

Unlimited fun

Sets of low serial-numbered Federal Reserve notes offer discerning collectors limited-edition collectibles to enjoy

By Daniel Wishnatsky

As some collectors are aware, since 1999 the Bureau of Engraving and Printing has offered a steady stream of limited-edition collectibles. In some cases the number issued has been quite small (500) while others have been relatively large (88,888).

Often when the notes or sets are first issued, the response is similar to a land-rush and within hours they are sold out. At times demand has been so great that the BEP's online order entry system has shut down.

So, with all this interest and excitement, why has the larger collector community tended to overlook this most interesting and intriguing area of collectibles?

Why does the average collector say, "Huh?" when the subject of BEP collectibles comes up?

Might it be because they are too expensive?

Nope. The rarest of these products often sells for surprisingly modest prices and many can be purchased for less than \$100.

Maybe it's because they are unattractive and don't have that eye-candy appeal we all enjoy?

Nope. A look at the accompanying images will likely dispel any notion of that.

Lest we forget, these special issues are frequently issued in very low numbers, often focus on historically significant events or the changing nature of currency production, and are designed to highlight the simple beauty of an art form that is the lifeblood of our economic system.

So what's the rub?

Well, collectors like to collect, not hoard, and thus require a framework in which to build a collection. Our passion is to find the elusive or undiscovered or underappreciated, with an eye toward crafting a complete collection that is distinguished by our personal vision. Without a guide or resource that includes categories, a description of each item and what distinguishes it, population numbers, serial number ranges and current prices, we are unable to truly collect so we are left to gathering.

This article intends to provide collectors with a complete explanation and guide designed to assist you in creating a BEP special products collection that is pleasurable, challenging and rewarding.

A wonderful place to start this journey is with the BEP's Premium sets. These sets incorporate many of the great features of BEP collecting, including very low issue numbers, exclusive matching serial numbers and finely crafted presentation packages.

As the accompanying table indicates, the BEP has issued seven different Premium Federal Reserve sets, comprising a grand total of approximately 12,500 sets. Until the BEP decided to issue these sets, it would have been impossible to create or own a matched set of 12 Federal Reserve notes, one for each of the 12 Federal Reserve Banks.

These sets share the following characteristics:

They are the only sets ever issued by the BEP that include matching serial numbers from each of the 12 Federal Reserve Banks.

The matching serial numbers from these sets are either very low numbers (in some cases starting with A00000001★) or very high numbers (BA99999999Y).

The sets are all housed in specially designed books and include certificates of authenticity.

They were issued over a period of approximately six and a half years from June 1999 to January 2006.



KANSAS CITY



DALLAS



Some examples of the notes in the \$2 Premium Millennium Federal Reserve set. Only 2,000 sets were offered to the public by the Bureau of Engraving and Printing.

THE UNITED STATES OF AMERICA



Series 2003 \$2 notes were first printed at the Western Currency Facility in October of 2003.



Series 1999 \$5 note first issued on May 24, 2000

Series 2003 \$2 FRN star notes with the lowest matching serial numbers available to the public were offered in 2004. This product was limited to 2,000 sets.

This Series 1999 \$5 FRN note was part of the \$5 Premium Federal Reserve set offered in 2000.

Now, let's explore what makes each of these sets unique and intriguing, and in some cases, more than a bit controversial.

\$2 Premium Millennium set

Issued in 2000 to commemorate the millennium, this 12-note set of Series 1995 \$2 FRNs sold out in a relative heartbeat. The offering was limited to 2,000 sets. Each note is a star note (normally used as a replacement for a damaged note).

The serial number of each note begins 2000xxxx. This is the only Premium set whose serial number begins with a year (2000) and one of only two that consists entirely of star notes.

The first set issued was serial number 20000001★ and the last set issued was serial number 20002004★. Occasionally notes are damaged or mishandled so a complete set cannot be assembled and the range has to be extended. As it turns out, sets 20000001★ and 20002004★ were sold jointly at auction in September 2007 for \$12,650. The original issue price was \$495 per set.

For those unable to secure a set, the BEP also offered individual \$2 star notes with serial num-

bers 2000xxxx★ for \$6.95 each. These notes bore serial numbers ranging from 20002005★ to 20009999★, for a total of 7,994 individual notes per district. Except for the Atlanta Federal Reserve district, no other \$2 star notes were ever issued for the Series 1995 issue.

Like most of the Premium sets, these Series 1995 \$2 FRN sets have become tougher and tougher to locate as time goes on, but lack of awareness by the broader collecting community has kept prices reasonable. An "average" set will generally sell in the \$700 to \$850 range, with fancy or low numbers going much higher.

An oily-type substance is found on the lower margins of some of these notes. An over-abundance of "cutting oil" is usually targeted as the culprit, but the definitive reason may never be known.

\$2 Federal Reserve set

As a follow-up to the highly successful Millennium set, the BEP offered "for the first time ever, STAR notes with the Lowest Matching Serial Numbers available commencing with 00000001★."

The Bureau of Engraving and Printing offered the \$10 Premium Federal Reserve sets of Series 1995 \$10 FRNs in 2003.



Series 1995 \$10 note first issued on October 25, 1995

Released in November 2004 to considerable fanfare, these Series 2003A \$2 FRNs were an instant hit. The set was also limited to an issue of 2,000. It is the only set ever issued by the BEP with notes beginning with serial number 00000001★.

Sensitive to the value and in an effort at fairness, the BEP held a lottery for the set bearing the serial number 00000001★. The drawing was based on the number of sets purchased per individual. Word has it that the lottery winner thought it was a hoax when he was notified of his good fortune and that he actually had to be convinced that everything was aboveboard. He clearly was ultimately left smiling, since it is believed that the first set (00000001★) was resold for far in excess of \$100,000.

The serial numbers for these sets exceed the 0001 to 2000 range. As the BEP indicated on its Web site, "The serial number range for this limited edition Series 2003 \$2 Fed Set was 00000001 — 00002100. Due to quality standards during the manufacturing process some serial numbers were not made available."

Fancy numbered sets for this series are scarce and highly desirable. Numbers under 00000100★; solids, such as 00000555★; and ladders, such as 00001234★, all demand a significant premium. In many cases, lower-numbered sets have been broken up and the notes sold individually, making full sets tougher to obtain. Three-digit sets, 00000425★ for example, demand a premium above four-digit sets (00001425★).

An overlooked, but interesting little niche, are the 101 sets numbered between 00002000★ and 00002100★ since they are 10 times as rare as the average 00001000★ to 00001999★ set.

These Series 2003 \$2 notes were also offered individually by the BEP for \$9.95 each. The serial numbers used on the individual notes offered ranged from 00002101★ to 00016000★ for each of the Federal Reserve districts. However, it is unclear if all the notes were actually released and it remains a subject of debate among collectors.

The \$2 Federal Reserve sets are among the most popular of the Premium sets and sell on average for a very reasonable \$700 or so. Considering \$2

notes are a favorite of many collectors, when you combine that with a 12-note matching low-numbered star set, the appeal can be quite magnetic.

\$5 Premium Federal Reserve set

Talk about intrigue and drama. This set has more than its share. But let's begin with the basics.

Originally released during the Christmas season in 2001, this set consists of 12 Series 1999 matching nonstar low-numbered \$5 FRNs, one from each of the Federal Reserve districts. The original price was \$515 per set and they were advertised as offering the "lowest available serial numbers to the public." That phrase was meant to indicate that the first officially issued set would begin with serial number 00000301A and the last set issued would be number 00002300A or so, depending on additional sets being issued as replacements. All pretty routine.

In fact, the BEP inadvertently issued sets from 00000002A to 00000200A in addition to the official issue. This created quite a furor and left many collectors wondering how this could have ever happened. It also left more than a few collectors with some very valuable Premium sets. It is understood that the BEP vowed that this was a one-time mistake and it would never happen again. Over the ensuing years, there is no evidence to indicate otherwise.

Just to clarify, the BEP does not normally issue "A" suffix notes below serial number 00000301A, therefore any set below 301 should have never been issued. This restriction does not apply to star notes.

As for value, when first issued, single-digit sets (00000007, for example) were being offered in the \$10,000 range and double-digit sets in the \$3,000 to \$6,000 range. Many of these sets were subsequently broken up and the notes sold individually.

When all was said and done the final serial number issued for the group was 00002327A.

And just to spice things up a little more, a missing "S" also distinguishes this set. It seems that all of the \$5 Premium Set notes from the Atlanta district are missing the last S in UNITED STATES.

Series 1996 \$20 FRNs were used in the \$20 Premium Federal Reserve sets. These products, issued in 1998, were the first Premium sets the Bureau of Engraving and Printing ever issued.



TWENTY DOLLARS

Series 1996 \$20 note first issued on September 24 1998

The \$50 Premium Federal Reserve sets offered Series 2004 \$50 FRNs. Demand for the limited-number of 500 sets "crashed" the Bureau of Engraving and Printing's online order entry system.



The government issued the new \$50 note into circulation on September 28, 2004.

This is the first and only instance in which a readily noticeable error is present across an entire run of Premium sets. In fact, we are unaware of any other currency error that consistently affects an official BEP collector issue.

A great set with a great story, it remains the only \$5 denomination Premium Set ever issued. It is rare to come across the unauthorized low-numbered sets, and fancy serial-numbered sets are also few and far between. The average set currently sells in the \$500 to \$650 range; however, like all Premium sets, there is no ready supply of them anywhere.

\$10 Premium Federal Reserve sets

The Series 1995 and 1999 \$10 FRNs Premium sets feature 12 notes with matching high-numbered serial numbers starting with 99999999 and counting backwards from there. Offered first as individual Series 1995 sets, the option was subsequently added to purchase matching or individual Series 1999 sets. Both versions were priced at \$595 per individual set of 12.

This was the first (and last) time that the BEP made available two separate 12-note district sets with matching district serial numbers. In effect, the option of purchasing 24 notes with the same serial number existed.

Since the BEP does not normally issue serial numbers above 96000000, the offering was a unique opportunity to purchase not only high-numbered notes, but high-numbered matched district sets.

These sets remain real sleepers. One reason is that they are not cataloged in standard United States paper money references, either individually or as a set, and so are invisible to a large segment of collectors. The block numbers for these sets are unique since all end with the Y suffix. I am unaware of any other modern \$5, \$10, \$20, \$50 or \$100 FRNs that end with the Y suffix. Bear in mind, if these were treated as a regular issue, these Y suffix notes limited to 2,000 notes per FR district, except for the Boston (8,000 notes) and Minneapolis FR districts (4,000 notes) would likely be selling for

considerably in excess of \$100 per note.

These are also the only high-numbered Premium set ever issued, the only ones offering matched series year dates and the only ones to contain \$10 FRNs.

As with the Series 2003A \$2 Premium set, a lottery was held for the ultimate Series 1999 set, in this case the set containing 12 notes with serial number 99999999. The winner was given the opportunity to purchase the matching Series 1995 and 1999 sets.

Spoilage was at play with the Series 1995 sets, since sets numbered below serial number 99998000 are known to exist.

Prices remain moderate for these \$10 FRN Premium sets and individual sets tend to retail in the \$500 to \$700 range. However, Series 1995 and 1999 24-note matched sets and fancy-numbered sets are hard to find. Single-digit sets, such as the Series 1995 A99999994Y set depicted with this article, are extremely scarce. A good number of the Series 1999 single-digit sets have already been broken-up for re-sale.

\$20 Premium Federal Reserve set

Initially issued June 28, 1999, the Series 1996 low-numbered 12 note matching FR district sets were limited to 2,000 sets and priced at \$695 per set. The serial numbers began at 00000301 and ended at 000002607.

The reason the numbers did not end in the vicinity of 00002300 is attributed to spoilage. However, a good number of the lower numbered notes, particularly in the 400 range, ended up being used for other BEP Special Issues, including the \$20 Premium Historical Portfolio and the \$20 Deluxe Notes.

As a result, demand for sets in the low 300 range is enhanced. An attractive 00000333 set sold at auction in January 2008 for \$3,200 and other sets in the 00000300 range generally sell between \$800 and \$1,000 each. Average sets sell in the \$500 to \$600 range.

These notes all end with the "A" suffix, for example BA00000301A. The BEP considers notes ending with the "A" suffix as the first notes officially issued by each district.

\$50 Premium Federal Reserve set

If ever a Premium set was destined to sell out quickly, this was it. These Series 2004 \$50 FRN sets were limited to only 500 sets. Collector demand "crashed" the BEP order entry system and required the BEP to ration sets. The BEP initially limited orders to a maximum of five sets per individual. However, when customer demand overwhelmed the system, the BEP split orders so as to provide the broadest and fairest distribution.

Sets were priced at \$1,095 (or \$1,050 per set if someone ordered the maximum of five). The bulk rate was honored for those whose orders were reduced. A lottery system was used to determine the serial numbers sent to purchasers.

The sets officially begin with number 351 and end at 850 (though set 851 is known to exist).

With such a limited production and the powerful eye-catching appeal of 12 low-numbered matching \$50 FRNs, this set is considered the crème-de-la-crème of Premium sets. Not only is it a striking set, the complete set remains the most limited of any BEP special issue.

Fancy serial numbers for the Series 2004 \$50 Premium sets are obviously scarce and in demand, but since these sets are not mentioned in standard U.S. paper money references, most collectors are unaware of them. With such a thin population, prices tend to run a broad gamut. However, a dedicated search may, at least for the time being, secure a set in the \$1,500 to \$1,700 range.

If and when BEP special issues find broader awareness, acceptance and appreciation, this particular set is likely to be among the first to respond to increased demand.

So there you have it. Seven beautiful sets, unique and distinctive, with low populations, colorful histories and limited collector awareness.

These are not the only limited-edition sets the BEP made – the BEP has offered more than 40 products in its special products program. However, Premium sets offer particular focus for collectors seeking to build a wonderful collection. ■

Premium Set	Series	Number of Sets Issued	Initial Sale Date	Serial Number Range (best available data)	Issue Price	Did you know?
\$2 Premium Millennium Federal Reserve Set	1995	2000	May 2000	20000001* to 20002004*	\$495	Only Premium Set whose serial numbers begin with a year.
\$2 Federal Reserve Set	2003	2000	November 2004	00000001* to 00002100*	\$495	Set 00000001* was resold for far in excess of \$100,000.
\$5 Premium Federal Reserve Set	1999	2000	December 2000	00000002 to 00000200 and 00000301 to 00002327	\$515	BEP released in error sets # 2-200. Atlanta note is missing the last "S" in United States.
\$10 Premium Federal Reserve Set	1995	2000	June 2003	99999999 to 99997800	\$575	All notes include scarce "Y" suffix.
\$10 Premium Federal Reserve Set	1999	2000	May 2001	99999999 to 99998000	\$575	Available with 1995 \$10 Set as a complete 24 note matching set.
\$20 Premium Federal Reserve Set	1996	2000	June 1999	00000301 to 00000400 and 00000500 to 00002607	\$695	First Premium Set ever issued by the BEP.
\$50 Premium Federal Reserve Set	2004	500	January 2006	00000350 to 00000851	\$1095	Lowest population of any BEP Special Issue single note or set.