

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ Circular No. 3005 ]  
September 26, 1945 ]

**CONSUMER CREDIT**

**AMENDMENT NO. 18 TO REGULATION W OF THE BOARD OF GOVERNORS  
OF THE FEDERAL RESERVE SYSTEM**

*To Registrants under Regulation W, and  
Others Concerned, in the Second Federal Reserve District:*

For your information we quote below from a statement for the press issued by the Board of Governors of the Federal Reserve System for release on September 25, 1945.

The Board of Governors of the Federal Reserve System today amended Regulation W by exempting credits for home repairs and improvements and by lengthening from 12 months to 18 the maturity limitation on loans which are not for the purpose of purchasing consumers' durable goods. The amendment becomes effective October 15, 1945.

Until consumers' goods come on the market in sufficient supply to meet demands, the Board believes that the use of consumer credit should so far as possible be discouraged. Accordingly, the Board, after reviewing Regulation W now that the war is ended, has concluded that the regulation should not be substantially amended at the present time except in the two particulars specified.

The text of Amendment No. 18 to Regulation W is printed on the reverse side. Additional copies may be obtained upon request.

ALLAN SPROUL,  
*President.*

## AMENDMENT NO. 18 TO REGULATION W

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Regulation W is hereby amended in the following respects, effective October 15, 1945:

1. Section 6(b) is amended by striking out "12 months" and inserting in lieu thereof "18 months".

2. Section 7(c) is amended by inserting "6(a) or" before "6(b)" in clauses (1) and (2) and by striking out the text of footnote 5 and substituting in lieu thereof the following text:

<sup>5</sup>The maximum maturity is 6, 12, 15, or 18 months from the date of the original loan as determined by its purpose, except that 18 months from the date of renewal or extension is permissible with a statement of necessity pursuant to section 10(d).

3. Section 8 entitled "Exceptions" is amended so that subsection (a) will read as follows:

(a) **Real estate and home improvement loans.**—Any extension of credit which is for the purpose of financing or refinancing (1) the construction or purchase of an entire residential building or other entire structure or (2) repairs, alterations, or improvements upon urban, suburban or rural real property in connection with existing structures.

4. Sections 12(o) and 13(f) are deleted.

5. Section 13(a) is amended by striking out the description of the articles listed as item 1 in *Group C* and inserting after such number the following parenthesis: "(Deleted—see section 8(a))".