friction Products:**
  - Brake Lining and/or Clutch Facings, excepting only friction elements made exclusively of metal or wood.

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