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 SECRETARY OF THE TREASURY  
 CHAIRMAN  
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 COMPTROLLER OF THE CURRENCY

ADDRESS REPLY TO  
 FEDERAL RESERVE BOARD

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 W. M. IMLAY, FISCAL AGENT

June 12, 1920.

X-1951

Subject: Treasury Policy With Regard To  
 Paying Out \$2.50 Gold Pieces.

Dear Sir:-

For the information of the officers of your Bank the following is quoted from a letter addressed by the Secretary of the Treasury to the Treasurer of the United States under date of June 10, 1920:

"From this date it will be the policy of the Treasury not to make any payments of gold quarter eagles. As you know, gold has not been coined in the denomination of \$2.50 for several years past, and the total supply in Treasury offices is exceedingly limited. It is, furthermore, the policy of the Treasury not to resume the coinage of \$2.50 gold coins in view of the fact that the demand for them is based on sentiment rather than necessity or utility, and on account of the relatively large amount of abrasion involved in their circulation and the tendency of gold coins in this denomination to disappear through circulation. The Treasury's policy will be to refuse to make payments of \$2.50 gold pieces whether designed for export or for internal use. All \$2.50 gold pieces now held in Treasury offices, or which may from time to time be deposited in Treasury offices, will be held as gold reserve and will not be paid out except upon specific instructions from the Secretary of the Treasury.

Please proceed in accordance with the policy outlined above and without referring demands for \$2.50 gold pieces to my office. Please also transmit, as promptly as possible, to each of the Assistant Treasurers of the United States this statement of the Treasury's policy and instruct them to proceed in accordance therewith."

Very truly yours,

Governor.

To Chairmen of all F.R. Banks.