

S-379, 381, 382  
Reg. W

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

INTERPRETATION OF LAW OR REGULATION

October 22, 1941

W-102. A Registrant sells a listed article under a bona fide agreement that the purchase price will be paid in a single payment 60 days after the date of purchase. By reason of a change in circumstances and not in pursuance of any previous agreement or arrangement, at about the time the payment is to be made the purchaser asks that the purchase be changed to an instalment basis. Is it necessary to get a down payment? From what date must the maximum maturity be calculated?

Since the sale was made under a bona fide agreement and there were no evasive side agreements between the parties, it is not necessary under the present terms of the regulation to get a down payment, and the maximum maturity is 18 months from the date on which the credit is changed to an instalment basis.

W-103. The classification "Home air conditioning systems" includes air cooling units that have a rated capacity of 5 tons or less of refrigeration and that are designed for use with a central air circulating system. The classification does not include circulating fans unless they are incorporated in the unit. The classification of such a unit is not affected by the character of building in which it is to be used.

W-104. The classification "plumbing and sanitary fixtures designed for household use" includes water softeners having a rated capacity of 120,000 grains or less of hardness removal between regenerations.