

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, March 24, 1952

CONSUMER CREDIT
AMENDMENT TO REGULATION W

To the Registrant Addressed and Others Concerned:

There is quoted below the text of a statement issued by the Board of Governors of the Federal Reserve System in connection with Amendment No. 7 to Regulation W, effective March 24, 1952:

“The Board of Governors announced today that effective immediately Regulation W—Consumer Credit, no longer requires down payments in connection with home repair and modernization credits. The maximum permissible maturity for this type of instalment credit remains, however, at 36 months.

“This change is not expected to have a significant effect upon the outstanding amount of home repair and modernization credit.”

The text of the amendment is reproduced on the reverse of this letter.

This bank and its branches at El Paso, Houston, and San Antonio will be glad to furnish any information which may be desired concerning the regulation.

Yours very truly,

R. R. GILBERT

President

CONSUMER CREDIT

AMENDMENT NO. 7 TO REGULATION W

Issued by the Board of Governors
of the Federal Reserve System

Regulation W is hereby amended in the following respects, effective March 24, 1952:

1. By amending subsection (c) of Section 3 to read as follows:

“(c) **Time of Down Payment.**—The down payment shall be obtained at or before the time of delivery of the listed article.”

2. By deleting the figure “5” following the words “cash price” in the second sentence of subsection (d) of Section 4 and the footnote to said subsection (d).

3. By adding at the end of subsection (b) of Section 6 the following new sentence:

“In the case of an instalment credit for financing the purchase of an article listed in Group D, this Section 6 (b) shall not be deemed to require compliance to be determined from a date in advance of completion of the agreed upon repairs, alterations, or improvements.

4. By changing the figure “5A” at the end of subsection (a) of Section 8 to “5” and by making the corresponding change in the footnote.

5. By inserting in the first sentence of Part 1 of the Supplement to the regulation after the phrase “maximum loan values are prescribed”, the language “for articles listed in Group A, Group B, and Group C”

6. By amending the italicized caption “*Group D—10 per cent minimum down payment, 90 per cent maximum loan value:*” in Part 1 of the Supplement to the regulation to read as follows:

“*Group D—No prescribed requirement as to minimum down payment or maximum loan value.*”

7. By deleting the last paragraph of Part 4 of the Supplement to the regulation.