

(COPY)

July 8, 1936

Dear J-W:

I have your letter of July 3rd relative to statements for G-373, N-338 and N-287 which have not been signed.

I wrote you about N-287 sometime ago when I returned his first statement to be combined with his May statement. At that time I explained that we had not as yet asked N-287 to sign a statement as he is the hooked man in Danville and I did not think it advisable to let him know too much about our organization at this time.

G-373 and N-338 are the two hooked men in Texas. As far as these men are concerned, they know nothing about our organization and only know L-H. You understand that none of these three men have signed a written contract, the arrangement being a verbal one and for the present I think this arrangement is best. In all cases, these men are signing form 8 receipts or form 54 receipts for all money which they receive and this of course would indicate to your department that they have actually received this money and you have a receipt for it. For various reasons I do not think it is altogether advisable to send statements to them to sign each month. However, if your department thinks that the statements are absolutely necessary, we will get them signed.

Naturally we would want you to get out statements each month for these men and send them to us so L-H can check his books, but it seems to us that considering the way we are handling these men that if L-H simply okays the statement and sends it back to you without the operative's signature, it would be sufficient and considering the fact that the arrangement with these men is entirely verbal and you will, of course, have receipts for all money sent them. If you think this arrangement is satisfactory for the time being at least, please advise me and if you feel that it is imperative you have a signed statement we will, of course, abide by your decision and get these statements signed, in which latter event you can combine the May and June statements of all of these men. If Y-37 will discuss this with J-W and let me know what you decide, I will be obliged.

Very truly yours,

E-204

F-J

(pencil Note)

Sept 15

Ia:HLL:NY

(CORPORATIONS AUXILIARY EXHIBIT # _____)