

DECLASSIFIED

Authority EO 10501470.-5
5/26/33

A joint resolution was introduced today in both houses of Congress designed to clarify the effect of recent legislation upon the status of the "gold clause" in public and private obligations. This resolution has the support of the Administration.

Since March 6th, when the President declared a bank holiday, transactions involving payments in gold have been brought under control in order to protect and maintain the supply which constitutes a reserve for the nation's currency. Gold is not now paid, nor is it available for payment, upon public or private debts.

Recently the Thomas Amendment to the Agricultural Relief Act has made all coins and currencies of the United States legal tender for the payment of every debt, public and private. Due, however, to the language used doubt has arisen whether obligations expressed to be payable in a particular kind of money, such as gold coin, may be satisfied by payment in other forms of legal tender.

While the Supreme Court of New York is reported to have held in a recent case that an obligation calling for payment in gold coin could be satisfied by payment of other lawful forms of money, confusion may be created if the existing legislation is differently construed in other jurisdictions. One of the purposes of the resolution is to remove any doubt and to avoid confusion, so that debtors and creditors may have a clear definition of their legal position.

Another purpose of the resolution is to make clear that future obligations public and private shall not contain the gold clause. The Thomas Amendment did not contain specific provision to this effect. Such a provision is contained in the resolution.

The resolution makes it clear that all obligations past and future will be upon the same footing.

May 26, 1933.

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Authority EC 10501

Form 118b

470-5

TELEGRAM

**FEDERAL RESERVE BOARD
WASHINGTON**

April 28, 1933.

Young - Boston	Seay - Richmond	Geary - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McBaugal - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Callins - San Francisco

TRANS. _____ Secretary of Treasury has released following statement to the press:

"Secretary Woodin today called attention to the fact that under the provisions of the President's Order of April 5, 1933, forbidding the hoarding of gold coin, gold bullion and gold certificates, persons who own gold coin, gold bullion or gold certificates are required to deliver their holdings to a Federal Reserve Bank, branch or agency, or to any member bank of the Federal Reserve System, on or before next Monday, May 1st, 1933, except as provided in certain cases specified in the Order. A fine of \$10,000 or ten years imprisonment, or both, may be imposed as the penalty for failure to comply with the terms of the Order.

Gold in reasonable amount, actually required for use in industry, profession or art, is excepted from the order to deliver on or before May 1st. An exception is also allowed in the case of gold coin and gold certificates in an amount not exceeding \$100 belonging to any one person, and in the case of gold coins having a recognized special value to collectors of rare and unusual coins.

In a final effort to acquaint the public with the requirements of the President's Order, and the criminal penalties provided for violations

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Authority 5010.104

118D

TELEGRAM

FEDERAL RESERVE BOARD
WASHINGTON

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of the Order, the Treasury Department is forwarding to every post-office and banking institution a printed notice, in the form of a poster and intended for public display, setting forth the Executive Order in full. Persons having gold coin, gold bullion or gold certificates should acquaint themselves with the exact terms of the Executive Order.

To facilitate the identification of gold certificates, as distinguished from other currency, the Treasury points out that Gold Certificates may be identified by the words 'Gold Certificate' appearing thereon. In the case of gold certificates of the small-size currency, which were first issued in 1929, the title 'Gold Certificate' appears on the face of the certificate, and in the case of gold certificates of the large-size currency, (the issue of which was discontinued in 1929), the title 'Gold Certificate' appears on the back. The serial number and the Treasury seal on the face of a Gold Certificate are printed in yellow. While Federal Reserve Notes and United States Notes are redeemable in gold and bear a provision to that effect, they are not 'Gold Certificates' and are not, therefore, required to be surrendered."

(Signed) Chester Merrill
Merrill.

SRC/acw



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GPO

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Authority EO 10501

470.-5

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
TUESDAY, APRIL 25, 1933.

STATEMENT BY SECRETARY WOODIN

"Secretary Woodin today called attention to the fact that under the provisions of the President's Order of April 5, 1933, forbidding the hoarding of gold coin, gold bullion and gold certificates, persons who own gold coin, gold bullion or gold certificates are required to deliver their holdings to a Federal Reserve Bank, branch or agency, or to any member bank of the Federal Reserve System, on or before next Monday, May 1st, 1933, except as provided in certain cases specified in the Order. A fine of \$10,000 or ten years imprisonment, or both, may be imposed as the penalty for failure to comply with the terms of the Order.

"Gold in reasonable amount, actually required for use in industry, profession or art, is excepted from the order to deliver on or before May 1st. An exception is also allowed in the case of gold coin and gold certificates in an amount not exceeding \$100 belonging to any one person, and in the case of gold coins having a recognized special value to collectors of rare and unusual coins.

"In a final effort to acquaint the public with the requirements of the President's Order, and the criminal penalties provided for violations of the Order, the Treasury Department is forwarding to every post-office and banking institution a printed notice, in the form of a poster and intended for public display, setting forth the Executive Order in full. Persons having gold coin, gold bullion or gold certificates should acquaint themselves with the exact terms of the Executive Order.

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Authority 5010501

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Authority EC 10 501

Form 148 b

TELEGRAM

**FEDERAL RESERVE BOARD
WASHINGTON**

April 6, 1933.

Curtiss - Young - Boston	Stevens - McDougal - Chicago
Case - Harrison - New York	Wood - Martin - St. Louis
Austin - Norris - Philadelphia	Bailey - Geery - Minneapolis
Williams - Fancher - Cleveland	McClure - Hamilton - Kansas City
Horton - Seay - Richmond	Walsh - McKinney - Dallas
Newton - Black - Atlanta	Newton - Calkins - San Francisco

TRANS. _____ The Secretary of the Treasury released the following statement to the press on the late afternoon of April 5:

"The President's order of today requiring the turning in of hoarded gold, and at the same time providing that gold shall be available for all proper purposes, is an expected step in the process of regularizing our monetary position and furnishing adequate banking and currency facilities for all customary needs.

Such an order was in contemplation from the time of the passage of the Emergency Banking Act. As the President indicated today, while many of our citizens voluntarily and helpfully turned in their gold, there were others who did not so respond. In fairness, the conduct of all citizens with reference to gold should be the same in this emergency, and this is assured by the order. Those surrendering gold, of course, receive an equivalent amount of other forms of currency, and other forms of currency may be used for obtaining gold in an equivalent amount where authorized for proper purposes.

Gold held in private hoards serve no useful purpose under present circumstances. When added to the stock of the Federal reserve banks it serves as a basis for currency and credit. This further strengthening of the banking structure adds to its power of service toward recovery...

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Form 148b

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON



A vital provision of the order is that authorizing the Secretary of the Treasury to issue licenses for gold for proper business needs not involving hoarding. Applications will be passed upon as the facts in each case warrant.

Regulations governing the procedure of the Treasury under the new order are in course of preparation."

Morrill.

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M.
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470-5

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
Wednesday, April 5, 1933.

STATEMENT BY SECRETARY OF THE TREASURY WOODIN AS TO THE GOLD
ORDER OF APRIL 5, 1933.

The President's order of today requiring the turning in of hoarded gold, and at the same time providing that gold shall be available for all proper purposes, is an expected step in the process of regularizing our monetary position and furnishing adequate banking and currency facilities for all customary needs.

Such an order was in contemplation from the time of the passage of the Emergency Banking Act. As the President indicated today, while many of our citizens voluntarily and helpfully turned in their gold, there were others who did not so respond. In fairness, the conduct of all citizens with reference to gold should be the same in this emergency, and this is assured by the order. Those surrendering gold, of course, receive an equivalent amount of other forms of currency, and other forms of currency may be used for obtaining gold in an equivalent amount where authorized for proper purposes.

Gold held in private hoards serves no useful purpose under present circumstances. When added to the stock of the Federal reserve banks it serves as a basis for currency and credit. This further strengthening of the banking structure adds to its power of service toward recovery.

A vital provision of the order is that authorizing the Secretary of the Treasury to issue licenses for gold for proper business needs not involving hoarding. Applications will be passed upon as the facts in each case warrant.

Regulations governing the procedure of the Treasury under the new order are in course of preparation.

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Authority EO 13526

Form 148D

TELEGRAM

FEDERAL RESERVE BOARD
WASHINGTON

470-5

April 1, 1933.

Young - Boston
Harrison - New York
Morris - Philadelphia
Fischer - Cleveland

Seay - Richmond
Black - Atlanta
McDougal - Chicago
Martin - St. Louis

Geery - Minneapolis
Hamilton - Kansas City
McKinney - Dallas
Calkins - San Francisco

TRANS. _____ The Secretary of the Treasury yesterday issued the following statement to the press:

QUOTE Up to the close of business on Saturday, March 25, 1933, 265 National Banks with total deposits of approximately \$550,000,000 have been reorganized or strengthened so that they could be reopened under license to perform their full functions and that the deposits again become available to depositors. These results during the ten days from March 15th indicate the work which is actively in process in the restoration of banks which were unable to open on the date originally set, and the constructive response being made by stockholders and depositors. As additional banks have been reopened they have assumed on a sound basis the performance of the same full functions as the banks opened on the first days set. UNQUOTE

Merrill.

Handwritten initials and signature

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Authority EO 10501

J. J. Carpenter
Room 289
470.-5-

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
FRIDAY, MARCH 31, 1933.

Statement by Secretary of the Treasury Woodin.

Up to the close of business on Saturday, March 25, 1933, 265 National Banks with total deposits of approximately \$350,000,000 have been reorganized or strengthened so that they could be reopened under license to perform their full functions and that the deposits again become available to depositors. These results during the ten days from March 15th indicate the work which is actively in process in the restoration of banks which were unable to open on the date originally set, and the constructive response being made by stockholders and depositors. As additional banks have been reopened they have assumed on a sound basis the performance of the same full functions as the banks opened on the first days set."

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Authority E.O. 10501

Form 148 b

470-5

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

March 16, 1933.

~~Hamilton - New York~~
Morris - Philadelphia
Fancher - Cleveland

Smy - Richmond
Blank - Atlanta
McDougal - Chicago
Martin - St. Louis

Geary - Minneapolis
Hamilton - Kansas City
McKinney - Dallas
Calkins - San Francisco

TRANS _____

Secretary of Treasury has released following statement

to press:

"A number of inquiries have been made at the Treasury Department as to whether a prohibition exists upon proper commercial dealings in silver during the banking emergency.

"No regulations have been issued restricting export or other transactions in silver, except for limitations affecting withdrawals by depositors for hearing and restrictions on banks not permitted to reopen."

Merrill.

(Signed) Chester W. Merrill

MPC/abh



M.P.C.

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Authority EO 10501

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
March 16, 1933.

STATEMENT BY THE SECRETARY OF THE TREASURY

A number of inquiries have been made at the Treasury Department as to whether a prohibition exists upon proper commercial dealings in silver during the banking emergency.

No regulations have been issued restricting export or other transactions in silver, except for limitations affecting withdrawals by depositors for hoarding and restrictions on banks not permitted to reopen.

W. H. WOODIN
Secretary of the Treasury.

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
Wednesday, March 15, 1933.

STATEMENT BY SECRETARY OF THE TREASURY WOODIN

The country's response in oversubscribing the issue of United States Certificates of Indebtedness at the moment when we were just beginning to emerge from the banking difficulties is another fine example of the cooperation of the country in carrying out the Government's financial plan. The leadership of the President in insisting that the budget be balanced and urging the immediate enactment of a strong emergency measure to that end, has been a powerful factor in the widespread and vigorous popular response.

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Form 148D

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

March 15, 1933.

Young - Boston	Seay - Richmond	Geery - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McDougal - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Calkins - San Francisco

TRANS _____ Secretary of Treasury has released following statement to the press:

"Passing upon applications of member banks to reopen for normal banking functions has taxed the personnel of the Treasury and of the Office of the Comptroller of the Currency. While every possible effort has been made to act upon all applications, delay in some cases has been found to be inevitable. In some cases, also, steps are being taken which as soon as completed will make it possible for reopening to be licensed. I therefore wish to direct especial attention to the statement of the President in his radio address of last Sunday:

"Let me make it clear to you that if your bank does not open the first day you are by no means justified in believing that it will not open. A bank that opens on one of the subsequent days is in exactly the same status as the bank that opens tomorrow."

"Additional licenses will be issued from time to time and the public should understand that banks hereafter licensed to be opened for normal functions are to be regarded in the same way as if it had been possible to issue the license by today."

Morrill.

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Authority E.O. 13526

470-5

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
March 15, 1933.

STATEMENT BY SECRETARY OF THE TREASURY WOODIN

Passing upon applications of member banks to reopen for normal banking functions has taxed the personnel of the Treasury and of the Office of the Comptroller of the Currency. While every possible effort has been made to act upon all applications, delay in some cases has been found to be inevitable. In some cases, also, steps are being taken which as soon as completed will make it possible for reopening to be licensed. I therefore wish to direct especial attention to the statement of the President in his radio address of last Sunday:

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Authority 5010.501

Form 148b

TELEGRAM

FEDERAL RESERVE BOARD
WASHINGTON

March 14, 1935.

Young - Boston	Seay - Richmond	Geery - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McDougal - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Calkins - San Francisco

TRANS. _____ Secretary of Treasury has released following statement
to press:

"In response to many inquiries as to the significance of the appointment of conservators to banks of high repute I wish to say that there is no deduction to be made that such banks are necessarily in difficulties. There are a lot of complications, some of them concerning affiliate enterprises, which make it impractical for banks to open to the full extent. It is for the purpose of insuring that the banks will be put in apple-pie order, pending reorganization or other necessary processes that conservators in many cases are named.

"Moreover this method makes it possible that the bank so circumstanced will be able to continue to render service, as for example the receiving of deposits to be segregated and kept in cash or invested in Government bonds and such like securities. It also enables the conservator to set aside and make available for withdrawal by depositors and payment to other creditors on a ratable basis such amounts as in his opinion it is safe to use for this purpose."

Morrill.

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Authority E.O. 13526

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
TUESDAY, MARCH 14th, 1933.

Statement by Secretary of the Treasury Woodin.

In response to many inquiries as to the significance of the appointment of conservators to banks of high repute I wish to say that there is no deduction to be made that such banks are necessarily in difficulties. There are a lot of complications, some of them concerning affiliate enterprises, which make it impractical for banks to open to the full extent. It is for the purpose of insuring that the banks will be put in apple-pie order, pending reorganization or other necessary processes that conservators in many cases are named.

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Form 148b

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

March 14, 1933.

Young - Boston	Seay - Richmond	Geery - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McDougal - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Calkins - San Francisco

TRANS. _____ Secretary of Treasury has released following statement to press:

"Proceeding under the new Bank Conservation act, the Comptroller of the Currency has appointed conservators for the First National Bank of Detroit and the Guardian National Bank of Commerce of Detroit. This course will permit the operation of the institutions for the purpose of receiving deposits to be segregated and kept in cash or invested in obligations of the United States or deposited with the Federal Reserve Bank, and permits the conservator to set aside and make available for withdrawal by depositors and payment to other creditors on a ratable basis such amounts as in the opinion of the Comptroller may safely be used for this purpose.

"The placing of these banks under conservators also gives time for the development of a satisfactory permanent plan for adequate banking facilities for Detroit. A number of plans have been discussed and much work has been done, but up to date there has not been a general agreement as to the course which will be most advantageous for this city. The Government of the United States is anxious to cooperate in the carrying out of such plan as soon as agreed upon."

SRC/acw **FILE COPY** Merrill

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Form 148 D

TELEGRAM

**FEDERAL RESERVE BOARD
WASHINGTON**

March 14, 1933.

Yeung - Boston	Seay - Richmond	Geery - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McDougal - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Calkins - San Francisco

TRANS. _____ Secretary of Treasury has released following statement to press:

"Responding to inquiries today as to what facilities are available for enabling state banks which are not members of the Federal Reserve System to obtain currency to meet their needs, Secretary of the Treasury Woodin called attention to the statement of the President, in his radio talk on March 12, that 'these banks can and will receive assistance from member banks and from the Reconstruction Finance Corporation.' The Secretary also pointed out that Federal reserve banks are authorized to make advances to individuals, partnerships and corporations on their promissory notes, for periods not exceeding 90 days, secured by direct obligations of the United States, and nonmember banks may avail themselves of this privilege. The Federal reserve banks also are authorized, he stated, to rediscount for member banks, with their endorsement, eligible and acceptable paper acquired from and bearing the signature or endorsement of nonmember banks; and to make advances to member banks secured by other paper acquired from non-member banks.

"The Secretary said that he understands that it is the purpose and desire of the Reconstruction Finance Corporation and the Federal reserve banks to be as helpful as possible in meeting the needs of the present situation."

Merrill.

SRC/acw
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Authority E.O. 10501

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
MONDAY, MARCH 13, 1933.

470.-5

Statement by Secretary of the Treasury Woodin.

Reports from all sections of the country from which we have heard indicate that the reopening of banks in the twelve Federal Reserve cities has caused no excitement, but of course considerable gratification. The people have responded to the first step in the Government's plan of financial reconstruction with common sense and sober realization of actual conditions.

A good many inquiries have come to us about San Francisco where banks opened on the regular schedule as in the other Reserve cities. Deposits and withdrawals are proceeding normally.

Word from New York is that all the reopened banks are functioning as if there had been no interruption in their activities. People are satisfied that their deposits are safe in these banks, a feeling doubtless to a large extent the result of President Roosevelt's radio speech last night. Naturally the Treasury is delighted with this indication of the success of the plan under which regular banking was reestablished.

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
Monday, March 13, 1933.

Statement by Secretary of the Treasury Woodin.

Proceeding under the new Bank Conservation act, the Comptroller of the Currency has appointed conservators for the First National Bank of Detroit and the Guardian National Bank of Commerce of Detroit. This course will permit the operation of the institutions for the purpose of receiving deposits to be segregated and kept in cash or invested in obligations of the United States or deposited with the Federal Reserve Bank, and permits the conservator to set aside and make available for withdrawal by depositors and payment to other creditors on a ratable basis such amounts as in the opinion of the Comptroller may safely be used for this purpose.

The placing of these banks under conservators also gives time for the development of a satisfactory permanent plan for adequate banking facilities for Detroit. A number of plans have been discussed and much work has been done, but up to date there has not been a general agreement as to the course which will be most advantageous for this city. The Government of the United States is anxious to cooperate in the carrying out of such plan as soon as agreed upon.

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Authority EO 10501

470-5

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
Monday March 13, 1933.

STATEMENT BY SECRETARY OF THE TREASURY WOODIN.

"Responding to inquiries today as to what facilities are available for enabling state banks which are not members of the Federal Reserve System to obtain currency to meet their needs, Secretary of the Treasury Woodin called attention to the statement of the President, in his radio talk on March 12, that "These banks can and will receive assistance from member banks and from the Reconstruction Finance Corporation." The Secretary also pointed out that Federal reserve banks are authorized to make advances to individuals, partnerships and corporations on their promissory notes, for periods not exceeding 90 days, secured by direct obligations of the United States, and nonmember banks may avail themselves of this privilege. The Federal reserve banks also are authorized, he stated, to rediscount for member banks, with their endorsement, eligible and acceptable paper acquired from and bearing the signature or endorsement of non-member banks; and to make advances to member banks secured by other paper acquired from non-member banks.

"The Secretary said that he understands that it is the purpose and desire of the Reconstruction Finance Corporation and the Federal reserve banks to be as helpful as possible in meeting the needs of the present situation. "

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470-5

See Regulation #25.

TREASURY DEPARTMENT

PRESS RELEASE
March 13, 1933.

Pending determination by the Treasury Department upon a suitable procedure for licensing the delivery of gold reasonably required for legitimate and customary use in trade, profession or art, all requests for the delivery of gold for such purposes should be submitted to the Federal Reserve Bank of the district, accompanied by an affidavit as to the amount of unmanufactured gold now on hand and the facts making it necessary to obtain the additional gold requested for the purpose of maintaining employment. Accurate records must be kept of the disposition of all gold which may be released.

W. H. WOODIN
Secretary of the Treasury.

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Form 148b

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TELEGRAM

**FEDERAL RESERVE BOARD
WASHINGTON**

March 13, 1933.

Young - Boston
Harrison - New York
Morris - Philadelphia
Pancher - Cleveland

~~Long - Richmond~~
Black - Atlanta
McDougal - Chicago
Martin - St. Louis

Geery - Minneapolis
Hamilton - Kansas City
McKinney - Dallas
Calkins - San Francisco

TRANS. 1651 Secretary of Treasury has released following statement to the press: "Banking institutions which have not yet been permitted to reopen for normal and usual functions are still permitted to continue to carry on the limited activities specified by Regulations 1 to 19."

Morrill.

SBC/vmt


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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
Monday, March 13, 1933.

STATEMENT BY SECRETARY OF THE TREASURY WOODIN

"Banking institutions which have not yet been permitted to reopen for normal and usual functions are still permitted to continue to carry on the limited activities specified by Regulations 1 to 19.⁴

W. H. WOODIN
Secretary of the Treasury.

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Authority EO 10501

Form 148 b

470.-5

TELEGRAM

**FEDERAL RESERVE BOARD
WASHINGTON**

March 12, 1933.

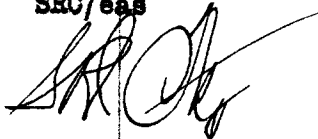
Young - Boston	Seay - Richmond	Geery - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McDonough - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Galkins - San Francisco

Trans — Secretary of Treasury has issued the following statement to the press:

"The first duty of the banks reopening under license of the Secretary of the Treasury for the performance of their usual functions is to see that the primary needs of the people for funds for the necessities of life and for normal business undertakings are met. Accordingly withdrawals for hoarding have been prohibited and the Secretary of the Treasury suggests that until more normal conditions have been established transfers of funds by banks or their customers be limited to necessary purposes."

Morrill.

SRC/eas



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Authority EO 10501

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
MARCH 12, 1933.

Statement by the Secretary of the Treasury.

The first duty of the banks reopening under license of the Secretary of the Treasury for the performance of their usual functions is to see that the primary needs of the people for funds for the necessities of life and for normal business undertakings are met. Accordingly withdrawals for hoarding have been prohibited and the Secretary of the Treasury suggests that until more normal conditions have been established transfers of funds by banks or their customers be limited to necessary purposes.

W. H. WOODIN
Secretary of the Treasury.

DECLASSIFIED
Authority EO 10501

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
SATURDAY, MARCH 11, 1933.

*OK
Douglas
Not sent to F.R. banks*

Statement by Secretary of the Treasury Woodin.

Normal banking is now in sight. It will come as rapidly as the Treasury can authorize banks to proceed.

The people of every community will learn from their local institutions when the respective Treasury permits have been granted. Therefore there will not be, for the present at least, any general list of the licenses issued from the United States Treasury. To compile and check such a list would be a rather lengthy process, and speed in giving the people all the banking facilities possible and safe takes precedence over anything else.

The purpose of the banking and financial program now in process under the Secretary of the Treasury is to restore to the country as promptly as possible adequate banking facilities and furnish an ample and sound currency, and restore confidence. Such a program is made possible by the new Emergency Banking Act passed by Congress March 9th.

This Act confirms and continues the authority of the President, through such agencies as he may designate, to exercise control over banking for the protection and benefit of depositors and of all users of banking facilities. By amendments to the Federal Reserve Act it is made possible for Federal Reserve banks to make loans direct to corporations, firms and individuals on their notes secured by direct obligations of the United States Government. There are approximately \$11,000,000,000 of such securities outstanding with the public other than with banking institutions. In order to enable the reopened banks to secure currency sufficient to meet

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Authority E.O. 13526

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demands Federal Reserve banks are authorized to lend to any member bank, regardless of its size, on sound assets. To provide adequate Federal Reserve bank currency to satisfy the possible demands under this program Federal Reserve banks are authorized to issue Federal Reserve bank notes, not only against Government securities, but also against any member bank note secured by sound assets.

With the enlarged potential supply of currency it is possible to proceed with the program of permitting banks to open. There is no occasion for such banks to experience any lack of currency, and there should be an end of any fear on that score of depositors in reopened banks. An Executive Order forbids all banks to permit withdrawals of currency for hoarding purposes.

It is the intention of the Secretary of the Treasury to proceed as rapidly as possible under the President's Proclamation with the licensing of the reopening of banks, both national and state, which are members of the Federal Reserve system. The appropriate state authorities may permit the reopening of the state institutions. An embargo is imposed upon gold payments, except under license, to prevent gold hoarding.

This embargo does not mean that every individual who happens to have one or a number of gold certificates in his roll of currency is to be classified as a hoarder and be subjected to invidious publicity or other penalty. The provision is aimed at those who continue to retain quantities of gold and thereby hinder the Government's plans for a restoration of public confidence.

Already from every quarter of the nation is reported a large and steady current of gold flowing back to the banks and the people apparently will be prompt in depositing their funds and thereby relieving themselves of the inconvenience and danger of keeping about them large amounts of money.

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Authority EO 10501

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Form 148a

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

2-9454 ...

March 11, 1933.

Young Boston	Fencher Cleveland	McDougal Chicago	Hamilton Kansas City
Harrison New York	Seay Richmond	Martin St. Louis	McKinney Dallas
Norris Philadelphia	Black Atlanta	Geery Minneapolis	Calkins San Francisco

TRANS 1627 Secretary of Treasury has released to the press the following telegram sent by him to State Banking Authority in each State:

"As announced by the President this afternoon, a definite program for the reopening of banks throughout the country has been determined by the Secretary of the Treasury. In accordance with this program, the Secretary of the Treasury is prepared upon application through Federal Reserve banks to issue to banking institutions which are members of the Federal Reserve system, whether national or state, located in each of the twelve Federal Reserve bank cities licenses to open Monday morning. The Secretary of the Treasury will not issue licenses to any member bank, state or national, located outside those twelve cities to open before Tuesday.

*State authorities having supervision over banking institutions located at such cities which are not members of the Federal Reserve system are requested to cooperate by permitting such banking insti-

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Authority EO 10501

Form 148a

TELEGRAM

FEDERAL RESERVE BOARD

WASHINGTON

2-9454 ...

tutions to open for business on Monday morning, in all cases where they find them qualified to do so on the basis indicated in previous telegram of March 10th. The Secretary of the Treasury will not permit any member bank, state or national, to open in any such Federal Reserve city unless opened for normal business on an unrestricted basis, except so far as affected by legal contracts between the banks and depositors with respect to withdrawals or notice of withdrawals.

"In accordance with the announcement of the President, the Secretary of the Treasury is prepared upon application through the Federal Reserve banks to issue licenses to reopen on Tuesday morning to Federal Reserve member banks located in any city having an active and recognized clearing house association, and upon like application licenses to member banks located elsewhere for reopening on Wednesday morning. As previously stated, however, the Secretary of the Treasury will not permit the reopening of member banks, state or national, on any of these days except on an unrestricted basis, as above indicated. It must be understood that the restrictions in the President's Proclamation against the payment of gold, gold certificates or bullion or the payment of currency for hoarding purposes and foreign exchange transactions will apply to all banking institutions, member and non-member, state or national, until further notice.

Morrill.

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Authority EO 10501

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
March 11, 1933.

8

TO THE SUPERINTENDENTS OF BANKS OF EACH STATE

As announced by the President this afternoon, a definite program for the reopening of banks throughout the country has been determined by the Secretary of the Treasury. In accordance with this program, the Secretary of the Treasury is prepared upon application through Federal Reserve banks to issue to banking institutions which are members of the Federal Reserve system, whether national or state, located in each of the twelve Federal Reserve bank cities licenses to open Monday morning. The Secretary of the Treasury will not issue licenses to any member bank, state or national, located outside those twelve cities to open before Tuesday.

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Authority EO 10501

- 2 -

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W. H. WOODIN
Secretary of the Treasury.

DECLASSIFIED
 Authority EO 10501

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March 11, 1933.

Young - Boston	Booy - Richmond	Geary - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Norris - Philadelphia	McDougal - Chicago	McKinney - Dallas
Fischer - Cleveland	Martin - St. Louis	Galkin - San Francisco

NEWS 1626 Following is the text of a statement issued to the press by the President of the United States:

"I am glad to be able to announce that technical difficulties which operated to delay the opening of banks, both State and National, have finally substantially been overcome by tireless work on the part of the officials of the Treasury and the Federal Reserve System, and that a definite program has been arranged consisting of successive steps by which banks throughout the country will be opened progressively on Monday, Tuesday and Wednesday mornings.

"The Secretary of the Treasury will issue licenses to banks which are members of the Federal Reserve System, whether National bank or State, located in each of the twelve Federal Reserve Bank cities, to open Sunday morning.

"So also the State authorities having supervision over State banks which are not members of the Federal Reserve System will be asked to permit any such State institutions located in any one of the twelve Federal Reserve Bank cities to open for business on Monday morning if in their judgment they deem it wise to do so.

"Under this progressive plan, banks located in any city having an active, recognized clearing house association, of which there are 250 cities, will receive licenses for reopening on Tuesday morning,

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Authority EC10501

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and banks located elsewhere will receive their licenses permitting re-opening for Wednesday.

"Time is thus afforded for the necessary shipments of currency provided under the Emergency Bank Act from Reserve Bank centers to clearing house cities and banks in the smaller communities.

"There were enormous technical problems to be solved before these mechanics could be worked out and before the actual currency could be in the bank when the doors opened.

"The Constitution has laid upon me the duty of conveying the condition of the country to the Congress assembled at Washington. I believe I have a like duty to convey to the people themselves a clear picture of the situation at Washington itself whenever there is danger of any confusion as to what the Government is undertaking.

"That there may be a clear understanding as to just what has taken place during the last two days since the passage of this Act it is my intention, over the national radio networks, at ten o'clock Sunday evening, to explain clearly and in simple language to all of you just what has been achieved and the sound reasons which underlie this declaration to you.

"The fact that banks will be opened under this plan does not mean that anyone should draw the inference that the banks opening Monday are in any different condition as to soundness from the banks licensed to open on Tuesday or Wednesday or any subsequent day."

Merrill.

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Authority 8010501

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FOR THE PRESS

IMMEDIATE RELEASE
March 11, 1933.

(7)

A STATEMENT BY PRESIDENT ROOSEVELT

"I am glad to be able to announce that technical difficulties which operated to delay the opening of banks, both State and National, have finally substantially been overcome by tireless work on the part of the officials of the Treasury and the Federal Reserve System, and that a definite program has been arranged consisting of successive steps by which banks throughout the country will be opened progressively on Monday, Tuesday and Wednesday mornings.

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Authority EO 10501

FOR THE PRESS

IMMEDIATE RELEASE
March 11, 1933.

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"The fact that banks will be opened under this plan does not mean that anyone should draw the inference that the banks opening Monday are in any different condition as to soundness from the banks licensed to open on Tuesday or Wednesday or any subsequent day."

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
Friday, March 10, 1933.

The Federal Reserve Board this morning voted to authorize the Federal Reserve Banks under the terms of Section 403 of the Emergency Bank Act to make advances tomorrow for payroll purposes to individuals, firms, or corporations on their notes secured by Government securities. The Secretary of the Treasury has issued a regulation according to the terms of the President's Proclamation permitting the Federal Reserve Banks to carry on this business with the public.

Accordingly, the Federal Reserve Banks will be open tomorrow for the purpose of making loans secured by direct obligations of the Government, as well as to conduct such other transactions with their member banks as may be necessary to enable member banks to carry out the purposes of regulation No. 10, as amended.

*Not sent to FR banks.
See Board's telegram
to FR banks on March 10, 1933*

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Form 148 b

TELEGRAM

470-5

**FEDERAL RESERVE BOARD
WASHINGTON**

March 10, 1933.

Young - Boston	Seay - Richmond	Geery - Minneapolis
Harrison - New York	Black - Atlanta	Hamilton - Kansas City
Morris - Philadelphia	McDougal - Chicago	McKinney - Dallas
Fancher - Cleveland	Martin - St. Louis	Gilkins - San Francisco

3/10/33

TRANS _____ Telegram quoted Trans 1605 released to the press.

McClalland.

SRC/PL



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Authority EO 10501

Form 146b

470-5

TELEGRAM

**FEDERAL RESERVE BOARD
WASHINGTON**

March 10, 1933.

Young - Boston
Harrison - New York
Norris - Philadelphia
Fancher - Cleveland

Seay - Richmond
Black - Atlanta
McDougal - Chicago
Martin - St. Louis

Geery - Minneapolis
Hamilton - Kansas City
McKinney - Dallas
Calkins - San Francisco

TRANS. 1605 Secretary of the Treasury has today sent following telegram to State banking authority in each state:

QUOTE " All banks of the country are now prohibited under the Proclamation of March 9 of the President from conducting any banking business, except as specifically authorized by rule, regulation or license of the Secretary of the Treasury issued under that Proclamation. In view of the passage of the Emergency Bank Bill by Congress yesterday, and under the terms of that bill, and Section 5 of the Act of October 6, 1917, as amended by that bill, the Secretary of the Treasury will be authorized to permit any sound bank which is a member of the Federal Reserve system, whether state or national, to reopen for business as promptly as possible. It is the intention of the Secretary of the Treasury, however, to permit no member bank to reopen at any time on a full 100 per cent basis unless or until the Secretary is satisfied that such bank is a sound going institution. Any member bank not clearly within this category will not be opened unless or until further investigation discloses that it is a sound going institution, or unless or until a reorganization of some character will permit the bank to be classified as a sound going institution.

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TELEGRAM

-2-

FEDERAL RESERVE BOARD

"Any member bank not opened 100 per cent under this procedure
WASHINGTON

will be permitted to continue to perform only such specific transactions as are now authorized or may hereafter be authorized by specific regulation or license of the Secretary of the Treasury.

"In view of the fact that neither the Treasury nor the Federal Reserve authorities have sufficient information upon which to consider applications for reopening by such state banks as are not members of the Federal Reserve system, the President will by decree authorize the appropriate state authorities in each state to give licenses to banks under their jurisdiction other than members of the Federal Reserve system, to open for the usual normal business, or in their judgment, and under the terms of the Presidential Proclamation, to permit of such reopening under such restrictions and limitations as they in their judgment may deem wise. It is to be expected, however, that state superintendents in granting licenses under this authority will take under consideration in determining their own policy the general principle to be adopted by the Treasury as respects member banks that in the interests of the depositors and of the country as a whole, only sound institutions will be permitted to carry on all of their usual functions to the end that no bank shall be reopened for business on any basis that will run the risk of being forced to close again because of demands which it is not in a position to satisfy" UNQUOTE. The foregoing has not yet been released to the press by the Secretary of the Treasury. Will advise if and when he does so.
McClelland.



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Authority E010501

TREASURY DEPARTMENT

(5)
FOR IMMEDIATE RELEASE,
March 10, 1933.

470.-5

TO THE SUPERINTENDENTS OF BANKS OF EACH STATE

"All banks of the country are now prohibited under the Proclamation of March 9 of the President from conducting any banking business, except as specifically authorized by rule, regulation or license of the Secretary of the Treasury issued under that Proclamation. In view of the passage of the Emergency Bank Bill by Congress yesterday, and under the terms of that bill, and Section 5 of the Act of October 6, 1917, as amended by that bill, the Secretary of the Treasury will be authorized to permit any sound bank which is a member of the Federal Reserve system, whether state or national, to reopen for business as promptly as possible. It is the intention of the Secretary of the Treasury, however, to permit no member bank to reopen at any time on a full 100 per cent basis unless or until the Secretary is satisfied that such bank is a sound going institution. Any member bank not clearly within this category will not be opened unless or until further investigation discloses that it is a sound going institution, or unless or until a reorganization of some character will permit the bank to be classified as a sound going institution.

Any member bank not opened 100 per cent under this procedure will be permitted to continue to perform only such specific transactions as are now authorized or may hereafter be authorized by specific regulation or license of the Secretary of the Treasury.

In view of the fact that neither the Treasury nor the Federal Reserve authorities have sufficient information upon which to consider applications for reopening by such state banks as are not members of the Federal Reserve

DECLASSIFIEDAuthority EO 10501

- 2 -

system, the President will by decree authorize the appropriate state authorities in each state to give licenses to banks under their jurisdiction other than members of the Federal Reserve system, to open for the usual normal business, or in their judgment, and under the terms of the Presidential Proclamation, to permit of such reopening under such restrictions and limitations as they in their judgment may deem wise. It is to be expected, however, that state superintendents in granting licenses under this authority will take under consideration in determining their own policy the general principle to be adopted by the Treasury as respects member banks that in the interests of the depositors and of the country as a whole, only sound institutions will be permitted to carry on all of their usual functions to the end that no bank shall be reopened for business on any basis that will run the risk of being forced to close again because of demands which it is not in a position to satisfy."

W. H. WOODIN,
Secretary of the Treasury.

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Authority EO 10501

No. 470.-5

TREASURY DEPARTMENT

PRESS RELEASE,
MARCH 10, 1933.

The present restrictions on gold will not prevent gold being available for all normal uses in the industrial arts. Method of distribution for these purposes will be determined by the Treasury.

W. H. WOODIN
Secretary of the Treasury

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Form 148b

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

(4)
470-5

March 10, 1933

Federal Reserve Bank of	Boston	Chicago
	New York	St. Louis
	Philadelphia	Minneapolis
	Cleveland	Kansas City
	Richmond	Dallas
	Atlanta	San Francisco

TRANS NO. _____ Executive order or regulation will issue shortly directing all banks which are members of the Federal Reserve System, desiring to reopen for the performance of all usual and normal banking functions, except as otherwise prohibited, to apply for a license to the Secretary of the Treasury, applications to be filed with the Federal Reserve Bank in the appropriate district. Stop. The appropriate authority having immediate supervision of banking institutions in each State will be authorized under such regulations as such authority may prescribe to permit any banking institution in such State or place, other than member banks of Federal Reserve System to perform any or all of their usual banking functions, except as otherwise prohibited.

William H. Woodin
Secretary of the Treasury

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Authority E.O. 13526

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(A)

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
MARCH 10, 1933.

Executive order or regulation will issue shortly directing all banks which are members of the Federal Reserve System, desiring to reopen for the performance of all usual and normal banking functions, except as otherwise prohibited, to apply for a license to the Secretary of the Treasury, applications to be filed with the Federal Reserve Bank in the appropriate district. The appropriate authority having immediate supervision of banking institutions in each State will be authorized under such regulations as such authority may prescribe to permit any banking institution in such State or place, other than member banks of Federal Reserve System to perform any or all of their usual banking functions, except as otherwise prohibited.

W. H. WOODIN
Secretary of the Treasury.

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Authority EG10501

Form 148b

470-5

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

March 10, 1933.

To the Federal Reserve Banks of		
Boston	Richmond	Minneapolis
New York	Atlanta	Kansas City
Philadelphia	Chicago	Dallas
Cleveland	St. Louis	San Francisco

TRANS. 1601 There is quoted below a statement which has just been released by the Secretary of the Treasury:

QUOTE The emergency banking legislation passed by the Congress today is a most constructive step toward the solution of the financial and banking difficulties which have confronted the country. The extraordinary rapidity with which this legislation was enacted by the Congress heartens and encourages the country.

This legislation makes possible the opening of banks upon a sound basis, backed by an adequate supply of currency. Through this law the banks which will open will be placed in a position to meet all demands. This assurance should restore confidence and create the foundation for a forward movement in business activities.

It will be the policy of the Treasury to permit as rapidly as possible the opening of the sound banks. There are, of course, many thousands of such banks which will promptly be restored to the performance of their normal functions.

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TELEGRAM

-2-

FEDERAL RESERVE BOARD

QUOTE The Treasury has already taken steps to secure information through proper authorities as to the condition of the various banks of the country and immediately invites from the banks applications for reopening.

WASHINGTON

While much information has already been assembled, the completion of the information and of the arrangements of the banks for resuming their functions takes some time. It has therefore been decided not to authorize any reopenings before Saturday, March 11th. It is obvious that it will not be possible to act upon all of the applications even by Saturday. Regulations governing reopenings and also other subjects governed by the legislation will immediately be published **UNQUOTE**

McClelland.

Handwritten scribble and vertical line on the left side of the page.

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Authority EO 10501

TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE,
Thursday, March 9, 1933.

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470-5

STATEMENT BY SECRETARY OF THE TREASURY WOODIN

The emergency banking legislation passed by the Congress today is a most constructive step toward the solution of the financial and banking difficulties which have confronted the country. The extraordinary rapidity with which this legislation was enacted by the Congress heartens and encourages the country.

This legislation makes possible the opening of banks upon a sound basis, backed by an adequate supply of currency. Through this law the banks which will open will be placed in a position to meet all demands. This assurance should restore confidence and create the foundation for a forward movement in business activities.

It will be the policy of the Treasury to permit as rapidly as possible the opening of the sound banks. There are, of course, many thousands of such banks which will promptly be restored to the performance of their normal functions.

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Form 148b

TELEGRAM
FEDERAL RESERVE BOARD
WASHINGTON

470-5

March 9, 1935.

Young - Boston,
Harrison - New York
Morris - Philadelphia
Fancher - Cleveland

Seay - Richmond
Black - Atlanta
McDougal - Chicago
Martin - St. Louis

Geery - Minneapolis
Hamilton - Kansas City
McKinsey - Dallas
Calkins - San Francisco

TRANS. 1597 Secretary of the Treasury requests that all possible
publicity be given to press statement contained in Trans. 1596. | 3/9/35

McClelland.

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 Authority EO 10501

Mr. Carpenter

1933 MAR 9 PM 8 07

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March 9, 1933.

Young Boston	Fancher Cleveland	McDougal Chicago	Hamilton Kansas City
Harrison New York	Seay Richmond	Martin St. Louis	McKinney Dallas
Horrie Philadelphia	Black Atlanta	Geery Minneapolis	Calkins San Francisco

TRANS 1596

Secretary of Treasury has issued the following press release quote

The President has today urged the immediate enactment of legislation dealing with the existing banking situation. It appears that prompt action will make banking facilities and an adequate supply of currency available. Notwithstanding the expected early opening of banks, the Secretary of the Treasury interposes no objection to the issuance of clearing house certificates or other evidences of claims against assets of banking institutions, in communities where local conditions make such action necessary. The regulation issued by the Secretary March 7, 1933 remains effective, granting permission to clearing house associations and other associations organized to provide an adequately secured medium of temporary exchange to issue certificates against sound assets of banking institutions, such certificates to be deliverable by each institution to its creditors and depositors on a pro rata basis. unquote

McCLELLAND.

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Authority EO 10501

TREASURY DEPARTMENT TELEGRAM

WHERE WRITTEN:

Washington, March 9, 1933.

To Governors, Federal Reserve Banks.

- | | |
|-------------------|-----------------------|
| Boston, Mass. | Chicago, Ill. |
| New York, N. Y. | St. Louis, Mo. |
| Philadelphia, Pa. | Minneapolis, Minn. |
| Cleveland, Ohio | Kansas City, Mo. |
| Richmond, Va. | Dallas, Tex. |
| Atlanta, Ga. | San Francisco, Calif. |

The following press statement has been issued by the Treasury Department:

QUOTE The President has today urged the immediate enactment of legislation dealing with the existing banking situation stop It appears that prompt action will make banking facilities and an adequate supply of currency available stop Notwithstanding the expected early opening of banks, the Secretary of the Treasury interposes no objection to the issuance of clearing house certificates or other evidences of claims against assets of banking institutions, in communities where local conditions make such action necessary stop The regulation issued by the Secretary March seven nineteen thirty three remains effective, granting permission to clearing house associations and other associations organized to provide an adequately secured medium of temporary exchange to issue certificates against sound assets of banking institutions, such certificates to be deliverable by each institution to its creditors and depositors on a pro rata basis UNQUOTE

It is requested that all possible publicity be given to this statement.

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(Included) aar
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TREASURY DEPARTMENT

PRESS RELEASE,
MARCH 9, 1933.

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Form 118B

TELEGRAM

FEDERAL RESERVE BOARD
 WASHINGTON

March 7, 1933.

Young Boston	Morris Philadelphia	Seay Richmond	McDougal Chicago	Geery Minneapolis	McKinney Dallas
Harrison New York	Fancher Cleveland	Black Atlanta	Martin St. Louis.	Hamilton Kansas City	Calkins San Francisco

The Secretary of the Treasury has issued the following announcement and has released the same for publication :

QUOTE. In order to facilitate the prompt dissemination of information regarding and interpretation ^{of} ~~of~~ of regulations issued by the Secretary of the Treasury pursuant to the President's Proclamation, dated March 6, 1933, declaring a bank holiday, it is requested that all inquiries for information regarding and interpretation of any of such regulations coming from banks, banking institutions and individuals, be made direct to the Federal reserve bank in their district. Unless such requests are covered by interpretations previously issued by the Secretary of the Treasury, the Federal Reserve Banks will secure such interpretations from the Secretary of the Treasury. All requests for any special permission or consent required by the regulations should be made in accordance with such regulations.

Morrill

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Authority EO 10501

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TREASURY DEPARTMENT

FOR IMMEDIATE RELEASE
March 7, 1933.

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VJW