

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 916]
June 3, 1929

Issue of New Small-Size Currency

To the Bank or Trust Company Addressed:

On the following pages will be found a reprint of Treasury Department Circular No. 415, dated June 3, 1929, together with a reprint of a public statement issued by the Treasury Department with respect to the issue of the new small-size currency.

It will be observed that the date July 10, 1929, has been set for the initial issue of the new currency and that the issue will be made through the Federal Reserve Banks and Branches.

The new small-size notes are described in detail as to size, face designs and portraits assigned to the faces, back designs and embellishments provided for the backs, the color of the faces and the backs and the color of the Treasury seals and serial numbers for the various kinds of currency.

It is apparent from a study of the designs that the new currency has been much simplified, that existing confusion will be eliminated, and that a more effective protection will be afforded against counterfeiting and fraudulent alterations.

Limited amounts of the new currency will be available for the initial issue and in order that each bank in this district may receive its fair share, this bank, in distributing the new small-size currency, will follow its allotment plan now in effect for the payment of new currency. Arrangements will be made to have shipments go forward sufficiently in advance of the issue date so that on July 10, 1929, every bank in this district, if it so desires, will have on hand, available for payment to its customers, new small-size currency in the amount of its allotment.

The enclosed order blank indicates the amount allotted and it will be appreciated if it is returned to this bank promptly.

In making payments of currency after July 10, 1929, it will be necessary for the Federal Reserve Bank of New York and its Buffalo Branch, for a brief period, to pay out available old-size currency fit for further circulation concurrently with the new small-size currency. It is appreciated that during this period of transition the banks and public will be somewhat inconvenienced but the ultimate advantages to be gained from the issue of the new currency are so great as to more than offset any temporary difficulties.

The provisions of Circular No. 737 of September 1, 1926, of this bank covering the present practice of handling shipments of old-size paper currency to and from this bank will apply also to shipments of the small-size currency. In order that the counting of currency may be expedited at this bank it is requested that the small-size notes be kept separate from the large-size notes in all deposits or shipments of currency to this bank.

GEORGE L. HARRISON,
Governor.

Issue of New Small-Size Currency

OF NEW YORK

Circular No. 415
Jan 26 1927

1929

Department Circular No. 415,
Supplementing Department Circular No. 55,
as Revised January 26, 1927.

Treasurer of the United States.

TREASURY DEPARTMENT,

Washington, June 3, 1929.

The Secretary of the Treasury has heretofore announced the adoption of a reduced size, and wholly new designs, for the paper currency issues of the United States.

The date July 10, 1929, is now set for the initial issue of new small-size currency, and thereafter old-size currency, redeemed as unfit for further circulation, will be replaced with new small-size currency. The issue will be made through the Federal Reserve Banks and Branches. For the initial issue, the Federal Reserve Banks have been authorized to make available to the commercial banking institutions of their respective districts, limited amounts of new small-size currency, on an equitable basis established by them. After such initial issue, in making payments of currency, the Treasurer of the United States and the Federal Reserve Banks and Branches will follow the usual procedure, and will pay out available old-size currency fit for further circulation concurrently with new small-size currency, in such proportion of each as may from time to time be determined. The initial issue will include all kinds of currency except National bank notes, and all denominations from \$1 to \$20. Small-size gold certificates and Federal reserve notes in denominations above \$20 will be issued when available without further notice. Small-size National bank notes will be printed for issuing banks in order of charter numbers, and, commencing about July 15, 1929, will be issued accordingly, as available, against redemptions of old-size bank notes.

Any outstanding old-size paper currency, heretofore or hereafter issued, will not be recalled. It will be retired gradually in regular course of business, and in the meantime its validity will not be affected by the issue of the new small-size currency.

A. W. MELLON,
Secretary of the Treasury.

Order for New Small-Size Currency

June , 1929.

To

Your present weekly allotment of new currency is \$..... in the following denominations:

\$ 1.....	\$.....
2.....	\$.....
5.....	\$.....
10.....	\$.....
20.....	\$.....

For the weeks of July 10-13 and July 15-20 you will be entitled to withdraw double this amount in in new small-size currency or \$..... for each of those weeks; thereafter your weekly allotment of new small-size currency will be the same as at present. Will you please indicate below whether you wish this bank to ship you the full amount or only part of the amount to which you are entitled, and please also indicate the date on which you wish the shipment to arrive at your bank.

FEDERAL RESERVE BANK OF NEW YORK

June , 1929.

To FEDERAL RESERVE BANK OF NEW YORK:

Please ship to this bank the following amounts of the new small-size currency:

WEEK OF JULY 10-13 <i>To arrive July , 1929</i>	WEEK OF JULY 15-20 <i>To arrive July , 1929</i>
\$ 1..... \$.....	\$ 1..... \$.....
2..... \$.....	2..... \$.....
5..... \$.....	5..... \$.....
10..... \$.....	10..... \$.....
20..... \$.....	20..... \$.....

Payment will be made as indicated below:

- Charge our reserve account on date of shipment (for member banks only)
- You will receive check in payment one day in advance of shipment.

Name of Bank or Trust Company

City or Town

State

By

Official Signature

Press Statement on the New Small-Size Currency

TREASURY DEPARTMENT,

June 3, 1929.

Secretary Mellon today announced that July 10, 1929, has been set for beginning the issue of the new small-size currency. The issue will be made through the Federal Reserve Banks and Branches. For the initial issue, Federal Reserve Banks have been authorized to make available, to the commercial banking institutions of their respective districts, limited amounts of new small-size currency, on an equitable basis established by them. Federal Reserve Banks will communicate with all banks and trust companies in their respective districts giving full instructions for participation in the initial distribution of the new currency. After the initial issue of new small-size currency the procedure now in effect for supplying the paper currency requirements of the country will, in general, be followed, and in making payments of currency, the Treasurer of the United States and the Federal Reserve Banks and Branches will pay out old-size currency fit for further circulation concurrently with new small-size currency. Replacement of the outstanding old-size currency with the small-size currency accordingly will be a gradual process and, except for the initial issue, will largely be governed by the redemption of old-size currency unfit for further circulation.

The first issues of the new small-size currency will include all kinds except National bank notes, and all denominations from \$1 to \$20. Small-size gold certificates and Federal reserve notes in denominations above \$20 will be issued at a later date. Small-size National bank notes will be printed and issued in order of charter numbers beginning about July 15, 1929.

For the reduced-size currency wholly new designs on a denominational basis have been adopted. The revision of designs will eliminate existing confusion, and will furnish a new and more effective protection to the currency issues of the United States against counterfeiting and fraudulent alterations. Generally speaking, the designs have been simplified, and, as just indicated, there is a characteristic design for each denomination.

Treasury Department Circular No. 415, dated June 3, 1929, will govern the issue of the small-size currency. No issues of the new currency will be made to the public before July 10, 1929. Specimens of the new currency in unseparated sheets will not be available. Any outstanding old-size paper currency, heretofore or hereafter issued, will not be recalled: it will be retired gradually in regular course of business, and in the meantime its validity will not be affected by the issue of the new small-size currency.

The Treasury appreciates that during the period when the two sizes of currency are in circulation this will be a matter of some inconvenience to the general public. However, it is believed that the Department may confidently ask for their indulgence and cooperation in view of the ultimate advantages to be gained.

A description of the essential characteristics of the designs of the small-size currency follows:

The new size for the paper currency is 6-5/16 x 2-11/16 inches. The principle of denominational designs has been strictly followed. The back designs are uniform for each denomination irrespective of kind. The face designs, likewise, are characteristic for each denomination as regards the important protective features, with only sufficient variation in detail to indicate the kind. Five kinds of paper currency are now issued—United States notes, silver certificates, gold certificates, Federal reserve notes, and National bank notes. The new designs will be applied to all issuable denominations of all these kinds.

The portraits assigned to the faces, and the embellishments provided for the backs, of the several denominations, are as follows:

<i>Denomination</i>	<i>Portrait on face</i>	<i>Embellishment on back</i>
\$1	Washington	Ornate ONE
\$2	Jefferson	Monticello
\$5	Lincoln	Lincoln Memorial
\$10	Hamilton	U. S. Treasury
\$20	Jackson	White House
\$50	Grant	U. S. Capitol
\$100	Franklin	Independence Hall
\$500	McKinley	Ornate FIVE HUNDRED
\$1,000	Cleveland	Ornate ONE THOUSAND
\$5,000	Madison	Ornate FIVE THOUSAND
\$10,000	Chase	Ornate TEN THOUSAND

The backs of the new currency will be printed uniformly in green; the faces will be printed in black, and the Treasury seals and the serial numbers will be imprinted in the following colors:

- Silver certificatesBlue
- United States notes.....Red
- Gold certificatesYellow
- Federal reserve notes.....Green
- National bank notes.....Brown

For the reduced-size currency a new type of distinctive paper has been adopted. The paper basically is of the type developed during the past few years with a higher folding endurance, particularly in the cross direction, than the paper formerly in use. The use of small segments of silk fiber as a distinctive feature has been retained, but the segments are scattered throughout the sheet and not localized in rows as formerly. The reason for the change is that, as a test of genuineness, dependence may not be placed on an outstanding characteristic, which, in itself, inherently affords no protection.