

## GENERAL INFORMATION ON U. S. CURRENCY

### 1. LEGAL TENDER STATUS

The first United States paper money under the Constitution dates from 1861, when the Demand Notes were issued. From then to now, all currency issued by the United States Government has remained valid.

All the old and obsolete notes described in this book are still legal tender at their face value and will be exchanged by banks or the Government, if the owner so desires, for current paper money.

In some cases, the actual redemption value is higher than the face value, and such notes will be redeemed by the Government at the higher value. These are the Compound Interest Notes, the Interest Bearing Notes and the Refunding Certificates. Please refer to Sections III, IV and V in the text for further information.

Only once in the past has the Government ever recalled any of its paper currency for any reason, or mandated its exchange for other types of paper money. This was in 1933, when the Gold Reserve Act required all holders of Gold Certificates to surrender them for ordinary currency. However, to this day, Gold Certificates will be exchanged like all other notes, even though they are no longer redeemable in actual gold coin.

The exalted position thus occupied by American currency is unique in the annals of world finance. It is doubtful if any nation past or present, can point to such a long, unbroken series of currency issues, the integrity of which has so surely and confidently been maintained. The 3 Cent Fractional Currency Note of 1869 is still able to buy a 3 cent postage stamp, and the 1,000 Dollar Note of 1869 can still purchase its equivalent in the goods and services of today.

Americans can be quite proud of the basic soundness of this country's financial structure that has made all this possible. Collectors of old currency especially, can take a great deal of comfort in the knowledge that their valuable notes are so well fortified against loss of face value by the Government of the United States and its Treasury Department.

### 2. THE BEGINNINGS OF U.S. CURRENCY

#### Colonial Notes, Continental Currency, State Bank Notes

Paper money circulated in the United States long before 1861, when the Demand Notes were issued.

Various types of paper money, for example, were in use in all of the American Colonies while they were still under English rule. The issuance of this currency by the Colonies was a matter of urgent necessity since there was a shortage of coins in the growing nation.

Beginning in mid-1775, the Continental Congress authorized the issuance of currency to finance the Revolutionary War. This became known as Continental Currency. The notes were redeemable in Spanish Milled Dollars (a large silver coin of 8 Real denomination struck at any of the Spanish Colonial Mints in Mexico or South America). But the Continental Currency depreciated to a point where it cost more to print than it would buy. The depreciation of these notes is the source of the expression 'not worth a Continental.'

After the Constitution was ratified, the coinage system of the United States was established. The first coins of the new country were struck in 1793 at the Philadelphia Mint, when copper cents and half cents were issued. From then on until 1861, the Government did not find it necessary to issue paper money as we know it.

However, during this interim, there were periods of war, financial stress and sometimes panic. To meet the drain on the Treasury caused by these events, and to overcome the deficits, the Government from time to time issued Treasury Notes. These notes were actually promissory notes which bore interest and which the Treasury redeemed as quickly as possible. They did not circulate as

money, except for the small denomination notes of 1815. The 5, 10, 20 and 50 Dollar notes of 1815 were not interest bearing and did circulate as money for a brief period.

Some of the events which brought forth these Treasury Notes were the War of 1812, the Mexican War of 1846, the 'Hard Times' of 1837-1843, the Panic of 1857 and the unsettling situation of 1860 just prior to the impending Civil War.

It was also during the latter part of this interim period (1793-1861) that the United States was virtually blanketed by issues of State Bank Notes. The country at this time was just beginning to prosper and grow, and it soon became apparent that there was insufficient money in actual circulation to meet the demands of trade and commerce.

Consequently, the various States granted charters to many private banks in their jurisdiction, and by the terms of these State Charters the banks were authorized to print and circulate their own currency.

Ostensibly, the backing for this currency was the amount of money on deposit in the Bank -there were none of the restraints that we know today. The tragic consequence of this banking system was that the banks failed with alarming ease. If bank borrowers defaulted on their loans because of poor business, or for other reasons, then the banks had no recourse but to close their doors, since they literally went 'broke.' When that happened, the currency issued by the banks became worthless paper and a great deal of financial hardship was inflicted on the holders of these bank notes. In the old days, the term 'wildcat' was applied both to the banks and their currency. Today, these historical paper mementos are called 'Broken Bank Notes.' Some of them are of great beauty of design and color and they are widely collected by the present generation of currency collectors.

Soon after the Civil War began, the United States found itself in desperate need for money to finance the war. The only remedy that could be found was in an issue of paper money. Accordingly, Congress passed the Act of July 17, 1861 which permitted the Treasury Department to print and circulate paper money to the extent of 60 million dollars. In the meanwhile, the Government had suspended specie payments. The effect of this suspension was that this new paper money could not be converted into coin, either silver or gold. The public was thus forced to accept this money purely on faith and in a belief that the money would be good.

These first United States Notes are known as Demand Notes. They were followed in 1862 by the Legal Tender Notes and then by all the others as can be seen in the ensuing text.

### 3. THE TREASURY SEAL



Original Seal



New Seal

The Treasury Seal is a distinguishing feature of American Currency. In one form or another, it has appeared on every piece of paper money issued by the Treasury Department since 1862. The Demand Notes of 1861 are without the seal, as are also the first three issues of Fractional Currency.

The Treasury Seal, one might say, is the final stamp of approval that insures the legality of our currency. Combined with the expressed obligation of the government and the two signatures, it notarizes the contract, so to speak, made between the United States and the holders of its currency.

The Seal appears in several different forms and colors, as will be seen by referring to the illustrations and the text. It may be quite small, or large enough to fill up a substantial part of the note; it may be within a plain circle, or within a circle of rays, spikes or scallops; it may be red, brown, blue, green, gold or yellow. From the

viewpoint of collecting, the kind of seal used makes a distinct variety out of a given note. Two notes which otherwise appear similar in design, year and signatures, may differ in the color, shape, or size of the seal.

The design of the Treasury Seal includes a shield on which a scale, representing the emblem of Justice, and a Key, representing the emblem of official authority, appear. These two symbols are separated by a chevron bearing 13 stars symbolic of the 13 original colonies or states. The legend around the seal is "THESAUR. AMER. SEPTENT. SIGIL.," the meaning of which is "The Seal of the Treasury of North America." The Great Seal of the Treasury is older than the Constitution, having been used by the Board of Treasury under the Articles of Confederation. In 1778 the Continental Congress named John Witherspoon, Robert Morris and Richard Henry Lee to design seals for the Treasury and Navy. The committee reported on a design for the Navy the following year but there is no record of a report about one for the Treasury.

The Treasury considers Francis Hopkinson, the Treasurer of Loans, to be the actual creator of its seal. Hopkinson is known to have submitted bills to the Congress in 1780 authorizing the design of departmental seals, including the Board of Treasury. Although it is not certain that he was the designer, the seal is similar to others by him.

After the Constitution was ratified in 1789, the Treasury adopted the same seal. With only slight changes in design, this seal has been in use ever since. In 1968, a major design change was made. The new seal is simpler and less cluttered in appearance than the original. The scale and key were enlarged and five-pointed stars were replaced by the more ornate six-pointed ones. The lover's knot and flowers were removed and the Latin legend was replaced by an inscription in English reading, "The Department of the Treasury." Below is the date of the founding of the Treasury Department, "1789."

The new seal made its first appearance on the \$100 United States Note, Series of 1966. It is currently being used on all denominations of U.S. currency.

#### 4. THE GREAT SEAL

Since 1935, the most familiar denomination of paper currency, the One Dollar note, has carried the Great Seal of the United States on its reverse. Appearing on the Seal's obverse, on the right of the note, is the Latin inscription, *E Pluribus Unum*, which means, "Out of Many (States), One (Nation)."

The Seal's reverse on the left, bears two inscriptions: *Annuity Coeptis*, meaning "He (God) Has Favored Our Undertakings," and *Novus Ordo Seclorum* meaning "A New Order of the Ages." The eye in the triangle is a symbol of the all-seeing eye of God. The pyramid of 13 rows represents the 13 original colonies. The date *MDCCLXXVI* (1776) refers to the year of the signing of the Declaration of Independence. (The Great Seal appears on notes 1607-1621 and 1900-1925 and 2300).

#### 5. SIGNATURES

Except for the first two issues of Fractional Currency, all our notes bear the engraved facsimile signatures of two Treasury officials.

However, in the case of the Demand Notes of 1861, the names of these Treasury Officials do not appear on the notes, but the two signatures are those of Treasury employees signing for the officials. Please refer to Design Nos. 1, 2 and 3 in the text for the way in which these signatures appear.

From the series of 1862 through the series of 1923, the signatures appearing on our currency are of the Register of the Treasury and of the Treasurer of the United States.

However, on the large Federal Reserve Notes of 1914, and on all small size notes, the Register's name no longer appears but is replaced by the signature of the Secretary of the Treasury, the highest official of the Treasury Department. It is the Secretary's signature that now appears on our currency, alongside that of the Treasurer. There are several issues of currency which bear two other

signatures in addition to those described above. These issues are the National Bank Notes, both large and small, and the Federal Reserve Bank Notes, both large and small. On the National Bank Notes, the two additional signatures are of the President and Cashier of the issuing bank; on the Federal Reserve Bank Notes, the two additional signatures are of the Governor and Cashier (or Deputy Governor) of the issuing bank.

There are also two issues that were countersigned by various assistant Treasurers. These are the Silver Certificates of 1878 and some of the Gold Certificates of 1882. All these notes are very rare.

The question is very often asked what the functions of the Register were during the period his signature appeared on our large notes and whether there is still today a Register of the Treasury. The Treasury Department advises that the office of the Register is still in existence and occupied, and that his functions during the issuance of large notes were as follows, "To receive from official agencies all bonds and other public debt securities, both bearer and registered, including collateral issue of interest coupons, representing principal and interest of the public debt when paid and canceled, or otherwise canceled and retired or voided, for any purpose whatever; to audit, hold in custody, and make disposition thereof; to record all bearer securities and other contiguous coupons prepared for issue and all such securities and coupons retired, and to record registered bonds issued and retired; to certify to the Comptroller General of the United States the clearance of the public debt disbursements of the Treasurer of the United States for all redeemed securities whether paid by the Treasurer direct or through the Federal Reserve Banks and charged against the Treasurer's account."

For a complete list of all the Registers and Treasurers, and their years in office concurrently, please refer to the table in the Appendix.

#### 6. DATING U.S. PAPER MONEY

Every piece of United States paper money bears a date. It may be the date of an Act of Congress that authorized the issue or it may be the series year.

However, the year appearing on a given note is not necessarily the year in which it was printed and issued. This can be puzzling to a beginning currency collector, and it is certainly different from the minting of coins, which are usually struck only during the calendar year that appears on the coin.

Refer, for example, to a typical note in the text, let us say, number 234, which bears the date 'Series of 1899' and the signatures of Elliott and Burke. This note could obviously not have been printed in 1899 since official public records indicate that the two signers were in office concurrently only from November 21, 1919 to January 5, 1921. Therefore, note number 234 could have been printed only during this period. The last issue of large notes is Series of 1923 with signatures of Woods and Tate, who were in office together for 7 months, 16 days during 1928 and 1929.

The table in the appendix gives a complete chronological listing of the various Treasury Officials who signed our currency. This table also indicates the exact periods of time during which they held office concurrently, so that by referring to this table, it will be quite simple to determine when any note was printed, with the exception of National Bank Notes. See under "The Dates of Issue" in the introduction to large size National Bank Notes on page 74.

#### 7. SIZE

In accordance with Treasury Department regulations, the illustrations in this book are reduced to slightly less than three-fourths the size of the original notes. With certain exceptions, the size of an average large note is  $7\frac{7}{8}$  by  $3\frac{1}{8}$  inches.

The Interest Bearing and Compound Interest Notes are slightly larger, especially in their width. The Refunding Certificates are slightly smaller but much wider and measure  $6\frac{3}{4}$  by 3 inches.

As shown by the illustrations, Fractional Currency is of several sizes. However, these illustrations are uniformly somewhat less than three-fourths the size of the original notes. The actual size of the smallest

piece of Fractional Currency is  $2\frac{1}{2}$  by  $1\frac{5}{8}$  inches and of the largest piece, it is  $4\frac{3}{8}$  by  $2\frac{1}{8}$  inches.

## 8. COLOR

The dominant colors of U.S. paper money are black and green. The obverses all bear portraits of famous Americans or allegorical scenes and are printed in black and white, considerably enlivened by colored seals, colored serial numbers and attractive colored embellishments.

The reverses are printed in varying shades of green except for the following classes of currency: The Refunding Certificates of 1879 are printed in black and white; the Silver Certificates of 1878 and 1880 are printed in a brownish black; the National Bank Notes of the First Charter Period are bi-colored, the central painting in black, the borders in green; the first issues of the National Bank Notes of 1882 are printed in brown; the National Gold Bank Notes are bi-colored, the central portion of gold coins in black, the borders in brown; the Gold Certificates are printed in a brilliant golden orange to simulate the color of gold.

The same coloration is typical of Fractional Currency except for certain issues, which are noted in the text. (See notes 1226-1383-a.)

## 9. ERROR, FREAK NOTES AND UNCUT SHEETS

From time to time, through human or mechanical failure, unusual notes have been printed and issued.

These accidents have taken different forms, and some of these notes are highly prized by collectors. All such notes are of greater or lesser rarity, since the Bureau of Engraving and Printing is most strict in the inspection and release of the finished currency, and will not issue any notes that are imperfect in any way.

Some of the errors that have occurred in the past are as follows: without seal or seal only partly showing; serial numbers missing, incomplete or even different on the same note; a white unprinted portion showing on a note, where the paper had been accidentally folded; the seal or serial numbers upside down or printed on the reverse side of the note; the reverse inverted (a normal note is turned like the page of a book in order to read the reverse); two denominations on the same note.

By far, the most cherished and valuable error notes are those with two denominations, for example, a 5 Dollar obverse and a 10 Dollar reverse. Such notes are extremely rare, are in great demand and bring very high prices on the few occasions when they are offered for sale. An extraordinary error like this is most likely caused during the process of printing, when a sheet which has already been printed on one side is inadvertently removed from its proper place and put with sheets of another denomination, which similarly have so far been printed on only one side.

Although not considered either errors or freaks, uncut sheets of notes are also collected for their unusual appeal. Uncut sheets will most frequently be found among the National Bank Notes, more rarely among the other series. The reason for this is that National Bank Notes were delivered to the banks by the Treasury Department in the form of complete sheets. Once at the banks, the notes had to be signed by the president and cashier, and the separation of the notes became a matter of convenience for the individual bank.

An uncut sheet of American paper money, particularly those issued prior to the ones being produced today for commercial purposes by the B.E.P., is a seldom seen oddity and is usually a conversation piece. Such an item makes a handsome and impressive addition to any collection of currency.

## 10. HIGH DENOMINATION NOTES

As will be seen in the text, the Government has issued some notes with a very high face value. These notes are of the denominations of 500, 1,000, 5,000 and 10,000 Dollars.

These high denomination notes are merely mentioned in the text as having once upon a time been issued, since the main concern of

numismatists is with the small denomination notes from 1 to 100 Dollars. Although illustrated, the high denomination notes have not been priced, because they represent so much purchasing power and are of such great rarity as to make their collecting purely academic. They are quite beyond the reach of the ordinary collector because of their high face value, and just as much beyond the reach of the millionaire because of their extreme rarity, or because a few issues will be forever unobtainable, the last existing note having already been redeemed by the Treasury.

Although these high denomination notes were available to anyone who wanted them, they were not, as a matter of practice, to be found in ordinary circulation. They were held mainly by banks and clearing houses and were used to settle large cash balances. Several examples of their rarity can be given, as taken from official Treasury records of Dec. 31, 1965.

500 Dollars.	Silver Certificate.	14 pieces extant.
500 Dollars.	National Bank Note.	6 pieces extant.
1,000 Dollars.	Silver Certificate.	8 pieces extant.
1,000 Dollars.	National Bank Note.	10 pieces extant.
1,000 Dollars.	Treasury or Coin Note.	5 pieces extant.
5,000 Dollars.	Legal Tender Note.	None extant.
10,000 Dollars.	Legal Tender Note.	None extant.

The current small size notes were also issued in high denominations up to 10,000 Dollars. (See under Federal Reserve Notes.) The last 5,000 and 10,000 Dollar notes were issued during the tenure of Julian and Morgenthau. The Treasury no longer prints notes with denominations of 500 to 10,000 Dollars, and these are now being slowly retired. The 100 Dollar note has thus become the largest denomination note available.

## 11. RARITY

As collectors of currency quickly discover, many notes are quite difficult to obtain. Even after years of searching inquiry among all possible sources, some notes will remain elusive enough as to be almost unobtainable.

This rarity can be of two kinds, either of design or of condition. Great rarity is generally a combination of both.

The rarity of design is the more important since the notes involved exist in only one or two varieties, whereas notes of more common design may have numerous varieties of seals or signature combinations, making such designs far easier to acquire. Since most collectors are content with only one note of each distinctive design, the notes of rare design are in great demand and bring high prices.

The rarity of condition is concerned with those notes, irrespective of design, which are extremely difficult to acquire in new condition, although they may be fairly common in circulated state. This factor of condition is of the greatest importance to collectors who wish to build a complete collection of currency, since their aim is the acquisition of notes in the finest possible condition.

Several examples can be cited of notes of rare designs. They are here given in the order of their rarity: All Interest Bearing Notes, Compound Interest Notes and Refunding Certificates; all Demand Notes; all National Gold Bank Notes and all Silver Certificates of 1878 and 1880 (10 to 100 Dollars). Coincidentally, all the foregoing notes also represent the highest rarity of condition since they are practically unknown in new or uncirculated state. The average condition in which these notes appear is only fine.

The following specific notes can also be mentioned as of rare designs: Legal Tender 50 Dollars of 1869, Treasury or Coin 50 Dollars of 1891 and 100 Dollars of 1890 and 1891; Federal Reserve Bank Note 50 Dollars of 1918; all Legal Tender Notes of 1869; the 50 and 100 Dollar Notes of the Legal Tender issues of 1862-1863 and also of the First Charter National Bank Issues of 1863-1875; all notes of the Second Charter National Bank issues of 1882 with the denomination spelled out on the reverse, and all Treasury or Coin Notes of 1890.

Among notes which are of common design but very rare in new condition, note No. 49 is probably the most famous example. This design is quite common but only about five specimens are known of

this particular variety.

In addition to the notes of rare condition mentioned in the third paragraph above, the following are also noteworthy as being most difficult to acquire in new condition: All Legal Tender Notes of 1869; all National Bank Notes of the First Charter Period, 1863-1875; and in general all 10, 20, 50, and 100 Dollar notes of all categories from 1862 to 1890 inclusive; also the following specific notes for which please refer to the text: Numbers 19, 21-25, 31, 32, 43, 45, 46, 53, 54, 55, 74-78, 220, 221, 243, 244, 265, 347-349, 353-355, 359-361.

A word is also in order here regarding the so-called Educational Set of notes. Please see design numbers 61, 66 and 70. These notes are of extraordinary beauty and of great historical appeal and although not particularly rare, there has been such a persistent demand for them that they are expected to become very rare in time. Notes in a similar category are those of design number 68. These too have an unusual appeal and enjoy great popularity because of the numismatic reverse which shows a row of five silver Dollars.

## 12. GRADING AND CONDITION

The condition of a note is its state of preservation—its newness, its crispness, its color, its eye appeal.

The notes in this book have been priced in conditions ranging from Very Good to Choice Uncirculated condition. In some cases, where the notes are very rare in higher grades, they have not been priced. Prices found under the heading "Unc" are usually for notes which bear a commercial grade of "Choice Uncirculated," i.e. the middle range of uncirculated grades as stated below.

The following grading standards apply to paper money:

**Gem Uncirculated:** A note that is flawless, with the same freshness, crispness and bright color as when first printed. It must be perfectly centered, with full margins, and free of any marks, blemishes or traces of handling.

**Choice Uncirculated:** An uncirculated note which is fresher and brighter than the norm for its particular issue. Almost as nice as Gem Uncirculated, but not quite there. Must be reasonably well centered.

**Uncirculated:** A note which shows no trace of circulation. It may not have perfect centering and may have one or more pinholes, counting smudges, or other evidence of improper handling, while still retaining its original crispness.

Sometimes large size notes will be encountered which are obviously uncirculated, but which may have some tiny pin holes. It was customary in the old days to spindle or pin new notes together, and that is why so many uncirculated notes may show tiny pin holes. Such imperfections do not generally impair the choice appearance of a new note, and such notes are to be regarded as being in uncirculated condition, although they generally command slightly lower prices than notes in perfect condition.

**About Uncirculated:** A bright, crisp note that appears new but upon close examination shows a trace of very light use, such as a corner fold or faint crease. About Uncirculated is a borderline condition, applied to a note which may not be quite uncirculated, but yet is obviously better than an average Extra Fine note. Such notes command a price only slightly below a new note and are highly desirable.

**Extra Fine:** A note that shows some faint evidence of circulation, although it will still be bright and retain nearly full crispness. It may have two or three minor folds or creases but no tears or stains and no discolorations.

**Very Fine:** A note that has been in circulation, but not actively or for long. It still retains some crispness and is still choice enough in its condition to be altogether desirable. It may show folds or creases, or some light smudges from the hands of a past generation. Sometimes, Very Fine notes are the best available in certain rare issues, and they should accordingly be cherished just as much as uncirculated notes. See the section on rarity above.

**Fine:** A fine note shows evidence of much more circulation, has lost its crispness and very fine detail, and creases are more pro-

nounced, although the note is still not seriously soiled or stained.

**Very Good:** A note that has had considerable wear or circulation and may be limp, soiled or dark in appearance and even have a small tear or two on an edge.

**Good:** A note that is badly worn, with margin or body tears, frayed margins and missing corners.

In general, discriminating collectors will not acquire Fine or worse notes because they have lost their aesthetic appeal, but this applies only to common notes. A really rare note has a ready market in even poor condition, because it may not otherwise exist, or if it is choice, will have an extremely high price commensurate with its great rarity.

## 13. VALUATIONS

No book of this nature would be either complete or desirable without an indication of the numismatic or collectors' value of the notes.

All large size notes, fractional currency, and many, particularly older, small size notes, are important collectors' items today, and the valuations given here are offered as a guide for collectors, or for students of the subject. These prices were most carefully prepared, and are based upon recent sales records, supply and demand, rarity, general activity and a thorough analytical study of the market. The prices thus represent an average at or about which the notes would be obtainable from a numismatic dealer when in stock.

The pricing of rare notes always poses a special problem since they come up for sale so seldom and the demand for them is so avid, that any price for a rare note can, at best, be only nominal. Some rare notes in the past have no doubt changed hands at much higher prices than here quoted, and it is conceivable that they will do so again, but as mentioned above, a fair average valuation has been attempted. It must also be borne in mind that many early notes, though not rare in themselves, are of the greatest rarity when in choice uncirculated condition. Such notes are practically priceless and command their own figure when offered.

## 14. "STAR NOTES"

When a note is found to be imperfect in the course of manufacture, it is replaced with a "star" note, that is a note bearing a star either before or after the serial number. In all other respects, the "star" note is indistinguishable from the regular notes, and, of course, worth the same face value.

On Federal Reserve Notes, the star appears after the serial number. On all other issues, the star precedes the serial number. A "star" note is also used for the 100,000,000th note in a series, since the numbering machines cannot print over eight digits.

"Star" notes are indicated in the Small Size Notes section by an (\*) appearing after the catalog number.

## 15. THE COLLECTING OF UNITED STATES CURRENCY

As shown by the illustrations in the text, large size notes offer the collector an abundance of colorful design, artistic subject matter and historical and educational data.

In the last half century or so, the collecting of this currency has increased to such an extent that notes which were once plentiful are now rare, and bring prices out of all proportion to what they brought in 1940. This difference can easily be seen by comparing price lists issued at different times since 1940. This trend is still continuing, and collectors throughout the country are competing with each other for the acquisition of choice notes. More and more, note collecting is becoming an adjunct of coin collecting, and now almost all numismatists collect both.

The designs of large notes, both obverse and reverse, represent the best work of the best engravers of the nineteenth century. It is for good reason indeed that our old notes have so often been called masterpieces of the art of engraving, and beautiful enough to rank with other works of art.

So active has the collecting of large notes been, that there are now no major stocks in existence of choice and rare notes where one can select anything of his choice. In the 1940's, two of the greatest collections of paper money ever formed were broken up and the notes quickly absorbed by countless collectors. The collections referred to were those formed by Colonel Green (son of Hetty Green) and Albert A. Grinnell. The first collection was broken up in 1942 and the second was sold over a period from 1944 to 1946.

There are several ways of collecting large notes. One may collect just one note of each design or all the varieties of seal and signature of each design; or one may collect only the Legal Tender Notes or the Silver Certificates, or some other series; or one may collect the notes of a given denomination such as 1, 2 or 5 Dollar notes, etc.; or one may collect only notes of special artistic value, or of historical interest. In short, the collecting of currency, as in other collecting fields, is determined purely by personal preference and by purse.

The above paragraphs apply equally to Fractional Currency, which has also enjoyed great popularity in recent years.

By comparison with large notes, the small size currency of today is more standardized. Though it does not have the richness of color and design of the past, the collecting of small size currency nevertheless has its own charms, since the fewer basic designs have many interesting varieties that lend themselves to true numismatic study. Actually, the portraits that first appeared on these notes in 1929 remained unchanged until the late 1990's, but a glance at the illustrations will show many obvious differences in the overall appearance of these notes.

Despite their apparent paucity of design, the small size notes offer a rich paradise of variety and one who undertakes to acquire a complete set of small size notes has set himself upon a monumental task. It is believed that a complete set of uncirculated small size notes has not yet been formed, although it has been tried. Many of the notes just cannot be found in uncirculated condition.

A comparison will quickly show the difference. Large notes were issued from 1861 to 1929, a period of 68 years, which produced about 140 designs and about 1,200 varieties. The issue of small notes from 1929 to date is a period now of 75 years, which has produced only 14 portrait types but about 1,200 varieties. The above comparisons are for notes up to the 100 Dollars and do not include either the large or small National Bank Notes which were issued by thousands of different banks.

A collection of currency can be kept in either of two standard ways, in bound albums especially made for currency or in individual heavy, transparent envelopes which can be filed upright in a box.

In either case care should be taken that all materials are chemically inert.

## 16. THE COUNTERFEIT CLAUSE

The counterfeiting of United States paper money is an extremely dangerous offense. Although the penalties upon being convicted are very serious and heavy, nevertheless counterfeiters have indulged in this felony almost since our first notes were made.

In order to publicize the serious nature of counterfeiting and to acquaint the population with the penalties, many issues of our large notes bear an extract from the Criminal Code pertaining to the counterfeiting of United States paper money.

This counterfeit clause first appeared on the National Bank Notes of the First Charter period, and is last seen on the Legal Tender issues of the 1917 series. The punishment has become progressively worse since the 1860's when this clause first appeared.

On the National Bank Notes referred to above, the counterfeit clause reads "Every person making or engraving, or aiding to make or engrave, or passing or attempting to pass any imitation or alterations of this note, and every person having in possession a plate or impression made in imitation of it, or any paper made in imitation of that on which this note is printed, is by Act of Congress approved June 3, 1864, guilty of felony, and subject to a fine not exceeding one thousand dollars, or imprisonment not exceeding fifteen years, or both."

On the Legal Tender issues of the 1917 series this clause reads, "Counterfeiting or altering this note or passing any counterfeit or alteration of it, or having in possession any false or counterfeit plate or impression of it, or any paper made in imitation of the paper on which it is printed is a felony and is punishable by a \$5,000 fine or 15 years' imprisonment at hard labor or both."

## 17. BIBLIOGRAPHY

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