

JUN 26 1958 *sh*THE WHITE HOUSE
WASHINGTON111. 2-14 *11*

December 29, 1933.

Dear Governor Black:

In line with our previous conversations, I very much hope that arrangements for the immediate transfer of the gold of the Federal Reserve Banks to the Treasury can be made under existing legislation and without resort to a formal executive order. With a view to resolving doubts which some entertain, but which I do not share, the matter may be handled as follows:

- (1) All gold coin, bullion and certificates received from others by the Federal Reserve Banks or Branches since March 4, 1933 (except in settlement of foreign balances) shall be turned over to the Treasury immediately and unconditionally; and payment therefor will be made in any coin or currency, dollar for dollar or at \$20.67 per ounce as the case may be.
- (2) The Federal Reserve Banks, Branches and Agents will forthwith transfer (subject to the condition subsequent mentioned in (4) below) to the Treasury, possession of, and title to, all other gold coin or bullion owned by them or on deposit with the United States, and will receive therefor gold certificates at the rate of \$20.67 per ounce.
- (3) All gold certificates by whomever held shall be deemed and treated by the Treasury as dollar obligations so that no profit or loss will accrue to any holder thereof as a result of any change in the gold content of the dollar; and they will be secured at all times by 100 percent. deposit of gold pledged as collateral therefor.
- (4) Should the forthcoming session of Congress adjourn without ratification of the transfers above mentioned, and of any change in the gold content of the dollar theretofore made, the absence of such ratification shall operate as a condition subsequent to the transfer mentioned in (2) above, re-vesting title to the gold so transferred, except as to that portion of such gold as is attributable to profits resulting from any such devaluation, which in any event will be retained by the Treas.

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M.E. Pilger*Copy filed 550.-3*

ury. Possession of such gold will be surrendered by the Treasury upon the surrender of the gold certificates received in payment therefor.

- (5) Upon devaluation so much of the gold as is not attributable to profits therefrom will be returned to the Federal Reserve Banks but without agreement express or implied that such gold will not later be called into the Treasury.
- (6) Such administrative acts and recommendations to the Congress as may be necessary for carrying out the foregoing arrangements will be made at the appropriate time.

Very sincerely yours,

A handwritten signature in dark ink, appearing to read "Franklin D. Roosevelt". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Honorable Eugene R. Black,
Governor, Federal Reserve Board,
Treasury Department,
Washington, D.C.