PART FOUR. XVI. FRACTIONAL CURRENCY

The average person is surprised and somewhat incredulous when informed that there is such a thing as a genuine American 50 Cent bill, or even a 3 cent bill. With the great profusion of change in the pockets and purses of the last few generations, it does indeed seem strange to learn of valid United States paper money of 3, 5, 10, 15, 25 and 50 Cent denominations.

Yet it was not always so. During the early years of the Civil War, the banks suspended specie payments, an act which had the effect of putting a premium on all coins. Under such conditions, coins of all denominations were jealously guarded and hoarded and soon all but disappeared from circulation.

This was an intolerable situation since it became impossible for merchants to give small change to their customers. For a time, traders reverted somewhat to the ancient barter system and one had to accept his change in the form of goods or produce which he did not necessarily want at that time.

The lives of millions of people were thus intimately affected and insistent demands were made on the Treasury Department to remedy this chaotic state of affairs.

Accordingly, on the recommendation of General Francis E. Spinner who at that time was the Treasurer, Congress passed the Act of July 17, 1862 which authorized an issue of 5, 10, 25, and 50 Cent notes. These became known as Postage Currency, because they bore facsimiles of the then current 5 and 10 Cent postage stamps. This was the first of five issues produced by the government from 1862 to 1876. The later issues were called Fractional Currency, and were authorized by another act of Congress, that of March 3, 1863. In general, all issues of Postage and Fractional Currency were receivable for all United States Postage Stamps.

In the fourteen years that Fractional Currency was produced, nearly 369 million dollars of it was issued. Finally, Congress passed the Acts of January 14, 1875 and April 17, 1876 which authorized the redemption of Fractional Currency in actual silver coins. It is now estimated by the government that not quite 2 million dollars in all types of Fractional Currency is still outstanding.

First Issue. August 21, 1862 to May 27, 1863

This is the so-called Postage Currency. The issue consisted of 5, 10, 25 and 50 Cent notes. The face and backs of the notes were originally printed by the National Bank Note Company of New York. Later to increase security, the government had the backs printed by the American Bank Note Company of New York, who added the "ABN" monogram to the lower right comer of the back. Both companies produced both perforated and straight edge versions of the notes.

The eight notes of this issue are widely collected by stamp collectors in addition to being collected by numismatists.

The obligation on these is as follows, "Exchangeable for United States Notes by any Assistant Treasurer or designated U.S. Depositary in sums not less than five dollars. Receivable in payments of all dues to the U. States less than five Dollars."

Second Issue. October 10, 1863 to February 23, 1867

This issue consisted of 5, 10, 25, and 50 Cent notes. The obverses of all denominations have the bust of Washington in a bronze oval frame but each reverse is distinguished by a different color.

The obligation on this issue differs slightly, and is as follows, "Exchangeable for United States Notes by the Assistant Treasurers and designated depositaries of the U.S. in sums not less than three dollars. Receivable in payment of all dues to the United States less than five dollars except customs."

Third Issue. December 5, 1864 to August 16, 1869

This issue consisted of 3, 5, 10, 25 and 50 Cent Notes. Each denomination is of a different design, as will be seen in the text.

The obligation on the Third Issue Notes is similar to that on the Second

Fourth Issue. July 14, 1869 to February 16, 1875

The notes of this issue consist of the 10, 15, 25 and 50 Cent denominations, each of a different design. With this issue, the Treasury Seal appears for the first time on the Fractional Currency.

The 15 cent notes appeared only in this issue and they are much scarcer than the other denominations. The obligation on the fourth issue is similar to that on the Second Issue.

Fifth Issue. February 26, 1874 to February 15, 1876

The notes of this issue consist only of 10, 25 and 50 cent denominations, each of a different design.

The obligation is similar to that of the Second Issue.

A Note on the Illustrations

The illustrations of Fractional Currency in this section are from the Robert T. Herdegen Collection of the Museum of the American Numismatic Association. Approximately 75% of the collection was from that of the legendary Col. E.H.R. Green. These notes were acquired by the creator of this book, Robert Friedberg, and in the late 1950's to early 1960's were sold to Mr. Herdegen by Peter Bartolomei at the J.L. Hudson department store in downtown Detroit. The price for the entire collection was a then-astronomical \$6,000. The A.N.A. accession number is given with each illustration

3 Cent Notes

The 3 Cent Notes are of the Third Issue of Fractional Currency.

DESIGN 163

(Notes 1226-1227)

Bust of George Washington.

ANA accession no. 1978.0160.0069.





No. Variety VG8 F12 VF20 EF40 CU60 Ch63 Gem65

1226. With light background to portrait.1227. With dark background to portrait.

5 Cent Notes

First Issue

DESIGN 164

(Notes 1232-1235)

Copy of a contemporary 5 cent postage stamp with bust of Thomas Jefferson. Brown obverse, black reverse.

ANA accession no. 1978.0160.0073.

No. Variety
1228. Perforated edges; with monogram of American
Bank Note Co. (ABCO) on reverse.
1229. Perforated edges; without monogram.
1230. Straight edges; with monogram.
1231. Straight edges; without monogram.

Second Issue

DESIGN 165

(Notes 1228-1231)

Bust of George Washington in bronze oval frame. Brown reverse.

ANA accession no. 1978.0160.0078.

No. Variety
1232. Without small surcharged figures on corners of reverse.
1233. With surcharge "18-63" on corners of reverse.
1234. With surcharge "18-63" and "S".

1235. With surcharge "18-63" and "R-1". Fiber paper. **Third Issue**

DESIGN 166

(Notes 1236-1239)

Bust of Spencer M. Clark, First Superintendent of the National Currency Bureau (now the Bureau of Engraving and Printing).

ANA accession no. 1978.0160.0080.

No. Variety
1236. Red reverse.
1237. Red reverse; with design letter "a" at extreme left on obverse.
1238. Green reverse.

1239. Green reverse; with design letter "a" at extreme left on obverse.

10 Cent Notes

First Issue

DESIGN 167

(Notes 1240-1243)

Copy of a contemporary 10 cent stamp with bust of George Washington. Green obverse, black reverse.

ANA accession no. 1978.0160.0085.

No. Variety
1240. Perforated edges; with monogram of
American Bank Note Co. (ABCO) on reverse.
1241. Perforated edges; without monogram.
1242. Straight edges; with monogram.
1243. Straight edges; without monogram.





F12 VF20 EF40 CU60 Ch63 Gem65





8 F12 VF20 EF40 CU60 Ch63 Gem65





VG8 F12 VF20 EF40 CU60 Ch63 Gem65





VG8 F12 VF20 EF40 CU60 Ch63 Gem65

176

Second Issue

DESIGN 168

(Notes 1244-1249)

Bust of George Washington in bronze oval frame. Green reverse.

ANA accession no. 1978.0160.0091.

1244. Without small surcharged figures on

corners of reverse.

Variety

1245.

With surcharge "18-63".
With surcharge "18-63" and "S".
With surcharge "18-63" and "I".
With surcharge "0-63". 1246. 1247.

1248.

With surcharge "18-63" and "T-1"; fiber paper. 1249.

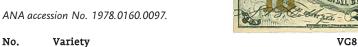


No.

DESIGN 169

(Notes 1251-1256)

Bust of George Washington.



1251. Red reverse.

1252. Red reverse with design numeral "1" on obverse.

1253. Red reverse with autographed signatures of Colby and Spinner.

1254. Red reverse with autographed signatures of

Jeffries and Spinner

Green reverse. 1255.

Green reverse with autographed signatures of Colby and Spinner 1255a.

Green reverse with design numeral "1" on obverse. 1256.

Fourth Issue

DESIGN 170

(Notes 1257-1261)

Bust of Liberty.

ANA accession No. 1978.0160.0102.

No.	Variety		VG8
1257.	Large red seal; watermarked paper,	pink silk fibers.	20.00

1258. Large red seal; unwatermarked paper with

pink silk fibers.

Large red seal; paper with violet silk fibers and 1259.

blue right end on obverse.

1260. The note previously listed does not exist.

1261. Smaller red seal; paper with violet silk fibers and

blue right end on obverse.

Fifth Issue

DESIGN 171

(Notes 1264-1266)

Bust of William M. Meredith, Secretary of the Treasury, 1849-1850.

ANA accession No. 1978.0160.0107.







VG8

F12

F12

Recommende (Office

F12

VF20

VF20

VF20

EF40

EF40

EF40

CU60

CU60

Gem65

Gem65

Ch63

Ch63









No. Variety VG8 F12 VF20 EF40 **CU60** Ch63 Gem65

1264. Green seal.

1265. Red seal with long, thin key (top photo). 1266. Red seal with short, thick key (bottom photo).

15 Cent Notes

Fourth Issue

DESIGN 172

(Notes 1267-1271)

Bust of Columbia.

ANA accession no. 1978.0160.0113.





No.	Variety	VG8	F12	VF20	EF40	CU60	Ch63	Gem65
1267.	Large red seal; watermarked paper, pink silk fibers.							
1268.	Large red seal; unwatermarked paper, pink silk fibers.							
1269.	Large red seal; paper with violet fibers and							

blue right end on obverse. 1270. The note previously listed does not exist. Smaller red seal; paper with violet fibers and 1271.

blue right end on obverse.

25 Cent Notes

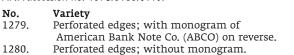
First Issue

DESIGN 174

(Notes 1279-1282)

Five 5 cents stamps of the type of Design No. 164. Brown obverse, black reverse.

ANA accession no. 1978.0160.0119.



1281. Straight edges; with monogram. 1282. Straight edges; without monogram.

Second Issue

DESIGN NO. 175

(Notes 1283-1290)

Bust of George Washington in bronze oval frame. Purple reverse.

ANA accession no. 1978.0160.0124.

No.	Variety
1283.	Without small surcharged figures on
	corners of reverse.
1284.	With surcharge "18-63".
1285.	With surcharge "18-63" and "A".
1286.	With surcharge "18-63" and "S".
1288.	With surcharge "18-63" and "2".
1289.	With surcharge "18-63" and "T-1"; fiber paper.
1290.	With surcharge "18-63" and "T-2"; fiber paper.





VG8 F12 VF20 EF40 **CU60** Ch63 Gem65





VG8 F12 VF20 EF40 **CU60** Ch63 Gem65

Third Issue

DESIGN 176

(1291-1300)

Bust of William P. Fessenden, Secretary of the Treasury under President Lincoln.

ANA accession no. 1978.0160.0136.

,	
ANA accession no	1078 0160 0136

Variety 1291.

1292 Red reverse with small design letter "a" on obverse.

1293. The note listed in prior editions does not exist.

1294. Green reverse.









178 Variety No. F12 VF20 **EF40** CHIEO Ch63 Gem65 Green reverse with small design letter "a" on obverse.

1295. Green reverse with large design letter "a" on obverse,

1296.

7 mm. to the lower right of the normal location.

1297.

Green reverse with surcharge "M-2-6-5"; fiber paper. Same as above but with design letter "a" on obverse. Green reverse with surcharge "M-2-6-5"; the two 1298. 1299.

ornamental designs on obverse surcharged in heavy solid bronze, and not merely outlined as on previous issues; fiber

1300.

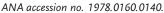
Same as above but with design letter "a" on obverse.

Fourth Issue

DESIGN 177

(Notes 1301-1307)

Bust of George Washington. "Brown" seals on this issue are the result of oxidation.



VF20 Nο. Variety VG8 F12 **EF40** CU60 Ch63 Gem65

1301. Large red seal; watermarked paper with

pink silk fibers. 1302

Large red seal; unwatermarked paper with

pink silk fibers.

Large red seal; paper with violet fibers and 1303.

blue right end on obverse.

Smaller red seal; paper with violet fibers and 1307.

blue right end on obverse.

Fifth Issue

DESIGN 178

(Notes 1308-1309a)

Bust of Robert J. Walker, Secretary of the Treasury 1845-1849.

ANA accession no. 1978.0160.0145.





No. VG8 F12 VF20 EF40 **CU60** Ch63 Gem65

OSTAGE-CURRENCY

1308. With long, thin key in Treasury Seal (5 millimeters). 1309. With short, thick key in Treasury Seal (4 millimeters). (See Design 171 for illustration of long and short keys.)

50 Cent Notes

First Issue

1310.

DESIGN 179

(Notes 1310-1313)

Five 10 cent stamps of the type of Design No. 167. Green obverse, black reverse.

ANA accession no. 1978.0160.0147.



American Bank Note Co. (ABCO) on reverse. 1310a. As above, except 14 perforations per 20 mm

Perforated edges; with monogram of

instead of 12 perforations

1311. Perforated edges; without monogram. 1312.

Plain edges; with monogram. 1313. Plain edges; without monogram.

Second Issue

DESIGN 180

(Notes 1314-1322)

Bust of George Washington in bronze oval frame. Red reverse.

ANA accession no. 1978.0160.0157.





No.	Variety	VG8	F12	VF20	EF40	CU60	Ch63	Gem65
1314.	Without small surcharged figures on corners of reverse	e. Uni	known exc	cept as a s	pecimen. Al	l others are	altered.	
1316.	With surcharge "18-63".							
1317.	With surcharge "18-63" and "A".							
1318.	With surcharge "18-63" and "1".							
1320.	With surcharge "18-63" and "0-1"; fiber paper.							
1321.	With surcharge "18-63" and "R-2"; fiber paper.							
1322.	With surcharge "18-63" and "T-1": fiber paper.							

Third Issue

DESIGN 181

(Notes 1324-1338)

Bust of General F.E. Spinner, Treasurer of the United States, 1861-1875

ANA accession no. 1978.0160.0165.





181a. R No. 1324. 1325. 1326. 1327. 1328. 1329. 1330.	ed Reverse With Surcharge "A-2-6-5". Variety Without design figures on obverse. Design figures "1" and "a" on obverse. Design figure "1" only on obverse. Design figure "a" only on obverse. With autographed signatures of Colby and Spinne With autographed signatures of Allison and Spinn With autographed signatures of Allison and New.		F12	VF20	EF40	CU60	Ch63	Gem65
181b. G No. 1331. 1332. 1333. 1334.	Variety Without design figures on obverse. Design figures "1" and "a" on obverse. Design figure "1" only on obverse. Design figure "a" only on obverse.	VG8	F12	VF20	EF40	CU60	Ch63	Gem65
181c. Gr No. 1335. 1336. 1337. 1338.	reen Reverse With Surcharge "A-2-6-5". Variety Without design figures on obverse. Design figures "1" and "a" on obverse. Design figure "1" only on obverse. Design figure "a" only on obverse.	VG8	F12	VF20	EF40	CU60	Ch63	Gem65

DESIGN 182

(Notes 1339-1342)

The obverse is similar to Design 181. The reverse is as shown.

ANA accession no. 1978.0160.0174.





No.	Variety	VG8	F12	VF20	EF40	CU60	Ch63	Gem65
1339.	Green reverse; without surcharges and design	figures.						

1340. 1341.

Green reverse; design figures "1" and "a" on obverse. Green reverse; design figure "1" only on obverse. Green reverse; design figure "a" only on obverse. 1342.

180

DESIGN



(Notes 1343-1373a)

Seated figure of Justice holding scales.

ANA accession no. 1978.0160.0091.





183a. Red Reverse Without Surcharge.

No.	Variety	VG8	F12	VF20	EF40	CU60	Ch63	Gem65
1343.	Without design figures on obverse.							
1344.	With design figures "1" and "a" on obverse.							

With design figure "1" only on obverse. With design figure "a" only on obverse. 1345. 1346.

183b. Red Reverse With Surcharge "A-2-6-5".

No.	variety
1347.	Without design figures on obverse.
1348.	With design figures "1" and "a" on obverse.
1349.	With design figure "1" only on obverse.
1350.	With design figure "a" only on obverse.
1349.	With design figure "1" only on obverse.

183c. Red Reverse With Surcharge "S-2-6-4"; Printed Signatures.

No.	Variety
1351.	Without design figures on obverse; fiber paper.
1352.	With design figures "1" and "a" on obverse; fiber paper.
1353.	With design figure "1" only on obverse; fiber paper.
1354.	With design figure "a" only on obverse; fiber paper.

183d. Red Reverse; Autographed Signatures of Colby and Spinner.

No.	Variety
1355.	Without surcharges and design figures.
1356.	With surcharge "A-2-6-5" on reverse.
1357.	With surcharge "S-2-6-4": fiber paper.

183e. Green Reverse Without Surcharge.

bverse.
se.
se.

183f. Green Reverse With Surcharge "A-2-6-5" Compactly Spaced.

No.	Variety
1362.	Without design figures on obverse.
1363.	With design figures "1" and "a" on obverse.
1364.	With design figure "1" only on obverse.
1365.	With design figure "a" only on obverse.

183g. Green Reverse With Surcharge "A-2-6-5" Widely Spaced.

No.	Variety
1366.	Without design figures on obverse.
1367.	With design figures "1" and "a" on obverse.
1368.	With design figure "1" only on obverse.
1369.	With design figure "a" only on obverse.

183h.	Green Reverse With Surcharge "A-2-6-5"; Fiber Paper.
No.	Variety
1370.	Without design figures on obverse.
1371.	With design figures "1" and "a" on obverse.
1372.	With design figure "1" only on obverse.
1373.	With design figure "a" only on obverse.
1373a.	Green reverse with surcharge "S-2-6-4"; fiber paper;
	printed signatures; without design figure or letter.

Fourth Issue

DESIGN 184

(Notes 1374-1375)

Bust of Abraham Lincoln.

ANA accession no. 1976.0070.0044.





No. Variety VG8 F12 VF20 EF40 CU60 Ch63 Gem65

1374. Large seal; watermarked paper with pink silk fibers.

1375. The note previously listed has been deleted.

DESIGN 185

(Note 1376)

Bust of Edwin M. Stanton, Secretary of War under President Lincoln.

ANA accession no. 1978.0160.0207.





No. Variety VG8 F12 VF20 EF40 CU60 Ch63 Gem65

1376. Small red seal; paper with violet fibers and blue right end on obverse.

DESIGN 186

(Note 1379)

Bust of Samuel Dexter, Secretary of both the War and Treasury Departments, 1800-1801.

ANA accession no. 1976.0070.0209.





No. Variety VG8 F12 VF20 EF40 CU60 Ch63 Gem65

1379. Green seal; paper with light violet fibers and blue right end on obverse.

Fifth Issue

DESIGN 187

(Notes 1380–1381)

Bust of William H. Crawford, Secretary of both the War and Treasury epartments, 1815-1825.

ANA accession no. 1976.0070.0211.





No. Variety VG8 F12 VF20 EF40 CU60 Ch63 Gem65

1380. Red seal; paper on obverse a light pink color

with silk fibers.

1381. Red seal; white paper with silk fibers and

blue right end on obverse.

FRACTIONAL CURRENCY SHIELDS

Fractional Currency Shields were made by the Treasury Department in Washington in 1866 and 1867. The outside dimensions of the shields are 20 x 25 inches and on the shield are mounted 39 specimens of fractional currency. Each note was printed on one side only, so that obverse and reverse appear as separate notes. As made, the shields are covered with glass and framed. The Treasury Department produced these for sale to banks so that they might detect counterfeit notes by comparison with the genuine notes on the shield. Complete and intact shields are now much in demand and are available only occasionally.



Illustration courtesy of Early American History Auctions, Inc.

1382. FRACTIONAL CURRENCY SHIELD. With gray background. 1383. FRACTIONAL CURRENCY SHIELD. With pink background.

1383-a. FRACTIONAL CURRENCY SHIELD. With green background.

INVERTED REVERSES. Some notes of the first three issues are known with inverted reverses, or inverted surcharges.

Notes of the Second and Third Issues are known with surcharges partially or entirely missing. All such notes are very rare.

XVII. PROOFS AND SPECIMENS

These issues were not placed in circulation and all specimens are Proofs or Essays. The obverses and reverses of these notes were printed separately, with the back of each piece either being blank or having the word "SPECIMEN" printed in bronze, so that a complete note actually consists of two pieces. There are two varieties of each note and these are distinguished by a wide or narrow margin on all four sides.

Sometimes two or three reverses will share a common obverse, or vice versa. In these cases, one may collect one obverse note with its various reverses to form a type collection, or assemble a complete set of matching obverses and reverses. In the latter case, some obverses or reverses will be duplicated.

While most collectors prefer to assemble complete sets of Specimen notes, as a guide to type collectors we. have indicated in the listing below those cases where notes share a common obverse or reverse.

The illustrations of the notes listed below appear in the preceding pages of the book. For ease in referring to the illustrations, the Specimens below bear the same numbers as the regular issue notes, with the addition of the suffix letters "SP" to signify that the note is a Specimen.

Proofs and Specimens of Fourth and Fifth Issue notes are very rare. The prices quoted are for Specimens in new condition.

Proofs of the Following Notes Are Known:

3 Cent Notes

No. Description Narrow Margin Wide Margin 1226-SP. Obverse with light background to portrait.

1227-SP. Obverse with dark background to portrait.
Reverse of above 2 notes.

5 Cent Notes

No. Description Narrow Margin Wide Margin

1231-SP. Obverse with straight edges.
Reverse of above note without monogram.

1232-SP. Obverse.

Reverse of above note without surcharge.

1236-SP. Red Reverse.

1238-SP. Green Reverse.
Obverse of above 2 notes.

10 Cent Notes

No. Description Narrow Margin Wide Margin

1243-SP. Obverse with straight edges. Reverse of above note without monogram.

1244-SP. Obverse.

Reverse of above note without surcharge.

1251-SP. Obverse with printed signatures of Colby and Spinner. 1253-SP. Obverse with autographed signatures of Colby and Spinner. 1254-SP. Obverse with autographed signatures of Jeffries and Spinner.

Red Reverse of above 3 notes.

1255-SP. Green Reverse.

Obverse of above note (same obverse as 1251 -SP).

15 Cent Notes

DESIGN 173

(Notes 1272-SP-1276-SP)

Heads of Union Generals William T. Sherman and Ulysses S. Grant.

These notes exist only as specimens











Images courtesy ANA and Michael P. Marchioni (No. 1273-SP).

184

No. Description Narrow Margin Wide Margin Obverse with printed signatures of Colby and Spinner. 1272-SP. Green Reverse of above note. Obverse with autographed signatures of Colby and Spinner. 1273-SP. Obverse with autographed signatures of Jeffries and Spinner. 1275-SP. Obverse with autographed signatures of Allison and Spinner. 1276-SP. Obverse without any signatures. Red Reverse of above 4 notes.

25 Cent Notes

Description Narrow Margin Wide Margin 1282-SP. Obverse with straight edges. Reverse of above note without monogram. 1283-SP. Obverse. Reverse of above note without surcharge. 1291-SP. Red Reverse without surcharge. 1294-SP. Green Reverse without surcharge. Obverse of above 2 notes.

50 Cent Notes

No. Description Narrow Margin Wide Margin 1313-SP. Obverse with plain edges. Reverse of above note without monogram. 1314-SP. Obverse. Reverse of above note without surcharge. 1324-SP. Obverse with printed signatures of Colby and Spinner. 1328-SP. Obverse with autographed signatures of Colby and Spinner. 1329-SP. Obverse with autographed signatures of Allison and Spinner.





No. Description Narrow Margin Wide Margin 1330-a-SP.Obverse. Same as Obverse of Design No. 181 but with autographed signatures of Jeffries and Spinner. THIS NOTE EXISTS ONLY AS A SPECIMEN. Red Reverse of above 4 notes without surcharge.

1331-SP. Green Reverse without surcharge. Obverse of above note (same obverse as 1324-SP). Green Reverse without surcharge. 1339-SP. Obverse of above note (same obverse as 1324-SP).

1343-SP. Obverse with printed signatures of Colby and Spinner. 1355-SP. Obverse with autographed signatures of Colby and Spinner.



Description Narrow Margin Wide Margin

1357-a-SP. Obverse. Same as Obverse of Design No. 183 but with autographed signatures of Jeffries and Spinner. THIS NOTE EXISTS ONLY AS A SPECIMEN.

Red Reverse of above 3 notes without surcharge.

1358-SP. Green Reverse without surcharge.

Obverse of above note (same obverse as 1343-SP).