

## TRANSFER OF FUNCTIONS

Functions, property, records, etc., of Rubber Producing Facilities Disposal Commission transferred to Federal Facilities Corporation by Ex. Ord. No. 10678, Sept. 20, 1956, 21 F.R. 7199, set out under section 1941r of this Appendix.

Federal Facilities Corporation dissolved and functions, property, records, etc., transferred to Administrator of General Services by Pub. L. 87-190, Aug. 30, 1961, 75 Stat. 418, set out as a note under section 1938 of this Appendix.

**§ 1941e. Disposal procedure****(a) Invitation of purchase proposals; notice and advertisement; period for receipt of proposals; data to accompany proposals**

The Commission shall invite, upon adequate notice and advertisement, proposals for the purchase of the Government-owned rubber-producing facilities, hereafter referred to as the "facilities". The period for the receipt of proposals shall be determined and publicly announced by the Commission, and in no event shall be less than six months after the first day on which proposals may be received pursuant to the advertisement. The advertisement shall be in such form, contain such specifications and reservations, and be published in such manner as the Commission in its discretion determines will best effectuate the purposes of this Act [sections 1941 to 1941y of this Appendix]. All data concerning such facilities which in the judgment of the Commission may be reasonably required for the submission of a bona fide proposal shall be furnished by the Commission upon request by any prospective purchaser unless the Commission has reason to believe that such prospective purchaser has not identified his principal, or is not financially responsible, or is a poor security risk.

**(b) Form and contents of proposals**

Proposals shall be in writing, and shall contain, among other things—

(1) identification of the person in whose behalf the proposal is submitted, including the business affiliation of such person;

(2) the facility or facilities which are proposed to be purchased, and the order of preference if more than one facility is proposed to be purchased; or the order of preference if proposals are submitted on more than one facility, if only one facility is proposed to be purchased;

(3) the arrangements or plans, if any, formal or informal, for the supply of feedstock to, and the disposition of the end products of, the respective facilities proposed to be purchased;

(4) the amount proposed to be paid for each of the facilities, and, if such amount is not to be paid in cash, then the principal terms of the financing arrangement proposed;

(5) the general terms and conditions which the prospective purchaser of a copolymer facility would be willing to accept in order to make the end product of such facility available for sale to small business enterprises, and the general terms and conditions which the prospective purchaser of a butadiene or styrene facility would be willing to accept in order to make the end product of such facility

available for sale to purchasers of copolymer facilities; and

(6) such other information as the Commission in its notice and advertisement for proposals shall require be set forth in proposals including the prospective purchaser's acceptance of the terms, conditions, restrictions and reservations contained in subsection (h) of this section, and the interest rate to be charged on the purchase-money mortgage referred to in subsection (e) of this section.

**(c) Disclosure of contents of proposals**

Should it become necessary to the effective prosecution of the disposal program, the Commission may, after the termination of the period for the submission of proposals provided for in subsection (a) of this section, disclose the contents of the proposals at such time, in such manner, and to such extent as it deems appropriate.

**(d) Deposit of cash or Government bonds to accompany proposals**

Proposals shall be accompanied by a deposit of cash or United States Government bonds of face amount equal to 2½ per centum of the gross amount proposed to be paid but not exceeding \$250,000 for each facility: *Provided, however,* That the deposit required in the case of a proposal for one of a number of facilities on an alternative basis shall be the same as would be required if such proposal were for only the facility for which the particular prospective purchaser proposed to pay the highest amount. Except in the case of purchasers, deposits made hereunder shall be refunded without interest and not later than upon the termination of the period for congressional review as provided in section 9 of this Act [section 1941g of this Appendix]. In the case of purchasers, deposits made hereunder shall be applied without interest to the purchase price: *Provided, however,* That upon the closing of the contract of sale the purchaser shall be required to substitute cash equal to the face amount of the Government bonds then held in connection with such purchaser's proposal.

**(e) Payment of purchase price; amount and terms of mortgages**

Payment of the purchase price may be made in part by a first lien purchase-money mortgage, in an amount not to exceed 75 per centum of the purchase price. The terms of any such mortgage obligation, to be determined by negotiation, shall provide among other things for a maturity of not more than ten years, periodic amortization, and a uniform interest rate of not less than 3 per centum per annum.

**(f) Negotiation with those submitting proposals**

Promptly after the termination of the period for the receipt of proposals, pursuant to subsection (a) of this section, and for such period thereafter not less than seven months as may be determined and publicly announced by the Commission, it shall negotiate with those submitting proposals for the purpose of entering into definitive contracts of sale.

**(g) Securing of additional information from those submitting proposals**

Nothing contained in this Act [sections 1941 to 1941y of this Appendix] shall be construed to pre-

vent the Commission from securing such additional information from those submitting proposals at any time as the Commission may deem necessary or appropriate to fulfill its responsibilities under this Act [said sections].

**(h) National security clause in contracts of sale**

All contracts of sale and instruments in execution thereof shall contain a national security clause having terms, conditions, restrictions and reservations which will assure the prompt availability of the rubber-producing facilities, or facilities of equivalent capacity, for the production of synthetic rubber and the component materials thereof for a period of ten years from the date of the contract.

**(i) Effective date of contracts of sale; time for transfer of possession of facilities; failure to complete transfer prior to termination date**

Subject to the conditions prescribed in section 24 of this Act [section 1941v of this Appendix], any contract of sale shall become fully effective upon the expiration of the period for congressional review provided for in section 9 of this Act [section 1941g of this Appendix] unless the Congress within such period has disapproved such sale. The transfer of possession of all of the rubber-producing facilities to be sold shall be made as promptly as is practicable after the effective date, in accordance with the terms of the contracts, but in any event within a period terminating sixty days after the expiration of the period for congressional review as provided in section 9(b) of this Act [section 1941g(b) of this Appendix]. The failure to complete transfer of possession prior to said termination date shall not give rise to or be the basis of rescission of the contract of sale.

**(j) Limitation on Government rubber sales**

Upon termination of the transfer period, as provided in subsection (i) of this section, the operating agency last designated by the President shall make no further sales of synthetic rubber and its component materials except as otherwise provided in this Act [sections 1941 to 1941y of this Appendix].

**(k) Offer of Government rubber for sale to purchasers of facilities after termination of transfer period**

During the period of one year following the termination of the transfer period, the operating agency last designated by the President shall offer for sale to the purchasers of the facilities the synthetic rubber and its component materials held by it at a price determined in accordance with its pricing policy prevailing at the close of the transfer period, in amounts prorated in accordance with the ratio of the capacity of each such facility purchased to the total capacity of all facilities of the same type sold. Any synthetic rubber or component materials not purchased by an eligible purchaser during periodic intervals, as determined by the operating agency, shall be made available to other eligible purchasers on a like equitable basis. Any synthetic rubber or component materials not sold during such one-year period shall thereafter be disposed of in such manner as said agency deems advisable.

(Aug. 7, 1953, ch. 338, § 7, 67 Stat. 409.)

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Functions, property, records, etc., of Rubber Producing Facilities Disposal Commission transferred to Federal Facilities Corporation by Ex. Ord. No. 10673, Sept. 20, 1956, 21 F.R. 7199, set out under section 1941r of this Appendix.

Federal Facilities Corporation dissolved and functions, property, records, etc., transferred to Administrator of General Services by Pub. L. 87-190, Aug. 30, 1961, 75 Stat. 418, set out as a note under section 1938 of this Appendix.

**§ 1941f. Disposition of unsold facilities; transfer to General Services Administration; lease of alcohol-butadiene facilities; advice of Attorney General; standby funds**

(a) Upon the termination of the transfer period, the operating agency last designated by the President, shall, as promptly as possible consistent with sound operating procedures, take out of production and place in adequate standby condition the rubber-producing facilities which shall not have been sold. At any time after the termination of production, such facilities may be transferred without reimbursement or transfer of funds to the General Services Administration and administered in accordance with the provisions of sections 6, 7, and 8 of the National Industrial Reserve Act of 1948, as amended (62 Stat. 1227, 50 U.S.C. 456-458) [50 U.S.C. 455 to 457], or to such other agency as the President may designate for administration in such manner as he may direct. In such event (1) no such facility shall thereafter be operated as a rubber-producing facility for the account of, or by, the Government except pursuant to further Act of Congress; (2) no such facility, other than alcohol-butadiene facilities, shall be leased for operation as a rubber-producing facility at any time: *Provided*, That nothing contained in this Act [sections 1941 to 1941y of this Appendix] shall preclude the leasing of alcohol-butadiene facilities for purposes other than the manufacture of alcohol butadiene so long as such leases are in accordance with the provisions of section 8(a) or section 9(f) of this Act [subsection (a) of this section or section 1941g (f) of this Appendix]; and (3) no such facility shall be disposed of by sale within a period of three years from the termination of the transfer period, and in any subsequent lease or sale, the Government agency acting under authority of this section shall within a reasonable time and in no event less than sixty days prior to the lease or sale, request the advice of the Attorney General as to whether the proposed lease or sale would tend to create or maintain a situation inconsistent with the antitrust laws. The Attorney General shall give his advice within forty-five days of the receipt of such request. Upon the request of the Attorney General, the Government agency shall furnish, or cause to be furnished, such information as it may possess which the Attorney General determines to be appropriate or necessary to enable him to give the advice called for by this section.

(b) Whenever any transfer to any Government agency is made pursuant to this section, all unexpended funds budgeted as provided in section 9(e) [section 1941g(e) of this Appendix] for stand-