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August 13, 1941

TO: Mr. Peble
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 Livense, 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 Frits 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 Frits 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.

*J. W. Peble, assisted to the Sec of Treasury
to C. S. May, Aug 18, 1941 -
Treasury Dept file*

DECLASSIFIED

Authority NND 9608103

By *mt* NARA Date 9/12/83

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As of June 30, 1942, assets were listed as \$3,150,735.72, with current liabilities of \$2,397,166.82, of which \$2,280,734.39 was due to the Bank voor Handel en Scheepvaart. 4/ A copy of the balance sheet and Profit and Loss statement is attached as Exhibit I. The corporation's accounts are audited by Haskins & Sells, Certified Public Accountants, 67 Broad Street, New York, New York.

BANKING FACILITIES:

The subject corporation banks with Brown Brothers, Harriman & Company, 59 Wall Street, New York City, and maintains inactive accounts with the Guaranty Trust Company, 140 Broadway, Chase National Bank, 11 Broad Street, and National City Bank, 52 Wall Street, all of New York City. 5/

HISTORY OF CORPORATION:

Union Banking Corporation was originally organized by several of the partners of Harriman and Company (now Brown Brothers, Harriman and Company). W. Averill Harriman was in Europe sometime prior to 1924 and at that time became acquainted with Fritz Thyssen, the German industrialist. Thyssen had formed the Bank voor Handel en Scheepvaart in Rotterdam and presumably controlled that institution. At one of his meetings with Harriman, Thyssen told Harriman that he was forming a bank in New York to look after his interests in the United States and asked Harriman to serve on the Board. Harriman agreed that certain of his associates would serve as directors and as a result various members of the Harriman organization have been on the Board of the Union Banking Corporation ever since. 6/

4/ TEBE-1 Affidavit dated August 1, 1942, supra.

5/ ~~Ibid.~~

6/ Letter from Knight Woolley to William R. White, State Superintendent of Banks, dated January 14, 1941. (APC File, D-49-283).

1928

UNION BANKING CORPORATION, NEW YORK CITY

[39 Broadway; organized 1924]

C. LIEVENSE, President.

HARRY E. TOWLE, Treasurer.

DIRECTORS

**E. ROLAND HARRIMAN,
J. GROENINGER,**

**SAMUEL F. PRYOR,
C. LIEVENSE,
W. F. HOLT,**

**H. J. KOUWENHOVEN,
HARRY E. TOWLE.**

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REPORT OF INVESTMENT COMPANIES

UNION BANKING CORPORATION, NEW YORK

**New York State
Legislature '42**

[39 Broadway; organized 1924]

CORNELIUS LIEVENSE, President

WALTER KAUFFMANN, Treasurer

DIRECTORS

**CORNELIUS LIEVENSE
E. ROLAND HARRIMAN**

**H. D. PENNINGTON
P. S. BUSH
J. G. GROENINGER**

**H. J. KOUWENHOVEN
RAY MORRIS**

