Name 7/18/13

Address

City, State

Board of Directors of the Federal Reserve:

Hi, and thank you for reading my question. It occurred to me that Federal Reserve Notes replaced lawful currency on or around 1971 as US Notes were discontinued. “Because United States Notes serve no function that is not already adequately served by Federal Reserve Notes, their issuance was discontinued, and none have been placed in to circulation since January 21, 1971.” - From the Treasury departments’ Website (at <http://www.treasury.gov/resource-center/faqs/Currency/Pages/legal-tender.aspx>).

It is my understanding that US Notes were an INELASTIC Currency and LAWFUL money (Legal Tender Act of 1862). It would appear that if the statement from the Treasury is true, then a FRN must be inelastic in some capacity. This idea lead me to Section 16 clause 1, or its’ codified Statute at 12 USC 411, which in part reads “They shall be redeemed in lawful money on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or at any Federal Reserve bank.” I am no expert on this topic, but I find it interesting and I would like to exercise my right to redeem these Notes for lawful money.

Also, the wording on the front of a FRN says “This Note is legal tender for all debts, public and private”. That would appear to be saying that one can use this Note publically OR privately and if one does, a public law or private law would be tendered. If my interpretation of this wording is correct, it would seem to be in line with the wording of 12 USC 411 as LAWFUL money is in effect, private.   
  
In this quest, I thought I could write “Redeemed for lawful money pursuant to 12 USC 411” on the back of my checks. But, when I did this, my local bank (which I thought was part of your Federal Reserve System), denied me this right.

So I ask you, how does one use a Federal Reserve Notes in its Lawful and Private capacity? Can one exercise the right defined at 12 USC 411 at a member bank, or only Federal Reserve branches. Or perhaps I am way off base here and you could show me in the law where I can find the answers to my questions. … Any help in resolving my questions is greatly appreciated.

Thank you for your time,

Chris Schulte