

August 18, 1941

TO: Mr. Pehle

FROM: Mr. May

Re: - UNION BANKING CORPORATION

Reference is made to your memorandum of August 6, 1941, and to my memorandum to Mr. Towson of August 1, 1941, as dictated to his secretary.

My investigation regarding Union Banking Corporation and other associated companies is now nearing completion and a full report will be submitted within a short time. In the meantime the following preliminary information may be of interest.

Union Banking Corporation, incorporated August 4, 1924, is wholly owned by the Bank voor Handel en Scheepvaart, N.V., of Rotterdam, The Netherlands. My investigation produced no evidence as to the ownership of this Dutch bank. Mr. Cornelis Lieveense, president of the Union Banking Corporation, claims to have no knowledge as to the ownership of the Bank voor Handel en Scheepvaart, N.V., but believes it possible that Baron Heinrich Thyssen, brother of Fritz Thyssen, may own a substantial interest. Heinrich Thyssen is said to have acquired Hungarian citizenship.

In 1931 to 1933 the Union Banking Corporation made extensive purchases of gold amounting altogether to over eight million dollars. All of this gold, except for about three million dollars, was shipped abroad during the years in question. The balance, amounting to \$3,085,000.00, was delivered to the Federal Reserve Bank on June 15, 1934. It is possible that these gold purchases may have given rise to the rumor that Fritz Thyssen has large gold deposits hoarded in the United States. However, in my examination of the books and ledgers of the Union Banking Corporation all of the purchases have been satisfactorily accounted for.

In the fall of 1938, during the Munich crisis, Union Banking Corporation held two million dollars in currency in a safe deposit box in New York, but this sum was subsequently deposited in the company's account with Brown Brothers, Harriman. This transaction also is satisfactorily accounted for in the books.