

**FEDERAL RESERVE BANK  
OF NEW YORK**

[ Circular No. 3029 ]  
November 20, 1945 ]

**CONSUMER CREDIT**

**AMENDMENT NO. 19 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:*

The Board of Governors of the Federal Reserve System has adopted, effective December 1, 1945, the following amendment to Regulation W dealing with consumer credit.

**AMENDMENT NO. 19 TO REGULATION W**

ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Regulation W is hereby amended in the following respects, effective December 1, 1945:

1. Section 8 entitled "Exceptions" is amended by adding thereto a new subsection reading as follows:

(p) **Demonstrators.**—Any extension of credit which is to be repaid within not more than 12 months and is made to a *bona fide* salesman of automobiles in order to finance the purchase of a new automobile to be used by him principally as a demonstrator.

2. Section 10 entitled "Renewals, Revisions, and Additions of Instalment Credit" is amended in two respects, as follows:

(a) By adding the following sentence to footnote 7 attached to section 10 (a): Whenever the regulation is amended to increase the maximum maturity for any class of transactions, the terms of repayment "permitted in the first instance" in so far as they relate to the maximum maturity for such class of transactions shall be deemed to be the terms applicable under the provisions of the amendment.

(b) By adding at the end of *Option 2* of section 10(b), after the words "12 months", a comma and the following: or within 18 months in case the consolidated obligation is an instalment loan and no part of the proceeds of the additional credit is to be used to purchase any listed article having a cash price of \$15.00 or more.

Additional copies of this circular may be obtained upon request.

ALLAN SPROUL,  
*President.*