

**NATIONAL RECOVERY ADMINISTRATION**

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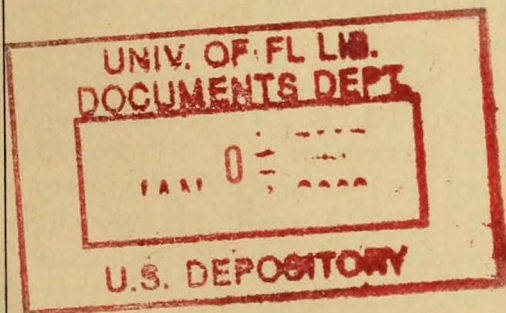
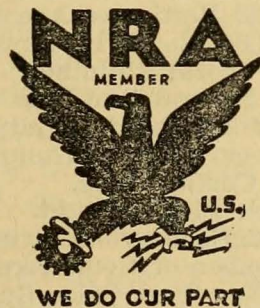
**SUPPLEMENTARY**  
**CODE OF FAIR COMPETITION**

**FOR THE**

**WATERPOWER EQUIPMENT**  
**INDUSTRY**

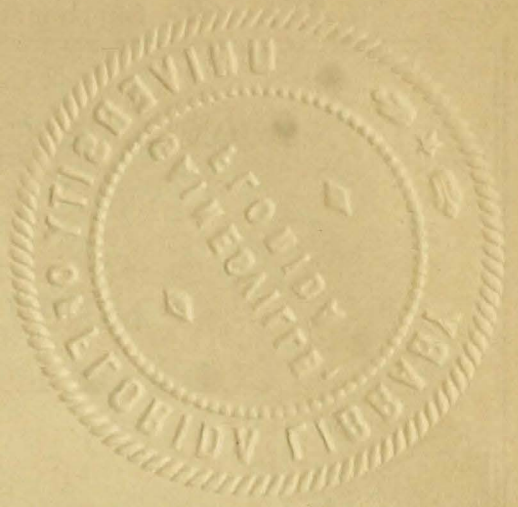
(A Division of the Machinery and Allied Products Industry)

AS APPROVED ON JUNE 7, 1934



UNITED STATES  
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Approved Code No. 347—Supplement No. 13

## SUPPLEMENTARY CODE OF FAIR COMPETITION

FOR THE

## WATERPOWER EQUIPMENT INDUSTRY

As Approved on June 7, 1934

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### ORDER

#### SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE WATERPOWER EQUIPMENT INDUSTRY

A DIVISION OF THE MACHINERY AND ALLIED PRODUCTS 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 approval of a Supplemental Code of Fair Competition for the Waterpower Equipment Subdivision of Machinery and Allied Products Industry, and hearings having been duly held thereon and the annexed report on said Supplemental Code containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Supplemental Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Supplemental Code of Fair Competition be and it is hereby approved subject to the following conditions: (1) that the provisions of Article VII, Section (a), insofar as they prescribe a waiting period between the filing with the Code Authority (or such agency as may be designated in the Supplemental Code) and the effective date of price lists, as originally filed and/or revised price lists or revised terms and conditions of sale, be and they hereby are stayed pending my further order, and (2) that the provisions of Article VIII, Sections 6 to 9 inclusive, be and they hereby are stayed for a period of fifteen (15) days; then to become effective unless I, by my further order, otherwise direct; within which time cause may be shown, if any there be, why the above provisions should not become effective;



and that the Temporary Code Authority send notice of the stay of these provisions and of the opportunity to show cause why they should not become effective to all known employers of the Subdivision.

HUGH S. JOHNSON,  
*Administrator for Industrial Recovery.*

Approval recommended:

A. R. GLANCY,  
*Division Administrator.*

WASHINGTON, D.C.,  
*June 7, 1934.*



## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Supplemental Code of Fair Competition for the Waterpower Equipment Subdivision of the Machinery and Allied Products Industry, a Public Hearing on which was held in Washington, D.C., on December 8, 1933, and reconvened on December 21, 1933. The Hearing was conducted in full accordance with the provisions of Title I of the National Industrial Recovery Act.

### GENERAL STATEMENT

The Waterpower Equipment Subdivision, being truly representative of the manufacturers of the products defined in Article II of the Supplemental Code, has elected to formulate and submit a Supplemental Code of Fair Competition as provided in the second paragraph of Article I of the Code of Fair Competition for the Machinery and Allied Products Industry, approved by you on the seventeenth day of March, 1934.

The Waterpower Equipment Subdivision means the business of manufacturing for sale, selling, erecting and/or designing equipment or machinery as enumerated in detail in the Supplemental Code attached hereto.

### ECONOMIC EFFECT

This Subdivision has been severely affected by the recent depression. This is evidenced by the steady decline in annual sales since 1929. In 1933 sales were approximately 60% below the 1929 level, declining from \$5,000,000 in 1929 to \$2,000,000 in 1933.

Estimates of approximate employment, excluding office employees, indicates that the employment declined from 1,600 persons in 1929 to 509 persons in the second quarter of 1933, and that this level had increased to 582 persons as of October, 1933.

Man-hours show a trend similar to employment. In 1929 man-hours amounted to approximately 78,240. Thereafter they declined to a minimum of 14,541 man-hours in the first quarter of 1933 or 81%. After this period man-hours increased again. Estimated man-hours, as of October, 1933, were approximately 19,788 based on 34 hours worked, consequently the 40-hour week provided in the Code will probably cause little further employment here.

The wage provisions for the Subdivision, which is operating under the Code for the Machinery and Allied Products Industry, provide that employees engaged in plant operations shall be paid as follows: (1) in cities of more than 50,000 population and their immediate vicinity, 40 cents per hour; (2) in cities of more than 10,000 but not more than 50,000 population and their immediate vicinity,



which cities are not in the immediate vicinity of a city of more than 50,000 population, 38 cents per hour; (3) in cities of 10,000 population or less and their immediate vicinity, which cities are not in the immediate vicinity of a city of more than 10,000 population, 36 cents per hour, except that employees engaged in plant operations in all localities in the states of Virginia, North Carolina, South Carolina, Georgia, Florida, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Texas, and Oklahoma, shall be paid not less than 32 cents per hour.

When females do substantially the same work as males or replace males, they shall receive the same pay. However, no female employee shall be paid less than 87½% of the proper rate for the locality in which employed.

Office boys and girls and apprentices shall be paid not less than 80% of the minimum wage.

Employees other than those engaged in plant operations shall receive not less than \$15.00 per week.

*Estimated number of factory workers receiving less than designated hourly rates*

Proposed minimum hourly rates	Distribution of factory workers receiving less than the minimum regardless of location	
	Approximate percent	Approximate number
40 cents (other U.S.)-----	25.5	138
38 cents (other U.S.)-----	21.9	119
36 cents (other U.S.)-----	18.2	99
32 cents (South)-----	14.0	76

Based on the distribution as of June 15, 1933, and on the specified percentages of the number of factory workers receiving less than the designated rates shown in the above table, the adoption of the proposed minimum rates will probably cause an increase in factory payrolls. The estimated increase as of June 15, 1933, regardless of location of the workers, will probably, under the most favorable conditions, not exceed 5% assuming only upward adjustment in the brackets below the 40-cent minimum and no change in man-hour requirements.

The Code provides that no person under 16 years of age shall be employed in this Subdivision.

RESUME OF SUPPLEMENTAL CODES

Article I states the purpose of the Supplemental Code.

Article II accurately defines specific terms applicable to the Subdivision as used in this Supplemental Code.

Article III provides for the adoption of the employment provisions of the National Industrial Recovery Code of the Machinery and Allied Products Industry, as approved by you, and as from time to time amended.



Article IV provides for the adoption of Articles II, VI, VIII, and IX of the National Industrial Recovery Code of the Machinery and Allied Products Industry, in accordance with the conditions of this Article governing their adoption.

Article V provides for the establishment of a Code Authority and defines its powers and duties.

Article VI provides for an accounting system and methods of cost finding and/or estimating.

Article VII provides for methods of setting up, revising and filing price lists and discount sheets and terms of sale and payment.

Article VIII sets forth trade practices for the Subdivision.

Article IX defines and covers sale for export.

Article X. This Supplemental Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with Subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under said Act. Provision is also made that modifications may be submitted by the Code Authority to the Administrator for approval.

Article XI provides means for withdrawal of this Subdivision from the Basic Code and its continuance as an autonomous Code.

Article XII. No provision of this Supplemental Code shall be so applied as to permit monopolies, or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

Article XIII states the effective date of this Supplemental Code.

#### FINDINGS

The Assistant Deputy Administrator in his final report to me on said Supplemental Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) Said Supplemental Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Subdivision normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Supplemental Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of



Section 7, and Subsection (b) of Section 10 thereof; and that the applicant association is an industrial association truly representative of the aforesaid Subdivision; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Supplemental Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Supplemental Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Supplemental Code.

For these reasons, therefore, I have approved this Supplemental Code, provided that certain provisions relating to price publication and trade practices are stayed.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

JUNE 7, 1934.



# SUPPLEMENTARY CODE OF FAIR COMPETITION FOR WATERPOWER EQUIPMENT INDUSTRY

A DIVISION OF THE MACHINERY AND ALLIED PRODUCTS INDUSTRY

## ARTICLE I—PURPOSES

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Supplemental National Industry Recovery Code for the Waterpower Equipment Subdivision of the Machinery and Allied Products Industry, and together with the National Industrial Recovery Code of Machinery and Allied Products Industry, shall be the standard of fair competition for this Subdivision, and shall be binding on every employer therein.

## ARTICLE II—DEFINITIONS

*"Applicant"* means the Waterpower Equipment Association, a trade organization, which organization is truly representative of this Subdivision, all members of which are engaged in the business of manufacturing for sale, selling, erecting and/or designing the products of the Waterpower Equipment Subdivision of the Machinery and Allied Products Industry.

*"Industry"* means the Machinery and Allied Products Industry, as defined in its National Industrial Recovery Code as approved by the President, and as such definition may from time to time be amended.

*"Subdivision"* means the Waterpower Equipment Subdivision of the Machinery and Allied Products Industry as defined and set forth in paragraph (36), Article II of the National Industrial Recovery Code of the Machinery and Allied Products Industry as follows:

"(36) Waterpower equipment subdivision means the business of manufacturing for sale, selling, erecting and/or designing equipment or machinery as enumerated below:

"(Group 1) Hydraulic turbines, water wheels, impulse wheels, governors, governor pumping systems including pressure tanks and dump tanks, flume manholes, relief valves, energy absorbers, free discharge valves, drain valves, special and automatic valves; also cast iron or cast steel or steel plate or structural steel (riveted or welded) spiral casings, pressure casings, speed rings, turbine wicket gates, head covers, curb plates, throat rings, bearings, bearing housings, pit liners, draft tubes and liners, short steel penstocks and intake pipes not exceeding thirty-five (35) feet in length; all of the above for water power plants.

"(Group 2) Turbine shut-off valves, bypass valves, butterfly valves, large and special gate valves, needle valves, cylinder valves, conical



valves and spherical valves for water power plants. This Group 2 shall include only such valves and fittings, including parts therefor or for their servicing, as are made by an employer in this Subdivision as a part of the products thereof for water power plants only, or as a separate assembly peculiar to such products.

“(Group 3) Head gates, crest gates, sluice gates (except such sluice gates of cast metal construction, in no event of more than ten (10) feet diameter opening, as are normally produced and sold by members of the Valve and Fittings Manufacturing Industry), bypass gates, trash racks, rack rakes, lock gates, bear trap gates and modifications thereof, roller gates, roller sector gates, drum gates, vertical lift gates, vertical lift sector gates, taintor gates, taintor gate valves, cylindrical valves, filler gates, automatic gates, flashboards manually or automatically operated, of cast and/or fabricated steel plate construction together with hoists, operating machinery and automatic control equipment therefor. (Structural steel plates, shapes and bars included in the products of this Group 3 may be sold, fabricated and erected under the code of the Structural Steel and Iron Fabricating Industry, or the code of the Steel Plate Fabricating Industry, by employers in either of such industries who are not engaged in the production of other products in this Group 3.)

“And other mechanical, plate and structural equipment including accessories and parts thereof applicable to groups 1 and 2 for water power plants and applicable to group 3 for water power plants, navigation dams, impounding dams, irrigation works, flood control works, water supply works including accessories, spare parts, repairs, replacement parts and parts thereof for all other water power and control purposes excluding Gantry crane hoists.”

“*Code*” means the National Industrial Recovery Code of the Machinery and Allied Products Industry as approved by the President, March 17, 1934, and as from time to time amended.

“*Person*” means a natural person, a partnership, a corporation, an association, a trust, a trustee, a trustee in bankruptcy, a receiver or other entity.

“*Employer*” means any person engaged in this Subdivision either on his own behalf or as an employer of labor.

“*The Act*” means Title I of the National Industrial Recovery Act.

“*The President*” means the President of the United States.

“*The Administrator*” means the Administrator for Industrial Recovery.

“*Basic Code Authority*” means the Code Authority for the Machinery and Allied Products Industry as constituted by the Code.

“*Code Authority*” means the Code Authority constituted for this Subdivision as provided by the Code and by this Supplemental Code.

“*Group Code Authority*” means the Code Authority for any group or product classification within this Subdivision.

“*Publish*” means to make available to all interested parties.

### ARTICLE III—EMPLOYMENT PROVISIONS

The following Articles of the Code, viz: Article III, “Working Hours”; Article IV, “Wages”; and Article V, “General Labor Pro-



visions" are hereby made a part of this Supplemental Code, with the same effect as if they were written into this Supplemental Code.

#### ARTICLE IV—ADOPTION OF OTHER PROVISIONS OF CODE

The following Articles of the Code, viz: Article II "Definitions", Article VI, "Administration", to the extent that they shall be applicable to this Supplemental Code as such or as it may hereafter be administered as an autonomous Code; Article VIII, "Modifications and Termination"; and Article IX, "Withdrawal", are hereby made a part of this Supplemental Code, with the same effect as if they were written in this Supplemental Code.

#### ARTICLE V—ADMINISTRATION

(a) A Code Authority for this Subdivision is hereby constituted to administer, supervise and facilitate the enforcement of the Code and of this Supplemental Code in the manner and to the extent provided in the Code and in this Supplemental Code.

(b) During a period not to exceed sixty (60) days following the effective date and pending the election of the permanent Code Authority, the Board of Managers of the Applicant shall constitute a temporary Code Authority.

(c) The Applicant shall, by written notice sent by registered mail to all employers known to the Applicant, call a meeting of employers to be held within sixty (60) days after the effective date for the purpose of adopting procedural rules and regulations for the election, organization and operation of the permanent Code Authority and electing a permanent Code Authority which shall consist of seven (7) members. The Administrator may, in his discretion, appoint one additional member (without vote and without expense to the Subdivision). The permanent Code Authority so elected and appointed shall supersede the temporary Code Authority.

(d) Any employer shall be entitled to vote at the election of the permanent Code Authority and at other meetings of employers and share in the benefits of the activities of Code Authority and participate in any endeavors of Code Authority in the preparation of any amendments or revisions of, or additions or supplements to this Supplemental Code by paying or agreeing to pay, as and when assessed, his proper pro rata share of the reasonable cost of creating and administering this Supplemental Code as determined by Code Authority. The cost of creating and administering this Supplemental Code shall be pro-rated among the employers in the ratio of the number of Class B votes to which they are entitled as determined in paragraph (e) of this Article V.

(e) There shall be two classes of votes, Class A votes and Class B votes. Each employer, entitled to vote as provided in Section (d) of this Article V, shall have one Class A vote. Each such employer shall have one Class B vote for each \$25,000.00 or major fraction thereof of the yearly average net sales (billings) f.o.b., the employer's works, of the products of the Subdivision, sold for use within the several states of the United States and the District of Columbia, by the employer during the five calendar years preceding



the Subdivision meeting; but any member who would not be entitled to any Class B votes under the foregoing provision shall have one Class B vote.

At the meeting for the election of a permanent Code Authority three members of the Code Authority shall be elected by Class A votes only, and four members by Class B votes only. Each employer present or represented at the meeting shall be entitled to cast one Class A vote for each of the vacancies to be filled by Class A votes and shall be entitled to cast the number of Class B votes to which the employer is entitled for each of the vacancies to be filled by Class B votes. The nominations and balloting for members elected by Class A votes shall precede the nominations and balloting for members to be elected by Class B votes. The three persons receiving the highest number of Class A votes and the four persons receiving the highest number of Class B votes shall constitute the permanent Code Authority. Any subsequent vacancy in the members elected by Class A votes shall be filled by Class A votes only, and any subsequent vacancy in the members elected by Class B votes shall be filled by Class B votes only.

All other action by employers at any Subdivision meeting shall require for approval the affirmative majority Class A vote of employers represented at the meeting and the affirmative majority Class B votes of the employers so represented, except in those cases where a larger affirmative percentage of votes of each class is expressly provided in Article VII (b), Article X (b) and Article XI of this Supplemental Code.

Voting at any Subdivision meeting shall be by employers entitled to vote as provided in section (d) of this Article V or by an authorized representative of such employer or by proxy duly executed and filed with the Code Authority. At least one (1) day before the meeting of employers for the election of the permanent Code Authority and at least one (1) day before the holding of any Subdivision meeting, each employer desiring to cast more than one Class B vote at the meeting about to be held shall furnish to the Code Authority the information required to determine the number of such employer's Class B votes in such detail and in such form as the temporary or permanent Code Authority may require. The temporary or permanent Code Authority shall have full power to dispose of all questions arising in connection therewith and to determine finally and conclusively the number of Class B votes of each employer.

(f) Employers in this Subdivision having a common interest and common problems may be grouped by Code Authority for administrative purposes. There shall be a group Code Authority approved or appointed by Code Authority for each such group.

(g) If formal complaint is made to Code Authority that provisions of this Supplemental Code have been violated by any employer, Code Authority or the proper Group Code Authority may to the extent permitted by the Act cause such investigation or audit to be made as may be deemed necessary. If such investigation is made by Group Code Authority it shall report the result of such investigation or audit to Code Authority for action.

(h) The Code Authority may appoint a Trade Practice Committee which shall meet with the Trade Practice Committees ap-



pointed under such other Codes as may be related to the Subdivision for the purpose of formulating fair trade practices to govern the relationships between production and distribution employers under this Supplemental Code and under such others to the end that such fair trade practices may be proposed to the Administrator as amendments to this Supplemental Code and such other codes.

(i) In order that the Code Authority shall at all times be truly representative of the members, the Administrator may prescribe such hearings as he may deem proper; and thereafter, if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, he may require an appropriate modification in the method of selection of the Code Authority.

#### ARTICLE VI—ACCOUNTING AND COSTING

The Code Authority shall cause to be formulated an accounting system and methods of cost finding and/or estimating capable of use by all employers of the Subdivision. After such system and methods have been formulated, full details concerning them shall be made available to all employers. Thereafter all employers shall determine and/or estimate costs in accordance with the principles of such methods.

#### ARTICLE VII—PRICE LISTS

(a) If and when Code Authority determines that in any group of the Subdivision it has been the generally recognized practice to sell a specified product on the basis of net price lists, or price lists with discount sheets, and fixed terms of sale and payment, each employer engaged in the manufacture of such product shall, within ten (10) days after notice of such determination, file with Code Authority a net price list, or a price list with discount sheet, as the case may be, individually prepared by him, showing his current prices, or prices and discounts, and terms of sale and payment for such specified product, and Code Authority shall immediately publish and send copies thereof to all known employers who are cooperating under this Supplemental Code as described in Article V (d) and engaged in the manufacture of such specified products.

Revised price lists and/or discount sheets and/or terms of sale and payment may be filed from time to time thereafter with the Code Authority by any such employer, to become operative upon the date specified therein, but such revised lists and/or discount sheets and/or terms of sale and payment shall be filed with the Code Authority ten (10) days in advance of the operative date. The Code Authority or Group Code Authority may establish a shorter period at any time provided no revisions then waiting operative date shall be affected thereby. Copies thereof, with notice of the operative date specified, shall be immediately published and sent to all employers cooperating under this Supplemental Code as described in Article V (d), and engaged in the manufacture of such specified products, any of whom may file, if he so desires, revisions of his price lists and/or discount



sheets and/or terms of sale and payment, which shall become effective upon the date when the revised price list and/or discount sheets and/or terms of sale and payment first filed shall go into effect.<sup>1</sup>

(b) If and when Code Authority shall determine that in any group of the Subdivision not now selling its product on the basis of price lists, with or without discount sheets, with fixed terms of sale and payment, the distribution or marketing conditions in the group are the same as, or similar to, the distribution or marketing conditions in a group where the use of price lists, with or without discount sheets and fixed terms of sale and payment is well recognized, and that a system of selling on net price lists or price lists and discount sheets with fixed terms of sale and payment for such specified product should be put into effect in such group, then each employer in such group shall within twenty (20) days after notice of such determination, file with Code Authority net price lists or price lists and discount sheets, with fixed terms of sale and payment, showing his prices and discounts and terms of sale and payment, and such price lists and/or discount sheets and/or terms of sale and payment may be thereafter revised in the manner hereinbefore provided. Provided that Code Authority shall make no determination, to place any product of the Subdivision (not now on a price list basis) on a price list basis, as provided in this Section unless affirmative consent to such determination is given by the concurring affirmative vote of at least  $66\frac{2}{3}\%$  of the whole number of Class A votes and  $66\frac{2}{3}\%$  of the whole number of Class B votes of all employers who are at the time cooperating under this Supplemental code as described in Article V (d) and who are engaged in manufacturing such product. The eligibility requirements and methods of such voting shall be the same as is provided by Article V.

(c) No employer shall sell directly or indirectly by any means whatsoever, any product of the Subdivision covered by provisions of this Article VII at a price or at discounts or on terms of sale and payment, different from those provided in his own current net price lists, or price lists and discount sheets, and terms of sale and payment.

#### ARTICLE VIII—TRADE PRACTICES

(1) No employer shall offer, make or extend to any customer or any prospective customer for the purpose of influencing a sale (a) any special terms of payment, service or privilege not made, offered or extended to all customers or prospective customers of the same class, or (b) any secret payment or secret allowance of a rebate, refund, commission, credit, unearned discount or excess allowance whether in the form of money or otherwise. No employer shall pay or promise to pay money, or give or promise to give any valuable thing to any agent, fiduciary or representative with or without the knowledge of his principal in connection with any sale to his principal. This provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising ex-

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<sup>1</sup> See paragraph 2 of order approving this Code.



cept so far as such articles are actually used in violation of the provisions of this paragraph.

(2) No employer shall untruthfully advertise, represent, or market any product with intent to deceive or mislead prospective purchasers.

(3) No employer shall publish or circulate unjustified or unwarranted threats of legal proceedings, which tend to have the effect of harassing competitors or intimidating their customers.

(4) No employer shall reduce a quotation once submitted unless a change in the purchaser's plans require it and then only consistently with the change made.

(5) No employer shall accept a contract or order to carry out the field erection of any of the products of the Industry included in Groups 1 and 2 of the definition under the subheading "Subdivision" of Article II, except for the furnishing of erecting engineers at a per diem rate plus living and traveling expenses.

(6) No employer shall accept a contract assuming responsibility for consequential damages. The term "consequential damages" is defined to mean any damages (1) other than, or in excess of, the reasonable cost of repairing or replacing any defective machinery, equipment or parts furnished by the employer under the contract, or (2) other than stipulated, liquidated damages relating to delivery, completion and/or performance. Nothing contained in this paragraph (6) shall be construed to limit an employer's legal liability for negligence.

(7) No employer shall furnish directly or indirectly to any purchaser and/or his agents (except the United States Government for navigation, national defense or similar United States Government enterprises) detailed shop drawings of the products of this Subdivision without filing a statement of such proposed transaction with the Code Authority which may approve, or with the approval of the Administrator, may disapprove the transaction within twenty (20) days by written notice to the employer.

(8) No employer shall furnish information or drawings for appraisal purposes without adequate charge for the same, but information not requiring the searching of records, preparation of engineering data or estimates and/or other work involving appreciable cost to the employer, may be furnished without charge.

(9) It shall be an unfair trade practice to indulge in destructive price cutting.

#### ARTICLE IX—SALES FOR EXPORT

The provisions of this Supplemental Code concerning pricing and marketing (Articles VII and VIII) shall not apply to direct export sales of any product. A similar exemption may be granted by the Code Authority as to sales of any product destined ultimately for export. Unless otherwise determined by the Code Authority the term "export" shall include all shipments to all places without the several states of the United States and the District of Columbia; provided, however, that no shipment to any territory or possession of the United States shall be considered as export when any employer is engaged in the Subdivision in such territory or possession.



## ARTICLE X—MODIFICATIONS AND TERMINATION

(a) As provided by Section 10 (b) of the Act, the President may from time to time cancel or modify any order, approval, license, rule or regulation issued under Title I of the Act.

(b) Any amendments, additions, revisions or supplements of this Supplemental Code, proposed by Code Authority, and authorized by the concurring affirmative vote of at least  $66\frac{2}{3}\%$  of the whole number of Class A votes and  $66\frac{2}{3}\%$  of the whole number of Class B votes of all employers who are at the time cooperating under this Supplemental Code as described in Article V (d), shall be in full force and effect upon approval by the Administrator. The eligibility of voters and the method of such voting shall be the same as provided in Article V hereof.

(c) This Supplemental Code shall terminate on June 16, 1935, or on such date prior thereto when the Act shall be repealed or the President shall, by proclamation, or the Congress shall, by joint resolution, direct that the emergency recognized by Section 1 of the Act has ended.

## ARTICLE XI—WITHDRAWAL

Upon thirty days' notice to the Basic Code Authority and to the Administrator, this Subdivision may, upon the concurring affirmative vote of at least  $66\frac{2}{3}\%$  of the whole number of Class A votes and  $66\frac{2}{3}\%$  of the whole number of Class B votes of all employers who are at the time cooperating under this Supplemental Code as described in Article V (d), withdraw from the jurisdiction of the Basic Code Authority. The eligibility of voters and the method of such voting shall be in accordance with the provisions of Article V hereof. After and in the event such withdrawal is accomplished this Supplemental Code, together with the provisions of the Code shall become and be the sole code governing this Subdivision, and the Code Authority shall for this Subdivision, become and be the sole Code Authority and shall perform all the functions with respect thereto.

## ARTICLE XII—MONOPOLIES

Applicant imposes and shall impose no inequitable restrictions on membership therein. The Supplemental Code presented by it is not designed to promote monopoly, and shall not be so construed or applied as to oppress or eliminate small enterprises or discriminate against them, and is designed to effectuate the policy of the Act.

## ARTICLE XIII—EFFECTIVE DATE

This Supplemental Code shall become effective and binding on all persons engaged in the Subdivision on the eleventh day after its approval.

Approved Code No. 347—Supplement No. 13.  
Registry No. 1312-06.