

## FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARDOctober 10, 1934  
B-1023

Dear Sir:

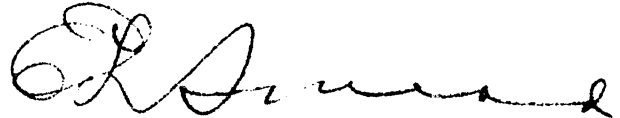
Referring to the last paragraph of our letter of May 7, 1934 (B-981), regarding reimbursement for extraordinary expenses incurred by Federal Reserve banks during and immediately after the banking holiday, at the last Governors' Conference Mr. James read an extract from a paragraph relating thereto contained in the "Emergency Appropriation Act, fiscal year 1935", approved June 19, 1934, and you were advised that a copy of this paragraph would be furnished you at a later date. The paragraph referred to reads as follows:

"Expenses, Emergency Banking Act of 1933, Gold Reserve Act of 1934, and Silver Purchase Act of 1934: For any purpose in connection with the carrying out of the provisions of any Executive orders and proclamations regarding the bank holiday, any regulations issued thereunder, and the provisions of the Emergency Banking Act, approved March 9, 1933 (48 Stat. 1), the Gold Reserve Act of 1934, approved January 30, 1934 (Public, Numbered 87, Seventy-third Congress), and section 3653 of the Revised Statutes, including costs of transportation, insurance, and protection of gold coin, gold bullion, and gold certificates transferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933; losses sustained by Federal Reserve banks due to abrasion of gold coin, and reimbursement to Federal Reserve banks and branches for expenses incurred by them in carrying out instructions issued by the Secretary of the Treasury after March 4, 1933; and to cover any deficiency in the accounts of

the Treasurer of the United States, including interest, as authorized by the Act of March 26, 1934 (Public, Numbered 129, Seventy-third Congress), arising out of the arrangement approved by the President on July 27, 1933; for any purpose in connection with carrying out the Silver Purchase Act of 1934, fiscal year 1935, \$4,500,000, to be expended under the direction and in the discretion of the President and to be immediately available."

The Treasury Department has informally asked that requests of Federal Reserve banks for reimbursement for losses sustained by them due to abrasion of gold coin received during and after the banking holiday show the following information: (1) face value of coins, (2) value allowed by mint, (3) date shipped to mint, (4) Treasurer's transfer advice number, and (5) statement certifying to period during which coin was received.

Very truly yours,



E. L. Smead, Chief,  
Division of Bank Operations.

LETTER TO ALL GOVERNORS