

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 3579]
August 18, 1950

ANNOUNCEMENT REGARDING NEW TREASURY OFFERINGS

*To all Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:*

The following press statement was released for publication today:

Secretary of the Treasury Snyder announced today that he will offer a $1\frac{1}{4}$ percent thirteen-month Treasury note, dated September 15, 1950, and maturing on October 15, 1951, in exchange for the 2 percent bonds and the $2\frac{1}{2}$ percent bonds called for redemption on September 15, 1950, and the $1\frac{1}{8}$ percent certificate of indebtedness maturing on that date; and that he will offer a thirteen-month $1\frac{1}{4}$ percent note dated October 1, 1950, and maturing on November 1, 1951, in exchange for the $1\frac{1}{8}$ percent certificate of indebtedness maturing on October 1, 1950.

The Secretary also announced that institutional investors of the classes defined in Department Circular No. 814, dated September 22, 1947, will be permitted to purchase United States Savings Bonds of Series F and G in amounts in excess of the existing limitations during the following periods:

- (a) From October 2 through October 10, 1950, for bonds dated October 1, 1950;
- (b) From November 1 through November 10, 1950, for bonds dated November 1, 1950; and
- (c) From December 1 through December 11, 1950, for bonds dated December 1, 1950.

Purchases in excess of existing limitations will not be permitted at other times during the remainder of this calendar year.

The Secretary stated that the present offering is designed to attract new money accruing in the hands of institutional investors during the last quarter of the calendar year; and that this offering is in line with his statement of September 5, 1947, when he announced the offering of the Treasury Bonds, Investment Series A-1965, in which he said that "further offerings of securities suitable primarily for institutional investment needs will be made available whenever the situation warrants such action."

The special offering of Series F and G bonds will be open to institutional investors holding savings, insurance, and pension funds, which were eligible to purchase the $2\frac{1}{2}$ percent Treasury Bonds, Investment Series A-1965, under Department Circular No. 814, dated September 22, 1947, subject to the following limitations:

- (a) Each investor in the following categories will be permitted to purchase Series F and G savings bonds combined up to a total amount of \$1,000,000 (issue price) for the calendar year 1950 in addition to any bonds which may be purchased under the existing limit of \$100,000 provided that any bonds in excess of the existing limit are purchased during the periods from October 2 through October 10, 1950, inclusive; November 1 through November 10, 1950, inclusive; and December 1 through December 11, 1950, inclusive:
 - 1. Insurance companies
 - 2. Savings banks
 - 3. Savings and loan associations and building and loan associations, and cooperative banks
 - 4. Pension and retirement funds, including those of the Federal, State and local governments
 - 5. Fraternal benefit associations
 - 6. Endowment funds
 - 7. Credit unions
- (b) Each commercial and industrial bank holding savings deposits or issuing time certificates of deposit in the names of (1) individuals, and (2) corporations, associations, and other organizations not operated for profit, will be permitted to purchase F and G savings bonds combined up to an aggregate of \$100,000 (issue price) during the periods set forth above.

Further details with respect to these offerings will be announced later.

Additional copies of this circular will be furnished upon request.

ALLAN SPROUL,
President.

FEDERAL RESERVE BANK
OF NEW YORK

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NEW YORK 45, N. Y.

August 21, 1950

DANGEROUS COUNTERFEIT FEDERAL RESERVE NOTES

To all Banks in the
Second Federal Reserve District:

New counterfeit Federal Reserve notes in the \$10 and \$20 denominations are now appearing in the Second Federal Reserve District in considerable volume. They are not easily detected, and your tellers and customers should be warned to scrutinize any Federal Reserve notes in these denominations.

These notes are similar to the counterfeit Federal Reserve Bank of Chicago issue (G) that circulated in 1948, but they are now appearing as Federal Reserve Bank of St. Louis (H) and Federal Reserve Bank of Minneapolis (I) issues. It would be prudent to assume that similar counterfeits on other Federal Reserve Banks may also appear.

The United States Secret Service describes the counterfeits that are now appearing as follows:

\$10 FEDERAL RESERVE NOTE

The identification marks on the counterfeits detected in this denomination are:

<u>DISTRICT</u>	<u>Check Letter</u>	<u>Front Plate Number</u>	<u>Back Plate Number</u>	<u>Series</u>
Minneapolis (I)	F	11	1219	1934C
St. Louis (H)	C	43	121	"
" (H)	C	43	9	"
" (H)	C	43	1207	"
" (H)	C	43	120	"

They are of good workmanship and bear the facsimile signatures of W. A. Julian, Treasurer of the United States, and John W. Snyder, Secretary of the Treasury. The counterfeits are printed on poor quality paper and bright red ink strokes are used (on the face only) to simulate fibers.

(over)

The Treasury Department seal and the serial number are a brighter green than the genuine. Magnification of the seal shows round dots instead of 5-pointed stars between the words around the border, and the stem of the key is wider than the genuine.

On the portrait of Hamilton, a lack of proper shading makes the outline of the lower lip indefinite.

\$20 FEDERAL RESERVE NOTE

These notes are also of good workmanship and bear the facsimile signatures of W. A. Julian, Treasurer of the United States, and John W. Snyder, Secretary of the Treasury. They are printed on fair quality paper and bright red ink strokes are used to simulate fibers.

The Treasury Department seal and the serial number are a brighter green than the genuine. Magnification of the part of the seal having a row of four dots just above that key shows the dot at the extreme right touching the handle; on the genuine note, this dot does not touch. The key also appears to be wider on the counterfeit.

The counterfeit portrait and cross-hatched background are lighter in tone than the genuine. Several lines have been omitted in Jackson's hair above his right ear, creating an unnatural white space.

Counterfeit \$10 and \$20 notes on the Federal Reserve Bank of Chicago described in our letter of November 30, 1948 are still in circulation, as are the \$10 and \$20 notes on various other Federal Reserve Banks described in our letter of March 24, 1950.

Counterfeit \$10 notes described in our letter of September 15, 1949 as bearing the seal of the Federal Reserve Bank of New York (B) are beginning to appear again, but with the seal of the Federal Reserve Bank of Dallas (K). Those detected bear the check letter J, front plate number 16 and back plate number 12 or 120.

All counterfeit money received from any source should be forwarded to the nearest office of the United States Secret Service, rather than to Washington, D. C. The Secret Service has offices in Room 917, Federal Office Building, 90 Church Street, New York 7, N. Y.; in the United States Court House, Buffalo 1, New York; in the Post Office Building, Utica 1, New York; and at 1060 Broad Street, Newark 1, New Jersey.

Additional copies of this letter and of our letters of November 30, 1948, September 15, 1949, and March 24, 1950 will be furnished upon request.

ALLAN SPROUL,

President.