

DECLASSIFIED

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Authority NND 978020

Entry 66-A-816

By bsm NARA Date 8/8

File 24,000 Gen. Ruling No. 11

Box 59

SECRET

For: ABBY

Finished

24,000

General Ruling No. 11

SECRET

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Authority <u>NND 978020</u>	Entry <u>66-A-816</u>
By <u>bsm</u> NARA Date <u>8/8</u>	File <u>29,000 Gen. Ruling No. 11</u>
	Box <u>59</u>

2400

APR 13 1942

Attention: Mr. W. E. Stansbury

Dear Sirs:

Reference is made to your letter of April 1, 1942, relative to "Swiss Legation, Department of Italian Interest, Washington, D.C."

Enclosed for your information are copies of Executive Order No. 8389 of April 10, 1940, as amended, the Regulations issued thereunder, General Ruling No. 11, and license application Form TFE-1.

On the basis of the facts submitted, the transactions described in your letter would appear to come within the operation of Executive Order No. 8389, as amended, and may, accordingly, be effected only pursuant to license, application for which may be made to the Federal Reserve Bank of Richmond on the enclosed license application Form TFE-1.

Very truly yours,

(Signed J. W. Fehle)

J. W. Fehle,
Assistant to the Secretary.

Globe Indemnity Company,
1023 Investment Building,
Washington, D.C.

Enclosures

JFK:leinhjc-4/8/42

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By <u>BJM</u> NARA Date <u>8/8</u>	File <u>29.006 Gen. Ruling No. 11</u>
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COPY
 GLOBE INDEMNITY COMPANY
 1023 Investment Building
 Washington, D.C.

April 1st, 1942

U. S. Treasury Department
 1610 Park Road, N.W.
 Washington, D.C.

Re: SWISS LEGATION, DEPARTMENT OF ITALIAN INTEREST
 WASHINGTON, D.C.

Gentlemen:

We are requested to consider providing burglary, robbery, theft and larceny insurance covering certain property located in the Embassy and Chancery Building at 2700 16th Street, Washington D.C., owned by the Italian Interests, whose affairs are now being handled by the Swiss Legation.

There is at present a question in our minds as to whether or not we can properly enter into a contractual relationship with the Swiss Legation, Department of Italian Interest, since the order of the U. S. Treasury Department having to do with dealings with Enemy Nationals.

On the other hand, we know that courtesies are extended to Embassies generally through the intercession of a neutral embassy and it may well be that we could be permitted to provide the insurance that is desired covering this property.

The following questions, however, present themselves:

- (1) Can we legally and properly accept premiums and pay return premiums in the event of reductions or of cancellation of the insurance.
- (2) Can we properly and legally pay losses to the insured as provided by the insurance contract.

We would appreciate it very much if you will give us a definite ruling in respect to the proposed insurance risk.

Yours very truly,

(Signed) W. E. Stansbury

RESIDENT MANAGER

WES/jm
 Copied:hjc-4/13/42

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Based on the foregoing analysis, this paper grooves approximately fifty applications into representative categories. No attempt is made to formulate hard and fixed rules for the treatment of these applications on the theory that such formulation is neither feasible nor expedient. It is believed that the following categories will present an over-all picture of the type of application to be expected in the future.

Definition of 'enemy national'

- (1) The enemy national is an individual within enemy territory
- (2) The enemy national is a partnership, association, corporation or other organization actually situated within enemy territory
- (3) The enemy national is a proclaimed list national or a person acting therefor
- (4) The enemy national is an agent, instrumentality or representative of a Government named in 2 (a) 1 of General Ruling No. 11 or a representative of other Governments to the extent that they are representing the interests of a Government named in 2 (a) 1.

- I **Petition for license authorizing transaction involving a communication directly with an 'enemy national' in relation to, or as part of a financial transaction.**
 - A) Transmission of a communication directly to an enemy national on or after March 18.
 - B) Receipt of a communication directly from an enemy national on or after March 18.
- II **Petition for a license authorizing transaction involving a communication indirectly with an enemy national in relation to or as part of a financial transaction.**
 - A) Transmission of a communication directly to a non-enemy national on or after March 18, which communication it is reasonable to believe will be received by an enemy national.
 - B) Receipt of a communication on or after March 18 from a non-enemy national, which communication it is reasonable to believe originated with or passed through an enemy national.
- III **Petition for license authorizing transaction involving communication with a non-enemy national on or after March 18 which communication it is reasonable to believe did not either originate with, or pass through, or will not be received by an enemy national.**
- IV **Petition for license authorizing transaction involving property in the United States in which an enemy national has an interest, direct or indirect.**

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- A) Transaction to be wholly executed in the United States and does not involve transfer or agreement to transfer property to or from enemy territory.
- B) Transaction does not meet both conditions of A).
- V Petition for license authorizing transaction involving property in non-enemy territory in which an enemy national has an interest, direct or indirect.
- A) Transaction to be wholly executed in non-enemy territory and does not involve transfer or agreement to transfer property to or from enemy territory.
- B) Transaction which does not meet both conditions of A).
- VI Petition for licenses authorizing amendment in view of General Ruling No. 11.

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I 'Directive' Provisions of General Ruling No. 11

- (a) Unless expressly referring to General Ruling No. 11, every outstanding license, issued prior to March 18, (whether a general license, specific license, or authorization of any kind, whatsoever) in so far as it authorizes any transaction which, directly or indirectly, involves trade or communication with an enemy national on or after March 18 is revoked with the single exception that any specific license which authorized a transaction involving trade or communication with a proclaimed list national is not revoked. *issued prior to Mar 18*
- (b) Unless expressly referring to General Ruling No. 11, no license, (whether a general license, specific license or authorization of any kind) whatsoever, authorizes any transaction which, directly or indirectly, involves any trade or communication with an enemy national. *issued on or after Mar 18*

II General Rule for determining whether a transaction, directly or indirectly, involves a trade or communication with an enemy national on or after March 18.

As a general rule, if one or more of the following conditions exist, the transaction involves, directly or indirectly, a trade or communication with an enemy national. Conversely if none of the following conditions it may be said that the transaction does not involve, directly or indirectly, a trade or communication with an enemy national.

- or passing through*
- (1) The license issued authorizes a transaction involving a communication originating in enemy territory which has been or is to be received on or after March 18 in non-enemy territory, no matter what route the communication may take.
 - (2) The license issued authorizes a transaction involving a communication originating in non-enemy territory which has been or is to be received on or after March 18 in enemy territory, no matter what route the communication may take.
 - or through* (3) The license issued authorizes a transaction involving the transfer or an agreement for the transfer of 'property' from enemy territory to non-enemy territory no matter, what route the property may take.
 - (4) The license issued authorizes a transaction involving the transfer or an agreement for the transfer of 'property' from non-enemy territory to enemy territory, no matter what route the property may take.

(If the license involves a transaction with proclaimed list national substitute words 'proclaimed list national' for 'enemy territory')

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The following discussion deals with applications involving (a) communications (b) transactions involving property in which an 'enemy national' has an interest, direct or indirect.

Contents:

1. Analysis of provisions of G. R. No. 11.
2. Classification of applications into representative groups.
3. Digest of applications.
4. Treatment of typical applications in each group.

Submitted by A. W. Weissbrodt

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ANALYSIS OF GENERAL RULING NO. 11

I 'Directive' Provisions of General Ruling No. 11

(a) Unless expressly referring to General Ruling No. 11, every outstanding license, issued prior to March 18, (whether a general license, specific license, or authorization of any kind, whatsoever) in so far as it authorizes any transaction which, directly or indirectly, involves trade or communication with an enemy national on or after March 18 is revoked with the single exception that any specific license, issued prior to March 18, which authorized a transaction involving trade or communication with a proclaimed list national is not revoked.

(b) Unless expressly referring to General Ruling No. 11, no license, issued on or after March 18, (whether a general license, specific license or authorization of any kind) whatsoever, authorizes any transaction which, directly or indirectly, involves any trade or communication with an enemy national.

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- (1) The license issued authorizes a transaction involving a communication originating in enemy territory which has been or is to be received on or after March 18 in non-enemy territory, no matter what route the communication may take.
- (2) The license is issued authorizes a transaction involving a communication originating in non-enemy territory which has been or is to be received on or after March 18 in enemy territory, no matter what route the communication may take.
- (3) The license issued authorizes a transaction involving the transfer or an agreement for the transfer of 'property' from enemy territory to non-enemy territory no matter, what route the property may take.
- (4) The license issued authorizes a transaction involving the transfer or an agreement for the transfer of 'property' from non-enemy territory to enemy territory, no matter what route the property may take.

(If the license involves a transaction with proclaimed list national substitute words 'proclaimed list national' for 'enemy territory')

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CLASSIFICATIONS OF APPLICATIONS INTO REPRESENTATIVE GROUPS

Based on the foregoing analysis, this paper grooves approximately fifty applications into representative categories. No attempt is made to formulate hard and fixed rules for the treatment of these applications on the theory that such formulation is neither feasible nor expedient. It is believed that the following categories will present an over-all picture of the type of application to be expected in the future.

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- (4) The enemy national is an agent, instrumentality or representative of a Government named in 2 (a) 1 of General Ruling No. 11 or a representative of other Governments to the extent that he represents the interests of a Government named in 2 (a) 1.

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A) Transmission of a communication directly to an enemy national on or after March 18.

B) Receipt of a communication directly from an enemy national on or after March 18.

II Petition for a license authorizing transaction involving a communication indirectly with an enemy national in relation to or as part of a financial transaction.

A) Transmission of a communication directly to a non-enemy national on or after March 18, which communication it is reasonable to believe will be received by an enemy national.

B) Receipt of a communication on or after March 18 from a non-enemy national, which communication it is reasonable to believe originated with or passed through an enemy national.

III Petition for license authorizing transaction involving communication with a non-enemy national on or after March 18 which communication it is reasonable to believe did not either originate with or pass through or will not be received by an enemy national.

IV Petition for license authorizing transaction involving property in the United States in which an enemy national has an interest, direct or indirect.

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- A) Transaction to be wholly executed in the United States and does not involve transfer or agreement to transfer property, directly or indirectly, to or from enemy territory.
 - B) Transaction does not meet both conditions of A).
- V Petition for license authorizing transaction involving property in non-enemy territory in which an enemy national has an interest, direct or indirect.
- A) Transaction to be wholly executed in non-enemy territory and does not involve transfer or agreement to transfer property, directly or indirectly, to or from enemy territory.
 - B) Transaction which does not meet both conditions of A).
- VI Petition for licenses authorizing amendment in view of General Ruling No. 11.

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I Transactions involving a communication directly with an 'enemy national' in relation to, or as part of a ^{commercial} commercial or financial transaction.

A Transmission of a communication directly to an enemy national on or after March 18.

(a) Enemy national is an individual within enemy territory or a partnership, association, corporation or other organization actually situated within enemy territory.

SF 23720

Applicant - West Coast Life Ins. Co.

Petition for license authorizing applicant to correspond with Guardian of beneficiaries of policy on life of father of beneficiaries to inquire in which domestic bank to deposit proceeds of the policy. Guardian and beneficiaries reside in Germany.

NY 389766

Applicant - Warner Bros. Inc.

Petition for license authorizing applicant to correspond with its offices within enemy territory in regard to meetings of stockholders and directors, personnel problems, conduction of business, preservation of assets etc.

NY 392439

Applicant - American Colonial Bank and Trust Co. of Porto Rico (in liquidation) as substituted trustee for benefit of common stockholders of the South Porto Rico Sugar Co., a N. Jersey corp; of an interest in Russel & Co. a Porto Rican partnership, all of whose partners are citizens and residents of U. S. or Porto Rico.

Petition for license authorizing applicant to mail notice of its resignation as trustee to diverse 'enemy nationals' who are holders of 779 shares of a total of 748,734 outstanding shares of common stock, 60% in interest of whom may designate a new trustee.

NY 393887

Applicant - Henry William Berger, citizen, Gt. Britain; resident, U. S.

Petition for license authorizing applicant to instruct representative in Vaduz, Principality of Liechtenstein, to offer for sale property situated in Vaduz at 23,700 francs (approx. \$5925) - (deed of sale to be mailed to applicant for execution before Swiss consul-purchase price to be paid thru N.Y. bank.)

(a) Query - Is Liechtenstein enemy territory?
(b) Enemy national is Proclaimed List national or person party thereof

NY 392254

Applicant - Irving Trust Co.

Petition for license authorizing applicant to correspond with Proclaimed List national to inquire whether Proclaimed List national maintains an account in a domestic bank and if not in which domestic bank to make deposit authorized by license NY 235255.

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NY 392254 (cont'd.)

Applicant had debited account of Banco Espanol Chile for account of Proclaimed List national on July 17, and made payment by check to A. G. Baehr to cover shipment from Baehr to Proclaimed List national who was placed on Proclaimed List on July 17. Copies of the list were issued July 18. Shipment to the Proclaimed List national was not made and Baehr returned check to applicant. NY 235255 issued September 26, 1941 expired October 26, 1941 authorized applicant to make repayment subject Stipulation 1 in name of Proclaimed List national. Applicant also requests renewal of this license.

NY 390179

Applicant - Wuess Hoelun & Co. Inc. N.Y.C.

Petition for license to correspond with Proclaimed List national in order to 'dun' Proclaimed List national for repayment of debt in amount of 6,883.08 arising out of transactions between August 8 and December 31, 1941. *(placed on proclaimed list Sept 25, 1941)*

Chi 14249

Applicant - J. I. Case Co. - Corporation organized in Wisconsin, stockholders predominantly U. S. citizens.

Petition for license authorizing applicant to correspond with Proclaimed List national in re liquidation of debt; acknowledgment of receipt of remittances against debt; to institute court action against Proclaimed List national, if necessary.

Prior to being placed on Proclaimed List, Proclaimed List national was distributor for applicant in Mexico. Owe applicant 20,262.83 in trade acceptances against which Proclaimed List national has a credit in open account in amount of 465.76.

Applicant holds as collateral security notes in amount of 67,770.74 Mexican pesos (approximately \$12,000) issued to Proclaimed List national by Mexican bank and endorsed by Proclaimed List national to applicant. (Does not appear whether Mexican bank maintains an account with domestic bank.)

Applicant holds checks in amount of \$2086.26 and \$1682.30 in settlement of bills forwarded to applicant's bank for collection open to March 18 (Does not appear when check was received or whether drawer bank maintains an account with a domestic bank.)

Phila 7538

Applicant - S. S. White Dental Mfg. Co. (Pa. Corporation - less than 1% of stock held by blocked national).

Petition for license authorizing applicant to communicate with Proclaimed List national in reference to collection of

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Phila 7538 (cont'd.)

\$2159.82 - underlying transactions took place prior to communicatee's being placed on Proclaimed List.

(Applicant wrote U. S. Consul in Dominican Republic concerning status of Proclaimed List national prior to his being placed on Proclaimed List - the Proclaimed List national had been taken into custody by Dominican Republic at time of its declaration of war against Dominican Republic. Consulate General's reply indicated that there was no obstacle to trading with the Proclaimed List national.)

Insert "A" (C)

II Transaction involving a communication indirectly with an enemy national in relation to, or as part of a financial transaction.

A Transmission of a communication directly to a non-enemy national which communication it is reasonable to believe will be received by an enemy national.

Chi 14222

Applicant - Continental Illinois National Bank & Trust Co. of Chicago.

Petition for license authorizing applicant to correspond with correspondent in Switzerland in order to inquire whether Stella A. Dyer, resident Germany, is still living.

The enemy national is life tenant of a trust, remainderman all being residents of United States - if applicant, as trustee, ascertains enemy national is no longer living, the applicant will pay over to remainderman.

NY 390569

Applicant - Walter Schuster, Expatriated German, resident, United States.

Petition for license authorizing applicant to cablegram Hans Bergen, a lawyer in Switzerland, to remit funds to Emma Bonn in Germany. Funds were deposited with Bergen in trust for Emma by applicant (a similar application was denied by Office of Censorship.)

NY 391734

Applicant - French American Banking Corporation.

Petition for license authorizing applicant to cable Comptoir National d'Escompte de Paris, Head Office, Lyon to cancel payment of \$81 to Marie Prevost, Blois, (Occupied France).

Pursuant to NY 164960, Applicant on instructions of Postal Telegraph Cable Co., requested Comptoir to make the payment. On November 21, 1941 Comptoir advised applicant payment could not be effected.

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NY 391480

Applicant - French American Banking Corporation.

Petition for license authorizing applicant to communicate with Comptoir National d'Escompte de Paris, Head Office Lyon to request cancellation of payment of \$5 to Gustav Schonfeld, Paris.

Pursuant to NY 184980 on instructions from Postal Telegraph Co., applicant cabled Comptoir to make payment. Postal telegraph requests cancellation.

NY 391944

Applicant - Alice Schloss, citizen France; resident, United States.

Petition for license authorizing applicant to cable Credit Industriel, Lyon that applicant desires to oppose redemption of applicant's bonds and conversion into French francs but wishes to retain present holdings of exercise option of conversion into new bonds.

The bonds are par value Argentine bonds, 4 $\frac{1}{2}$ % of 1934 on deposit with Banque Transatlantique, Paris, which bonds are being converted by Argentine government into new 4% bonds. Applicant received a letter from Banque Transatlantique thru Credit Industriel, Lyon, to the effect that unless otherwise instructed, they will present applicant's bonds for repayment and convert the proceeds into French francs. (Applicant owns 95,000 pesos - approximately 23,778 par value of these bonds).

NY 391943

Applicant - Andre Schloss, citizen France, resident, United States.

Petition for license authorizing applicant to cable Lloyds, Monte Carlo branch, that applicant desires to oppose redemption of applicant's bonds and conversion into French francs but wishes to retain present holdings on exercise option of conversion into new bonds.

The bonds are par value Argentine bonds, 4 $\frac{1}{2}$ % of 1934 on deposit with Lloyds and National Provincial Foreign Bank, Paris, which bonds are being converted by the Argentine Government into new 4% bonds. Applicant received letter from Lloyds, Monte Carlo branch, to the effect that unless otherwise instructed they will present bonds for repayment and convert proceeds into French francs.

Chi 14305

Applicant - Harrie Trust & Savings Bank

Petition for license authorizing applicant to address stop-payment order to Credit Lyonnais Lyons on draft drawn on

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Chi 14306 (cont'd.)

Credit Lyonnais, Paris in amount of \$10 and to make repayment to Consulate General of Poland, purchaser of draft.

NY 391544

Applicant - National City Bank of New York (City Bank Farmers Branch).

Petition for license authorizing applicant to return check, issued by Hollandsche Bank Unie N. V. Amsterdam in amount of \$200 drawn on Irving Trust to order of Mr. Jacques Fortuny, to its client, Oscar Fortuny, citizen of France, resident of Spain.

Hollandsche Bank Unie N. V. Caracas directed Irving Trust not to honor check.

NY 392343

Applicant - Guaranty Trust

Petition for license authorizing applicant to write Lyon Office concerning present status of account of Societe General de Credit Industriel et Commercial S.A. Paris, France, with applicant and to send monthly statements of the account to Lyon Office.

On January 2, 1941, applicant received communication from Societe, Paris to effect that they had opened a 'Liasion Office' in Lyons with its Lyon affiliate, and asking that all correspondence concerning Paris office be sent to Lyons. December 7, 1941 Lyons confirmed the change of address.

SF 23948

Applicant - Hibernia Savings & Loan Society, California

Petition for license authorizing applicant to communicate by mail with Banque Populaire Suisse, Schweweisebe Volksbank, Zurich, Switzerland to inform Banque Populaire Suisse that a check drawn on Chase New York, by United States resident in favor of Vice Esterovich, Yugoslavia will not be honored.

Check was drawn on December 27, 1940 and mailed to payee in Yugoslavia - Purchaser of check requested stop-payment order. Banque Populaire Suisse asked that Chase honor check.

SL 2107

Applicant - Dr. Johann Mokve, citizen, German; United States, resident.

Petition for license authorizing applicant to communicate with Swiss Embassy (in charge of minor German interests) in order to furnish a monthly certificate of applicant's existence and German citizenship so that mother in Germany might receive monthly pension of 250 Reichsmark (\$100) from German Treasury Department to which applicant is entitled as a retired teacher.

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III - Petition for license authorizing transaction involving communication with a non-enemy national on or after March 18 which communication it is reasonable to believe did not either originate with, or pass through, or will not be received by an enemy national. (It is questionable whether Communicatees who are on British Black List, NY 391335 Schedule 89A or in unoccupied France should be included in this group.)

Applicant - Perl Neuman, citizen Poland, resident U.S.

Petition for license authorizing object to cable or airmail Mr. Weinberger in Tangier, Morocco to remit \$125 to applicant's father Salomon Strajewer in Beausaliel, (Unoccupied France) (Presumably applicant then will request license to repay Weinberger Subject to Stipulation No. 2).

NY 392008

Applicant - United Artists Corporation

Petition for license authorizing applicant to cable its wholly owned subsidiary in Spain to pay 45000 pesetas (approx. \$5625) to a wholly owned subsidiary of Lowes Inc. in Spain.

Payment for synchronizing the motion picture, Dark Angel and for overpayment of rental on motion picture, Modern Times.

NY 392879

Applicant - Oscar Heithr, citizen Austria, resident U. S.

Petition for license authorizing applicant to cable Banque Centrale des Pays de L'Europe Centrale, Marseille on behalf of Mrs. Sternliedt citizen, France, resident U. S. to the effect that Mrs. Sternliedt requests liberation of her assets.

Mrs. Sternliedt had securities, cash and foreign exchange on deposit with Banque, Marseille which bank holds the assets partly in own name with Guaranty Trust, New York - partly with Swiss Bank Corp., Zurich which in turn holds the securities under its name with Guaranty. French bank promised Mrs. Sternliedt to unblock the foreign exchange (U. S. dollars and Swiss francs) and consent to transfer of securities to her as soon as she gave notice of her arrival in the U. S. On December 10, 1941, Mrs. Sternliedt gave notice of her arrival in U. S. to the French bank (letter in French attached, translated by F.X.C.) but received no reply.

Applicant a friend of Mrs. Sternliedt is well known in banking circles abroad.

NY 392951

Applicant - Balfour Guthrie & Co., Ltd of N.Y., corp. organized under laws of Delaware.

Petition for license authorized applicant to transmit message, on behalf of United Africa Co., Ltd, London, a British corp., to Compagnie Francais de la Cote D'Ivoire Abidgon a message in French (translated by F.X. C. Gilahan as 'remit 7355 French francs

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to Mr. & Mrs. Johnson c/o American Consul General, Alger on account of Gibraltar Diocesan Office.

United Africa Co., exporters and importers, have subsidiaries operating throughout French colonies in West Africa - on collapse of France before entrance of U. S. in war requested applicant to assume nominal control of its companies on French West Africa to prevent expropriation by 'Hitler'. Assumption of control was only nominal - applicant merely acting as intermediary for transfer of messages. United Africa Co. requested applicant to continue arrangement even with U. S. in war. Underlying transactions are unknown to applicant.

BOSTON 9596

Applicant - Dennison Company, stockholders predominantly U. S. citizens, branch office in England.

Petition for license authorizing applicant to correspond with Lancini, Venezuela, British Black List, to definitely abrogate agency contract - incidentally settle accounts.

Lancini acted as agent for applicant in Venezuela - accounts in unsettled state but Lancini apparently holds itself out as applicants agent - applicant indicates that main purpose of its request is to definitely abrogate the agency control - incidental purpose, settle accounts.

BOSTON 9657

Applicant - Thurl Olson citizen and resident, U. S.

Petition for license authorizing applicant to cable instructions to brother in Sweden to receive applicants share of mothers-estate in Sweden consisting of life insurance policy and $\frac{1}{2}$ interest in family farm.

BOSTON 9661

Applicant - United Shoe Machinery Corp., N. J. (less than 1% of stock owned by blocked nationals)

Petition for license authorized applicant to radio message to a resident of Switzerland a proxy to vote stock of applicant in 'Swiss United' with respect to approval of balance sheet, disposition of earnings, appointment of auditor, reelection of directors.

'Swiss United' is a corporation organized under laws of Switzerland. Beneficial ownership of the 3600 outstanding shares of Swiss United is held by applicant and its employees (except for 8 shares held in name of 3 Swiss nationals in order to qualify them as directors.) Real control of 'Swiss United' is exercised by applicant. (2 of the Swiss directors appear on Schedule 59 A and British Black List.

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NY 394734

Applicant - Robert F. Beauvais, citizen France, resident U.S.
Petition for license authorizing applicant to cable a Power of attorney to Mrs. Charlotte Corren, Limoges (Unoccupied France) authorizing her to buy small house in Limoges with funds belonging to applicant and to cable instructions to applicants bank in Clermont - Ferrand (Unoccupied France) to transfer funds to Mrs. Carrin in order that she may be able to make purchase.

NY 398074

Applicant

Petition for license authorizing applicant to send telegram to applicants brother-in-law Walter Hear (British Black List) requesting a loan of \$600.

- IV - Petition for license authorizing transaction involving property in the United States in which an enemy national has an interest, direct or indirect.
- (A) Transaction to be wholly executed in the United States and does not involve transfer or agreement to transfer property, directly or indirectly to or from enemy territory.
- (1) Based, however, on a communication received, directly or indirectly, from an enemy national on or after March 18.

NY 388548

Applicant 'Chase', New York

Petition for license authorizing applicant to debit account of Miss Steinbrigg U.S. citizen, resident of occupied France in amount of 900 and note payments to relatives in U.S. pursuant to instructions received by applicant on March 25 from Chase Chateauf sur Cher (Unoccupied France).

NY 390571

Applicant - Quaker Oats Co., of N. Y.

Petition for license authorizing applicant to transfer \$7,327.50 by check to Meuss Healein Co., N.Y., pursuant to authorization received from proclaimed list national on March 18.

Meuss Healein & Co., paid applicant by check to cover shipment from applicant to proclaimed list national. Applicant did not make shipment because consignee on proclaimed list. (Date of payment by Meuss Healein & Co. not given) (Placed on Proclaimed List) February, 1942

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(B) Transaction does not meet both conditions of IV-A.)

SF 23308

Applicant - Wells Fargo Bank - Union Trust Co.

Petition for license authorizing applicant to honor checks drawn on account of proclaimed list national on March 11, 1914 to Albart & Crespe Co. as payee.

Check was sent by proclaimed list national in payment of insurance premiums and Crespe will pay to insurance companies on behalf of proclaimed list national.

~~(C) From the bank's records it appears that the check was cashed by the bank on March 11, 1914.~~

NY 384751

Applicant - Schenley Distillers Corp., N. Y. Inc. in Del. (less than 1/2 of 1% of outstanding securities or obligations being owned by a blocked country or national thereof.)

Petition for license authorizing acceptance by applicant of a guarantee from Les Fils de Bordinet, Societe Anonyme Bordeaux (Occupied France). Such guarantee will be executed by Charles Quincy, one of principal stockholders of Bordinet, Bordeaux, who is a citizen of France and resident of U.S. and will guarantee all debts owing by Bordinet Exports Inc., a Pa. corporation, to Schenley and its subsidiaries up to \$50,000. Quincy holds a power of attorney from Bordinet, Bordeaux, which power of attorney was apparently executed prior to March 18.

(This application presents facts which I believe should be a subject of a special study. I have been making an analysis of the corporate structure of Bordinet, Bordeaux and Bordinet corporation in U.S. Apparently this is a licensing arrangement between Bordinet, Bordeaux and Bordinet corporation in the U. S. This may involve patents held by Bordinet Bordeaux, I will not discuss the set-up here in as much as it is not relevant and in as much I have by no means completed the analysis.)

IV - Petition for license authorizing transaction involving property in the United States in which an enemy national has an interest, direct or indirect.

(A) Transaction to be wholly executed in the United States and does not involve transfer or agreement to transfer property, directly or indirectly to or from enemy territory.

NY 386603

Applicant - Ralph Fong citizen U.S.S.R., resident U.S.

Petition for license authorizing applicant to receive all money of E. Fong & Sons, Shanghai, China in blocked account with Bingham & Co. N.Y. in amount of \$3000 pursuant to instructions received from E. Fong & Sons prior to Mar. 18.

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Account created from shipments by E. Fowl & Sons to Bingham & Co of consignments of casings prior to war. NY 247332 issued September 18, 1941 allowed applicant to draw \$100 monthly from this account for living expenses.

NY 385148

Applicant - Guaranty Trust

Petition for license authorizing applicant to debit blocked account of Libertos Societe Anonyme Luxembourg pursuant to instructions received October 20, 1936 \$100 monthly and pay to N. Y. Trust Co., for account of Dr. George Kateras, a naturalized citizen of U. S.

PHILADELPHIA 7485

Applicant - Weniger & Walter Inc. in Del. (all stockholders U. S. citizens.)

Petition for license authorizing applicant to administer property in U. S. belonging to Estate of Kate Bolding who died intestate December 1936. 3/4 of estate devolved upon enemy nationals; 1/4 to U.S. citizen.

SF 23614

NY 386659

Applicant - Gabriel Hino Decenne, citizen Spain, resident U. S.

Petition for license authorizing debit to accounts of Shanghai Leather Co., China.

- (1) in amount of \$25,000 to purchase defense bonds in name of Shanghai Leather Corp. subject Stipulation No. 1.
- (2) in amount of \$1050 to pay debt of Shanghai Leather Corp. to U.S. citizen pursuant to retainer contract.
- (3) Invest remainder in real estate either by
 - (a) Purchasing real estate in name of Shanghai and operate it from blocked account.
 - (b) Loan to applicant and brother at 4% with the real estate as collateral.

Applicant sets forth that he is one of the major stockholders of Shanghai and possesses a letter written prior to Mar. 18 authorizing him to use the funds of the corporation in applicants best judgment for benefit of Shanghai.

PHILADELPHIA 7249

Applicant E. du Pont de Nemours & Co - Del Corp.

Petition for license authorizing applicant to transfer 689.26 from blocked account in name of Alean Saigon, French Indo-China on applicants books to blocked accounts in domestic bank in name of Alean Saigon.

Underlying transactions were all prior to March 18 and all consummated pursuant to licenses - represents commissions and overpayments.

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DALLAS 2020

Applicant - Parker Lindhardt individually, citizen and resident U.S. and as attorney in fact for Mr. E. Kohlstein citizens and residents of Kingdom of Denmark.

Petition for license authorizing applicant to convey gas, oil and mineral leases on property owned by applicant and E. Kohlstein as $\frac{1}{2}$ owners, each. (applicant holds power of attorney from E. Kohlstein received prior to March 18).

NY 384877

Applicant - Alfred Del Genovese citizen and resident, U. S.
Petition for license authorizing applicant to receive accrued and future income on securities held in blocked accounts in domestic bank in name of applicants mother, citizen U. S., resident of Italy.

Prior to Mar. 18 applicant received a power of attorney over the account and authority to receive all income from the securities.

NY 390564

Applicant - Dick & Marie Smith, partnership, all partners American citizens.

Petition for license authorizing applicant to debit blocked account of Mrs. Louise Baldings, citizen U.S. resident Rome, Italy with applicant and pay 100 monthly to nephew for support of niece, both citizens U.S. Authorization from enemy national received prior to March 18.

PHILADELPHIA 7160

Applicant - Fidelity - Philadelphia Trust Co.

Petition for license authorizing applicant to debit blocked account of Courtess Ruth de Borchgrave, Holland in amount of \$1000 quarterly and pay to son, U.S. resident for living expenses pursuant to instructions received from enemy national prior to Mar. 18.

NY 389922

Applicant New York Match Co., Inc. - N.Y. (predominant citizenship of stockholders Canadian, U.S.)

Petition for license authorizing applicant to debit blocked account of Union Allumetive SA Belgium in amount of \$3137.90 and pay to applicant.

Applicant is sales and purchasing agent in U.S. for Swedish Match Co.

Union Allumetive, Belgium is wholly owned subsidiary of Swedish Match Co.

Cia Fosforus de Bolivia S.A. Bolivia is either a wholly owned

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subsidiary or branch of Union Allumetive. Cia Fosforus transfers the proceeds of sale of matches in Bolivia from Bolivian currency to U. S. dollars (alleged due to instability of Bolivian currency) and funds are transferred to applicant for safe keeping.

Applicant deposits these funds in a blocked Special Foreign Agency account with Guaranty Trust - on applicants books funds are credited to account of Allumetive, Belgium.

Applicant made the following payments:

- | | | |
|-----|--|------------------|
| (1) | On November 5 fee for recording TFE-300 for Union Allumetive to Guaranty Trust | \$ 2.50 |
| (2) | November 5, 1941 Passage for manager of Cia Fosforus Bolivia to N.Y. | 1860.40 |
| (3) | January 9, 1942 Expense for manager of Cia Fosforus, Bolivia in U. S. | 1200.00 |
| (4) | March 18, 1942 To Guaranty Trust as custodian of Bolivia Match Monopoly Board | 75.00 |
| | | <u>\$3137.90</u> |

SF 20984

Applicant A. C. Whitcomb Estate by James Otis & J.B.S. Johnsen, Trustees of Estate of A. C. Whitcomb, deceased.

Petition for license authorizing applicant to execute second mortgage on real property belonging to Estate, at least $\frac{1}{2}$ of beneficial interest in which is held by enemy national.

VI Petition for license authorizing amendments in view of G. R. No. 11.

SF 20819

Applicant - Wells Fargo Bank & Union Trust Co.

Petition for amendment of license SF 20819 in view of G. R. No. 11, SF 20819 authorized applicant to debit the blocked account of W. F. Ramon Bagui, Philippine Islands 206.25 monthly from February 19 - May 19, 1942 and purchase of defense bonds subject Stipulation No. 1.

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SF 21557

Applicant - Wells Fargo Bank & Union Trust Co.

Petition for amendment of license SF 21557 in view of G. R. No. 11 SF 18192 authorized applicant to debit the blocked account of Bank of Philippine Islands (pursuant to cable dated December 22, 1941) monthly in amount of \$300 for January, February, March, 1942 and make payment to Francisco F. Aguado U. S. resident for living expenses. SF 21557 authorized a similar transaction for month of April.

SF 22375

Applicant - Wells Fargo Bank & Union Trust Co.

Petition for amendment of license SF 22375 in view of G. R. No. 11 authorizing applicant to transfer \$175 monthly from the blocked account of Butlers, Inc., Agua, Guan to the blocked Time Deposit Account of Butlers Inc. for April, May, June, 1942 subject Stipulation No. 1 in accordance with instructions of Butlers Inc. prior to March 18.

PHILADELPHIA 27167

Applicant - Atlantic Refining Co., Pa. corp., (less than $\frac{1}{4}$ of 1% of stock owned by blocked nationals)

Petition for amendment of license Philadelphia 27167 in view of G. R. No. 11 Philadelphia 27167 authorized applicant to pay \$15,00 for owners and/or Charters account the usual expenses and advances during month of April of ship owned of record by Norwegian resident, requisitioned by Norwegian Trade and Shipping Mission, London, England.

Ship was time chartered by applicant to carry cargo of gasoline and/or kerosene for account of Atlantic Refining Co., of Africa Ltda to call at Abadan, Iran and/or South African port or ports Durban, Capetown, Range.

PHILADELPHIA 6984

Applicant - Atlantic Refining Co.

Petition for amendment of Philadelphia 6984 authorized applicant to lease property owned by Leopold and Emma Ecken, citizen U.S. residents, Germany per attorney in fact, U.S. resident and to take by assignment a mortgage on the property and to apply on its books rental payments due enemy nationals against payments of principal and interest on mortgage to itself a mortgage until mortgage is liquidated. Issued March 11, 1942.

SF 21507

Applicant - Wells Fargo Bank & Union Trust Co.

Petition for amendment of SF 21507 in view of G. R. No. 11 SF 21507 authorized applicant to debit blocked account of Ethel H. Naylor resident of Manila, P. I., in amount of \$50 monthly and pay to pay to Gloria B. Sylva U. S. citizen for care of 2 children of Mrs. Naylor (pursuant to cable received from Mrs. Naylor on Dec. 16, 1941) Issued Jan. 15- Expires April 15, 1942.

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NY 385915

Applicant - Guaranty Trust, N. Y.

Petition for license authorizing amendment of license NY 382519 in view of G. R. No. 11. Under NY 382519 applicant was authorized to debit the blocked account of Joseph Kantor, Brussels, Belgium \$300 quarterly and made payment to Mrs. Kantor under irrevocable letter of credit issued October 13, 1939.

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Treatment of Typical Applications

Group I Petition for a license authorizing transaction involving a communication directly with an "enemy national" in relation to or as a part of a financial transaction.

A. Transmission of a communication "directly" to an enemy national on or after March 18.

Typical Applications

- (1) **Enemy national is an individual within enemy territory**
SF 23720 - applicant, West Coast Life Insurance Company, petitions for license authorizing applicant to correspond with individual within enemy territory relative to the disposition of the proceeds of a policy.

This application involves a direct communication with an enemy national outside the United States. Accordingly it falls within the purview of Public Interpretation No. 4. Public Interpretation No. 4 states "it is the policy of the Treasury Department not to license such transactions except under very unusual circumstances such as where the transaction would further the war effort." While the phrase "very unusual circumstances such as would further the war effort" has not been explicitly defined, it seems reasonable to conclude that applications of type SF 23720 do not present very unusual circumstances such as a furtherance of the war effort. Accordingly applications of this type should be denied.

An approval would require a reference to General Ruling No. 11 (See analysis of GR No. 11 II (2)).

- (2) **Enemy national is a corporation actually situated within enemy territory.** NY 389765 Applicant, Warren Brothers Incorporated, petition for license authorizing applicant to correspond with its offices situated in enemy territory in regard to meetings of stockholders and directors, personnel problems, etc.

To the extent that its offices are situated within enemy territory, applicant is an enemy national. This application is subject to the same analysis as SF 23720. Accordingly, applications of this type should be denied.

An approval would require a reference to GR No. 11 (See analysis of GR 11 II (2)).

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- (3) Enemy national is a "Proclaimed List" national. NY 39225⁴ Applicant, Irving Trust Company, petitions for license authorizing applicant to communicate with a proclaimed list national to inquire in which domestic bank to make deposit authorized by license NY 235255.

The enemy national is outside the United States. Accordingly Public Interpretation No. 4 is applicable and applications of this type should be denied.

An approval would require a reference to GR No. 11 (See Analysis of GR No. 11 (2)).

It may be pertinent however, to point out that the case of a proclaimed list national might present a different problem from the point of view of determining what constitutes a transaction that involves very unusual circumstances such as a furtherance of the war effort - viz. applicant petitions for license authorizing applicant to communicate with proclaimed list national in order to abrogate a contract. If the approval of applications of this type might conceivably have the cumulative "Coercive" effect of "Bringing light" to the proclaimed list national, an approval may be warranted as a furtherance of the war effort.

- (4) Enemy national is an accredited representative of a Government not named in 2 (a) 1 of GR No. 11 representing the interests of a Government named in 2 (a) 1.

SL 2107 Applicant, A. Johann Kokre, petitions for license authorizing applicant to communicate with Swiss Embassy (in charge of minor German interests) in order to furnish a monthly certificate of applicant's existence and German citizenship so that mother in Germany may receive monthly pension. To the extent that the Swiss Embassy represents German Government, it is an enemy national.

(Query whether Public Interpretation No. 4 is applicable to a communication with the Swiss Embassy inasmuch as it refers only to communications with enemy nationals outside the United States. Inasmuch as we have complete control over communications within the United States, different policy considerations may prevail.)

However, this communication, if authorized, will be received by an enemy national in Germany. Accordingly Public Interpretation No. 4 is applicable and applications of this type should be denied.

An approval of this application would require a reference to GR No. 11 (See analysis of GR No. 11 (II) 2).

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The determination of whether a person in the United States is an enemy national presents a difficult problem for the Reviewer of Applications. Many applications indicate that a person has been detained, interned or taken into custody. They do not indicate whether or not the person is an enemy national. Confidential Circular No. 119 states that the fact that a person has been taken into custody is not sufficient basis for an inference that such person is blocked, afortiori, it would not seem the basis of a determination that such a person is an enemy national. It would be of great assistance to Reviewers if he were relieved of the burden of making such determination on the basis of general statements. There should be a specific indication of the individual's status.

B. Receipt of a communication directly from an enemy national on or after March 18.

NY 390571 Applicant, Quaker Oats Company of N. Y. petitions for license authorizing applicant to transfer \$7,327.50 by check to Eusee Heeloen Co. N. Y. pursuant to authorization received on March 18 from proclaimed list national.

This application is more fully discussed in connection with another group.

Approval of this application would require reference to GR No. 11 (See Analysis of GR No. 11 II (1))

Group II Petition for a license authorizing transaction involving communication indirectly with an enemy national in relation to or as part of a financial transaction.

A. Transmission of a communication directly to a non-enemy national on or after March 18, which communication it is reasonable to believe will be received by an enemy national.

Typical application

NY 391943 Applicant, Andre Scholes, petition for license authorizing applicant to cable Lloyds, Monte Carlo, to effect that applicant wishes to retain its holdings of Argentine bonds with Lloyds, Paris, or exercise applicant's option of exchange for new issue of Argentine bonds.

Inasmuch as Public Interpretation No. 4 does not limit itself to transactions involving "direct" communications with enemy nationals outside the U. S., it is to be construed as covering all communications, direct or indirect. Accordingly, applications of

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this type should be denied. An approval of this application would require reference to GR No. 11 (See Analysis of GR No. 11 II (2).)

B. Receipt of a communication on or after March 18 from a non-enemy national, which communication it is reasonable to believe originated with or passed through an enemy national.

Typical Application

NY 388548 Applicant, "Chase" New York, petitions for a license authorizing applicant to debit account of Miss Steinbriggs, a U. S. citizen, resident of occupied France and made payments to relatives in U. S. Pursuant to instructions received by applicant on March 25 from "Chase" Unoccupied France.

This application is "taken up" in connection with another group.

An approval of this application would require reference to GR No. 11. (See Analysis of GR No. 11 II (1).)

Group III Petition for license authorizing transaction involving communication with non-enemy national on or after March 18 which communication, it is reasonable to believe, did not either originate with, or pass through, or will not be received by an enemy national.

Typical Application

Boston 9657 Applicant, Thurl Olson, petitions for license authorizing applicant to cable instructions to brother in Sweden to receive applicants share of mother's Estate in Sweden.

If, as appears in this case, it is reasonable to believe that this communication will not pass through or be received by an enemy national, this type of application will not be affected by GR No. 11.

An approval of this application will not require reference to GR No. 11 (See Analysis of General Ruling No. 11).

Query whether Public Interpretation No. 4 extends the licensing authority to all applicants involving communications in relation to or as part of a commercial or financial transaction whether or not such communication is with an enemy national outside the U. S. e.g., Request for license authorizing a communication to a relative in Switzerland requesting a loan or authorization to transfer funds. Ordinarily this transaction would require a license.

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Public Interpretation No. 4 would not appear to make a license necessary. Query whether it is not desirable to all communications to nations of blocked countries outside the U. S. in relation to or as a part of a commercial or financial transaction should be made licensable transactions.

Group IV Petition for license authorizing transaction involving property in the U. W. in which an enemy national has an interest, direct or indirect.

A. Transaction to be wholly executed in the U. S. and does not involve transfer or agreement to transfer property to or from enemy territory.

Typical Application

NY 390564 Applicant, a New York partnership, petition for license to debit blocked account of Mrs. Iddings, U. S. citizen resident of Italy and made payments to nephew in U. S. for support of niece pursuant to authorization received prior to March 18.

An approval of this application would not require a reference to GR No. 11 (See Analysis of GR No. 11)

(Inasmuch as the transaction is to be wholly executed in the U. S. there is no great danger that there will be a communication in relation to this transaction from or to an enemy territory.)

(It may be pertinent to point out that so long as the authorization to act in respect to a transaction involved in this group is not based on a communication, directly or indirectly to or from enemy territory or on or after March 18, an approval would not require reference to U. S. even though the authorization was issued on or after March 18 e.g. Enemy nationals have an interest in the property of an estate which property is situated in the U. S. The estate is probated on or after March 18. The issuance of a license authorizing a transaction in respect to such property would not require reference to GR No. 11)

B. Transaction does not meet both conditions of I V A

Typical Application

Applicant Schenley Distributor petitions for a license authorizing the acceptance of a guarantee from Barbinets Occupied France, to be executed by a U. S. resident who holds power of attorney from Barbinets, Occupied France, which guarantees indemnifies applicant in respect to all debts due applicant from Bordinet Exports Ltd., Pennsylvania.

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This transaction does involve a transfer or agreement to transfer property from or to enemy territory.

Accordingly, approval of this application would require reference to GR No. 11 (See Analysis of GR No. 11 II (3).)

(I have indicated on the digest of this application that the arrangement and agreement existing between Harbinets Occupied France, and Harbinet Corporations in the U. S. might merit a special study.)

Whether insurance policies in which enemy nationals have an interest direct or indirect, fall within Group IV B presents an interesting question.

SP 23308 Applicant, Wells Fargo Bank petition for license authorizing applicant to honor check drawn on it prior to March 18 by a proclaimed list national payable to a U. S. resident to be used for payment of insurance premiums.

(Query whether the U. S. resident is an enemy national as a person acting for a proclaimed list national)

In accordance with the memo handed down to Reviewers, applications of this type should be denied.

Whether an approval of this application would require reference to GR No. 11 would depend upon the terms of the policy such as what or who is insured, who are proceeds payable to, etc.

(Group IV A)

(1) Based on a communication received directly or indirectly, from an enemy national on or after March 18.

NY 388548 and NY 390571 are applications of this type.

NY 388548 Applicant, Chase, N. Y. petitions for license authorizing applicant to debit account of enemy national with it and make payment to U. S. citizen pursuant to instructions received from Chase (Unoccupied France) after March 18.

An approval of this application would require reference to GR No. 11 (See Analysis of GR No. 11 II (1).)

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Query whether Public Interpretation No. 4 is applicable to applications of this type. Public Interpretation No. 4 by its language is applicable to communications with an enemy national. Communication with, would take in communication to or from an enemy national. Accordingly it would seem that Public Interpretation No. 4 was meant to be applicable to transactions of this type which do not involve a trade with an enemy national.

Group V Petition for license authorizing transaction involving property in non-enemy territory in which an enemy national has an interest, direct or indirect.

A. Transaction is to be wholly executed in non-enemy territory and does not involve transfer or agreement to transfer property to or from enemy territory.

Typical Application

Boston 9657 (See discussion (supra))

Approval of applications of this type would not require reference to GR No. 11 (See Analysis of GR No. 11)

Group VI Petition for amendment in view of GR No. 11

Typical Application

NY 385915 Applicant, Guaranty Trust, petitions for license authorizing amendment of license NY 382519 which authorized debit to blocked account of enemy national and payments to U. S. resident every four months pursuant to instructions received prior to March 18.

From the Analysis of GR No. 11 and the foregoing discussion, it is evident that an amendment of this license is not required by reason of the provisions of GR No. 11.

Accordingly I have prepared a wire reading

"NO ACTION LETTER FOLLOWING"

On the basis of the facts submitted, it is the view of this Department that amendment of license NY 385915 is not required by reason of the provisions of GR No. 11.

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Quiry whether Public Interpretation No. 4 is applicable to applications of this type. Public Interpretation No. 4 by its language is applicable to communications with an enemy national. Communication with, would take in communication to or from an enemy national. Accordingly it would seem that Public Interpretation No. 4 was meant to be applicable to transactions of this type which do not involve a trade with an enemy national.

Group V Petition for license authorizing transaction involving property in non-enemy territory in which an enemy national has an interest, direct or indirect.

A. Transaction is to be wholly executed in non-enemy territory and does not involve transfer or agreement to transfer property to or from enemy territory.

Typical Application

Boston 9657 (See discussion (supra))

Approval of applications of this type would not require reference to GR No. 11 (See Analysis of GR No. 11)

Group VI Petition for amendment in view of GR No. 11

Typical Application

NY 385915 Applicant, Guaranty Trust, petitions for license authorizing amendment of license NY 382519 which authorized debit to blocked account of enemy national and payments to U. S. resident every four months pursuant to instructions received prior to March 18.

From the Analysis of GR No. 11 and the foregoing discussion, it is evident that an amendment of this license is not required by reason of the provisions of GR No. 11.

Accordingly I have prepared a wire reading

"NO ACTION LETTER FOLLOWING"

On the basis of the facts submitted, it is the view of this Department that amendment of license NY 385915 is not required by reason of the provisions of GR No. 11.

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, September 3, 1943Press Service
No. 38-27

The Treasury Department today issued a revision of its regulations relating to trade and communication with enemy nationals. The revised regulations are in the form of an amendment to General Ruling No. 11 and in essence constitute a clarification of the existing regulations.

Under the regulations a special license is required to lawfully engage in any business or commercial communication or intercourse with an enemy national or to effect any act or transaction involving such communication or intercourse. Unlicensed trade or communication with an enemy national is unlawful under Sections 3(a) and 5(b) of the Trading with the enemy Act, as amended.

The term "enemy national" includes any person within any enemy country or enemy occupied territory and any person whose name appears on The Proclaimed List of Certain Blocked Nationals. The regulations also include within the category of enemy nationals any other person to the extent that he is acting without a license for or on behalf of an enemy national who is within an enemy country or whose name appears on The Proclaimed List. Treasury officials emphasized that subjects of enemy and enemy occupied countries who are not within enemy territory are not by reason of their citizenship alone enemy nationals within the meaning of the regulations. It was also pointed out that the occupying forces of the United Nations and civilians accompanying them who are within enemy territory in the course of their duties are not enemy nationals.

The regulations strike at any act or transaction of a financial, business, trade or commercial character which involves any trade or communication with an enemy national. In substance, the regulations are directed at all transactions included within the definition of the term "to trade" contained in Section 2 of the Trading with the enemy Act, as amended.

Treasury officials called attention to the fact that the regulations prohibit certain transactions which are not prohibited by the freezing order. In this connection, Treasury officials stated that a transaction on behalf of an enemy national who is within an enemy country or whose name appears on The Proclaimed List which is prohibited by the freezing order may lawfully be effected if licensed under the freezing order, unless it also involves communication with any enemy national. On the other hand, a transaction which is within the purview only of the regulations or involves communication with any enemy national, may lawfully be effected only pursuant to a license which specifically refers to General Ruling No. 11.

Treasury officials noted that compliance with the regulations did not dispense with the necessity of complying with relevant censorship regulations.

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TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE
Friday, September 3, 1943Press Service
No. 38-27

The Treasury Department today issued a revision of its regulations relating to trade and communication with enemy nationals. The revised regulations are in the form of an amendment to General Ruling No. 11 and in essence constitute a clarification of the existing regulations.

Under the regulations a special license is required to lawfully engage in any business or commercial communication or intercourse with an enemy national or to effect any act or transaction involving such communication or intercourse. Unlicensed trade or communication with an enemy national is unlawful under Sections 3(a) and 5(b) of the Trading with the enemy Act, as amended.

The term "enemy national" includes any person within any enemy country or enemy occupied territory and any person whose name appears on The Proclaimed List of Certain Blocked Nationals. The regulations also include within the category of enemy nationals any other person to the extent that he is acting without a license for or on behalf of an enemy national who is within an enemy country or whose name appears on The Proclaimed List. Treasury officials emphasized that subjects of enemy and enemy occupied countries who are not within enemy territory are not by reason of their citizenship alone enemy nationals within the meaning of the regulations. It was also pointed out that the occupying forces of the United Nations and civilians accompanying them who are within enemy territory in the course of their duties are not enemy nationals.

The regulations strike at any act or transaction of a financial, business, trade or commercial character which involves any trade or communication with an enemy national. In substance, the regulations are directed at all transactions included within the definition of the term "to trade" contained in Section 2 of the Trading with the enemy Act, as amended.

Treasury officials called attention to the fact that the regulations prohibit certain transactions which are not prohibited by the freezing order. In this connection, Treasury officials stated that a transaction on behalf of an enemy national who is within an enemy country or whose name appears on The Proclaimed List which is prohibited by the freezing order may lawfully be effected if licensed under the freezing order, unless it also involves communication with any enemy national. On the other hand, a transaction which is within the purview only of the regulations or involves communication with any enemy national, may lawfully be effected only pursuant to a license which specifically refers to General Ruling No. 11.

Treasury officials noted that compliance with the regulations did not dispense with the necessity of complying with relevant censorship regulations.

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Authority NND 978020

Entry 66-A-816

By BSM HARA Date 8/8

File No. 11

Box 59

24

Mr. Fox

October 12, 1943.

Mr. Alk

Re: General Ruling No. 11.

It is my understanding that at the conference this morning with respect to General Ruling No. 11 we agreed upon the following points:

- (1) An additional license is not required to communicate with or act upon instructions of an attorney in fact for a specified enemy national if the correspondence is incident to the exercise of an outstanding general or specific license. Examples:
 - (a) The effecting or receipt of payments under General License No. 1 or General License No. 27 and correspondence incident thereto.
 - (b) The sale of securities under General License No. 4 and correspondence incident thereto.
 - (c) The payment of taxes under General License No. 5 and correspondence incident thereto.
- (2) The foregoing does not apply to instructions by an attorney in fact to a trustee administering a trust under General License No. 30 or to a personal representative administering an estate under General License No. 30A. These licenses prohibit any transactions based upon instructions from a blocked national, and what a blocked national cannot do directly he cannot do indirectly.
- (3) If the basic transaction is one not prohibited by the Order but nevertheless is a commercial act or transaction, the license expressly referring to General Ruling No. 11 is required to communicate with or act upon instructions from the attorney in fact. Examples:

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By BSM NARA Date 8/8

File 24,006 Gen. Ruling
No. 11

Box 59

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- (a) Any commercial correspondence with a person acting for a Proclaimed List national in connection with a transaction which otherwise would not require a license.
- (b) The mailing of statements of account, proxies and other commercial correspondence to the representative of a person within Germany.

If any cases arise with reference to whether a license is required in order for an attorney to represent a specified enemy national in a lawsuit, please refer the matter to me as I would like to raise this question again.

I. O. Alk

IGA1k:gmb 10-12-43

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Authority NND 978020

Entry 66-A-816

By BSM NARA Date 8/8

File No. 11
24,000 Gen. Ruling

Box 59

24.00
3.05

November 28, 1944

Mr. Alk

Mr. Dyer

Miss Lora Lavender stated that an inquiry has been made as to whether a remittance can be made under General License No. 32 to an individual who recently escaped from Germany into Sweden. I stated that the remittance could be made provided the terms and conditions of that general license were complied with and provided the payee were not an enemy national. I also stated that the burden would be on those effecting the remittance to determine whether the payee ~~is~~ an enemy national.

*noted Lora
J. Bennett*

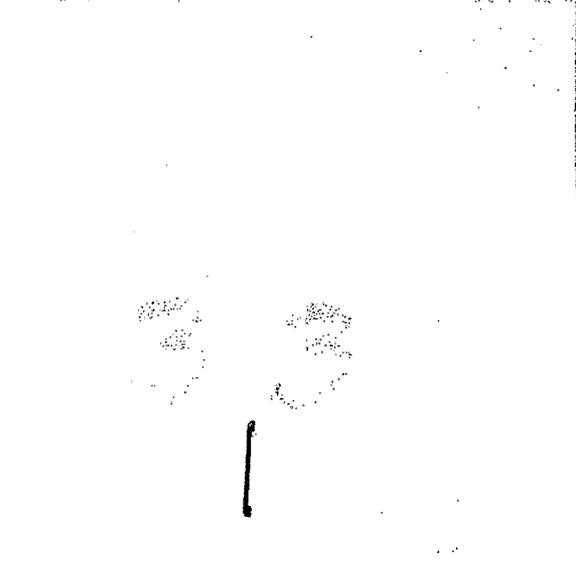
WPDyer:crs 1128-44

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Authority NND 978020
By BAM NARA Date 8/8

RG 56
Entry 66-A-916
File 24.000 Gen. Ruling
No. 11A
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24.00 (e)
GENERAL RULING NO. 11A

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Authority NND 978020

By *BJM* NARA Date 8/8

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Entry

66-A-816

File

29,006 Gen. Ruling
No. 11A

Box

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General Ruling No. 11A, May 15, 1945

REGULATIONS LIMITING WITHDRAWALS
FROM CERTAIN BLOCKED GERMAN AND JAPANESE ACCOUNTS.

(1) Withdrawals from blocked German and Japanese accounts not authorized in certain cases. No license or other authorization now outstanding or hereafter issued, unless expressly referring to this general ruling, shall be deemed to authorize any payment, transfer, or withdrawal from any blocked account if the person with whom the account is maintained has reasonable cause to believe that any of the following has an interest in the account:

- (a) The Government of Germany or Japan, and any agent, instrumentality, or representative of either Government;
- (b) Any individual who is a citizen or subject of Germany or Japan and who at any time on or since December 7, 1941 has been within the territory of either country or within any other territory while it was designated as "enemy territory" under General Ruling No. 11;
- (c) Any partnership, association, corporation or other organization which is organized under the laws of, or which at any time on or since December 7, 1941 has had its principal place of business in, any territory of Germany or Japan;
- (d) Any partnership, association, corporation, or other organization, situated within any foreign country, which is a national of Germany or Japan by reason of the interest therein of any government or person specified in this paragraph.

(2) Continued applicability of certain general licenses.

The following general licenses shall continue applicable, notwithstanding the provisions of paragraph (1) of this general ruling:

- (a) General License No. 1;
- (b) General License No. 1A;
- (c) General License No. 2 only with respect to payment or reimbursement for normal service charges (as therein defined) other than interest due;
- (d) General License No. 4;
- (e) General License No. 5;
- (f) General License No. 25;
- (g) General License No. 26;
- (h) General License No. 27;
- (i) General License No. 29;
- (j) General License No. 30;
- (k) General License No. 30A;
- (l) General License No. 31;
- (m) General License No. 42.

(3) Continued applicability of certain specific licenses.

Any specific license conferring generally licenses national status or any person or authorizing the sale, purchase, or exchange of any securities shall continue applicable, notwithstanding the provisions of paragraph (1) of this general ruling.

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AUTHORITY NND 978020

Entry 66-A-816

By BSM NARA Date 8/8

File 29,000 Gen. Ruling
No. 11A

Box 59

Comment, January 30, 1946

The purpose of General Ruling No. 11A was to guard against any depletions from the accounts of nationals of Germany or Japan who had left enemy territory to escape our armed forces and might therefore have claimed the benefits of general licenses applicable to persons outside Germany or Japan.

The Ruling is broad in scope, applying not only to subjects of enemy countries who have been within an enemy country during the period of the war, but also to subjects of enemy countries who have been within enemy occupied territory subsequent to the outbreak of war. The Ruling applies only to withdrawals from the blocked accounts of such persons and does not prevent any dealings with them which do not involve such accounts.

Provision was made for the exception from the ruling of accounts of any person whose activities on behalf of an enemy country or whose entry into enemy territory occurred subsequent to the date of liberation in paragraph (1)(b) by the use of the phrase "or within any other territory while it was designated as 'enemy territory' under General Ruling No. 11".

It was intended, however, that the usual policy of permitting withdrawals on a special license basis would be followed whenever it appeared that the owner of the account was a bona fide refugee.

The suggestion that General License No. 32 be included among the general licenses remaining applicable to the accounts effected was rejected on the ground that inasmuch as remittances of \$500 per month were permitted, except for the four neutrals, substantial withdrawals might conceivably have resulted.

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Authority NND 978020
By BSM HARA Date 8/8

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Entry 66-A-816

File 29.006 Gen. Ruling
No. 11A

Box

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MEMORANDUM FOR THE FILES

November 6, 1945.

Re: Minute No. 629 of the Sub-Committee on Foreign Funds Control with respect to General Ruling No. 11A.

In accordance with Minute No. 629 of the Sub-Committee on Foreign Funds Control, banks were to advise of the accounts which they carried for individuals that were subject to General Ruling No. 11A where the individual was not within Germany or Japan, and corporations which were not subject to General Ruling No. 11A but in which individuals that were, had an interest. Also banks were to advise of the manner that they were designating accounts so as to indicate that they were subject to General Ruling No. 11A. Only one bank, the Irving Trust Company, reported any companies which were not themselves subject to General Ruling No. 11A but in which individuals which were subject thereto had an interest. Mr. John McDonnell made appropriate disposition of these cases. The banks in past instances noted on their ledger sheets to the effect that the account was subject to General Ruling No. 11A. All in all the steps taken in every instance seem to be sufficient.

Reports were received from fourteen banks of which eight stated that they had no accounts that were of the type described. The remaining six banks reported a total of 259 accounts of individuals which were subject to General Ruling No. 11A although the owner was not in Germany or Japan. Certain of the banks reserved the right to delete any name from their list if they should determine that any particular account upon receipt of additional information was not subject to General Ruling No. 11A. Some of the banks stated that they were writing to the various persons concerned to obtain information on their whereabouts since December 7, 1941. To date requests that three names be deleted have been received from two of the banks. The date of the last report made by any bank was September 11, 1945, and it would appear that if any further changes are to be made enough time has elapsed for the banks to have received communications from the various depositors. There is attached hereto a chart showing the banks from which reports were received, the date of the report, number of accounts held and number of deletions requested.

J. M. McHugh

cc: Messrs. Richards, O'Flaherty, Pollak, Jones, McDonnell.

JMMcHugh:cmj 11/8/45

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Authority NND 978020
By *BAM* NARA Date 8/8

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Entry

66-A-816

File

29.00 Gen. Ruling
No. 11A

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Bank	Date of Report	No. of Accounts	Relations
Bankers Trust Company	September 6	2	2
Manhattan Company, Bank of the	September 11	26	1
Public Nat'l Bank and Trust Company	August 10	None	None
Manufacturers Trust Company	July 28	7	None
Guaranty Trust Company	July 2	98	None
Kahn, Loeb & Company	June 25	None	None
First Nat'l Bank of the City of New York	June 21	None	None
Second Nat'l Bank of Boston	June 26	None	None
First Nat'l Bank of Boston	July 2	None	None
The Nat'l Chamant Bank of Boston	June 29	None	None
Chase Nat'l Bank of the City of New York	July 9	123	None
Irving Trust Company	July 11	12	None
J. Henry Schroder Banking Corporation	July 6	5	None
Stockton Trust Company	July 9	None	None
Empire Trust Company	July 17	None	None
First Nat'l Bank of Chicago	July 11	None	None

JMM:rh:emj 11/8/43

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Authority NND 978020
By BJM NARA Date 8/8

RG 56
Entry 66-A-816
File 24,000 Gen. Ruling No. 11A
Box 59

FOREIGN FUNDS CONTROL

- To:
- (1) Mr. Moskowitz 913 DNB
(Room) (Bldg.)
 - (2) P. Llak
(Room) (Bldg.)
 - (3)
(Room) (Bldg.)

The attached are additional letters on 11A which should have accompanied those sent you on 7/19/45, which are attached.

From: J. M. McHugh 7/21
(Room) (Bldg.) 919 DNB

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Authority NND 978020
By BAM NARA Date 8/8

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56Entry 66-A-816File 24,006 Gen. Ruling
No. 11ABox 59

FOREIGN EXCHANGE COMMITTEE

140 Broadway

New York, N. Y.

RECEIVED

JUN 30 1945

H. M. W.

June 29, 1945

Mr. H. M. Wessel
 Manager, Foreign Funds Control
 Federal Reserve Bank of New York
 Federal Reserve P.O. Station
 New York 7, N. Y.

Dear Mr. Wessel: SUB-COMMITTEE ON FOREIGN FUNDS CONTROL

Reference is made to Minute No. 629 of the meeting of the Foreign Exchange Committee - Sub-Committee on Foreign Funds Control which was held on June 15, 1945, with respect to advising you as to the manner in which domestic banking institutions had segregated or otherwise earmarked their blocked German and Japanese accounts which are subject to the regulations and sending you a list of the Individual accounts which have been noted as subject to the said regulations.

For your information I attach copy of the letter dated June 19, 1945, which I forwarded to the various members and associate members of the Sub-Committee, with the exception of the Guaranty Trust Company of New York, the Chase National Bank of the City of New York, and the National City Bank of New York. From this letter you will note that all of the members and associate members other than the three specified will independently file reports with you concerning the required data.

In accordance with the said minute meetings of the Standing Committee have been held, and as a result I am attaching hereto three separate memoranda which specify the procedure which was followed by each of the three banks represented on the Standing Committee in effecting the segregation or earmarking in question. Each of the three members of the Standing Committee will mail to you directly their respective lists of the Individual accounts which they have noted as subject to the regulations of the General Ruling.

Encls.
 IM

Yours very truly,

/s/ John L. Timoney,
 Secretary, Sub-Committee

cc: 7/20/45

For Information - Messrs. Hoffman, Richards, Moskowitz, O'Flaherty,
 de Zevallos, R. L. Jones, Robinson, Mrs. R. Shwartz,
 Mrs. M. Schwartz-

et

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Authority NND 978020

By BSM NARA Date 8/8RG 56Entry 66-A-816File 24,000 Gen. Ruling
No. 11ABox 59**FOREIGN EXCHANGE COMMITTEE**

140 Broadway

New York 15, N.Y.

June 19, 1945

SUB-COMMITTEE ON FOREIGN FUNDS CONTROL

A copy of the minutes of the meeting of the Foreign Exchange Committee - Sub-Committee on Foreign Funds Control held on June 15, 1945, was mailed to you today.

May I direct your attention to Minute No. 629 wherein it is stated that the Treasury Department would appreciate receiving certain information in regard to accounts subject to the regulations of General Ruling No. 11A. The Standing Committee has requested me to inform you that the three banks represented on the Standing Committee have arranged to file with the Federal Reserve Bank of New York a combined report with respect to their institutions and to ask that you be good enough to file an individual report directly with Mr. H. M. Wessel, Manager, Foreign Funds Control, Federal Reserve Bank of New York.

Your kind cooperation would be much appreciated.

Yours very truly,

/s/ John L. Maoney,
Secretary, Sub-Committee

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Authority

NND 978020

Entry

66-A-816

By

bsm

NARA Date

8/8

File

24,000 Gen. Ruling
No. 11A

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STANDING COMMITTEE BANK NO. 1 (Nat'l City Bank of N.Y.)

1. Every account blocked for Germany or Japan was reviewed to determine, from our Credit Files and our Signature Control Files, whether we had reasonable cause to believe that the account should be subject to this general ruling.
2. Where our decision was in the affirmative our Control Files were so marked and the ledger sheets appropriately marked with the following:

"Caution - This account subject to provisions of General Ruling 11A - make no holds - pass no debits without reference to department head or assistant department heads."
3. Our Signature Control Department, Credit Department and District Officers have been cautioned to refer to the license specialist for a ruling any information received which may provide reasonable cause for us to consider that an account blocked as a national of Germany or Japan should become subject to General Ruling No. 11A.

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Authority NND 978020

By BSM HARA Date 8/8

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Entry

66-A-916

File

29,006 Gen. Ruling
No. 11A

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STANDING COMMITTEE BANK NO. 2 (Chase Nat'l Bank of the City of N.Y.)

1. Immediate steps were taken in the Foreign Department and the Trust Department (where the preponderance of accounts that would be subject to the ruling are held) to isolate all accounts blocked Germany or Japan.
2. The relative files were then reviewed to determine
 - (a) whether any persons of the type mentioned in paragraph (1) (a) (b) (c) (d) had an interest in such accounts and,
 - (b) if it was determined whether persons of the type mentioned above had an interest in such accounts, whether they had been in Germany, Japan, or any other enemy territory as defined in General Ruling No. 11 since December 7th, 1941.
 - (1) In those cases which were doubtful because incomplete information, we decided as a safety measure, to put them under General Ruling 11-A.
3. All accounts determined to be subject to General Ruling 11A were referred to the relative Zone Officers to obtain the benefit of any further information which they might have under the relative names.
4. The ledger records of accounts determined to be subject to 11A were stamped "subject to General Ruling 11A" and no debits permitted without the approval of the License Committee.
5. A memorandum was circulated through all domestic branches and departments, and the Safe Deposit, together with a copy of the circular from Foreign Funds, instructing the branch or department, or Deposit Company to take the necessary steps and also to refer any questionable accounts to the Secretary of the License Committee.
6. A subsequent memorandum was circulated, calling the attention of the branches and departments to the fact that domestic corporations were not subject to General Ruling 11A, but that any power of attorney in favor of a person of the type mentioned in paragraph (1) (b) of the ruling, would be sufficient to bring an account under the ruling.

June 29, 1945

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Authority NND 978020
By BJM NARA Date 8/8

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56Entry 66-A-816File 24,000 Gen. Ruling
No. 11ABox 59STANDING COMMITTEE BANK NO. 3 (Guaranty Trust Co. Of N.Y.)

1. When the General Ruling was received we examined our credit files and change of address records with respect to all accounts which were blocked as nationals of Germany or Japan to ascertain whether we had reasonable cause to believe that the account should be subject to the restrictions of General Ruling No. 11A.
2. Insofar as the accounts of Individuals are concerned, our examination was to establish the following:
 - (a) whether we had reasonable cause to believe from our records that the person is a citizen or subject of Germany or Japan; and
 - (b) whether in the event of our records indicating that a customer is a citizen or subject of Japan we had further reasonable cause to believe that the person had at any time on or since December 7, 1941 been within the territory of Germany or Japan or within any other territory while it was designated as "enemy territory" under General Ruling No. 11.
3. If our records disclosed such reasonable cause to believe with respect to (a) and (b) in the preceding paragraph, we noted such accounts as subject to the restrictions of General Ruling No. 11A and segregated the accounts in a separate ledger captioned "General Ruling No. 11A Accounts".
4. We published in our Inter-Department Reporter a list of all of the accounts noted by us as subject to General Ruling No. 11A, with information to the bank that a master file of the names of such customers had been established in our Foreign Bookkeeping Department.
5. All departments have been instructed that should they receive information which may be construed as giving us reasonable cause to believe for the first time that a customer should be noted as subject to General Ruling No. 11A, such information should be forwarded immediately to the senior in charge of the master file for investigation and disposition.
6. All departments originating entries to the debit of a General Ruling No. 11A account are required, in addition to inscribing the license number on a check or debit ticket, to indicate also whether the license expressly exempts such transaction from the General Ruling.
7. As a precautionary measure a senior effects a daily review of all of the debit tickets posted the same day to General Ruling No. 11A accounts to insure that they are notated as referred to in the preceding paragraph.

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Authority NND 978020By BJM NARA Date 8/8RG 56Entry 66-A-816File 24,000 Gen. Ruling
No. 11ABox 59William and Pine Streets
New York 5RECEIVED
JUN 26 1945
H.M.W.

KUMN, LOEB & CO.

June 25, 1945

H. M. Wessel, Esq., Manager,
Foreign Funds Control,
Federal Reserve Bank of New York,
67 Wall Street,
New York 5, N. Y.

Dear Sir:

In connection with Minute No. 629 of the June 15, 1945 meeting of the Foreign Exchange Committee-Sub-Committee on Foreign Funds Control, Mr. John L. Timony, Secretary of said Sub-Committee, requested us to report to you any accounts we have on our books subject to General Ruling No. 11A where the individual concerned is no longer in Germany or Japan.

This is to inform you that to our best knowledge and belief we have no such account on our books.

Yours faithfully,

By /s/ John E. Meyer
Manager of the Foreign Department

jem/jp

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Authority NND 978020
By BTM NARA Date 8/8

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Entry

66-A-816

File

24,000 Gen. Ruling
No. 11A

Box

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GUARANTY TRUST COMPANY OF NEW YORK

140 Broadway

New York 15, N. Y.

June 30, 1945

RECEIVED

July 2, 1945

H.M.W.

In replying please refer to
IFI

Mr. H. M. Wessel
 Manager, Foreign Funds Control
 Federal Reserve Bank of New York
 Federal Reserve P. O. Station
 New York 7, N. Y.

Dear Mr. Wessel:

GENERAL RULING NO. 11A

With respect to the inquiry of the Treasury Department as referred to in Minute No. 628 of the meeting of the Foreign Exchange Committee - Sub-Committee on Foreign Funds Control held on June 15, 1945, please be advised that our records do not disclose that we have any account on our books of a domestic corporation where an individual of the type described in (1) (b), or an organization of the type described in (1) (c) of General Ruling No. 11A is a substantial or sole stockholder of the corporation.

Yours very truly,

/s/ John L. Timoney
 Assistant Manager

jo

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AUTHORITY NND 978020

By BJM NARA Date 8/8

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Entry 66-A-916

File 24,000 Gen. Ruling
No. 11A

Box 59

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THE FIRST NATIONAL BANK
of the City of New York

June 22 1945

H. H. W.

New York 15, N. Y.

June 21, 1945

Mr. H. M. Wessel, Manager
Foreign Funds Control
Federal Reserve Bank
70 Pine Street
New York 5, N. Y.

Dear Sir:

Mr. John L. Timoney, Secretary of the Sub-
Committee on Foreign Funds Control has requested
that we advise you with regard to any blocked
accounts subject to General Ruling No. 11A.

This is to inform you that we do not
have any such accounts.

Yours very truly,

/s/ C. C. Hubbell, Jr.
Auditor

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Authority NND 978020
By BJM NARA Date 8/8

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Entry

66-A-816

File

24,006 Gen. Ruling
No. 11A

Box

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THE SECOND NATIONAL BANK OF BOSTON

Boston, Massachusetts

RECEIVED

June 26, 1945

JUNE 27 1945

H.M.W.

Mr. H. M. Wessel
Manager, Foreign Funds Control
Federal Reserve Bank of New York
Federal Reserve P. O. Station
New York, 7, N. Y.

Dear Mr. Wessel:

At the request of Mr. John L. Timoney, Secretary of the Sub-Committee of the Foreign Exchange Committee, I am glad to report on the accounts held by us which are subject to the regulations of General Ruling No. 11A. At the present time we carry only an account in the name of Deutsche Bank, Berlin, which shows a balance of \$104.45. The ledger sheet for this account has been marked "Blocked" and "Subject to Regulations of General Ruling No. 11A".

Yours very truly,

/s/ J. R. Denning
Assistant Cashier

JRD-OG

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Authority NND 978020
By BSM HARA Date 8/8

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66-A-816

File

29.00 Gen. Ruling
No. 11A

Box

59

THE FIRST NATIONAL BANK OF BOSTON
Boston 6, Massachusetts

July 2, 1945

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JUL 5 1945

H.M.W.

Federal Reserve Bank of New York
New York
N. Y.Attention: Mr. N. M. Wessel, Manager
Foreign Funds Control

Gentlemen:

We have not segregated our blocked German and Japanese accounts, which are subject to the regulations of General Ruling No. 11A, as these accounts are few in number and of comparatively small amounts. Any withdrawals from these accounts, however, must be referred to the officer in charge of blocked accounts.

In connection with our individual accounts, subject to restrictions of General Ruling No. 11A, we find that in no case is the individual concerned no longer in Germany or Japan.

This report is being made to you in accordance with the letter of June 19, 1945, from Mr. John L. Finney, Secretary, Sub-Committee, Foreign Funds Control.

Very truly yours,

/s/ R. E. Grandfield
Assistant Manager

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Authority NND 978020By BAM HARA Date 8/8

RG

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No. 11ABox 59

THE NATIONAL
SHAWMUT BANK
of Boston

June 29, 1945

RECEIVED

JUN 30 1945

H.M.V.

Mr. H. W. Wessel, Manager
Foreign Funds Control
Federal Reserve Bank of New York
New York, N. Y.

In reply please refer to
WJH:ERD

Dear Mr. Wessel:

In accordance with Mr. Timoney's letter of June 19, with reference to the Treasury Department's desire to receive certain information subject to the regulations of General Ruling 711a as referred to in Minute 4629 of the Sub-Committee's report, please be advised that our bank has no accounts on its books which are affected by the aforementioned request.

Will you please excuse the delay in reporting on this matter, which was due to the writer's absence from the bank on vacation.

Sincerely yours,

/s/ W. J. Hartney
Vice President

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Authority NND 978020
By BSM NARA Date 8/8RG 56
Entry 66-A-816
File 29,000 Gen. Ruling
No. 11A
Box 59

67007

FEDERAL RESERVE BANK

of New York

FISCAL AGENT OF THE UNITED STATES

MEMORANDUM

July 6, 1945

To: Mr. J. S. Richards, Chief,
Licensing Division, Foreign Funds Control

From: H. M. Wessel

Reference is made to Minute No. 628 and Minute No. 629 of the Sub-Committee on Foreign Funds Control appearing in the minutes of the meeting held on June 15, 1945. We are transmitting herewith letters received from the Guaranty Trust Company of New York, The National Shawmut Bank of Boston, The First National Bank of Boston, The Second National Bank of Boston, The First National Bank of the City of New York, and Kuhn, Loeb & Company. There is also enclosed a letter from the Sub-Committee indicating the method used by the National City Bank of New York, Chase National Bank of the City of New York, and the Guaranty Trust Company of New York in reviewing and marking accounts on their respective books which are subject to the provisions of General Ruling 11A.

With reference to Minute No. 628, we have only received one letter which was submitted by the Guaranty Trust Company of New York.

As additional information is received by us, we will transmit the same to you and if any further information is desired by the Treasury, please let us know.

Enclosures

s/d H. M. Wessel

cc: Messrs. Hoffman, Richards, Moskovitz, O'Flaherty, Robinson,
Jones, de Zavallos, Mrs. R. Schwartz, and Mrs. M. Schwartz.
7/19/45. mb

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Authority NND 978020
By BSM NARA Date 8/8

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Entry

66-A-816

File

24,000 Gen. Ruling
No. 11A

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GUARANTY TRUST COMPANY OF NEW YORK

140 BROADWAY

NEW YORK 15, NEW YORK

July 2, 1945

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Mr. H. M. Wessel
 Manager, Foreign Funds Control
 Federal Reserve Bank of New York
 Federal Reserve P. O. Station
 New York 7, N. Y.

Dear Mr. Wessel:

GENERAL RULING NO. 11A

With respect to the request of the Treasury Department as referred to in Minute No. 629 of the meeting of the Foreign Exchange Committee - Sub-Committee on Foreign Funds Control held on June 15, 1945, we have pleasure in enclosing a list of the individual accounts on our books which have been noted by us as subject to the restrictions of General Ruling No. 11A where the individual concerned is not known to be within Germany or Japan.

Yours very truly,

s/d John L. Timney
 John L. Timney
 Assistant Manager

Enc.
 jo

cc: Messrs. Hoffman, Richards, Moskowitz, O'Flaherty, Robinson,
 Jones, de Zevallos, Mrs. R. Schwartz, and Mrs. M. Schwartz.
 7/19/45 - mb.

344839

DECLASSIFIED

Authority NND 978020

By BAM HARA Date 8/8

RG 56

Entry 66-A-816

File 24,000 Gen. Ruling No. 11A

Box 59

FOREIGN FUNDS CONTROL

To: Mr. ~~Moskovitz~~ 919 DNB
 (1) (Room) (Bldg.)
 (2) (Room) (Bldg.)
 (3) (Room) (Bldg.)

Further reports from banks with respect to ll A accounts.

From: J. M. McHugh 7/24/45
(Date)

719 DNB
(Room) (Bldg.)

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RG

56

Authority NND 978020

Entry 66-A-816

By BSM NARA Date 8/8

File 29,006 Gen. Ruling
No. 11A

Box 59

FEDERAL RESERVE BANK
OF NEW YORK
FISCAL AGENT OF THE UNITED STATES

MEMORANDUM

July 19, 1945

To: Mr. John S. Richards, Chief,
Licensing Division
Foreign Funds Control
Treasury Department
Washington 25, D. C.

From: H. M. Wessel

Supplementing my memorandum to you dated July 6, 1945, I am enclosing, herewith, further reports from banks with respect to the accounts maintained on their books subject to the provisions of General Ruling No. 11A. These letters are in response to the request made in minutes No. 628 and 629 of the Sub-Committee on Foreign Funds Control appearing in the minutes of the meeting held on June 15, 1945.

The attached letters with respect to minute No. 629 were received from the Chase National Bank of the City of New York, Irving Trust Company, Brooklyn Trust Company, Empire Trust Company, J. Henry Schroder Banking Corporation, all in New York City, and one from the First National Bank, Chicago, Illinois.

There is also one letter from the Irving Trust Company in response to minute No. 628.

/s/ H. M. Wessel

Atts.

cc: Messrs. Hoffman, Richards, Moskowitz, O'Flaherty, Robinson, Jones,
deVallois, Mrs. A. Swartz, Mrs. M. Schwartz. 7/24/45.

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NND 978020

By bjm WARA Date 8/8

RG

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Entry 66-A-816

File 24,000 Gen. Ruling No. 11A

Box 59

THE CHASE NATIONAL BANK
OF THE CITY OF NEW YORK

CABLE ADDRESS-CHASEBANK

NEW YORK

July 9, 1945

In replying please refer to
2-15-1E

Mr. Harold M. Wessel,
Manager, Foreign Funds Control
Federal Reserve Bank of New York
Federal Reserve P.O. Station,
New York 7, New York

Dear Mr. Wessel:

With reference to Minute No. 629 of the Foreign Exchange Committee-Sub Committee on Foreign Funds Control- and the letter of June 29th from the Standing Committee on this subject, we are pleased to enclose a list of individuals, according to our present information, no longer in Germany or Japan, but who, according to our records, may possibly have been within the territory specified in the Ruling since December 7, 1941.

Even though our information in many cases is not conclusive, we have, for the sake of prudence, marked our ledger records that the accounts are subject to General Ruling 11-A, and we are writing to these individuals informing them that we will permit no withdrawals from their accounts until they have furnished us with information which will indicate to our satisfaction that their accounts are not subject to the provisions of General Ruling 11-A. It is likely that these letters to our depositors will in some cases elicit information which will indicate to our satisfaction that the accounts of these depositors are not subject to the provisions of General Ruling 11-A. If you have no objection, in such instances we propose to remove from our ledger records the reference to General Ruling 11-A and permit withdrawals from these accounts consistent, of course, with other provisions of the Executive Order.

Very possibly additional information may at times come to light which will throw additional accounts into the category we have included in the attached list. If your records contain any information which may assist us in determining that the accounts of any of the persons indicated are not subject to the provisions of General Ruling 11-A, we should very much appreciate the benefit of whatever information you may be in a position to furnish us.

Yours very truly,

/s/ L. P. Kelley

Leo P. Kelley
Second Vice President

ab

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Authority NND 978020
By BAM NARA Date 8/8

RG

56Entry 66-A-816File 29,006 Gen. Ruling No. 11ABox 59

IRVING TRUST COMPANY
ONE WALL STREET
NEW YORK

F. Hartman
Vice-President

July 11, 1945

Mr. H. E. Wessel, Manager
Foreign Funds Control
Federal Reserve Bank of New York
33 Liberty Street
New York, N. Y.

Dear Sir:

Minute 629 of the Foreign Exchange Committee - Sub-Committee on Foreign Funds Control mentioned that the Treasury Department would like to receive information as to the manner in which domestic banking institutions had segregated or otherwise earmarked their blocked German or Japanese accounts which are subject to the regulations of General Ruling 11A.

In our institution the ledger records of all accounts subject to the ruling have been earmarked "General Ruling 11A Account" to signalize that no payments, transfers or withdrawals may be made without being properly referred to see whether they come within the scope of the ruling.

As requested attached is list of individual accounts which have been noted as subject to the restrictions of General Ruling 11A where the individual concerned is no longer in Germany or Japan.

Very truly yours

/s/ F. Hartman

Vice President

344863

DECLASSIFIED

RG

56

Authority NND 978020

Entry 66-A-816

By bsm NARA Date 8/8

File No. 29,000 Gen. Ruling
No. 11A

Box 59

BROOKLYN TRUST COMPANY
MEMBER OF THE FEDERAL RESERVE SYSTEM
177 MONTAGUE STREET
BROOKLYN 2, N. Y.

In replying refer to
WJB:enc

July 9, 1945.

Mr. H. M. Wessel, Manager,
Foreign Funds Control Dept.,
Federal Reserve Bank of New York,
New York 7, New York.

Dear Mr. Wessel:

In response to a request from Mr. John L. Timoney,
Secretary, Foreign Exchange Committee - Sub-Committee
on Foreign Funds Control, we wish to advise that blocked
accounts subject to General Ruling 11A are segregated
in dormant ledgers and marked as blocked accounts.

To the best of our knowledge and belief we have no
accounts subject to the restrictions of General Ruling 11A,
where the individual concerned is no longer in Germany or
Japan.

Very truly yours,

/s/

E. A. Drew

EARL A. DREW,
Vice President.

344864

DECLASSIFIED

Authority NND 978020
By BSM NARA Date 8/8RG 56
Entry 66-A-816
File 29,000 Gen. Ruling
No. 11A
Box 59EMPIRE TRUST COMPANY
MAIN OFFICE
120 BROADWAY
NEW YORK 5, N. Y.

Charles F. Traves, Auditor

July 17, 1945

Mr. W. M. Hessel, Manager,
Foreign Funds Control
Federal Reserve Bank of New York
67 Wall Street
New York, N. Y.

Dear Sir:

At the request of Mr. John Tisonby, Secretary of the Sub-Committee on Foreign Funds Control, we wish to advise you that to the best of our knowledge and belief, we have no accounts subject to the restrictions of General Ruling No. 11A where the individual concerned is no longer in Germany or Japan.

For your information, we have earmarked accounts subject to General Ruling No. 11A, but they are not segregated on our books.

We trust this is the information you desire.

Yours very truly,

/s/

C. F. Traves
Charles F. Traves
AUDITOR

CFT:cm

344865

DECLASSIFIED	RG <u>56</u>
Authority <u>NND 978020</u>	Entry <u>66-A-916</u>
By <u>bsm</u> NARA Date <u>8/8</u>	File <u>24,006 Gen. Ruling No. 11A</u>
	Box <u>59</u>

J. HENRY SCHRODER BANKING CORPORATION
 CABLE ADDRESS: SCHROBRANCO

46 William Street
 New York

In your reply please refer to

July 6, 1945

Mr. R. M. Wessel, Manager
 Foreign Funds Control Dept.
 Federal Reserve Bank
 67 Wall St.
 New York, N. Y.

Dear Sir:

Through the Foreign Exchange Committee, you have requested information regarding certain accounts which are subject to the restrictions of General Ruling 11A and also a list of individual accounts subject to this ruling where the individual is no longer in Germany or Japan.

With reference to your first question we wish to advise you that all accounts subject to General Ruling 11A have been so marked on our records.

On the basis of information now available to us the following accounts are those of individuals whose accounts are subject to General Ruling 11A but who are believed to be no longer in Germany or Japan:

<u>Name</u>	<u>Electd. As</u>	<u>Domicile</u>
Walter L. Auerbach	Ger. & Dutch	Naarden-Bussum, the Netherlands
Richard Birnbaum &/or Kaethe Birnbaum	"	Amsterdam, the Netherlands
Dr. Leo Blum &/or Hella Blum	"	Hilversum, the Netherlands
Miss Henriette Feuerstein	"	Amsterdam, the Netherlands
Karl Buhn	Ger. & Chinese	Shanghai, China

Very truly yours,
 J. HENRY SCHRODER BANKING CORPORATION

/s/ S. B. Post
 Stanley B. Post
 Assistant Vice President

SBP:el

DECLASSIFIED

 AUTHORITY NND 978020
 By BJM NARA Date 8/8

RG

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Entry

66-A-816

File

24,000 Gen. Ruling
No. 11A

Box

59

CHARTER NUMBER 8
 THE FIRST NATIONAL BANK OF
 CHICAGO.

July 11, 1945

Mr. H. M. Wessel, Manager
 Foreign Funds Control
 Federal Reserve Bank
 New York, New York

Dear Mr. Wessel:

The Sub-Committee on Foreign Funds Control of the Foreign Exchange Committee refers to Minute 629 and requests that we furnish you with information re - the blocking of accounts subject to General Ruling No. 11 A.

The accounts are shown as "blocked" on our records and no transactions are permitted. When such transactions arise they are examined individually to determine whether they are barred by General Ruling 11 A.

We have no knowledge of any individuals subject to General Ruling No. 11 A having left Germany or Japan.

Yours very truly,

/s/

J. C. Sommer
 Assistant Auditor

WDB:mk

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DECLASSIFIED

RG

56

NND 978020

Entry 66-A-816

File 24,000 Gen. Ruling
No. 11A

Box 59

IRVING TRUST COMPANY
60 WALL STREET
NEW YORK

F. HARTMAN
VICE-PRESIDENT

July 11, 1945

Mr. H. M. Wessel, Manager
Foreign Funds Control
Federal Reserve Bank of New York
33 Liberty Street
New York, N. Y.

Dear Sir:

In accordance with Minute 628 of the Foreign Exchange Committee-Sub-Committee on Foreign Funds Control, we attach list showing the names and business operating license number, if any, of domestic corporations having accounts in our institution where an individual of the type described in (1) (b), or an organization of the type described in (1) (c) of General Ruling 11A is a sole or substantial stockholder.

Very truly yours

/s/

F. Hartman

Vice President

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DECLASSIFIED	RG <u>56</u>
AUTHORITY <u>NND 978020</u>	Entry <u>66-A-816</u>
By <u>BJM</u> NARA Date <u>8/8</u>	File <u>29.00 Gen. Ruling No. 13</u>
	Box <u>59</u>

Klein

April 1, 1943. 28.00

TO: ALL MEMBERS OF DIVISION D.

FROM: MR. LAWLER

Re: Hearings under General Ruling No. 13.

Examination of a transcript of a hearing has again raised what seems to me to be a troublesome problem.

When the national appears for a General Ruling No. 13 hearing accompanied by an attorney, the attorney should be acting either as an attorney or as a witness. If he is acting as an attorney, he should not be reported to be stating facts which really are matters of opinions. In the future, when this occurs, I would suggest that you ask the attorney if he wishes to testify. If he does, examine carefully into his qualifications as to personal knowledge of the matters being investigated and have him testify as a separate witness.

I would suggest, by all means, that you put an end to a practice which is now indulged in by some attorneys of placing hearsay and their own interpretation of facts into the record in the guise of explanation of the statements of the witness.

(Initialed) J.J.L.

cc-Mr. Ball*
Mrs. Shwarts*
Mr. Sachs*

*For your information.

JLL:fmw 4/1/43

344869

DECLASSIFIED

Authority NND 978020
By BSM NARA Date 8/8RG 56
Entry 66-A-816
File 24,006 Gen. Ruling
No. 131
Box 59

See: 0.16

28.00

CONFIDENTIAL FOR THE YEAR:

May 28, 1945.

Re: H. H. Heston, Inc.

Mr. Frederick Fride, an attorney of New York City, was in to see Mr. Day and myself this afternoon. He stated that his law firm was representing Kearney & Froster Company of Milwaukee in an action commenced against such company by H. H. Heston, Inc. (H.I.). He stated that the plaintiff claimed to be an assignee of Heston & Co., a French company, pursuant to an assignment executed after freezing. The claim of the plaintiff is that the French company has certain connections coming from the Milwaukee concern and that the claim of the French company was assigned to the American company.

Mr. Fride inquired whether a license from the Department would be necessary in order for such an assignment to be executed, and if so whether we had issued such a license. He told him that the Department was not requiring a license to execute an assignment merely for the purpose of starting action as long as there was no change of beneficial interest; however, if there was a change of beneficial interest a license would be required.

We further stated that an application was now pending with reference to this matter but that no action had been taken. We called to Mr. Fride's attention that in the event we issued a license, such license would be purely permissive and we would not be passing upon the legality of the assignment under New York law. He inquired as to the action we proposed to take and we stated that inasmuch as further evidence was to be submitted to us we could not give him the information. He told him that generally speaking we were not authorizing transfers by a French company without consideration in the absence of clear proof of the underlying transactions and the purposes thereof. He further stated that in certain cases we did authorize such transfers when declarations of trust were executed or other arrangements were made which would establish that the beneficial interest would remain in the French company.

Mr. Fride said the action would undoubtedly come on for trial within the next three weeks and that one of the issues involved would be whether the assignment to the plaintiff had been licensed by the Treasury Department.

Mr. Fride mentioned the possibility of his writing a letter to the Department asking whether a license was necessary and the effect of any license that might be issued upon the private rights and liabilities of the parties. I told him that where litigation is imminent we sometimes follow a practice of writing both parties to the effect that any license issued by us is merely permissive and merely removes the prohibitions imposed by the Trading with the Enemy Act.

344870

DECLASSIFIED	RG <u>56</u>
Authority <u>NND 978020</u>	Entry <u>66-A-816</u>
By <u>BSM</u> NARA Date <u>8/8</u>	File <u>29,000 Gen. Ruling No. 131</u>
	Box <u>59</u>

- 3 -

We told Mr. Price that we were going to advise Mr. Turner, the local attorney for A. S. Steiner, Inc., of Mr. Price's call.

We mentioned that we would follow with interest any developments as to the necessity of a Treasury license and in the event that the trial of the case should disclose that no Treasury license had been issued we might desire to present our views of the situation to the court.

T. G. Allen

Note: An application by the New York company for a restrictive license to validate the assignment from the French company to it is now pending. We have indicated to the applicants that the application will not be granted unless the applicant will prepare a declaration of trust or otherwise certify that it will hold the proceeds of all collections in a blocked account in a domestic bank for the benefit of the French company.

Copies to Messrs. Roy, J. J. Jones, Blaine, Hon. Margaret Schwabach, Messrs. Boardman, Aronson, Golding, Miss Klein

DECLASSIFIED	RG <u>56</u>
AUTHORITY <u>NND 978020</u>	Entry <u>66-A-816</u>
By <u>BJM</u> NARA Date <u>8/8</u>	File <u>No. 13</u>
	Box <u>59</u>

mark for files

28.00

March 29, 1943.

TO: Messrs: Caspary
 Rutash
 Litvillo
 Loker
 Moskowitz
 Parker
 Warner
 Miss Klein ✓

FROM: Mr. Lawler

Re: Hearings under General Ruling No. 13

I have examined the transcripts of several hearings and I should like to suggest that in the future, in conducting any hearing under General Ruling No. 13, you should observe the following:

(a) At the start of the testimony of any witness, you should get clearly upon the record the fact that the appearance of the witness is purely voluntary and that he is not appearing as a result of any threat or promise by the Treasury Department; he is not only free to refuse to answer any question asked of him, he is completely free to avoid the hearing entirely. He should also be reminded that he is protected by his constitutional rights and need not answer any question if the answer will intend to incriminate him.

(b) In some hearings there has not been a careful integration of exhibits into the record. It is recommended that before confronting a witness with an exhibit you have the reporter initial the exhibit in his presence. Call attention to that fact in the record, using a number or letter designation in cases where that is necessary because of the number of exhibits. In any event, make certain that when the record refers to an exhibit the exhibit is clearly identified and the record reflects the fact that this identification was known to the witness at the time of the question.

J. J. Z.

JSL:ckw 3/30/43

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