



OCEAN COUNTY COIN CLUB, INC.

JUNIOR NUMISMATIC NEWSLETTER (JNN) # 10

THE FIRST OFFICIAL U.S. PAPER MONEY

Just three months after the outbreak of the Civil War, the U.S. Government authorized its first paper money -- \$60,000,000 of it. It was the beginning of the paper money we use today.

The year was 1861, and President Abraham Lincoln's Treasury Secretary faced a tough task. When Salmon P. Chase took his post just before the start of the Civil War, 7,000 different types of bank notes from state banks were in circulation--many issued by "fraudulent" banks.

The Union came together patriotically--but it was also necessary to follow it with paper money issued by the central government. Chase's idea was to print five, ten and twenty dollar demand notes with an anti-photographic green ink on the back. They became known as GREENBACKS. Each demand note had to be signed by hand by the U.S. Treasurer and the Register of the Treasurer, or persons designated by them. Platoons of clerks were put to work autographing the more than seven million notes.

Demand notes were issued in five cities: New York, Philadelphia, Boston, Cincinnati and St. Louis. Notes from Cincinnati and St. Louis are the RAREST. These demand notes had a short life--they were withdrawn and replaced in February of 1862 by the United States legal-tender notes.

The Federal Reserve notes we use today, like the first demand notes, are payable on demand--with no obligation to receive in exchange the gold or silver that is no longer found in our coins. And by tradition, the backs of our current notes continue to be printed in green--a reminder of those first greenbacks dated back to 1861.

Uncut sheets of paper money are available from the BEP (Bureau of Engraving and Printing) in Washington, D.C. They are seldom seen and are an excellent conversation item. An uncut sheet of currency makes a handsome and impressive addition to any collection of currency. The sheets come in 4, 8, 16 & 32 denominations of one, two or five dollars.

In the printing process, there are times a note is found to be imperfect in the course of manufacture so it is replaced with a "STAR" note. This is a note bearing a STAR either before or after the serial number on the note. The star note is the same as a regular note with the exception of the star before or after the serial number. They are worth the same "face" value as the regular note.

Paper money collecting can be fun. Many of the designs of the older paper money are absolutely beautiful. There are many coin collectors who also have a varied paper money collection.

(SEE PAGE 2 FOR YOUR QUIZ)

FOUNDED IN 1970 AT LAKEHURST, NJ

National Coin Week Show/Exhibit in April --- Annual Show/Exhibit in September

HERE IS YOUR QUIZ FOR FREE COINS - Match the answer in Column "B" to the statement in Column "A" -

<u>ANSWER</u>	<u>COLUMN A</u>	<u>COLUMN B</u>
_____	(1) There were how many different types of State issued bank notes in circulation in 1861?	(A) Lincoln
_____	(2) The ^{Treasury} Secretary at time of 1st issue of U.S. Government paper money	(B) Greenbacks
_____	(3) The year the U.S. Government authorized issue of the first paper money?	(c) 7,000
_____	(4) Nickname for the issue of paper money?	(d) 1861
_____	(5) The U.S. President at time of the 1st issue of U.S. Government paper money	(e) Star
_____	(6) An imperfect note is replaced with what type of note?	(f) Chase
_____	(7) Name the 5 cities that the 1st U.S. Government notes were issued from:	(g) Cincinnati
_____		(h) New Orleans
_____		(i) New York
_____		(j) San Francisco
_____		(k) Miami
_____		(l) Boston
_____		(m) Philadelphia
_____		(n) Denver
_____		(o) St Louis
_____		(p) Brick Town

FOR A BONUS COIN: What are uncut sheets of paper money and where can they be obtained? _____

(date)

(name - please print)

(age)