

TRANSFER

HG 2613

S24F4

**FEDERAL RESERVE BANK OF ST. LOUIS**

**ST. LOUIS 2, MO.**

December 8, 1950

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**DISASTER CREDITS**

**REGULATION W—CONSUMER CREDIT**

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Under authority contained in Section 7 (j) of Regulation W we have today declared that an emergency exists affecting a substantial number of inhabitants of Bond and Macoupin Counties, Illinois, by reason of a tornado which struck in those counties on Saturday, December 2, 1950.

Accordingly, any extension of credit to finance the repair or replacement of real or personal property damaged or lost as a result of the tornado mentioned above, is exempt from the provisions of Regulation W provided such extension is made prior to June 30, 1951, and provided further that a statement describing the damage or loss is preserved in the Registrant's files.

The declaration of a disaster area was not made under Regulation X-Residential Real Estate Credit, in view of relief afforded by Section 5 (e)-Casualties, of Regulation X, which states that the prohibitions of Regulation X shall not apply to any extension of Real Estate Construction Credit as to which the Registrant accepts in good faith a signed statement of the borrower certifying that the proceeds thereof are to be used solely for the replacement, reconstruction, or repairs of a residence destroyed or substantially damaged by flood, fire, or other similar casualty.

**F. GUY HITT**  
*First Vice President*