

EXHIBIT ELEMENTS

FED GALLERY – YOUR CENTRAL BANK IN FOCUS

FEDERAL RESERVE BANK OF SAN FRANCISCO -- LOS ANGELES BRANCH

Contacts: Carol Eckert, Media Relations Lily Ruiz, Media Relations
(415) 977-3853 (415) 974-3240
carol.a.eckert@sf.frb.org lily.ruiz@sf.frb.org

ELEMENTS: **Currency Collection**

Before entering the Gallery, visitors can stop by this display to see some of the most rare and valuable currency in the United States. On display are authentic \$500, \$1,000, \$5,000 and \$10,000 bills which the government discontinued in 1946. Beginning in 1969, these notes were pulled from circulation as checks became the dominant form of large dollar transfer.

Life of a Bill

How long does cash last? What becomes of a bill once it's "spent?" Here, visitors learn fun and fascinating facts about their money: did you know a \$1 bill lasts an average of 22 months before it is so worn out it is taken out of circulation? Compare that to a \$100 bill which lasts nine years. Worn notes are shredded at the Los Angeles Branch – about \$45 million per day – and replaced with currency that is fit for circulation.

The Flow of Money

Every day billions of dollars in cash, checks and wire transfers pass through the Federal Reserve. When visitors touch a glass-screen virtual waterfall, scrolling numbers part to reveal various facts about the payments system—for example, every month 47 million Americans receive social security deposits or checks through the Fed.

Dollar Detectives

Can you spot a fake? Here at the Los Angeles Branch, specially trained employees inspect bills to find potential fakes and take them out of circulation. Test your dollar savvy at this exhibit to make sure you're able to identify security features on U.S. currency.

Coin Operations

A penny here, a nickel there – it doesn't seem like much, but when you add up all the coins in vending machines, cash registers and piggy banks, that's a huge number of coins changing hands everyday. Visitors here get an opportunity to learn more about the Fed's role in distributing coins and explore an etched glass map of the 12th District featuring a magnified State Quarter within each 12th District state.

Safe and Sound

When customers walk into their bank, they need to know that their money is safe. Exhibits in this area focus on the supervision and regulation duties of the Federal Reserve, helping visitors understand the market forces that regulate banks and how the Fed examines capital, asset quality, management, earnings, liquidity, and sensitivity (C.A.M.E.L.S.) to ensure that banks manage their risk. Visitors can test their skills as bank examiners using a pachinko-style game to determine the relative risk or safety and soundness of banks.

Also in this area, a visitor station features case histories on community investment and fair lending that illustrate banks' roles in community revitalization.

Monetary Policy

How does the Federal Reserve influence the nation's financial system to promote a healthy economy? Setting monetary policy is one of the Fed's most important and visible roles because its decisions have the potential to affect our nation's economy. Touch screen computer games feature an interactive Fed Chairman game wherein visitors set the target federal funds rate and watch their decisions play out on the economy. In an adjacent room, a ten-foot floor mounted screen plays a short video on the Federal Reserve.

Tours

A full tour of the Los Angeles Branch is 90 minutes and consists of a visit to the Fed Gallery as well as guided walks through the Checks Processing Department and the Cash Vault. All tours are free, though tour participants must be of high school age or older.

Tours are available Monday through Thursday at 10:00 a.m. or 1:00 p.m. by reservation only. To reserve your tour call, (213) 683-2900 or book online at:
<http://www.frbsf.org/federalreserve/visit/toursla/toursla.html>.

Public parking is located nearby at Grand and Olympic Blvd.

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