

FEDERAL RESERVE BANK
OF NEW YORK
Fiscal Agent of the United States

[Circular No. 1595]
[September 27, 1935]

REGULATIONS GOVERNING THE IMMEDIATE PAYMENT OF GOLD-CLAUSE SECURITIES

REGULATIONS GOVERNING THE EXCHANGE OF COINS AND CURRENCIES
OF THE UNITED STATES

*To all Banks and Others Concerned in the
Second Federal Reserve District:*

At the request of the Treasury Department we transmit to you herewith, printed on the following pages, a copy of Treasury Department Circular No. 552, dated September 10, 1935, entitled "REGULATIONS GOVERNING THE IMMEDIATE PAYMENT OF GOLD-CLAUSE SECURITIES" approved by the President September 14, 1935, and a copy of Treasury Department Circular No. 553, dated September 10, 1935, entitled "REGULATIONS GOVERNING THE EXCHANGE OF COINS AND CURRENCIES OF THE UNITED STATES" approved by the President September 14, 1935. These are the regulations prescribed by the Secretary of the Treasury to govern the immediate payment of gold-clause securities, and the exchange of coins and currencies, as provided in Public Resolution No. 63, approved August 27, 1935.

Additional copies of forms to accompany United States "gold-clause" securities, in coupon or registered form, presented for immediate payment as stated in Treasury Department Circular No. 552 may be obtained from this bank upon request.

GEORGE L. HARRISON,
Governor.

REGULATIONS GOVERNING THE IMMEDIATE PAYMENT OF GOLD-CLAUSE SECURITIES

1935
Department Circular No. 552

Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, September 10, 1935.

Public Resolution No. 63, 74th Congress, approved August 27, 1935, reads as follows:

[PUBLIC RESOLUTION—No. 63—74TH CONGRESS]

[H. J. Res. 348]

JOINT RESOLUTION

Authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States thereon; limiting the use of certain appropriations; and for other purposes.

Whereas in order to maintain the uniform value of all coins and currencies of the United States, Public Resolution Numbered 10 of June 5, 1933, declared provisions known as "gold clauses" to be against public policy, prohibited their use in obligations thereafter incurred, and provided that money of the United States legal tender for obligations generally was legal tender for all obligations with or without gold clauses; and

Whereas the United States has paid and will continue to pay to the holders of all its securities their principal and interest, dollar for dollar, in lawful money of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the lawful holders of the coins or currencies of the United States shall be entitled to exchange them, dollar for dollar, for other coins or currencies which may be lawfully acquired and are legal tender for public and private debts; and that the owners of the gold-clause securities of the United States shall be, at their election, entitled to receive immediate payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier. The Secretary of the Treasury is authorized and directed to make such exchanges and payments upon presentation hereunder in the manner provided in regulations prescribed by him. The period within which the owners of gold-clause securities shall be entitled hereunder to receive payment prior to maturity shall expire January 1, 1936, or on such later date, not after July 1, 1936, as may be fixed by the Secretary of the Treasury.

SEC. 2. Any consent which the United States may have given to the assertion against it of any right, privilege, or power whether by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense in its own name or in the name of any of its officers, agents, agencies, or instrumentalities in any proceeding of any nature whatsoever (1) upon any gold-clause securities of the United States or for interest thereon, or (2) upon any coin or currency of the United States, or (3) upon any claim or demand arising out of any surrender, requisition, seizure, or acquisition of any such coin or currency or of any gold or silver and involving the effect or validity of any change in the metallic content of the dollar or other regulation of the value of money, is withdrawn: *Provided*, That this section shall not apply to any suit heretofore commenced or which may be commenced by January 1, 1936, or to any proceeding referred to in this section in which no claim is made for payment or credit in an amount in excess of the face or nominal value in dollars of the securities, coins or currencies of the United States involved in such proceeding.

SEC. 3. Except in cases with respect to which consent is not withdrawn under section 2, no sums, whether heretofore or hereafter appropriated or authorized to be expended, shall be available for, or expended in, payment upon securities, coins, or currencies of the United States except on an equal and uniform dollar for dollar basis.

SEC. 4. As used in this resolution the phrase "gold clause" means a provision contained in or made with respect to an obligation which purports to give the obligee a right to require payment in gold, or in a particular kind of coin or currency of the United States, or in an amount in money of the United States measured thereby,

declared to be against public policy by Public Resolution Numbered 10 of June 5, 1933; and the phrase "securities of the United States" means the domestic public debt obligations of the United States, including bonds, notes, certificates of indebtedness, and Treasury bills, and other obligations for the repayment of money, or for interest thereon, made, issued or guaranteed by the United States.

Approved, August 27, 1935, six p. m., E. S. T.

Pursuant to the authority of such resolution the following regulations are hereby prescribed to govern the immediate payment of outstanding gold-clause securities of the United States:

1. As used in these regulations, the phrase "gold clause" and the phrase "securities of the United States" have the same meaning as used in the foregoing resolution.

2. The owners of any outstanding gold-clause securities of the United States are entitled, at their election, subject to the provisions of such resolution and of these regulations, to receive payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier.

3. Owners of any outstanding gold-clause securities desiring to receive payment hereunder should present and surrender their securities, in the manner provided in the next following paragraphs. The period during which gold-clause securities may be presented for immediate payment prior to maturity under these regulations will expire on January 1, 1936.

4. *Surrender of bearer or coupon securities for payment.*—Securities in bearer or coupon form should be presented and surrendered to a Federal Reserve bank, or to the Treasurer of the United States, Washington, D. C., and should have the next maturing coupon and all coupons bearing dates subsequent thereto attached; and if the securities have been called for redemption, all coupons bearing dates subsequent to the redemption date should also be attached. If any such coupons are missing, the amount thereof will be deducted from the payment to be made, and the amounts so deducted will be treated as provided by paragraph 26 of Department Circular No. 300.

5. *Surrender of registered securities for payment.*—Securities in registered form should be presented and surrendered to a Federal Reserve bank, or to the Treasury Department, Division of Loans and Currency, Washington, D. C., and should be assigned by the registered payees or assigns thereof in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the two following forms: (1) if payment is to be made to the registered payee or his assigns, the assignment should be to "The Secretary of the Treasury for payment under Circular No. 552"; (2) if payment is to be made to another, the assignment should be to "The Secretary of the Treasury for payment under Circular No. 552 to....."

6. *Written advice and transportation.*—All securities presented and surrendered hereunder must be accompanied by appropriate written advice (see Form P. D. 1464 hereto annexed) signed by the owner or his duly authorized agent, describing the securities, requesting immediate payment, and giving address to which check issued in payment is to be mailed. The securities must be delivered at the expense and risk of the owners. Coupon or bearer securities should be forwarded by registered mail insured, or by express prepaid. Registered securities, assigned as herein provided, may be forwarded by registered mail. Facilities for the transportation of securities by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and owners may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

7. *Payment.*—Payment of the principal and accrued interest due will be made by check issued by the Treasurer of the United States or by a Federal Reserve bank, and mailed by ordinary mail to the address furnished by the owner, or his agent. Interest on securities paid

prior to maturity or redemption date will be computed to and including the day on which the check in payment is issued.

8. *General provisions.*—The Treasurer of the United States, and the Federal Reserve banks as fiscal agents of the United States, are authorized and requested to receive gold-clause securities for payment and to make payment thereof in accordance with these regulations. The Treasury Department and the Federal Reserve banks are the only official agents under this circular.

9. The Secretary of the Treasury may at any time, or from time to time, supplement or amend these regulations.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

Approved:

FRANKLIN D. ROOSEVELT,
THE WHITE HOUSE,

September 14, 1935.

Issue number	Serial number	Denomination	Number of pieces
		50	
		100	
		200	
		1,000	
		5,000	
		10,000	
		25,000	
		100,000	

TREASURY DEPARTMENT
 DIVISION OF LOANS AND CURRENCY
 FORM P.D. 1464

FORM OF ADVICE TO ACCOMPANY UNITED STATES "GOLD-CLAUSE" SECURITIES, IN COUPON OR REGISTERED FORM, PRESENTED FOR IMMEDIATE PAYMENT PURSUANT TO THE PROVISIONS OF PUBLIC RESOLUTION NO.63, APPROVED AUGUST 27, 1935.

IMPORTANT NOTE.—Registered securities should be submitted to the Treasury Department, Division of Loans and Currency, Washington, D. C., or a Federal Reserve bank. Coupon securities should be submitted to the Treasurer of the United States, Division of Securities, Washington, D. C., or a Federal Reserve bank. Use a separate form for each issue of securities presented. In the spaces provided therefor give a full description of the securities presented, including the exact form of registration of registered bonds. PLEASE TYPE OR WRITE PLAINLY.

To the Treasury Department, Division of Loans and Currency, Washington, D. C.
 or
 The Treasurer of the United States, Division of Securities, Washington, D. C.
 or
 Federal Reserve Bank of....., Fiscal Agent of the United States.

Pursuant to the provisions of Public Resolution No. 63, 74th Congress, approved August 27, 1935, and of Treasury Department Circular No. 552, dated September 10, 1935, the undersigned presents and surrenders herewith for immediate payment, at par, with any interest that may be payable under the terms of the said resolution and circular, the.....United States "gold-clause" securities described below.
(coupon or registered)

The registered bonds presented are registered in the name of.....
 and have been duly assigned to the Secretary of the Treasury for payment, in the manner provided in said circular.

Title of securities.....
(class, rate of interest, redemption, or maturity years)

Number of pieces	Denomination	Serial numbers	Face amount
-----	\$-----	-----	\$-----
-----	50	-----	-----
-----	100	-----	-----
-----	500	-----	-----
-----	1,000	-----	-----
-----	5,000	-----	-----
-----	10,000	-----	-----
-----	50,000	-----	-----
-----	100,000	-----	-----
Total	-----	-----	\$-----

and requests that remittance covering payment thereof be mailed to the undersigned at the address indicated below.

Signature and address of the person presenting the securities to the Treasury Department or Federal Reserve bank. If presented by a firm or corporation, the name of the firm or corporation should be followed by the signature and title of a member or an officer, respectively.
 Signature.....
 Name (please print.).....
 Address for mail in full.....
 Date.....

REGULATIONS GOVERNING THE EXCHANGE OF COINS AND CURRENCIES OF THE UNITED STATES

1935
Department Circular No. 553
Public Debt Service

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, September 10, 1935.

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JOINT RESOLUTION

Authorizing exchange of coins and currencies and immediate payment of gold-clause securities by the United States; withdrawing the right to sue the United States thereon; limiting the use of certain appropriations; and for other purposes.

Whereas in order to maintain the uniform value of all coins and currencies of the United States, Public Resolution Numbered 10 of June 5, 1933, declared provisions known as "gold clauses" to be against public policy, prohibited their use in obligations thereafter incurred, and provided that money of the United States legal tender for obligations generally was legal tender for all obligations with or without gold clauses; and

Whereas the United States has paid and will continue to pay to the holders of all its securities their principal and interest, dollar for dollar, in lawful money of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the lawful holders of the coins or currencies of the United States shall be entitled to exchange them, dollar for dollar, for other coins or currencies which may be lawfully acquired and are legal tender for public and private debts; and that the owners of the gold-clause securities of the United States shall be, at their election, entitled to receive immediate payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier. The Secretary of the Treasury is authorized and directed to make such exchanges and payments upon presentation hereunder in the manner provided in regulations prescribed by him. The period within which the owners of gold-clause securities shall be entitled hereunder to receive payment prior to maturity shall expire January 1, 1936, or on such later date, not after July 1, 1936, as may be fixed by the Secretary of the Treasury.

SEC. 2. Any consent which the United States may have given to the assertion against it of any right, privilege, or power whether by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense in its own name or in the name of any of its officers, agents, agencies, or instrumentalities in any proceeding of any nature whatsoever (1) upon any gold-clause securities of the United States or for interest thereon, or (2) upon any coin or currency of the United States, or (3) upon any claim or demand arising out of any surrender, requisition, seizure, or acquisition of any such coin or currency or of any gold or silver and involving the effect or validity of any change in the metallic content of the dollar or other regulation of the value of money, is withdrawn: *Provided*, That this section shall not apply to any suit heretofore commenced or which may be commenced by January 1, 1936, or to any proceeding referred to in this section in which no claim is made for payment or credit in an amount in excess of the face or nominal value in dollars of the securities, coins or currencies of the United States involved in such proceeding.

SEC. 3. Except in cases with respect to which consent is not withdrawn under section 2, no sums, whether heretofore or hereafter appropriated or authorized to be expended, shall be available for, or expended in, payment upon securities, coins, or currencies of the United States except on an equal and uniform dollar for dollar basis.

SEC. 4. As used in this resolution the phrase "gold clause" means a provision contained in or made with respect to an obligation which purports to give the obligee a right to require payment in gold, or in a particular kind of coin or currency of the United States, or in an amount in money of the United States measured thereby, declared to be against public policy by Public Resolution Numbered 10 of June 5, 1933; and the phrase "securities of the United States" means the domestic public debt obligations of the United States, including bonds, notes, certificates of indebtedness, and Treasury bills, and other obligations for the repayment of money, or for interest thereon, made, issued or guaranteed by the United States.

Approved, August 27, 1935, six p. m., E. S. T.

Pursuant to the authority of this resolution, the official agencies of the Treasury Department will continue to exchange the coins and currencies of the United States, dollar for dollar, for other coins or currencies which may be lawfully acquired and are legal tender for public and private debts, to the extent and in the manner in effect immediately prior to the date hereof.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

Approved:

FRANKLIN D. ROOSEVELT,
THE WHITE HOUSE,
September 14, 1935.

USE SEPARATE APPLICATION FOR EACH ISSUE

Federal Reserve Bank
of New York

Do Not Combine Coupon and
Registered Securities

REDEMPTION APPLICATION
UNITED STATES "GOLD-CLAUSE" SECURITIES

Date _____

Federal Reserve Bank of New York,
Fiscal Agent of the United States,
Government Bond Department.

Pursuant to the provisions of Public Resolution No. 63, 74th Congress, approved August 27, 1935, and of Treasury Department Circular No. 552, dated September 10, 1935, the undersigned, being the true owner, assignee of, or the duly authorized agent of the true owner or assignee, presents and surrenders herewith for immediate payment, at par, with any interest that may be payable under the terms of the said resolution and circular, \$ _____, face amount, United States "gold-clause" securities, as follow:

Indicate with (x) in square below
kind of securities presented.

COUPON _____ % _____

REGISTERED DUE _____

Pieces	Denomination	Par Amount	Serial Numbers
	\$ 50		
	100		
	500		
	1,000		
	5,000		
	10,000		
	50,000		
	100,000		
Total Face Amount			
Interest Payable			
Proceeds of Redemption			

Make Disposition of Proceeds as indicated

- Mail Check to Undersigned
- Credit Reserve Account
- Special Instructions Attached

(Name)

(Address)

(Official signature required)

Received	Checked	Examined	Recorded
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