

FEDERAL RESERVE BANK
OF NEW YORK

CASH DEPARTMENT

December 12, 1919

Confidential

SUPPRESSION OF NOTE RAISING OPERATIONS

TO ALL MEMBER BANKS IN THE SECOND FEDERAL RESERVE DISTRICT,

DEAR SIRs:

The U. S. Secret Service of the Treasury Department has enlisted the cooperation of banking institutions in suppressing as far as possible the alteration of currency. Any relevant evidence which the Secret Service should properly know of with respect to raised notes or to notes of \$5, or more, mutilated by having the ends or corners torn or cut off, should be forwarded to the nearest Secret Service Agent.

In addition to securing from various sources the corners of old notes of higher denominations, the note raiser frequently clips the corners from the notes himself to use them in raising notes of lower denominations. If three-fifths of the face of the original remains, the note is, of course, redeemable for face value. If any information could be prudently obtained by banking institutions from the persons presenting such bills, it might prove valuable in tracing the note but, of course, the circumstances in almost any given case would require the exercise of tact and diplomacy in determining what action to take.

All counterfeit, altered, or raised notes received by one bank from another after being properly branded may be returned to the bank from which they were received for inspection but the nearest U. S. Secret Service Agent should be notified of the transaction.

The Secret Service has requested that this communication be sent to member banks confidentially.

Yours very truly,

BENJ. STRONG,

Governor.