subsistence stores or other quartermaster supplies. See paragraphs 2 and 6, AR 30-2290.[1]

(2) Civilians permanently employed or serving at military posts, upon proper identification.

(b) Dependent members of the families of persons who are authorized to purchase at exchanges may act as agents for such persons upon proper identification.

(c) Sales to the Government by exchanges are authorized only in cases where the same class of service cannot be conveniently or reasonably obtained elsewhere and where a direct advantage will accrue to the Government from the method resorted to. In no case will an exchange, post laundry, or concessionaire bidding as such be permitted to enter into public competition or to submit bids in response to advertisements calling for proposals for furnishing supplies or services. When accounts are submitted for sales of the kind described, the vouchers will contain a full statement of the grounds upon which the sale of supplies or services was based and will fully set forth all the circumstances of the transaction with a view to enabling the proper bureau of the War Department and the General Accounting Office to determine whether such purchase was in the public interest.*† [Par. 13]

§ 54.7 *Personnel*—(a) *General.* (1) It is the policy of the War Department that, insofar as is practicable, exchanges be operated by civilian employees, with officers in executive control.

(2) Great care should be exercised in the selection of personnel in order that an efficient, honest, loyal, and permanent body of civilian employees may be developed.

(b) *In exchanges.* (1) In small exchanges the business and operations are conducted by an exchange officer, an exchange manager, and such assistants as may be necessary for their proper conduct.

(2) In large exchanges with departments, or branches, warehouse, and accounting departments there may be:

(i) Assistant exchange officers who, under the exchange officer, may be charged with the supervision of one or more of the activities of the exchange in addition to their other duties or on full time duty.

(ii) A civilian manager and such additional managers in charge of departments or branches as needed.

(iii) Necessary civilian employees with specific duties, such as branch supervisors, bookkeepers, purchasing agents, cashiers, stenographers, office clerks, storekeepers, warehousemen, etc.*† [Par. 15]

§ 54.8 *Enlisted employees.* (a) The corps area commander will make requisite limitations on the number of enlisted men employed in exchanges.

(b) The employment of enlisted men by exchange concessionaires is prohibited.*† [Par. 21]

§ 54.9 *Cashing final statements and personnel checks*—(a) *Final statements.* The exchange officer may, when there is no disbursing officer readily accessible, cash final statements of discharged enlisted men with exchange funds, retaining a portion sufficient to afford protection against loss due to error until the final statement has been paid by a disbursing officer and then remitting the balance, less any expense of the transaction, to the discharged enlisted man. The exchange assumes no liability for overpayment made by disbursing officers, this liability resting on the officer who signs the final statements or the disbursing officer who pays them, according to the source of error.

(b) *Personal checks.* The exchange officer may use exchange funds to cash checks, with the authority and under such restrictions as may be imposed by the exchange council and approved by the commanding officer. Any fees or bank charges involved will be paid by the persons for whom checks are cashed.*† [Par. 18]

§ 54.10 *Civilian auditors.* When approved by the corps area commander, the exchange council may authorize the employment of a qualified civilian public accountant at stated intervals to audit the accounts of the exchange at its expense. In such cases the commanding officer, the exchange council, and the auditing officers retain their full responsibility. The officer designated as the auditing officer may work with the accountant, in which case he is authorized to amend the certificate required of him. In view of the fact that exchange accounts will be audited regularly by auditors of the Army Exchange Service, the employment of civilians for this purpose should be exceptional.*† [Par. 26]

§ 54.11 *Contracts.* (a) The exchange officer is the contracting officer for the exchange for all contracts of any nature entered into on behalf of the exchange. He alone is authorized to sign a contract obligating the exchange.

(b) All contracts and agreements to which exchanges are a party will contain a statement that they will be terminated when the entire membership is changed or when an exchange is closed due to change of station of participating troops or for other reasons.

(c) Contracts on behalf of an exchange will not cover periods of over 1 year without the approval of the corps area commander.

(d) Proposed contracts with concessionaires will be submitted to the corps area commander for approval as provided in § 54.3 (c) (3).

(e) All contracts involving future performances will be reduced to writing, signed by the contracting parties, and filed in the exchange records.*† [Par. 33]

§ 54.12 *Credit sales*—(a) *General.* (1) It is the duty of all persons to make prompt payment of their accounts according to the terms thereof. Defaulters will be denied credit privileges.

(2) Monthly settlement accounts and the due portion of term payment accounts, not paid within 10 days subsequent to the debtor's pay day following the date upon which they became due, are delinquent and will be reported to the commanding officer who will take appropriate action.

(b) *To whom made.* Credit sales are authorized to military personnel, employees of the exchange, and at the discretion of the commanding officer to civilians permanently employed by the Government within the command.

(c) *Limitations upon.* Credit sales to employees, concessionaires, and civilians will be limited by the exchange officer to amounts, in his judgment, not in excess of ability to pay when due.*† [Pars. 34, 35 and 36]

§ 54.13 *Debt of deceased soldier.* An amount due the exchange from a deceased enlisted man is a claim against his estate and may be deducted from the pay and allowances due such estate. Exchanges having claims against deceased enlisted men will file them directly with the General Accounting Office, Military Division, Washington, D. C.*† [Par. 39]

[SEAL] E. S. ADAMS,
*Major General,*
*The Adjutant General.*

[F. R. Doc. 41-4961; Filed, July 12, 1941; 9:49 a. m.]

[1] Administrative regulations of the War Department relating to sale of supplies and services.

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## TITLE 16—COMMERCIAL PRACTICES

### CHAPTER I—FEDERAL TRADE COMMISSION

### SUBCHAPTER C—REGULATIONS UNDER SPECIFIC ACTS OF CONGRESS

[File 156]

### PART 300—RULES AND REGULATIONS UNDER THE WOOL PRODUCTS LABELING ACT OF 1939

At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 15th day of July, A. D. 1941.

Acting under and in pursuance of the Wool Products Labeling Act of 1939 (Public No. 850, 76th Congress, Third Session), *It is now ordered*, That the Rules and Regulations hereinbelow set forth be, and they hereby are, made, issued and promulgated by the Federal Trade Commission as Rules and Regulations of the Commission under said Act, and are made effective July 15, 1941.

DEFINITIONS

Sec.
300.1 Terms defined.

LABELING

300.2 General requirement.
300.3 Required label information.

Sec.
300.4 Use of registered number in lieu of manufacturer's name.
300.5 Types of labeling and methods of affixing marks to product.
300.6 Labels to be avoided.
300.7 English language requirement.
300.8 Common generic name of fiber.
300.9 Abbreviations or ditto marks.
300.10 Arrangement of label information.
300.11 Improper methods of labeling.
300.12 Marking of units of merchandise containing two or more pieces.
300.13 Real name to be shown on label.
300.14 Substitute label requirement.
300.15 Labeling of containers or packaging of wool products.
300.16 Ornamentation.
300.17 Use of the term "All" or "100%".
300.18 Use of name of specialty fiber.
300.19 Use of terms "Mohair" and "Cashmere".
300.20 Use of the term "Virgin" or "New".
300.21 Use of separate label for name.
300.22 Marking of samples, swatches, or specimens.
300.23 Sectional disclosure of content.
300.24 Linings, paddings, stiffening, trimmings and facings.
300.25 Naming fibers not present.
300.26 Pile fabrics and products composed thereof.
300.27 Wool products containing superimposed or added nonwoolen fiber.
300.28 Products made wholly of miscellaneous reused fibers of undetermined percentages.
300.29 Garments or products composed of or containing miscellaneous cloth scraps.
300.30 Deceptive labeling in general.

MANUFACTURERS' RECORDS

300.31 Maintenance of records

GUARANTIES

300.32 Form of separate guaranty.
300.33 Continuing guaranty.
Form A—For use by corporations.
Form B—For use by individuals.
Form C—For business conducted by partnership or unincorporated association.
300.34 Reference to existing guaranty on labels not permitted.

GENERAL

300.35 Hearings under section 4 (d) of the act.
300.36 Effective date.

*Definitions*

§ 300.1 *Terms defined.* As used in the rules in this part unless the context otherwise specifically requires:

(a) The term "Act" means the Wool Products Labeling Act of 1939 (approved October 14, 1940, Public No. 850, 76th Congress, Third Session).

(b) The terms "rule," "rules," "regulations" and "rules and regulations" mean the rules and regulations prescribed by the Commission pursuant to the Act.

(c) The definitions of terms contained in section 2 of the Act shall be applicable also to such terms when used in rules promulgated under the Act.* [Rule 1]

*§§ 300.1 to 300.36, inclusive, issued under the authority contained in the Wool Products Labeling Act of 1939, approved October 14, 1940 (Public No. 850, 76th Congress, Third Session).

*Labeling*

§ 300.2 *General requirement.* Each and every wool product subject to the Act shall be marked by a stamp, tag, label, or other means of identification, in conformity with the requirements of the Act and the rules and regulations thereunder.* [Rule 2]

§ 300.3 *Required label information.* The marking of wool products under the Act shall be in the form of a stamp, tag, label, or other means of identification, showing and displaying upon the product the required information, legibly, conspicuously, and nondeceptively. The information required to be shown and displayed upon the product in the stamp, tag, label, or other mark of identification, shall be that which is required by the Act and the rules and regulations thereunder including the following:

(a) The fiber content of the product specified in section 4 (a) (2) (A) of the Act.

(b) The maximum percentage of the total weight of the wool product of any nonfibrous loading, filling or adulterating matter as prescribed by section 4 (a) (2) (B) of the Act.

(c) The name of the manufacturer of the wool product and/or the name of one or more persons subject to section 3 of the Act with respect to such wool product, subject, however, to the provisions of § 300.4.* [Rule 3]

§ 300.4 *Use of registered number in lieu of manufacturer's name.* (a) The name of the manufacturer need not appear upon the label or mark of identification if the same bears an identification number registered and assigned by the Federal Trade Commission as the mark which identifies the manufacturer and by which said manufacturer undertakes to be bound in respect of such label as fully as though the name of the manufacturer were used in lieu of such number: *Provided, however,* That such label or mark of identification bears, in addition to such number, the name of at least one person who subsequently sells such product to a reseller or to the purchaser-consumer, and the name of such seller, together with the manufacturer's registered number, remains or is set forth upon such label or mark affixed to the product when it is delivered to and received by the purchaser-consumer.

(b) *Applications for manufacturer's registered identification number.* Any manufacturer of a wool product residing in the United States desiring to use a manufacturer's registered number in lieu of his name upon the label or mark of identification affixed to the product by him, as provided for in this rule, may make application to the Federal Trade Commission for assignment to him of such registered number or numbers as, and in the form which, the Commission may deem appropriate for use by such manufacturer on the label or mark of identification under the Act in lieu of his name, but with fully as binding effect as though his name were used. Such application shall be in writing, duly executed under oath or affirmation, and shall be submitted in quadruplicate and in the following form:

*To the Federal Trade Commission, Washington, D. C.*

We, the undersigned, manufacturers of wool products subject to the Wool Products Labeling Act of 1939, residing in the United States and having principal office and place of business at_____
(Street and Number)
_____,
(City or County) (State or Territory)
do hereby make application to the Commission for the assignment of a manufacturer's registered identification number to be used by us on our labels and marks of identification in accordance with requirements of the Commission and the applicable provisions of the rules and regulations under said Act.

It is understood by us and hereby agreed that, in the use of any such number assigned by the Federal Trade Commission, such number shall be construed as identifying us and as binding us as fully and in all respects as though our name were used on such labels and marks of identification in lieu of such manufacturer's number.

Dated, signed and executed this _____ day of _____, 19____, at _____
_____
(City or County) (State or Territory)
_____
(Full Name of Firm)
_____
(Signature and title of proprietor, partner or executive officer thereunto duly authorized)

Subscribed and sworn to (or affirmed) before me by
_____
(Name of proprietor, partner or executive officer who signed as thereunto duly authorized)
this _____ day of _____, 19____.
_____
Notary Public in and for County of _____,
State of_____.
My commission expires_____.
[Notarial Seal]

(c) If such applicant is a corporation, the application shall be duly executed in the name of such corporation and in accordance with the requirements of the following form:

In witness whereof the_____
(Full Legal Name of Corporation)
the undersigned applicant herein, a corporation chartered and doing business under the laws of the State of _____, having principal office and place of business at_____
_____
(Street and Number) (City or County)
_____,
(State or Territory)
has this _____ day of _____, 19____, caused this application to be executed and its name and corporate seal to be hereto affixed.

_____
(Full Legal Name of Corporation)
[CORPORATE SEAL]
ATTEST:
_____ By _____
Secretary (Signature and Title of Executive Officer)

On this _____ day of _____, 19____, subscribed and sworn to (or affirmed before me by _____,
(Name of Subscribing Executive Officer)
who on his oath (or affirmation) deposes and states that he is _____
(Title of Executive Officer)
of the above-named corporation; that he is authorized to sign and has signed the foregoing application for and on behalf of such corporation.

_____
Notary Public in and for County of _____,
State of _____.
My commission expires _____.
[NOTARIAL SEAL]

(d) The application shall be accompanied by statement of the business con-

ducted by the applicant and designation of the kinds of wool products manufactured or sold by such applicant.* [Rule 4]

§ 300.5 *Types of labeling and methods of affixing marks to product.* The stamp, tag, label, or other means of identification, shall be such as is appropriate to the nature of the product and shall be affixed to the product securely and with sufficient permanency to remain thereon in a conspicuous, clear, distinct and plainly legible condition throughout the sale, resale, distribution and handling incident thereto, and shall remain on or be firmly affixed to the respective product when sold and delivered to purchasers and purchaser-consumers thereof. Where these requirements are met, the stamp, tag, label, or other means of identification, may be affixed by having the required information stencilled, imprinted or branded upon the product itself, or placed thereon in the form of a strong, durable label securely sewed or stapled to the product or otherwise securely attached thereto, or by a strong, durable tag securely tied to the product. (See § 300.15 for provision as to marking containers or packaging of wool products.)* [Rule 5]

§ 300.6 *Labels to be avoided.* Stamps, tags, labels, or other marks of identification, which are insecurely attached, or which in the course of offering the product for sale, selling, reselling, transporting, marketing, or handling incident thereto are likely to become detached, indistinct, obliterated, illegible, mutilated, inaccessible, or inconspicuous, shall not be used.* [Rule 6]

§ 300.7 *English language requirement.* All words, statements and other information required by or under authority of the Act and the rules and regulations thereunder to appear on the stamp, tag, label, or other mark of identification, shall appear in the English language. If the product bears any stamp, tag, label, or mark of identification which contains any of the required information in a language other than English, all of the required information shall appear both in such other language and in the English language.* [Rule 7]

§ 300.8 *Common generic name of fiber.* Except where another name is required or permitted under the Act, the respective common generic name of the fiber shall be used when naming fibers in the required information; as for example, "Wool," "Reprocessed Wool," "Reused Wool," "Cotton," "Rayon," "Silk," "Linen," "Horsehair," "Rabbit Hair."* [Rule 8]

§ 300.9 *Abbreviations or ditto marks.* Words or terms in the required information descriptive of fiber content shall not be abbreviated, nor be designated by the use of ditto marks, but shall be spelled out fully; as for example, "Wool," "Reprocessed Wool," "Reused Wool," "Cotton," "Rayon."* [Rule 9]

§ 300.10 *Arrangement of label information.* (a) All items or parts of the required information to be shown and displayed in the stamp, tag, label, or other mark of identification of the product, shall be set forth consecutively, in immediate conjunction with each other, and in type or lettering plainly legible and conspicuous; such as for example:

Made of
60% Wool
40% Reused Wool
Exclusive of Ornamentation
Distributed by:
JOHN Q. DOE CO., INC.,
New York, N. Y.

(b) If non-required information or representations are placed on the product or in the label or mark of identification, the same shall not in any way be false or deceptive, nor shall such information or representation be set forth or used in such manner as to interfere with the required information.* [Rule 10]

§ 300.11 *Improper methods of labeling.* The stamp, tag, label, or other mark of identification required under the Act, or the required information contained therein, shall not be minimized, rendered obscure or inconspicuous, or be so placed as likely to be unnoticed or unseen by purchasers and purchaser-consumers when the product is offered or displayed for sale or sold to purchasers or the consuming public, by reason of, among others:

(a) Small or indistinct type.

(b) Failure to use letters and numerals of equal size and conspicuousness in naming all fibers and percentages of such fibers as required by the Act.

(c) Insufficient background contrast.

(d) Crowding, intermingling, or obscuring with designs, vignettes, or other written, printed or graphic matter.* [Rule 11]

§ 300.12 *Marking of units of merchandise containing two or more pieces.* (a) Except in instances where other form of marking is specifically authorized, the stamp, tag, label, or other mark of identification, shall be attached to and appear upon each garment or separate piece of merchandise subject to the Act, irrespective of whether two or more garments or pieces may be introduced into commerce, sold, or marketed together or in combination with each other.

(b) *Wearing apparel sold in pairs; hosiery, gloves, mittens, footwear, etc.* In the case of garments or wearing apparel manufactured for use in pairs and sold, distributed and used in such pairs, the use of more than one label or mark of identification will not be required if both pieces in the pair are of the same fiber composition, grade and quality, are and remain firmly attached to each other when marketed and delivered in the channels of trade and to the purchaser-consumer, and the stamp, tag, label, or mark of identification affixed thereto is clearly applicable to both pieces and supplies the required information prominently in accordance with the Act and the rules and regulations thereunder.* [Rule 12]

§ 300.13 *Real name to be shown on label.* Trade name, trade-marks or other names which do not constitute the legal name of the manufacturer of the wool product or other person required by the Act to appear on the stamp, tag, label, or other mark of identification, shall not be used in lieu of or in substitution for the legal name of such manufacturer or other person. Nothing in these rules shall be construed as permitting the use of any corporate, trade, or other name which is false or deceptive.* [Rule 13]

§ 300.14 *Substitute label requirement.* When necessary to avoid deception, the name of any person other than the manufacturer of the product appearing on the stamp, tag, label, or other mark of identification affixed to such product shall be accompanied by appropriate words showing that the product was not manufactured by such person; as for example:

Manufactured for: _____
Distributed by: _____
_____ Distributors

* [Rule 14]

§ 300.15 *Labeling of containers or packaging of wool products.* The label or mark of required information, as provided in § 300.5, shall be affixed to and displayed upon the container, wrapper, binder, or other means of packaging of wool products subject to the Act,

(a) where marking the product itself is impossible, or where such marking of the product would be inadequate to fully inform purchasers and purchaser-consumers of the required information or to prevent deception; or

(b) where the wool product is marketed or sold and delivered in sealed containers which remain unbroken and intact until after delivery of the product to, and receipt thereof by, the purchaser-consumer. Any such product packaged in a sealed container shall also be marked by stamp, tag, label, or other mark of identification showing the required fiber and material content where the product is capable of being so marked and where it is removed from the sealed container, or is likely to be removed therefrom, or the container is opened, for display or sales purposes or for other reasons, prior to purchase by and delivery to the ultimate purchaser-consumer. Where the product bears a label or mark of identification, as provided in § 300.5, which is clearly visible to the purchaser when offered for sale, no label or mark of identification need be placed on such container.* [Rule 15]

§ 300.16 *Ornamentation.* Where the wool product contains fiber ornamentation not exceeding 5% of the total fiber weight of the product and the stated percentages of fiber content of the product are exclusive of such ornamentation, the stamp, tag, label, or other means of identification shall contain a phrase or

statement showing such fact; as for example:

50% Wool
25% Reused Wool
25% Cotton
Exclusive of Ornamentation

Where the fiber ornamentation exceeds 5%, it shall be included in the statement of required percentages of fiber content of the product, subject, however, to the right of making sectional disclosure of content under § 300.23 where the ornamentation constitutes a distinct section of the product and the provisions of such § 300.23 are fully met.* [Rule 16]

§ 300.17 *Use of the term "all" or "100%".* Where the fabric or product to which the stamp, tag, label, or mark of identification applies is composed wholly of one kind of fiber, either the word "all" or the term "100%" may be used with the correct fiber name; as for example, "100% Wool," "All Wool," "100% Reprocessed Wool," "All Reprocessed Wool," "100% Reused Wool," "All Reused Wool." If any such product is composed wholly of one fiber with the exception of fiber ornamentation not exceeding 5%, such term "all" or "100%" as qualifying the name of the fiber may be used, provided it is immediately followed by the phrase "exclusive of ornamentation," or by a phrase of like meaning; such as for example:

All Wool
Exclusive of Ornamentation
or
100% Wool
Exclusive of Ornamentation

*[Rule 17]

§ 300.18 *Use of name of specialty fiber.* In setting forth the required fiber content of a product containing any of the specialty fibers named in section 2 (b) of the Act, the name of the specialty fiber present may be used in lieu of the word "wool," provided the percentage of each named specialty fiber is given, and provided further that the name of the specialty fiber so used is qualified by the word "reprocessed" or "reused" when the fiber referred to is "reprocessed wool" or "reused wool," as defined in the Act. The following are examples of fiber content designation permitted under this rule:

55% Alpaca
45% Camel's Hair

50% Reused Camel's Hair
50% Wool

60% Reprocessed Alpaca
40% Rayon

35% Reused Llama
35% Reprocessed Vicuna
30% Cotton

60% Cotton
40% Reused Llama.

*[Rule 18]

§ 300.19 *Use of terms "mohair" and "cashmere".* In setting forth the required fiber content of a product containing hair of the Angora goat known as mohair or containing hair or fleece of the Cashmere goat known as cashmere, the term "mohair" or "cashmere," respectively, may be used for such fiber in lieu of the word "wool", *Provided,* The respective percentage of each such fiber designated as "mohair" or "cashmere" is given; *And provided further,* That such term "mohair" or "cashmere" where used is qualified by the word "reprocessed" or "reused" when the fiber referred to is "reprocessed wool" or "reused wool," as defined in the Act. The following are examples of fiber content designation permitted under this rule:

50% Mohair
50% Wool

60% Reprocessed Mohair
40% Cashmere

60% Cotton
40% Reused Cashmere.

*[Rule 19]

§ 300.20 *Use of the term "Virgin" or "New".* The term "virgin" or "new" as descriptive of a wool product or any fiber or part thereof shall not be used when the product or part so described is not composed wholly of new or virgin wool which has never been used, or reclaimed, reworked, reprocessed or reused from any spun, woven, knitted, felted, or manufactured or used product. Products composed of or made from fiber reworked or reclaimed from yarn or clips shall not be described as virgin wool or new wool, or by terms of similar import, regardless of whether such yarn or clips are new or used or were made of new or reprocessed or reused material.* [Rule 20]

§ 300.21 *Use of separate label for name.* The name of the manufacturer or person subject to section 3 of the Act with respect to the wool product may be set forth on a label or mark separate from that which contains the statement of fiber and material content of the product where it is not practical to include such name in the label or mark bearing the fiber and material content: *Provided,* That the label or mark bearing said name and the name itself are prominently and conspicuously displayed either in immediate conjunction with, or in close proximity to, such other label or mark and in such manner as will fully inform purchasers and purchaser-consumers of the required information. This rule shall not apply to a manufacturer's registered number provided for in § 300.4.* [Rule 21]

§ 300.22 *Marking of samples, swatches or specimens.* Where samples, swatches or specimens of wool products subject to the Act were used to promote or effect sales of such wool products in commerce, said samples, swatches and specimens, as well as the products themselves, shall be labeled or marked to show their respective fiber contents and other information required by law.* [Rule 22]

§ 300.23 *Sectional disclosure of content*—(a) *Permissive.* Where the wool product is composed of two or more sections which are recognizably distinct and such several sections are of different fiber composition, the required fiber content to be stated upon the stamp, tag, label, or other mark of identification may be separated in the same label or mark in such manner as to show the fiber composition of each section, provided the section to which the respective percentages and fiber designations apply is specifically designated and such disclosure by sections is adequate fully to inform purchasers of the required information.

(b) *Mandatory.* The disclosure by sections as above provided shall be made in all instances where such form of marking is necessary to avoid deception of purchasers and purchaser-consumers.* [Rule 23]

§ 300.24 *Linings, paddings, stiffening, trimmings and facings.* (a) In labeling or marking garments or articles of apparel which are wool products, the fiber content of any linings, paddings, stiffenings, trimmings or facings of such garments or articles of apparel shall be given and shall be set forth separately and distinctly in the stamp, tag, label, or other mark of identification of the products,

(1) if such linings, paddings, stiffening, trimmings or facings, purport to contain or are represented as containing wool, reprocessed wool or reused wool; or

(2) if express or implied representations of fiber content of any of such linings, paddings, stiffening, trimmings or facings are customarily made.

(b) In the case of wool products which are not garments or articles of apparel, but which contain linings, paddings, stiffening, trimmings or facings, the stamp, tag, label, or other mark of identification of the product shall show the fiber content of such linings, paddings, stiffening, trimmings or facings, set forth separately and distinctly in such stamp, tag, label, or other mark of identification.

(c) In the case of garments which contain interlinings, the fiber content of such interlinings shall be set forth separately and distinctly as part of the required information on the stamp, tag, label, or other mark of identification of such garment. For purposes of this paragraph (c) the term "interlinings" shall not be construed as embracing paddings or stiffening ordinarily used in garments for structural purposes and not for warmth.

(d) Wool products which are or have been manufactured for sale or sold for use as linings, interlinings, paddings, stiffening, trimmings or facings, but not contained in a garment, article of apparel, or other product, shall be labeled or marked with the required information as in the case of other wool products.* [Rule 24]

§ 300.25 *Naming fibers not present.* Words which constitute the name or designation of a fiber which is not present in the product shall not appear in or

as a part of the listing or marking of required fiber content on the stamp, tag, label, or other mark of identification affixed to the wool product.* [Rule 25]

§ 300.26 *Pile fabrics and products composed thereof.* The fiber content of pile fabrics or products made thereof may be stated in the label or mark of identification in such segregated form as will show the fiber content of the face or pile and of the back or base, with the percentages of the respective fibers as they exist in the face or pile and in the back or base: *Provided*, That in such disclosure the respective percentages of the face and the back be given in such manner as will show the ratio between the face and the back. Examples of the form of marking pile fabrics as to fiber content provided for in this rule are as follows:

100% Wool Pile
100% Cotton Back
(Back constitutes 60% of fabric and pile 40%)

Pile—60% Reused Wool, 40% Wool
Back—70% Cotton, 30% Rayon
(Pile constitutes 60% of fabric and back 40%).

* [Rule 26]

§ 300.27 *Wool products containing superimposed or added non-woolen fiber.* Where the products is made wholly of wool, reprocessed wool, or reused wool, with the exception of a non-woolen fiber in minor proportion which is superimposed or added in certain distinct areas or sections for reinforcing or for other useful purpose, the product may be designated as all wool, all reprocessed wool, or all reused wool, as the case may be, with an exception naming the non-woolen fiber and giving the percentage thereof and indicating the area or section where superimposed or added for reinforcement or other useful purpose An illustration of the type of statement provided for in this rule to designate the fiber content of hosiery composed entirely of reused wool, but having 15% cotton added to the toe and heel for reinforcement, is as follows:

All reused wool except 15% cotton reinforcement added to toe and heel.* [Rule 27]

§ 300.28 *Products made wholly of miscellaneous reused fibers of undetermined percentages.* Where a wool product is made of shoddy or material composed wholly of reused miscellaneous fibers of which the respective percentages of the different fibers and the variations thereof are not determined, the following form of disclosure as to fiber content of such wool product, where truthfully applicable, may be used for such classes of merchandise, with the proper percentage figures inserted:

Made of Reused material consisting of:
Not less than ------% reused wool
Not more than ------% cotton
Balance ------% unknown reused fibers

or

Made of Reused material consisting of:
Not less than ------% reused wool
Not more than ------% rayon
Balance ------% unknown reused fibers

For purposes of this rule, undetermined or unascertained amounts of wool or reprocessed wool may be classified and designated as reused wool.* [Rule 28]

§ 300.29 *Garments or products composed of or containing miscellaneous cloth scraps.* (a) For wool products which consist of, or are made from, miscellaneous cloth scraps comprising manufacturing by-products and containing various fibers of undetermined percentages, the following form of disclosure as to fiber content of such wool products, where truthfully applicable and with appropriate percentage figure inserted, may be used in the stamp, tag, label, or mark of identification of such product:

(1) Where the product contains chiefly cotton as well as woolen fibers in the minimum percentage designated for reused wool:

Made of
Miscellaneous Cloth Scraps
Composed Chiefly of Cotton with
Minimum of ------% Reused Wool

(2) Where the product contains chiefly rayon as well as woolen fibers in the minimum percentage designated for reused wool:

Made of
Miscellaneous Cloth Scraps
Composed Chiefly of Rayon with
Minimum of ------% Reused Wool

(3) Where the product is composed chiefly of a mixture of cotton and rayon as well as woolen fibers in the minimum percentage designated for reused wool:

Made of
Miscellaneous Cloth Scraps
Composed Chiefly of Cotton and Rayon
with Minimum of ------% Reused Wool

(4) Where the product contains chiefly woolen fibers with the balance of undetermined mixtures of cotton, rayon or other non-woolen fibers:

Made of
Miscellaneous Cloth Scraps
Containing Cotton, Rayon and Other
Non-woolen fibers, with
Minimum of ------% Reused Wool

(b) Where the cotton or rayon content or the non-woolen fiber content mentioned in such forms of disclosure is not known to comprise as much as 50% of the fiber content of the product, the word "Chiefly" in the respective form of disclosure specified in this rule shall be omitted.

(c) The words "Contents are" may be used in the above-mentioned forms of marking in lieu of the words "Made of" where appropriate to the nature of the product.

(d) For purposes of this rule, undetermined or unascertained amounts of wool or reprocessed wool which may be contained in the product may be classified and designated as reused wool.* [Rule 29]

§ 300.30 *Deceptive labeling in general.* Products subject to the Act shall not bear, nor have used in connection therewith, any stamp, tag, label, mark or representation which is false, misleading or deceptive in any respect.* [Rule 30]

*Manufacturers' records*

§ 300.31 *Maintenance of records.* In pursuance of the provisions of section 6 of the Act, every manufacturer of a wool product subject to the Act, irrespective of whether any guaranty has been given or received, shall maintain proper records showing the fiber content, as required by the Act, of all such wool products made by such manufacturer. The records so maintained shall show:

(a) The percentage of wool, reprocessed wool, and reused wool, and of each kind of fiber other than wool, placed in the respective wool products of such manufacturer in the form of fiber, yarn, fabric, or other form; and

(b) Such numbers, information, marks or means of identification as will identify the said records with the respective wool products to which they relate.

Manufacturers shall also keep and maintain as records under the Act all invoices, purchase contracts, orders or duplicate copies thereof, bills of purchase, business correspondence received, factory records, and other pertinent documents and data showing or tending to show (1) the purchase, receipt, or use by such manufacturer of all fiber, yarn, fabric or fibrous material, or any part thereof, introduced in or made a part of any such wool products of said manufacturer; (2) the content, composition or classification of such fiber, yarn, fabric or fibrous material with respect to the information required to appear upon the label of the wool products of such manufacturer; and (3) the name and address of the person or persons from whom such fiber, yarn, fabric or fibrous materials were purchased or obtained by such manufacturer.* [Rule 31]

*Guaranties*

§ 300.32 *Form of separate guaranty.* The following is a suggested form of separate guaranty under section 9 of the Act which may be used, by a guarantor residing in the United States or place subject to its jurisdiction, on and as part of an invoice, bill of sale or other sales document in which the merchandise covered is listed and specified and shows the date of such document and date of shipment of the merchandise:

We, the undersigned, manufacturers of the above-specified merchandise which is subject to the Wool Products Labeling Act of 1939, hereby guarantee that each such article therein is stamped, tagged, labeled or marked with the fiber content and other information as required by said Act, and that none of such articles or products is misbranded within the meaning of said Act.

JOHN DOE COMPANY, INC.,
*New York, N. Y.*

By ----------
*President.*

*[Rule 32]

§ 300.33 *Continuing guaranty.* A continuing guaranty under section 9 of the Act, when properly executed and fully conforming to the requirements of the Act and the rules and regulations thereunder, may be filed with the Federal Trade Commission. If a continuing guaranty is filed with the Commission, it shall be filed in triplicate, each fully executed, and shall be renewed annually thereafter and at such other times as any

change is made in ownership or management of the guarantor. Such guaranty shall be set forth on 8½" x 11" sheets of white bond paper of good quality and shall be printed, lithographed, or typed in clearly legible form, with margins of at least 1" width on all sides, and with all signatures thereon written in ink. In the event the principal place of business of the guarantor is removed to another address, such change of address shall be reported promptly to the Commission by the guarantor. If the guarantor is a corporation, the guaranty shall be executed in the name of the corporation by an executive officer thereof thereunto duly authorized by the corporation, and shall be attested by the Secretary and the corporate seal affixed thereto. If the business of the guarantor is owned and operated by an individual, it shall be signed and executed by such individual; if owned and operated as a partnership or as an unincorporated association of individuals, it shall be signed and executed on behalf of the partnership or association and the members thereof by one or more of the partners or, in the case of such association, by one or more of the individuals and members actively engaged in the business. The guaranty shall be acknowledged before a Notary Public in accordance with the prescribed form.[1] The following are prescribed as forms of continuing guaranty:

(FORM A—FOR USE BY CORPORATIONS)

CONTINUING GUARANTY UNDER THE WOOL PRODUCTS LABELING ACT OF 1939

The undersigned, _____, a corporation residing in the United States, chartered and existing under the laws of the State of _____ and engaged in the business of manufacturing or selling wool products which are subject to the Wool Products Labeling Act of 1939, with principal office and place of business at _____,
(Street and number)
_____, _____,
(City or county) (State or Territory)
does hereby guarantee that every such wool product contained in each shipment or other delivery hereafter made by it pursuant to purchases made by customers will be, when so shipped and delivered, properly stamped, tagged, labeled or marked, showing the fiber content and other information required by said Act and the rules and regulations thereunder, and that no article or product in any such shipment or delivery will be misbranded within the meaning of the said Act.

Dated, signed and executed this ____ day of _____, 19____, at _____
(City or county)
_____.
(State or Territory)

[CORPORATE SEAL] _____
(Name of corporation)
_____
(Executive officer authorized sign)
_____
(Title of executive officer)

Attest:

_____,
*Secretary*

[1] Blank forms of continuing guaranties as needed may be procured from the Commission upon request.

STATE OF _____ }
County of _____ } *ss.*

On this ____ day of _____, 19____, before me personally appeared _____
_____
(Name of executive officer signing)
_____ of
(Title of executive officer)
_____,
(Name of corporation)
to me personally known, and acknowledged the execution of the foregoing instrument on behalf of said corporation for the uses and purposes therein stated.

[NOTARIAL SEAL] _____, Notary public
My commission expires _____.

(FORM B—FOR USE BY INDIVIDUALS)

CONTINUING GUARANTY UNDER THE WOOL PRODUCTS LABELING ACT OF 1939

The undersigned, _____, residing in the United States and doing business under the name of _____, with principal office and place of business at _____,
(Street and Number) (City or County)
_____
(State or Territory)
and engaged in the business of manufacturing or selling wool products which are subject to the Wool Products Labeling Act of 1939, DOES HEREBY GUARANTEE that every such wool product contained in each shipment or other delivery hereafter made by him pursuant to purchases made by customers will be, when so shipped and delivered, properly stamped, tagged, labeled or marked showing the fiber content and other information required by said Act and the rules and regulations thereunder, and that no article or product in any such shipment or delivery will be misbranded within the meaning of said Act.

Dated, signed and executed this _____ day of _____, 19__, at _____
_____
(City or county) (State or territory)
_____
(Signature of proprietor)
_____
(Name under which business is conducted)

STATE OF _____
*County of* _____, *ss.*

On this _____ day of _____, 19__, before me personally appeared the said _____, to me known to be the person described in and who executed the foregoing instrument, and acknowledged the execution of the same for the uses and purposes therein stated.

_____
[NOTARIAL SEAL] Notary public
My commission expires _____.

(FORM C—FOR BUSINESS CONDUCTED BY PARTNERSHIP OR UNINCORPORATED ASSOCIATION)

CONTINUING GUARANTY UNDER THE WOOL PRODUCTS LABELING ACT OF 1939

This is to certify that the undersigned,
_____,
(Name of subscribing member)
together with _____
(Full names of all partners,
_____
or if association names of members owning
_____,
and operating business)
all residing in the United States and doing business under the name and style of _____
_____,
(Insert trade name under which business is conducted)
_____, with principal office and place of business at _____
(Street and number)
_____,
(City or county) (State or Territory)
and engaged in the business of manufacturing or selling wool products which are subject to the Wool Products Labeling Act of 1939, DO HEREBY GUARANTEE that every such wool product contained in each shipment or other delivery hereafter made by them pursuant to purchases made by customers will be, when so shipped and delivered, properly stamped, tagged, labeled or marked showing the fiber content and other information required by said Act and the rules and regulations thereunder, and that no article or product in any such shipment or delivery will be misbranded within the meaning of said Act.

In witness whereof, the said _____
_____,
(Name of person executing the guaranty)
being thereunto duly authorized, has hereunto subscribed his name and executed this instrument for and on behalf of said _____
_____
(Partnership or association)
and the members thereof this _____ day of _____, 19__, in _____
(City or county)
_____.
(State or Territory)

_____
(Signature of subscribing member)
_____
(Name of partnership or association)

STATE OF _____
*County of* _____, *ss.*

On this _____day of _____, 19____, before me personally appeared _____
_____,
(Name of Subscribing Member)
to me known to be the person described in and who executed the foregoing instrument, and acknowledged the execution of the same in the capacity and for the uses and purposes therein stated.

_____
Notary Public

[NOTARIAL SEAL]
My commission expires _____.

* [Rule 33]

§ 300.34 *Reference to existing guaranty on labels not permitted.* No representation or suggestion that a wool product is guaranteed under the Act by the Government, or any branch thereof, shall be made on or in the stamp, tag, label, or other mark of identification, applied or affixed to wool products. * [Rule 34]

*General*

§ 300.35 *Hearings under section 4 (d) of the Act.* Hearings under section 4 (d) of the Act will be held when deemed by the Commission to be in the public interest. Interested persons may file applications for such hearings. Such applications shall be filed in quadruplicate and shall contain a detailed technical description of the class or classes of articles or products regarding which applicant requests a determination and announcement by the Commission concerning express or implied representations of fiber content of articles or concerning insignificant or inconsequential textile content of products.* [Rule 35]

§ 300.36 *Effective date.* The rules and regulations in this part shall become effective on July 15, 1941.*

By the Commission.

[SEAL] OTIS B. JOHNSON,
*Secretary.*

[F. R. Doc. 41-5006; Filed, July 14, 1941; 11:39 a. m.]