

S-546

TELEGRAM

September 3, 1942

(Addressed to the Presidents of all Federal Reserve Banks)

The following is an excerpt from a telegram sent today to a Federal Reserve Bank:

"Section 8(m) of Regulation W does not exempt credit to finance the installation of a stoker if same kind of coal is to be used. Stoker installed in connection with change of fuel, as from oil to soft coal or from hard coal to soft coal, qualifies only when stoker is necessary for mechanical reasons to burn the type of coal to be used."

(Signed) L. P. Bethea