



KNOW YOUR MONEY U.S. Dollars

Ref: The United States Government Secret Service

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History of United States Currency

Early American colonists used English, Spanish, and French money while they were under English rule. However, in 1775, when the Revolutionary War became inevitable, the Continental Congress authorized the issuance of currency to finance the conflict. Paul Revere made the first plates for this "Continental Currency". Those notes were redeemable in Spanish Milled Dollars. The depreciation of this currency gave rise to the phrase "not worth a Continental".



After the U.S. Constitution was ratified, Congress passed the "Mint Act" of April 2, 1792, which established the coinage system of the United States and the dollar as our principal unit of currency. By this Act, we became the first country in the world to adopt the decimal system for currency. The first U.S. coins were struck in 1793 at the Philadelphia Mint and presented to Martha Washington.

The Government did not issue paper money as we know it today until 1861. In the interim years, however, the Government did issue "Treasury Notes" intermittently during periods of financial stress, such as the War of 1812, the Mexican War of 1846, and the Panic of 1857.

During this same period (1793 - 1861), approximately 1,600 private banks were permitted to print and circulate their own paper currency under State Charters. Eventually, 7,000 varieties of these "State Bank Notes" were put in circulation, each carrying a different design!

With the onset of the Civil War, the Government--desperate for money to finance the war--passed the Act of July 17, 1861, permitting the Treasury Department to print and circulate paper money. The first paper money issued by the Government were Demand Notes commonly referred to as "greenbacks." In 1862, Congress retired the Demand Notes and began issuing United States Notes, also called Legal Tender Notes.



Under Congressional Acts of 1878 and 1886, five different issues of "Silver Certificates" were produced, ranging from 1 to 1,000 dollar notes. The Treasury exchanged Silver Certificates for silver dollars because the size and weight of the silver coins made them unpopular. The last series of Silver Certificates was issued in 1923. However, the last series of modern Silver Certificates produced were the series 1957B/1935H one dollar notes, series 1953C five dollar notes, and 1953B ten dollar notes.

During the period from 1863 to 1929, the Government again permitted thousands of banks to issue their own notes under the National Banks Acts of 1863 and 1864. These were called "National Bank Notes," but unlike the earlier "State Bank Notes," they were produced on paper authorized by the U.S. Government and carried the same basic design.

In 1913, Congress passed the Federal Reserve Act, establishing this nation's Federal Reserve System. This Act authorized the Federal Reserve Banks to issue Federal Reserve Bank Notes. In 1914, the Federal Reserve Banks began issuing Federal Reserve Notes--the only currency still being manufactured today by the Bureau of Engraving and Printing.

Characteristics of United States Paper Currency

Three types or classes of U.S. paper currency are in use today. The most numerous--accounting for 99 percent of the total value in circulation--are Federal Reserve Notes. Most of the remainder are United States Notes and Silver Certificates, which are occasionally seen but are no longer produced.

The designation of the class to which the note belongs appears on the upper center of its face. Each type is identified by the distinctive color of its Treasury seal and serial numbers. On Federal Reserve Notes these are green, on United States Notes they are red, and on Silver Certificates they are blue.



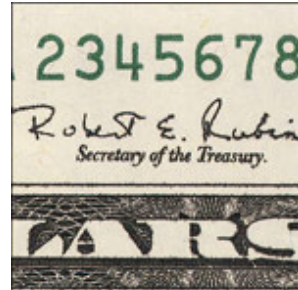
Each denomination, regardless of class, has a prescribed portrait and back design selected by the Secretary of the Treasury.

Notes of the \$500, \$1,000, \$5,000, and \$10,000 denominations have not been printed for many years and are being withdrawn from circulation. The portraits appearing on these notes are: McKinley on the \$500, Cleveland on the \$1,000, Madison on the \$5,000, and Chase on the \$10,000.

Design Features Which Vary On Genuine Currency

Signature

Design features sometimes vary from one series year to another. The most common variance comes with changes in the identity and, therefore, the signature of the Secretary of the Treasury or the Treasurer of the United States.



Jackson Portrait

Another common variation occurs in the portrait of Andrew Jackson on the \$20 note. In the 1934 and 1950 series years, he is depicted with one more finger showing than on notes of other series years.



Treasury Seal

The 1966 series marked a change in note design. One hundred dollar United States Notes of that series year featured a re-designed Treasury seal with an English inscription replacing the Latin one. The new seal, phased in over succeeding years, appears on all Federal Reserve Notes of the 1969 series year or later.



Motto

"In God We Trust" was first printed in 1955 on \$1 Silver Certificates, 1935G series year. It was gradually phased in on other denominations and classes and is now printed on the back of all U.S. paper currency of the series year 1963B or later.





Federal Reserve Seal

Prior to Series 1996, each Federal Reserve Note bears a regional seal at the left of the portrait. This seal, printed in black, bears the name of the issuing Federal Reserve Bank and the letter designating the Federal Reserve district in which that bank is located. On notes of the 1950 series and later, the black Federal Reserve regional seal is smaller than earlier designs and is surrounded by sharp points. Starting with the 1996 series Federal Reserve notes, a new universal seal represents the entire Federal Reserve system. A letter and number below the upper left serial number identifies the issuing Federal Reserve Bank.

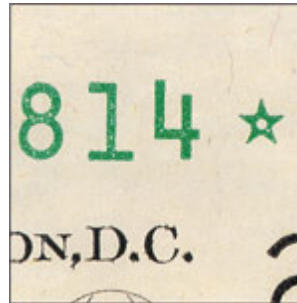


Federal Reserve Bank	Letter	Number
Boston	A	1
New York City	B	2
Philadelphia	C	3
Cleveland	D	4
Richmond	E	5
Atlanta	F	6
Chicago	G	7
St. Louis	H	8
Minneapolis	I	9
Kansas City, MO	J	10
Dallas	K	11
San Francisco	L	12



Serial Numbers and "Star Notes"

Each note of the same denomination and series has its own individual serial number. When a note which bears a serial number is mutilated in the course of manufacture, it must be replaced in the series to ensure a proper count of the notes produced. To print another note with an identical serial number would be costly and time-consuming. Consequently, a "star note" is substituted. This note has a serial number which is out of sequence with the others in the series. A star is printed after the number to show that it was placed in the series as a substitute.



Check Letter, Face Plate Number, Quadrant Number, Back Plate Number

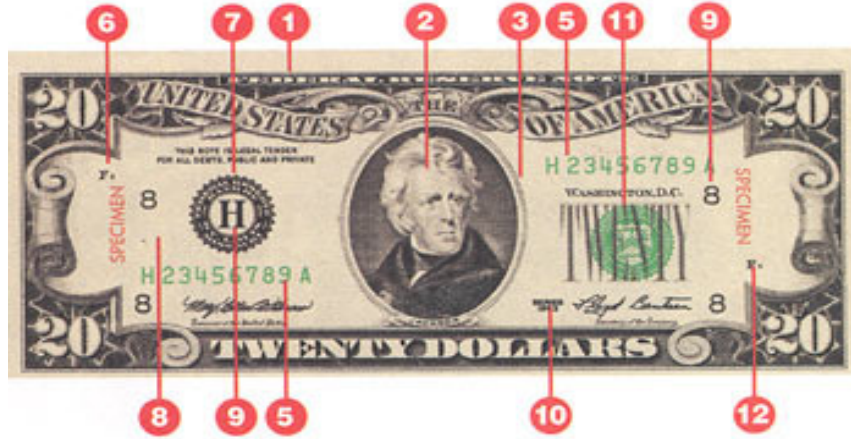
These designations are printed in specific locations on the note. In the manufacturing process, the Bureau of Engraving and Printing uses these designations to identify the specific placement of the note on the specific printing plate.

Position Of Important Features

- | | |
|------------------------------------|---------------------------------------|
| 1 Type of Note | 8 Inscribed Security Thread |
| 2 Portrait | 9 Federal Reserve Letter/Number |
| 3 Microprinting | 10 Series |
| 4 Fine-Line Printing Pattern | 11 Treasury Seal |
| 5 Serial Number | 12 Check Letter and Face Plate Number |
| 6 Check Letter and Quadrant Number | 13 Back Plate Number |
| 7 Federal Reserve Seal | 14 Watermark |
| | 15 Color Shifting Ink |



20 Front (1990-1995 Series)



\$20 Back (1990-1995 Series)



\$20 Front (1996 Series)

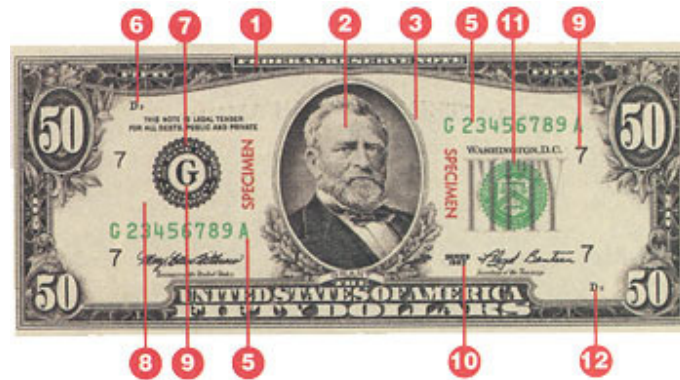




\$20 Back (1996 Series)



\$50 Front (1990-1995 Series)

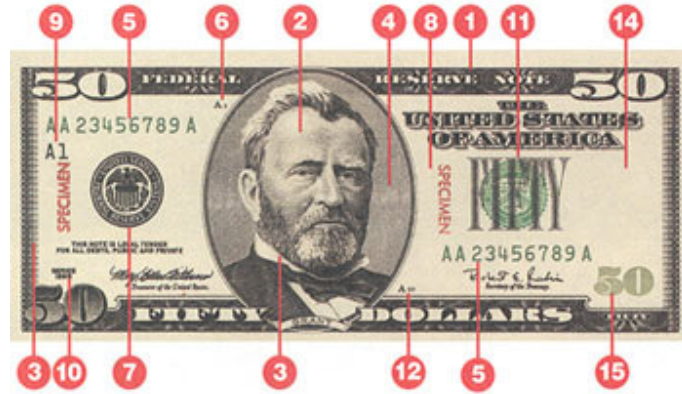


\$50 Back (1990-1995 Series)

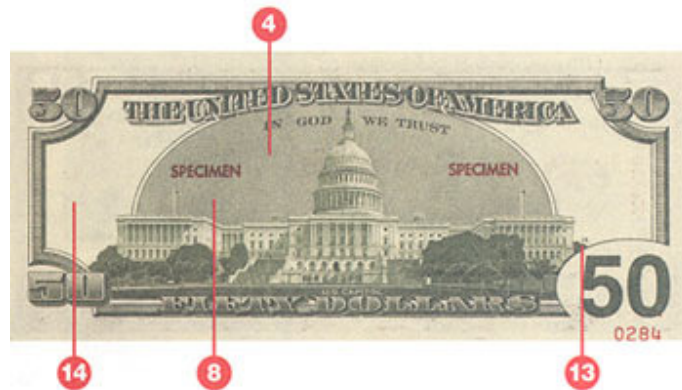




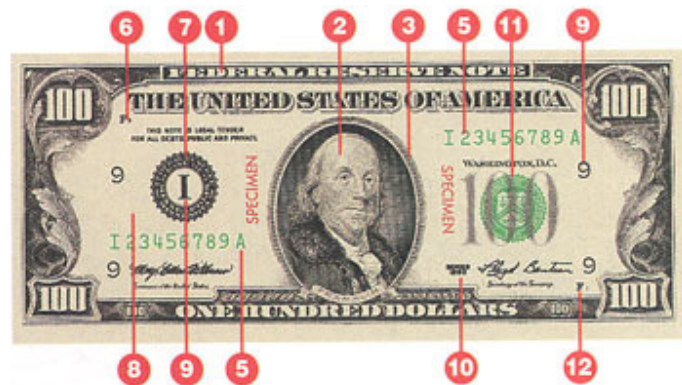
\$50 Front (1996 Series)



\$50 Back (1996 Series)



\$100 Front (1990-1995 Series)





\$100 Back (1990-1995 Series)



\$100 Front (1996 Series)



\$100 Back (1996 Series)





Portraits & Back Designs On Other Paper Currency

Portrait	Back
 George Washington	 Great Seal of the United States
 Thomas Jefferson	 Declaration of Independence
 Abraham Lincoln	 Lincoln Memorial
 Alexander Hamilton	 U.S. Treasury Building

Design Features For Series 1990-1995 Issued Currency

Due to increases in color copier technology, two security features were added to Series 1990, 1993 and 1995 U.S. currency. These new features appeared in denominations \$5 through \$100. Existing currency and the new series will co-circulate until existing currency is withdrawn at the Federal Reserve banks and branches.

Inscribed Security Thread

A clear, inscribed polyester thread has been incorporated into the paper of genuine currency. The thread is embedded in the paper and runs vertically through the clear field to the left of the Federal Reserve Seal.

Printed on the thread is a denomination identifier. On \$100 and \$50 denominations, the security thread has "USA 100" or "USA 50" repeated along the entire length of the thread. Lower denominations (i.e. \$20, \$10 and \$5) have "USA" followed by the written denomination. For example, "USA TWENTY USA TWENTY" is repeated along the entire length of the thread.

The inscriptions are printed so that they can be read from either the face or the back of the note. The thread and the printing can only be seen by holding the note up to a light source.



Microprinting

Concurrent with the addition of the security thread, a line of microprinting appears on the rim of the portrait reading "THE UNITED STATES OF AMERICA" and is repeated along the sides of the portrait.

To the naked eye, the microprinting appears as little more than a solid line and can only be read by using magnification. Microprinting cannot be accurately reproduced by office machine copiers or printers.



Design Features For Series 1996 Issued Currency

In 1996, the United States began issuing currency with a new design and additional security features. These elements were incorporated to make U.S. currency easier to recognize as genuine and more secure against advanced reproduction technology that could be used for counterfeiting. Pre-existing security features such as the security thread and microprinting are included in the new notes and have only changed slightly.

The New Design

The new currency has the same historical figures and national symbols as the old series notes, in addition to having the same color, size, and texture of the older bills. However, there are several new features that are unique to the series 1996 notes:



- A larger, slightly off-center portrait that incorporates more detail.
- A watermark of the figure in the portrait.
- New serial numbers that consist of two prefix letters, eight numbers, and a one-letter suffix. The first letter of the prefix designates the series (for example, series 1996 is designated by the letter A). The second letter of the prefix designates the Federal Reserve Bank where the note was issued.
- A universal Federal Reserve seal rather than individual seals for each Reserve Bank.
- The security thread indicating the bill's denomination is now located in a different position on each denomination. The inscribed security thread in the 1996 series \$20 and \$50 also includes a flag.
- Optically variable ink (OVI) changes from green to black in the number in the lower right-hand corner of the bill when viewed from different angles.
- Microprinting appears in different areas on each of the denominations.
- On both sides of the Federal Reserve Note, the background of the portrait and back design incorporate fine-line printing that is difficult to resolve on digital imaging equipment.

Although all denominations of currency beginning with series 1996 have security features, the number of features will vary according to the note's denomination and series. However, the basic appearance of all denominations will not vary.



Paper (Series 1996)

Beginning with Series 1996, each denomination bears a watermark depicting the same historical figure as the portrait, positioned to the right of the portrait.

As with prior Series currency, the distinctive red and blue fibers are present.

If you doubt that a bill is genuine, ask the United States Secret Service, your bank, or your local police department.

When Money Is Damaged or Wears Out

Even though United States currency is strong and durable, it does wear out with constant handling.



All currency in circulation is routinely deposited to Federal Reserve Banks by commercial banks. Worn notes are systematically destroyed by Federal Reserve Banks during ordinary currency processing. The destroyed notes are replaced by new currency provided by the Bureau of Engraving and Printing. The note most frequently replaced is the \$1 denomination. There are over four billion \$1 bills in circulation, and the life expectancy of each is approximately 18 months. Since larger denominations are handled less, they last longer.

When a note is partially destroyed, the Treasury Department will replace it if clearly more than half of the original remains. Fragments of mutilated currency which are not clearly more than one half of the original whole note may be exchanged only if the Director of the Bureau of Engraving and Printing is satisfied by the evidence presented that the missing portions have been totally destroyed.



Damaged or mutilated notes should be taken to a bank for redemption. When partially destroyed currency is of questionable value, the fragments should be sent by registered mail to the Department of the Treasury, Bureau of Engraving and Printing, OCS/BEPA, P.O. Box 37048, Washington, D.C. 20013. *The Bureau of Engraving and Printing* can be accessed through the Internet at <http://www.moneyfactory.com>

Advanced Technologies In Counterfeiting

Counterfeiting of money is one of the oldest crimes in history. It was a serious problem during the 19th century when banks issued their own currency. At the time of the Civil War, it was estimated that one-third of all currency in circulation was counterfeit.

At that time, there were approximately 1,600 state banks designing and printing their own notes. Each note carried a different design, making it difficult to distinguish the 4,000 varieties of counterfeits from the 7,000 varieties of genuine notes.

It was anticipated that the adoption of a national currency in 1863 would solve the counterfeiting problem. However, the national currency was soon counterfeited so extensively it became necessary for the Government to take enforcement measures. On July 5, 1865, the United States Secret Service was established to suppress counterfeiting.

Although counterfeiting has been substantially curtailed since the creation of the Secret Service, this crime continues to represent a potential danger to the nation's economy and its citizens. Production methods used in counterfeiting operations have evolved over the years from the traditional method of offset printing to color copiers and, more recently, to scanners, computers, and inkjet printers.

The Secret Service has noted that many of today's counterfeiters have moved from the "traditional" method of offset printing, which has its own set of required skills, to computer-generated counterfeiting. Today's counterfeiter is able to produce counterfeit currency with basic computer training and skills afforded by trial and error and public education. Counterfeit passing statistics are likely to increase because of several factors: these instruments of production are more readily available, the capabilities of these machines continue to improve, and the techniques are more readily understood by an increasingly larger segment of the population, including those with criminal intent.

The United States Secret Service remains committed to zero tolerance and is determined to investigate each and every counterfeiting case. Each counterfeiting case, no matter how large or small, carries the serious consequences of incarceration and/or fines.

Office Machine Copiers / Printers

Advanced technology in the office machine copier/printer industry has made it possible for even unskilled operators to produce high-resolution color reproductions. The widespread availability of such copiers/printers has increased the incidence of the manufacturing and passing of office machine notes.

Toner Technology

Copiers/printers using toner technology generally employ the electrostatic transfer of toner (dry plastic powder) to the paper. This results in the image area resting on top of the surface of the paper. In addition, small particles of toner can often be seen, under magnification (approximately 20x power), outside the image area.

There are three basic types of toner notes: (1) black and white, (2) monochromatic, and (3) full color.

1. Black and white copier notes bear images produced by black toner only.
2. Monochromatic utilizes single color toners. (i.e., red, green, blue, and brown). Treasury seals and serial numbers will be a solid shade of green, rather than a combination of yellow and cyan. The back plate often is a mixture of green and black toner.
3. Full color notes bear images produced by utilizing a combination of yellow, magenta (bright pink), cyan (light blue) and black toners.

Ink jet Technology

Ink Jet copiers/printers spray tiny droplets of ink from the printer head through a small gap of air onto the paper to form the image.



Genuine



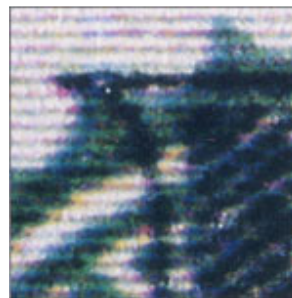
Black & White



Monochromatic



Ink Jet



Full Color