HR2990 – CONVERSION PROCESS

US MONEY ──── DEBT-FREE MONEY ISSUED BY TREASURY

FED RESERVE NOTES ──── CREDIT MONEY OR DEBT MONEY

WHAT BANKS OWN

'OUTSTANDING LOANS'

CREDIT BANK LOANS

MONETARY AUTHORITY

NEW ACCOUNTING RULES

MONETARY AUTHORITY CONVERTS BANK LOANS TO US MONEY

BANKS **OWE** LOAN PRINCIPAL TO FED GOV

REPAID PRINCIPAL

REPAID INTEREST

US TREASURY REVOLVING LOAN FUND

COMMERCIAL BANKS

LOANS TO COMMERCIAL BANKS

INTEREST

NEW LOAN

INT

NEW BORROWERS

WHAT BANKS OWE

CASH OUTSTANDING

DOLLAR BILLS IN CIRCULATION

SECRETARY OF TREASURY

US MONEY

US MINT

Secretary to provide domestic banks US money to allow conversion of all FEDERAL RESERVE NOTES

~~FED RESERVE NOTES~~

US MONEY

DEPOSITORS

DIGITAL MONEY (DEPOSITS)

CHECKING ACCTS

ALL DEPOSITS TREATED AS US MONEY

NO INTEREST ALLOWED

FDIC INSURED

DEPOSITS ARE **NOT** ASSETS OF BANK (HELD IN TRUST)

DIGITAL MONEY (Timed Deposits)

CD ACCTS

ALL DEPOSITS TREATED AS US MONEY

INTEREST ALLOWED

NOT FDIC INSURED

DEPOSITS ARE ASSET OF BANK