

September 9, 1920.

M. Georges Robineau,
Governor, Bank of France,
Paris, France.

S i r :

M. Jean de Sienes, Inspecteur de la Banque de France, called at the bank yesterday and presented your cablegram of September 7 reading as follows:

"Ask Federal Reserve Bank of New York whether in accordance with previous arrangements, they would accept a deposit of gold with us, earmarked, in their name, which they could withdraw at will, cost at our expense."

The question of our accepting a deposit of gold earmarked with the Bank of France was discussed with our board of directors and the Federal Reserve Board in Washington, and I am pleased to confirm to you my conversation with M. de Sienes to-day that both our own board of directors and the Federal Reserve Board are agreeable to our receiving from the Bank of France on or before October 15, 1920, an amount in gold estimated to be approximately \$35,000,000 in value, which limit we would be willing to increase to \$50,000,000, should you so desire, to be held earmarked by the Bank of France in the name of the Federal Reserve Bank of New York subject to the following mutual understandings:

1. Gold so earmarked may be withdrawn in whole or in part by the Federal Reserve Bank of New York at its option unconditionally and at any time, and the Bank of France will undertake that such withdrawals will be free from any restrictions, Governmental or otherwise, upon the export of gold. The Bank of France will facilitate such withdrawals upon request and receipt of authority from the Federal Reserve Bank of New York.

2. All expenses and risk involved in the shipment of such gold from France will be borne by the Bank of France, together with all costs of determining at destination the exact value of the gold if shipped to the United States. Should the Federal Reserve Bank of New York request the shipment of the gold to a place other than the United States, the Bank of France similarly would bear the risk and expenses, but in the case of the latter, in an amount not to exceed the cost of shipping the gold to the United States. Also in any case, any and all loss by abrasion will be borne by the Bank of France.

3. No charge for custody or otherwise will be made by the Bank of France with respect to this gold earmarked for the Federal Reserve Bank of New York.

4. Gold bars or bullion earmarked by the Bank of France for the Federal Reserve Bank of New York will be valued at the rate of \$20,67183462 per fine ounce, and gold coin so earmarked will be valued at its bullion value at the rate of \$20,67183462 per fine ounce.

5. Upon receipt of properly authenticated advice by the Federal Reserve Bank of New York from the Bank of France as to the exact number of fine ounces of gold earmarked for its account, the Federal Reserve Bank of New York will give credit to the Bank of France in dollars at the rate of \$20.67183462 per fine ounce.

May we ask you to cable us that these terms are acceptable, and we would also appreciate a confirmation by letter.

In arranging the details of such important and confidential transactions as the one now in contemplation, it seems to us desirable to establish between ourselves a means of direct cable communication which is properly safeguarded and authenticated. In this connection, we sent you in our letter of September 8, 1918, a copy of Bentley's Complete Phrase Code and a Special Secret Cipher. Owing to the limited time in which to arrange the present transaction, we would respectfully recommend the use of this code and cipher when cabling us regarding the terms outlined above with respect to earmarking gold for our account. If for other business in the future you would prefer to use some other code or cipher, we would be glad to discuss the matter further.

Our relations with M. de Sieyes have been most agreeable and it is a pleasure to be associated with him in the transaction of business with your institution. Although we do not question in the least his authority to act for the Bank of France, we find that the only formal communication received from you in this connection is a letter dated June 2, 1920, signed by M. Pallain, authorizing us to recognize the signature of M. de Sieyes in transferring funds received by us for your account from the United States Treasury. For the sake of our records, we would request that you confirm this and send us, if you so desire, notification as to the authority of M. de Sieyes to transact other business for the Bank of France.

I take this opportunity to acknowledge receipt of your kind cablegram of September 7 and to confirm my reply which was as follows:

"In the absence of Governor Strong of the Federal Reserve Bank of New York, I beg to acknowledge receipt of your cable of September 7 and on behalf of him and the officers and directors of this bank to express our deep appreciation and cordial reciprocation of the sentiments you so graciously convey. We desire also to extend to you our sincere congratulations upon the high honor conferred upon you in your call by the Republic to discharge the functions of Governor of the Bank of France, the arduous responsibilities of which are appreciated and understood by us as also are the strain and fatigue that their assumption must entail, and which were with such fortitude sustained during the war period by your distinguished predecessor Monsieur Pallain to whom we are dispatching a separate message upon his retirement. It is our earnest hope that you will enjoy the continuing health necessary to enable you to carry through to happier times an administration of distinguished success. It is the writer's privilege to hope that he may have the honor to restate personally to you these sentiments when in December either he or Mr. Jay expects to meet Governor Strong in Paris."

9/9/20.

In conclusion permit me to express to you and your associates our satisfaction in being able to meet the wishes of the Bank of France in accepting a deposit of earmarked gold.

With renewed assurances of my esteem, believe me,

Very truly yours,

J. H. CASE
Acting Governor.

JEC/EIS

(HN)

1920
TWP

November 26, 1920.

FILING DEPT.

NOV 27 1920

FEDERAL RESERVE BANK

My dear Governor Robineau:

I am enclosing herewith a letter addressed to Governor Strong, and I would greatly appreciate your having it delivered to him upon his arrival in Paris.

Thanking you for your courtesy, I am,

Very truly yours,

J. H. CASE
Acting Governor.

M. Georges Robineau,
Governor, Bank of France,
Paris, France.

JEC/ELS

Enc.

28th December, 20.

Monsieur G. Robineau,
Governor,
Bank of France,
Paris.

Dear Monsieur Robineau,

Since I had the pleasure of seeing you in Paris, I have had less time than I anticipated to give to the proposal which you were kind enough to embody in a memorandum for our consideration. It has also seemed desirable for me to postpone my return for a week or two longer than it was expected, so that I shall not be back at my office in New York until the middle of January.

You may be assured that immediately upon my return the subject which we discussed will receive our most earnest consideration and it will be my effort to arrive at an understanding that will be helpful and satisfactory both to you and to us.

With warmest good wishes for yourself personally and for the great Institution over which you preside during this New Year just approaching, and with the assurance of my esteem,

I beg to remain,

Sincerely yours,

Banque de France

Paris, le

23 Février

1921.

Le Gouverneur de la Banque de France

à Monsieur le Gouverneur de la BANQUE DE RESERVE FEDERALE
DE NEW-YORK.

Cher Monsieur STRONG,

Permettez-moi d'introduire auprès de vous notre compatriote
M. Etienne GROSCLAUDE, dont vous connaissez certainement la per-
sonnalité.

M. GROSCLAUDE a beaucoup regretté de n'avoir pas eu l'occasion
de vous être présenté lors de ses précédents voyages aux Etats-
Unis. Il serait désireux de s'entretenir avec vous de questions
intéressant les rapports commerciaux entre nos deux pays. Je ne
doute pas qu'il ne trouve auprès de vous le meilleur accueil.

Je vous prie, Cher Monsieur STRONG, de bien vouloir agréer
la nouvelle assurance de mes sentiments de très cordiale sympathie.

IND
FRMILL

Dear Mr. Strong:

Permit me to introduce to you our compatriot, M. Etienne Grosclaude, of whom you certainly must know.

M. Grosclaude regrets not having had the opportunity of being presented to you when on previous visits to the United States. He is anxious to discuss with you the interesting questions of the commercial reports between our two countries. I have no doubt that you will make him welcome.

I beg you, dear Mr. Strong, to accept the renewed assurance of my sentiments and very cordial sympathy.

FRAMMERA
BOND

Banque de France

Paris, le 5 Juillet 1921.

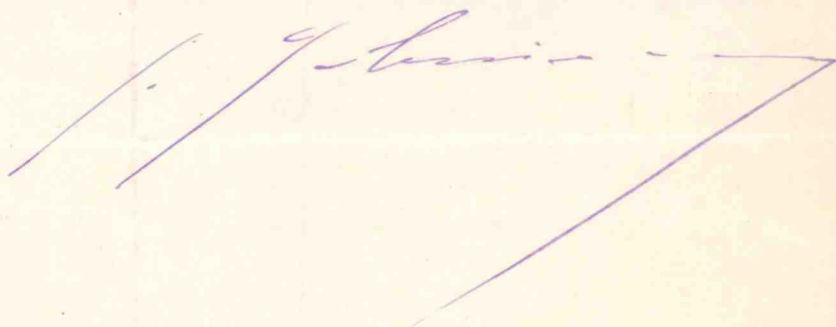
READ AND NOTED,
B. S.

Cher Monsieur Strong,

Je reçois votre aimable lettre du 21 Juin, m'annonçant la visite probable de M. Pierre Jay, et je m'empresse de vous dire combien je serai heureux de faire connaissance avec votre éminent collègue et ami.

Je souhaite très vivement qu'il lui soit possible de nous réserver un peu du temps qu'il passera à Paris. Il trouvera parmi nous, soyez-en assuré, l'accueil le plus cordial et la plus chaude sympathie.

Je vous prie, cher Monsieur Strong, de bien vouloir agréer l'expression de mes sentiments tout dévoués.



Monsieur Benjamin STRONG, Gouverneur de la Banque de Réserve fédérale de New-York.-

39 B.d.F. Microfilm Project, Paris, 02-7-1920

(Translation)

READ AND NOTED,
B. S.

Paris, July 5, 1921

Dear Mr. Strong:

I am in receipt of your letter of June 21st. announcing the probable visit of Mr. Pierre Jay, and I earnestly desire to say to you that I shall be happy to make the acquaintance of your eminent colleague and friend.

I wish very much that it will be possible for him to remain some time with us when he passes through Paris. He will find among us, be assured, a most cordial welcome.

I pray you, dear Mr. Strong, to accept the expression of my highest sentiments.

C O P Y

C A B L E G R A M

May 14, 1923.

Bank of France,

Paris.

Please accept our deep sympathy in great loss you and your country
have suffered in death of Monsieur Pallain

Federal Reserve Bank of New York.

Banque de France

R. C. PARIS N° 70.726

Paris, le 17 Avril 1925.

Le Gouverneur de la Banque de France
à Monsieur Benjamin STRONG,
Gouverneur de la Banque de Réserve Fédérale de
NEW-YORK.

RECESSION
DIVISION
MAY 29 1925
FEDERAL RESERVE BANK
NEW YORK

Mon cher Gouverneur,

J'ai bien reçu l'aimable lettre par laquelle vous
voulez bien m'annoncer la prochaine visite de votre ami,
M. Garrard B. Winston, et je tiens à vous donner l'assurance
que nous l'accueillerons à la Banque avec le plus grand
plaisir.

Très sensible à votre cordial souvenir, je saisis
avec empressement, mon cher Gouverneur, l'occasion de vous
renouveler mes sentiments les plus sympathiques et bien
dévoués.

Copy of translation of letter received from Bank of France.

Banque de France.

Paris, July 9, 1925.

The Governor of the Banque de France

to Mr. Benjamin Strong

Governor of the Federal Reserve Bank of New York.

Dear Sir:

I have the honor of informing you that by a steamer sailing soon, we shall send, according to the instructions of the Ministry of Finance, to the Federal Reserve Bank at New York, gold bars of a value of 6 million dollars.

We should be very much obliged to you if you would be kind enough this time also, to lend us the kind assistance of the Federal Reserve Bank to make sure of the receipt of this gold and its conversion on the New York market, and to transfer the amount of it for the account of the French Government to Messrs. J. P. Morgan & Co.

We shall not fail to let you know by cable, as soon as definite arrangements have been made, the name of the steamer, as well as the number of boxes and of ingots that constitute our consignment.

Pray receive, dear Governor, the renewed assurance of my most distinguished and most sympathizing regards.

Signature.

Translated by

G. Bendelari,
Reports
July 21, 1925.

COPY

OUTGOING CABLEGRAM

July 22, 1925.

Bank of France,
Paris

No. 73 Will gladly handle gold bars your letter July 9 Please cable whether it would be agreeable to have us buy all or part of bars on same basis as New York Assay Office if we desire on arrival to make the purchase Any part of shipment not bought by us would be sold to New York Assay Office on usual terms Also please cable name of melter and assayer on bars

Federal Reserve Bank of New York

COPY

INCOMING CABLEGRAM

Paris, France
July 23, 1925.

Federal Reserve Bank,
New York City, N. Y.

Referring to my letter of 9th we have shipped per steamer "De Grasse" 186 boxes marked B. F. and numbered from 1 to 186 enclosing 744 gold bars \$6.003671 - \$66.66, insurance from door to door. Please take delivery of gold on board and pay same amount to J. P. Morgan New York to credit French Government. Our Government would appreciate being credited 98 per cent total value as soon as verification effected remainder being reserved after assay as effected in year 1921

Bank of France.

(NOTE! This cablegram was apparently dispatched prior to receipt of our cable of July 22.)

Paris, le 2 septembre 1925

Le Gouverneur de la Banque de France

à Monsieur Benj. STRONG,

Gouverneur de la Federal Reserve Bank of New York.

Mon cher Gouverneur et Ami,

Je ne veux pas vous laisser partir sans vous redire toute ma fidèle et très reconnaissante amitié.

Notre excellent ami, Jacques de Neuflyze, m'a promis de vous adresser tous les renseignements que vous souhaitez avoir et qui, je pense, vous permettront d'agir utilement dans le sens que vous m'avez indiqué en des termes si émouvants.

Je vous souhaite un bon voyage de retour et vous prie de me croire toujours votre très fidèle et bien sincèrement attaché.

Georges Lenoir

*Les renseignements vous seront
adressés demain.*

17

Hotel du Cap d'Antibes,
Antibes, June 7, 1926.

My dear Governor Robineau:

At last I have found a quiet place where I am resting for a few weeks, and this is my first opportunity to send you a word of thanks for your many courtesies to me while I was in Paris.

The appointment of an Expert Commission to examine the monetary problem, as reported in the newspapers, would certainly indicate a move in the right direction, and I am hoping that collaboration by this Commission with your financial authorities and with the Bank of France will result in a comprehensive and constructive program. Developments in that direction, it seems to me, would be encouraging both at home and abroad and remove many difficulties which now seem to complicate the situation.

I am sure that your thoughts are now entirely devoted to the development of some plan, and whenever it reaches the stage where it can be put on paper, I hope you will feel willing to send it to me, or indeed give me in advance, if you prefer, any indication of the general character of the plan which you have in mind.

Wishing you every possible success, toward which I know you are turning every effort, I beg to remain with warm regards, my dear Governor,

Very sincerely yours,

Monsieur Georges Robineau,
Governor, Bank of France,
Paris.

ES:M

COMPAGNIE FRANÇAISE DES CÂBLES TÉLÉGRAPHIQUES

NEW YORK
OFFICES: 25 BROAD STREET.
TELEPHONE, HANOVER 7934



PARIS
MAIN OFFICE: 53 RUE VIVIENNE.
CABLE OFFICE: 53 RUE VIVIENNE

LONDON
24 ROYAL EXCHANGE, E. C. 3 BALTIC MERCANTILE AND
5 NEW BRIDGE ST., E. C. 4 SHIPPING EXCHANGE, E. C. 3.
BUSH HOUSE, ALDWYCH W.C. 2 61 MARK LANE, E. C. 8.
LIVERPOOL: G 3 & 4 EXCHANGE.
HAVRE: 40 RUE DE CHILOU.
BREST: 30-32 RUE DU CHATEAU
ANTWERP: AGENCY, 14 RUE VENUS.
ST. PIERRE: MIQUELON

ROAD ST. (ALWAYS OPEN) TELEPHONE, 7934 HANOVER
ON EXCHANGE, - - TELEPHONE, 1289 BOWLING GREEN
TITZER BUILDING, PARK ROW TELEPHONE, 2069 BEEKMAN
NORTH STREET, - - - TELEPHONE, 2839 WALKER
55 FIFTH AVENUE, - - - TELEPHONE, 1004 STUYVESANT
281 FIFTH AVENUE, - - - TELEPHONE, 0030-0031 ASHLAND
5 COLUMBUS CIRCLE, - - - TELEPHONE, 0684 COLUMBUS

J. GEGOU,
MANAGER,

TIME _____ DATE _____

The following MESSAGE is received via **FRENCH TELEGRAPH CABLE** subject to the terms and conditions printed on the back hereof, which are ratified and agreed to.

JDO326 PARIS 19 1355

M BENJAMIN STRONG GOUVERNEUR FEDERAL RESERVE
BANK NY

SERONS TRES HEUREUX RECEVOIR M CRANE SENTIMENTS BIEN CORDIAUX
GEORGES ROBINEAU

(Translation: We will be very happy to receive Mr. Crane.
Most cordial regards.

- Georges Robineau).

To reduce the risk of errors or delays, please file any answer to this message at one of the Company's own offices. Messengers may be summoned by Telephone for Cablegrams FREE OF CHARGE.

OFFICE CORRESPONDENCE

DATE _____

To _____

SUBJECT: _____

FROM _____