

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 1324]
December 28, 1933]

ORDER OF THE SECRETARY OF THE TREASURY
Requiring the Delivery of Gold Coin, Gold Bullion, and Gold Certificates
to the Treasurer of the United States

*To each Banking Institution in the
Second Federal Reserve District:*

At the request of the Acting Secretary of the Treasury we transmit to you herewith, printed on the following pages, a copy of an order of the Secretary of the Treasury dated December 28, 1933, requiring the delivery of gold coin, gold bullion, and gold certificates to the Treasurer of the United States, as stated therein.

We are requested by the Acting Secretary of the Treasury to request you to give to the order the widest publicity possible and particularly to call it to the attention by telegraph or telephone of each of your customers whom you have any reason to believe holds any gold coin, gold bullion or gold certificates required to be delivered.

GEORGE L. HARRISON,
Governor.

ORDER OF THE SECRETARY OF THE TREASURY

Requiring the Delivery of Gold Coin, Gold Bullion, and Gold Certificates to the Treasurer of the United States

WHEREAS Section 11 of the Federal Reserve Act of December 23, 1913, as amended by Section 3 of the Act of March 9, 1933, entitled "an act to provide relief in the existing national emergency in banking, and for other purposes", provides in Subsection (n) as follows:

"Whenever in the judgment of the Secretary of the Treasury such action is necessary to protect the currency system of the United States, the Secretary of the Treasury, in his discretion, may require any or all individuals, partnerships, associations and corporations to pay and deliver to the Treasurer of the United States any or all gold coin, gold bullion, and gold certificates owned by such individuals, partnerships, associations and corporations. Upon receipt of such gold coin, gold bullion or gold certificates, the Secretary of the Treasury shall pay therefor an equivalent amount of any other form of coin or currency coined or issued under the laws of the United States. The Secretary of the Treasury shall pay all costs of the transportation of such gold bullion, gold certificates, coin, or currency, including the cost of insurance, protection, and such other incidental costs as may be reasonably necessary. Any individual, partnership, association or corporation failing to comply with any requirement of the Secretary of the Treasury made under this subsection shall be subject to a penalty equal to twice the value of the gold or gold certificates in respect of which such failure occurred, and such penalty may be collected by the Secretary of the Treasury by suit or otherwise." and

WHEREAS in my judgment such action is necessary to protect the currency system of the United States:

NOW, THEREFORE, I, HENRY MORGENTHAU, JR., ACTING SECRETARY OF THE TREASURY, do hereby require every person subject to the jurisdiction of the United States forthwith to pay and deliver to the Treasurer of the United States all gold coin, gold bullion, and gold certificates situated in the United States, owned by such person except as follows:

(a) Gold bullion owned by a person now holding such gold under a license heretofore granted by or under authority of the Secretary of the Treasury, pursuant to the executive order of August 28, 1933, relating to the hoarding, export and earmarking of gold coin, bullion, or currency and to transactions in foreign exchange;

(b) Gold coin having a recognized special value to collectors of rare and unusual coin (but not including quarter eagles, otherwise known as \$2.50 pieces);

(c) Unmelted scrap gold and gold sweepings in an amount not exceeding in the aggregate \$100 belonging to any one person; and gold which has been put through a process of fabrication for a specific and customary industrial, professional, or ornamental use;

(d) Gold coin, gold bullion, and gold certificates owned by a Federal Reserve Bank or the Reconstruction Finance Corporation; and

(e) Gold bullion and foreign gold coin now situated in the Philippine Islands, American Samoa, Guam, Hawaii, Panama Canal Zone, Puerto Rico, or the Virgin Islands of the United States, owned by a person not domiciled or doing business in the continental United States.

SECTION 2. *Delivery.* The gold coin, gold bullion and gold certificates herein required to be paid and delivered to the Treasurer of the United States shall be delivered by placing the same forthwith in the custody of a Federal Reserve Bank or branch or a bank member of the Federal Reserve System for the account of the United States and by forwarding confirmation that the gold coin, gold bullion, and gold certificates have been so placed in custody for the account of the United States and are held subject to the order of the Treasurer of the United States, signed by such bank and the person making the delivery (or the authorized agent of such person) to the Treasurer of the United States, Washington, D. C., in a postage

prepaid envelope bearing a postmark dated prior to midnight of the day the gold coin, gold bullion, and gold certificates are so placed in custody.

SECTION 3. *Payment and Reimbursement of Costs.* Upon receipt of the confirmation signed and delivered as required under Section 2, the Secretary of the Treasury will pay for the gold coin, gold bullion and gold certificates placed in custody for the account of the United States in accordance with Section 2 an equivalent amount of any form of coin or currency coined or issued under the laws of the United States designated by the Secretary of the Treasury. The Secretary of the Treasury will pay all costs of the transportation of such gold coin, gold bullion, and gold certificates to the Federal Reserve Bank or branch or bank member of the Federal Reserve System in the city or town nearest to the place where such gold coin, gold bullion and gold certificates are now situated, including the cost of insurance, protection, and such other incidental costs as may be reasonably necessary. Persons desiring reimbursement for such costs actually incurred shall submit their accounts on voucher forms which may be obtained by writing to the Treasurer of the United States, Washington, D. C.

SECTION 4. *Definitions.* As used in this order, the term "person" means any individual, partnership, association, or corporation; the term "United States" means the United States and any place subject to the jurisdiction thereof; the term "continental United States" means the states of the United States, the District of Columbia, and the Territory of Alaska; the term "gold coin" means any coin containing gold, including foreign gold coin; and the term "gold bullion" means any gold which has been put through a process of smelting or refining that is in such form that its value depends upon the gold content and not upon the form, but does not include gold coin or metals containing less than five troy ounces of fine gold per short ton.

SECTION 5. Any individual, partnership, association, or corporation failing to comply with any requirement hereof or of any rules or regulations issued by the Secretary of the Treasury hereunder shall be subject to the penalty provided in Section 11 (n) of the Federal Reserve Act, as amended.

This order may be modified or revoked at any time.

H. MORGENTHAU, JR.,
Acting Secretary of the Treasury.

Approved:

FRANKLIN D. ROOSEVELT,
The White House.
December 28, 1933.