

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 2263]
August 20, 1941

INSTALLMENT CREDIT REGULATION

*To All Member and Nonmember Banks in the
Second Federal Reserve District:*

As you are doubtless aware from reports in the press, the President of the United States by Executive Order 8843, dated August 9, 1941, made installment credit subject to regulation by the Board of Governors of the Federal Reserve System. This is one of several Governmental measures to combat inflation, among them being price regulation, priorities control, the sale of defense bonds, and taxation.

The initial regulation of installment credit is now in preparation and will be issued within a few days, to become effective at an early date.

Since the regulation will affect all who are engaged in the extension of installment credit either as cash lenders or as merchants of certain types of consumer durable goods, it is desired to obtain promptly as wide a distribution as possible to those affected. This bank will mail to each banking institution in this district six copies of the regulation as soon as it is available, and is also arranging to have the National Retail Dry Goods Association and certain other associations mail copies to their members.

It is desired, also, to make the regulation available for distribution through banks in their respective communities. Accordingly, if you feel that you will need more than the six copies which will be sent you in the initial mailing, will you kindly return the enclosed card promptly indicating the number you would like. If at a later date you should desire additional copies, they will be available.

We shall appreciate your cooperation in this matter.

ALLAN SPROUL,
President.

In addition to the six copies referred to in your Circular No. 2263, dated August 20, 1941, please forward to us.....additional copies of regulation of the Board of Governors of the Federal Reserve System relating to installment credit.

(Name of Bank)

(Signature)

(Street Address)

(City or Town)

(State)

(Date)

FEDERAL RESERVE BANK OF NEW YORK

Federal Reserve Station, P. O.,

New York, N. Y.