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UC SOUTHERN REGIONAL LIBRARY FACILITY

# Early Illinois Paper Money

*by*

R. Edward Davis





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addition of an alphabetical check list of paper currency  
issued in Illinois.



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## The First Banks of Illinois

A JOURNEY to the Illinois country, in the far west, in 1818, was usually made down the Ohio river. The river followed a generally westward direction along the southern border of Ohio and Indiana until it reached Illinois. Here it turned abruptly south to pass around the Ozark uplift in southern Illinois. At the point where it turned south, was situated the village of Shawneetown, which was the principle port of entry to Illinois. Here emigrants left the slowly moving flat-boats to cross over to the settlements in western Illinois and Missouri. Roads also lead northward to the newly established settlements in English Prairie fostered by Morris Birkbeck and George Flower. A traveller of that time says the town "consisted of about thirty log houses. The chief occupation of the people is the salt-trade. There is a United States Land-office, and a log bank is just established. The chief cashier of this establishment was engaged in cutting logs at the moment of my arrival." This was the metropolis of Illinois in 1818, and the home of the first bank in Illinois.

The founder of the first bank in Illinois was John Marshall, who came to Shawneetown in 1804. He became a prosperous merchant. He took deposits, loaned money and issued bills of credit. In 1816 he, in company with a few others, applied to the Territorial Legislature for a bank charter. The law establishing the Bank of Illinois at Shawneetown was approved on December 26, 1816.

The capital stock was fixed at \$300,000, divided into \$100 shares, but one third of this capital was to be reserved for the Territory (or subsequently the state) of Illinois, should the legislature wish to buy the stock. The subscribers were re-

quired to pay \$10 per share in gold or silver at the time of subscription, and the balance in current paper money, when called for by the directors. The directors could not call for more than twenty-five per cent of the whole amount at any one time, and then only after sixty days notice. Since ready money was so scarce in the new country, the charter provided that the bank might begin business as soon as \$50,000 had been subscribed and \$10,000 paid in.

Twelve directors were to be elected, all of whom must be residents of Illinois. The bank was empowered to acquire property to the extent of \$500,000, but such property should not include real estate in excess of what was needed to do business,—except that which it had acquired through forfeiture of loans or on mortgages. The charter also provided that in the event that the bank refused to redeem its notes in coin, the holder could collect 12% interest. The life of the charter was to be twenty-five years.

The minimum capital of \$10,000 was soon paid in and the bank opened for business on January 1, 1817. The fact that for some time there was no mention made of it in the legislature, and little in the newspapers of the time, seems to indicate that it carried on a conservative and successful business as measured by the standards of the time.

Banking standards in those days were quite different from banking principles of today. To understand the early history of banking in Illinois these facts must be kept in mind. James in "The Growth of Chicago Banking" explains this difference quite clearly, "Banks were organized not because there was capital seeking investment; not because the places where they were

established had commerce or manufactures which needed their fostering aid; but because men without active capital wanted the means of obtaining loans, which their standing in the community would not command from banks or individuals having real capital and established credit. In frontier communities like Illinois banks were regarded agents for the painless provision of capital. In a pioneer community capital of all kinds was scarce, because there was seldom much surplus product; of moneyed capital, there was very little, and banks were looked upon as a mechanism for increasing the supply, without any painful saving on the part of the community.

"Checks were almost unknown, outside of the large eastern cities, and few people except the wealthier merchants were familiar with bank accounts. If banks were to supply the community with either currency or capital funds, it had to be in the form of bank notes, and if banks were to exercise any influence upon the general level of prices, it would have to be through the policies that they adopted in regard to the issue and retirement of such notes."

The success of the Bank of Illinois at Shawneetown, inspired citizens in the settlements near the Mississippi to become bank conscious. A group of people of Edwardsville headed by Ninian Edwards and Benjamin Stephenson succeeded in obtaining a charter for the Bank of Edwardsville from the legislature on January 9, 1818. The provisions of the charter were similar to those for the Bank of Illinois, except that the shares were for \$50 instead of \$100. The first installment of the capital amounting to \$30,000 was quickly paid in. Of this \$22,625 came from Kentucky, \$1,800 from St. Louis and only \$5,475 from Illinois. No resident of Illinois paid in more than \$50. Ninian Edwards was a powerful

political figure, and his name carried considerable weight, in spite of the fact that he was deeply involved in land speculations, and that among his associates in the bank were several whose financial stability and honesty were somewhat questionable.

The bank at Edwardsville began business at once. Within a few months a serious financial crisis developed which spread through the south and the west. Both Illinois banks, after some anxious days, weathered the storm and came through the depression in good order. Early in 1818, through the political maneuverings of Ninian Edwards, both banks were made federal depositories for money received from the sale of public land. Up to this time the Bank of Missouri at St. Louis had been the federal depository for Illinois. The removal of these deposits from the Bank of Missouri to the Illinois banks started a long and bitter feud between the St. Louis banks and the two Illinois banks. On one occasion a representative of the Bank of Missouri appeared in Shawneetown with \$12,000 in notes of the Bank of Illinois and demanded payment in specie. Representatives of the Bank of Missouri in Kaskaskia refused to accept Illinois notes in payment for land, and in all possible ways made trouble for the Illinois banks.

At first the two Illinois banks competed with each other as fiercely as they both competed with the Bank of Missouri. Finally they joined forces against their more powerful rival, and agreed that neither bank would present the notes of the other for redemption, if it could possibly be avoided, and in addition agreed to send notes of the other bank as far from the point of issue as possible, in order to make their redemption more difficult.

The financial depression of 1819 had called attention of eastern

bankers of the loose and perilous conditions in eastern banks. This led to a curtailing of the bank note issues. In four years the bank note circulation in the United States declined nearly fifty percent. This contraction as it swept west caused bank failure after bank failure. All lines of business were crippled. Through all of this depression the Bank of Illinois continued to operate efficiently and profitably. In 1823 the business of the bank declined so rapidly that the directors decided to suspend operations, and they succeeded in doing this without surrendering their charter.

The Bank of Edwardsville was not so efficiently managed and was soon in trouble. Early in 1819, Ninian Edwards, became dissatisfied with the way things were going and quietly resigned from its Board of Directors. Although he was a Senator in Washington at the time, he left it to Stephenson, the president of the bank, to inform the Secretary of the Treasury of his resignation and to ask that no more federal money be deposited, until the condition of the bank be investigated. Stephenson was well aware of the value of the prestige of the Edwards name, and also of the condi-



\$20 Bank of Illinois of the second type; lower illustration—\$10 of the Bank of Cairo issued at Kaskaskia.

tion of the bank, so he did nothing. Early in the fall of 1821 the failure of the Bank of Missouri caused a panic at Edwardsville. There was a run on the bank, and after a few days it closed its doors, owing nearly \$60,000, of which about \$55,000 was owed to the federal government, the proceeds of the sale of public lands.

The same legislature which issued the charter for the Bank of Edwardsville issued charters for two other banks, the Bank of Kaskaskia, and the Bank of Cairo. The promoters of the Bank of Kaskaskia were not very energetic. By the time the stock subscriptions were opened there were not enough people with

from the government about eighteen hundred acres of land on the narrow point of land between the Ohio and Mississippi rivers. This land deeded to a company of which Comegys was the leading spirit, and plans were drawn up for a town, a bank and an ambitious scheme of public improvements. The act of incorporation provided for two thousand lots which were to be sold for \$150 each. One third of this was to be spent for public improvements, one third was to go to Comegys and his associates, and the other third was to be bank capital. Comegys died suddenly in the spring of 1819 and the whole scheme collapsed.

When the first state Constitution



The rare \$10 Bank of Edwardsville note. It is said that there is only one complete set of the notes of this bank in collectors hands.

ten dollars in gold or silver in Kaskaskia to raise the required capital so the bank never opened.

The most interesting of all the banking schemes was the organization of "The City and Bank of Cairo." The act authorizing this scheme was also passed on January 9, 1818. Five months earlier John Comegys of Baltimore had bought

was adopted on August 26, 1819, the Bank of Illinois at Shawneetown was the only bank in the state in good standing. The new Constitution provided that there should be no other banks or moneyed institutions in Illinois except those already provided by law, and a state bank with its branches to be established by the legislature. The account of the ex-

periences of the State in the banking business is another story and will be told later.

In 1835 during a wild period of land speculation, advantage was taken of the provision in the Constitution, allowing all banks in existence to continue, to extend the charter of the Bank of Illinois at Shawneetown. The same men who had managed it in its early days were again in charge. Although the Bank of Cairo had never opened for business its charter, too, was renewed. The old charter had been sold to a group of Englishmen who opened the bank at Kaskaskia. This bank was operated soundly and inconspicuously, and for several years furnished about 70% of all the small notes used in southern Illinois. In about 1841 the bank's officers used a considerable portion of the bank's funds to finance a canal company. As a result of the collapse of this scheme the bank was forced into bankruptcy in February of 1842.

Following the disastrous collapse of the Second State Bank, the Bank of Illinois at Shawneetown again found itself to be the only bank in the state. Meanwhile, brought to the front by the activities of Andrew Jackson, there had developed a feeling that all banks were evil. The Bank of Illinois had been forced to buy great quantities of Illinois Public Improvement bonds, and had been obliged to sell to the state, some bank stock. The legislature wanted to clear up the Public Improvement bonds and the bank offered to exchange them for its stock. The state administration wanted to close the bank, which had a right under its extended charter to continue operation for fifteen years. Finally the legislature repealed the charter and placed the assets in the hands of three Commissioners, appointed by the Governor, who were

required to close up the bank as soon as possible.

A second act allowed the bank to go into voluntary liquidation under its own officers, provided the bank turned over to the state its state bonds in return for the bank stock held by the state. This second act was accepted by the bank. Though the bank closed its doors in 1842, its notes continued to circulate for many years, so great was the faith of the people in John Marshall and the other officers of the bank.

The notes of these early Illinois banks are scarce, especially those of Edwardsville, and the early notes of the Bank of Illinois. The notes of the Bank of Cairo at Kaskaskia are much oftener found. A list of the notes of these banks follows:

Bank of Edwardsville— 25 cents, 50 cents, \$1.00, \$2.00, \$3.00, \$5.00, \$10.00, and a "Post Note" where the value is written in, usually \$20.00. These notes are nicely engraved by Tanner, Kearney and Tiebout.

Bank of Illinois at Shawneetown—early issue—\$1.00, \$2.00, \$3.00 and \$5.00. On these notes the name is spelled "Shawance Town".

Later issues—\$1., \$2., \$3., \$20., \$50., and \$100. The \$20. notes of the later issues occur in two types, one of which was issued in 1838 and the other in 1839. The plates for the notes of the last issue were engraved by Wm. Dane & Co.

The scarcity of the early notes of the Bank of Illinois is probably due to the fact that when the bank suspended operations in 1823, it re-deemed and destroyed all notes presented for payment.

The Bank of Cairo at Kaskaskia—\$1.00 (two types), \$2.00, \$3.00 (two types), \$5.00 (two types), and \$10.00. The plates for these notes were engraved by Underwood, Bold, Spencer and Huff.

## The State Banks of Illinois and the Era of Internal Improvements

ILLINOIS was admitted to the Union in 1818. The Constitution of the new state provided that "there shall be no other banks or monied institutions in this state than those already provided by law, except a State bank and its branches, which may be established and regulated by the general assembly of the state as they may think proper." Two banks were in existence in Illinois at this time, the Bank of Illinois at Shawneetown, and the Bank of Edwardsville. There were two other charters which had been granted by the legislature, those for the Bank of Cairo, and the Bank of Kaskaskia, but which had not, at this time, been used.

At this time there was very little gold or silver in circulation in the state. The circulation was mainly in bank notes of other states. These passed at all kinds of discounts, and at constantly varying discounts. A few came from specie paying banks, some from banks that were really solvent, some from banks that had failed, some from banks that had never existed, and some were counterfeits of the issues of existing banks. The notes of the Illinois banks made up but a small part of the circulation, and notes of the Bank of the United States were very rare. This mass of paper came mainly from banks in Ohio and the South, though some notes from banks in Western New York, Pennsylvania and the District of Columbia, with a few from the New England states were also circulating.

This was a period of wide spread financial depression. Every one was in debt. During the boom times, everyone had speculated in land and usually on credit. People were land-

crazy. Land could be bought from the government by paying only a small part of its cost as a first installment, and many, expecting a rapid rise in land values, took out land when they only possessed enough money to pay the first installment. The wild speculation resulting from such sales aroused the apprehension of the National Government, and to curb such excesses an Act was passed in 1820, reducing the price of public lands from \$2.00 to \$1.25 an acre and requiring full payment in all future sales. The effect of this act was to bring the depression to the West. In the East attempts had been made to control and regulate banks of issue in some states. This had led to a rapid contraction in the volume of bank notes and from this a depression had started. In this time of financial stringency the United States Land Offices were more careful what kind of money they accepted in payment of public lands. Money of any kind was not plentiful and when the Land Offices refused to accept about two thirds of that in circulation, a real depression hit the state.

As a measure of relief the first state legislature passed an act to establish a state bank. It was to have a capital of \$4,000,000, half of which was to be subscribed by the state and half by private persons. The charter provided that the bank might start business when it had received "in gold or silver or notes of banks in the Western country paying specie" an initial payment of \$15,000. Even with the most liberal interpretation of the last clause, it was not possible to find enough people who were able or willing to subscribe enough cash so this bank

never came into existence as a business institution.

At the next session of the legislature in 1821, a new bill was introduced creating a bank based entirely on the faith and credit of the state. This bank would not have to worry about stock subscriptions. Opposition to the act was strong. It was pointed out that the bank would have no specie with which to redeem its notes, also that the act was a bare-faced attempt to violate the prohibition in the national constitution of bills of credit, and that such an institution would encourage wild speculation instead of tending to curb it. The bill was passed in both houses by a small majority.

The bill came before the council of revision, consisting of the Governor and the Justices of the Supreme Court, which under the state constitution, possessed the veto power. This council gave it a unanimous veto. The bill went back to the legislature and after a long debate it was passed with a few votes to spare.

The act as it was passed provided for The State Bank of Illinois, with its principal office in Vandalia, and with branches at Shawneetown, Edwardsville, Brownsville and Palmyra. The capital was finally fixed at \$300,000, all subscribed by the state. The management was to be in the hands of a president, a cashier, and six directors, with five local directors at each of the branches. All of these officers were to be appointed by the legislature every two years. The directors of the branch banks were to select their own presidents and cashiers. The president of the Vandalia Bank was given a salary of \$800 a year and the cashiers were to receive salaries not to exceed this amount. The other officials received no salaries but were given the right to borrow

amounts up to \$1,000 at two percent interest.

After the organization was completed the Vandalia Bank was authorized to have printed \$300,000 in notes in denominations of from \$1 to \$20 and to give them out to the branch banks in proportion to the population in the various districts. These notes, guaranteed by the State of Illinois, bore two percent interest a year and were to be retired in ten years. They were to be receivable for all taxes and dues to the state, and one tenth of the entire issue was to be retired each year.

The officers of the various branch banks were to lend this money at six percent, the loans to be secured by real estate of at least twice the value of the loan. For small loans of less than \$100, upon the consent of the board of directors, personal property could be pledged as security. No one could borrow more than \$1,000. No loan was for more than one year, but if the debtor would reduce the loan ten percent he could get a renewal for another year.

It is quite evident that the aim of the bank was to distribute the money among as many borrowers as possible. The bank was also to act as a depository and as a business agent for the state. It was also authorized to receive deposits and do a general banking business, but it was prohibited from charging depositors for its services, and its exchanges were to be made at par.

In the hope of its preponents such was to be the first State Bank of Illinois, which its capital had been put at \$800,000 no such sum was ever turned over to the bank. It did receive from the legislature \$2,000 in cash to pay for the engraving of the plates from which the notes were to be printed. To insure the widest circulation of these notes in the states, the legislature passed additional acts to prevent the issu-



Notes of the Second State Bank. Upper—One dollar on Illinois & Michigan Canal Fund; Middle and Lower—\$10 and \$5 with "Branch Bank" imprint.

ance of any form of paper currency by any one but chartered bankers.

As soon as the bank was opened about every man who had any unencumbered real estate had borrowed all he could get, and every man who could get an endorser had borrowed his hundred dollars. In about a week the whole \$300,000 had been loaned. Those who came too late to get a loan complained bitterly of political favoritism shown by the directors. Since most of the directors were politicians with no banking experience, very little attention was paid to the probable ability of the borrowers to repay the loan. Many of the borrowers accepted the loan as a gift from a beneficent commonwealth and never expected to have to repay.

Briefly, the state enjoyed a mild boom, but it was of a short life. The Eastern banks had put their houses in order, and business conditions were improving. This improvement did not reach Illinois. Here a paper currency with no specie backing, drove gold and silver and the notes of specie paying Eastern banks out of circulation. The State Bank notes which were intended to circulate at par with gold and silver were down to 75 in a little over a month and in less than two years were worth only thirty cents on the dollar. Even small change disappeared and to make change it was necessary to tear these notes in pieces the size of which roughly indicated their value.

While the act creating the bank had provided that one tenth of the notes issued should be retired each year, the legislature made no provision to supply any specie to do it. In fact specie was so scarce that when one of the branch banks received two silver dollars, they considered them so rare they put them on display as a curiosity.

So many complaints came in concerning the management of the

branches that in 1824 the legislature appointed a committee to examine these branches. It was found that the books were in such a condition that it was impossible to find out what the true state of affairs really was. It was found that loans had been made illegally, and several large sums could not be accounted for in any way. At once steps were taken to close up the banks. In January, 1825, an act was passed ordering the cashier to burn all notes in his possession in a bonfire in the public square at Vandalia in the presence of the Governor and the members of the Supreme Court.

In this fire, notes with a face value of \$75,000 were destroyed. Other fires were held in June and December of the same year, where about \$50,000 more were burned. The bank still had a large volume of loans outstanding and attempts were made to collect them. Some small parts were paid, but finally the Supreme Court following a precedent in a similar case in the United States Supreme Court, declared these notes to be bills of credit and therefore illegal, and that notes issued for them could not be collected by law.

This decision did not relieve the state of the necessity of redeeming the notes in full in 1831. There were still \$150,000 of these in circulation and the state had only \$30,000 in cash. To repay these notes, the Governor was authorized to borrow \$100,000. A contract was made with Samuel Wiggins of Cincinnati for this amount, he taking state stock, bearing six percent interest to be redeemed whenever the State Treasurer had any surplus funds on hand.

In a year nearly \$290,000 had been redeemed or destroyed, and by 1835 only \$6,554.00 of the notes were still outstanding, representing probably the losses and destruction during the ten years of the life of the bank. This experiment in banking cost the

state over \$300,000 in cash and the losses sustained by the people and business in general cannot be estimated. With the closing of this bank the state was left without a bank in its borders, and this condition existed for several years.

Business conditions all over the country improved greatly in the early '30's and it was not long before the boom reached the West. With this improved business condition it was not long before there came demands for financial institutions, able to provide exchange with the East and with New Orleans. The charters of the Bank of Illinois at Shawneetown, and the Bank of Cairo were revived, and a movement was set afoot to establish another state bank. The Bank of the United States had been refused a renewal of its charter by Jackson's administration, and to take its place various state banking systems had been established. Some were carefully managed, and some were very carelessly managed. Floods of this new paper money poured into the state. Under such conditions it was not hard to convince the legislature that a new bank was needed to protect the business interests of the state.

The bill for the new bank was passed by the legislature and approved by the Committee of Revision February 12, 1835. It provided that the bank should run until 1860, its head office was to be at Springfield, and eight branches were to be established where, in the opinion of the directors, they were needed. The capital was to be \$1,500,000, all to be subscribed by the general public, though the state reserved the right to take \$100,000, if the legislature so desired. The bank could begin business when \$250,000 in specie had been received.

The state made no guarantee of the notes, and the value of the notes issued was not at anytime to exceed

two and a half times the paid-in capital. The notes were to be redeemed in specie at anytime, and a failure to redeem any of them in ten days time was to cause the charter to be forfeited, and the bank to go out of business.

Within a few weeks after the subscription lists were opened \$8,000,000 was subscribed, and the task of cutting down the subscription started. Meanwhile, Samuel Wiggins of Cincinnati, with a group of followers, succeeded in gaining possession of many of the subscription rights, and when the stock was allotted, Wiggins controlled nearly 3500 shares.

In July, 1835, the bank opened for business. Branches were established in Alton, Belleville, Chicago, Danville, Galena, Jacksonville, Mount Carmel, Quincy and Vandalia. On the whole the operations of the bank the first years seemed to be more than satisfactory. The notes circulated about at par with specie and the bank made money on its regular banking business.

In 1836 there began a period of the wildest speculation ever seen in America. Townsites were laid out everywhere and a sudden enthusiasm for railroads began. Lines were planned to criss-cross the state in all directions, with little regard to any possible business they might get. The move to build the Illinois and Michigan canal, really got under way. Business was so good that the state legislature decided to subscribe \$100,000 in state bank stock as provided in the bank's charter. The bank agreed to assume the old Wiggins loan left over from the first State Bank, as a consideration for the privilege of opening some new branches. The legislature also took advantage of a provision in the old charter of the Shawneetown Bank and took \$100,000 stock in that bank also.

The people of the state became so

wild about public improvements that when the legislature met in 1836 it passed a most amazing act, known as the "Public Improvement Bill". It included all of the pet schemes of the wildest promoters. It provided for the construction of seven railroads across the state from east to west and for the central railroad running from Galena to Cairo. The old National Highway from Vincennes to St. Louis was to be improved. The state was to borrow \$8,000,000 at once and begin work upon all of these projects, starting from every

important town on the proposed rights of way. A Board of Fund Commissioners consisting of three "experienced financiers" was appointed to make the loan and to administer the distribution of it to the various projects.

Eastern capitalists did not seem very anxious to make this loan, even though it was made an unconditional obligation of the state. A provision of the act prohibited the sale of the securities at less than par. The state could not wait, so finally the State Bank and the Shawneetown Bank



The \$100 note of the Second State Bank, which is of larger size than other issues. The \$2 Chicago branch note was printed from type.

were asked to make the loan. Both were making money and at the time the future looked rosy. Nearly three million dollars of these bonds were unloaded on these two banks. The Shawneetown Bank sold part of their share at once at a fair profit, but the State Banks held theirs as capital, against which more notes were issued.

The State Bank stock was earning nearly eight percent and times seemed so good that the legislature increased the capitalization of the State Bank to \$4,500,000 and of the Shawneetown Bank to \$1,700,000, of which \$1,000,000 was to be taken by the state. These two institutions were to finance the new public improvements throughout the state.

Sectional jealousies would not allow the Board of Fund Commissioners to concentrate their energies on any one project. It decided to start all seven railroads and the Illinois and Michigan canal at once. From each direction from any town to be touched by any railroad work was to be started, with local contractors doing the work as far as possible. Counties not touched by railroads were given \$200,000 each for highway improvements.

Things were going well in the West, when, in the early summer of 1837, without warning, a sudden crash came in the East. Prices declined, banks failed, and business firms failed on every hand. Local financiers thought things in Illinois were on too stable a basis to be affected by this eastern flurry, and did little to prepare for the future. The panic spread and in 1838 the legislature voted to stop work on the internal improvement system. The state had incurred a debt of \$6,000,000 and none of the railroads had been completed. The Illinois and Michigan canal had its own board of trustees and they decided even in the face of the impending panic to

continue work on the canal.

The banks became involved in the panic and at a special session of the legislature an act was passed to legalize the suspension of specie payments. The activities of the banks were greatly curtailed by this act. The Anti-Bank Democrats began a determined fight on the two institutions. In 1839 the State Bank ceased to be a bank of issue and ceased to do business except to disburse the Canal Fund, and to deal with some eastern exchange. In 1843 it was forced into liquidation. Its notes were nearly all redeemed and very few of them have come down to us.

The Chicago Branch of the State Bank opened December 1, 1835 in a building at the corner of Clark and Water streets. John Kinzie was its president and its board of directors included most of the leading merchants of the city. The bank did a good business from the start. In 1840 due to some trouble with some of the city's leaders, the bank was removed to Lockport, as a punishment to the city. As the bank continued to do business through an agent in the city, the punishment lost most of its force. From 1839 to 1843 when it finally closed it did little except handle Illinois and Michigan Canal Funds, and issue a flood of paper money based upon them.

The Fund Commissioners had no banking authority but they issued paper that was widely circulated as money. These were really promissory notes of small value, but they circulated freely with the other paper. While the public improvement bubble burst in 1838, some of these notes circulated well along into the sixties. They were finally cancelled and most of them destroyed in 1867.

Very few notes of this period have come down to us. The First State Bank issued notes in denominations

of \$1, \$2, \$3, \$5, \$10 and \$20 but very few can be found in collections. All but about \$6,000 of these issues were destroyed in the bonfires, ordered by the state legislature. Notes of the Second State Bank are also scarce. As they were redeemed they were destroyed. Notes drawn on the Illinois and Michigan Canal Fund thru Chicago Branch are more common. The first issue of May 1, 1839, were type set notes in denominations of \$1, \$2, \$5, \$10 and \$100. Similar issues were made in March of 1840, while the bank was in Lockport. In the fall of 1840 some beau-

tiful engraved notes in denominations of 1, 2½, 5, 10, 20, 50 and 100 dollars were issued. In 1842, some of this last issue were cut down in size and printed on the reverse with a statement that they represented an indebtedness of the Canal Commissioners. The indebtedness was the same as the face value of the mutilated note.

The notes issued by the Board of Fund Commissioners are in denominations of \$2, \$3, \$5, \$10 and \$100. The lower values are quite scarce. The greater part of these notes were



\$100 note of the "Fund Commissioner of the State of Illinois" and a \$5 note of the "Internal Improvement Office."

destroyed at various times up to the year 1867.

The experiences of Illinois in state banking were very costly to the state. The first bank was on too nebulous a base to have any chance of success. The second bank might have had some chance of success had

it not been loaded up with the fantastic internal improvement scheme, and with too much legislative tinkering; with the closing of this bank the state was left without any bank in its borders, and there were no legal banks in Illinois for several years afterward.

## Illegal and Free Banking

**I**N 1836 the legislature of the state of Illinois had chartered the Chicago Marine and Fire Insurance Company. The charter specifically stated that the company was not to do a banking business or issue any notes or bills to be passed as money or "in the semblance of bank notes". However, as early as May 1837, the company published an advertisement in a Chicago newspaper saying that, in consideration of the great need of the community, advantage would be taken of the section in their charter which permitted them to "receive moneys on deposit, and to loan the same, on bottomry, and respondentia, or otherwise, at such rates of interest as may now be done by the existing laws of the State." The company went into the banking business and in time its demand certificates of deposit took the place of money. However, the company complied with their charter and did not issue their certificates in the "semblance of bank notes." It was not long before these certificates became an important factor in commerce of the northwest.

### George Smith Bills

George Smith, a Scotch farmer, came to Illinois in 1834 and becoming impressed by the possible fields for investment profit, returned to Scotland and organized the Scottish Illinois Land Investment Company. In 1836 Messrs. Strachan and Scott returned with Smith to Illinois to act as managers. They took a transcript of the Chicago Marine and Fire Insurance Company and with a few changes obtained a charter from the Territorial Legislature of Wisconsin for the Wisconsin Marine and Fire Insurance Company. The

trio was joined by Alexander Mitchell, a young banker from Aberdeen, Scotland. The company's stock of \$225,000 was held half in Scotland and half by these four men. The new company issued certificates of deposit engraved like bank notes in denomination from one to ten dollars.

The new issue worked its way into circulation despite of stiff opposition from Illinois chartered banks. Before long the new notes came to be known as reliable, as, in contrast to other bills, they were always paid promptly on demand. Soon Illinois and other bank notes were being exchanged at less than face value and the "illegal" currency of the Wisconsin Marine and Fire Insurance Company was required in larger and larger amounts. By December, 1841, some \$35,000 of these bills were outstanding. The amount increased to \$100,000 in 1843, \$300,000 in 1847 and steadily increased to a peak circulation of \$1,470,000 in 1851. After that the circulation was gradually contracted, every dollar of the entire outstanding amount was redeemed, except \$34,000 which were never presented—these latter notes having, no doubt, been lost, burned or worn out.

Legal banks and others who were interested in stopping the progress the institution was making, exerted great efforts to discredit its paper. Runs were instituted on the agencies, and banks would hoard large quantities of the illegal notes so that they might be presented all at one time and thus drain the specie supply of the company. Nothing, however, seemed to avail. According to one story, Mr. Scammon, president of the Marine Bank of Chicago, had

been enjoying the pastime of presenting large amounts of "Smith's bills" for redemption. One day he met Mr. Smith who asked him what amount of the notes of his (Scammon's) bank were outstanding. When Mr. Scammon replied that there were just \$175,000. Mr. Smith quickly informed him that his own vaults contained \$125,000 of that amount, and that he would "bring them over for redemption one of these days." That remark kept Mr. Scammon in a state of worry for some time before an agreement was reached between the two rivals whereby each was pledged not to attempt anything to the detriment of the business of the other. Since "Smith's bills" could not be driven out and gained such popularity that soon agencies for their redemption were established at Galena (Ill.), St. Louis, Cincinnati, and Detroit.

George Smith, operating under the title of George Smith and Company, continued in business in Chicago on LaSalle street until 1857, when the house was closed. Shortly thereafter he retired, having acquired large sections of valuable property in Chicago and elsewhere, together with a sizable fortune in securities. Smith spent most of his remaining days in Scotland.

Smith's success encouraged others to undertake similar illegal note issues and a number of unincorporated companies were organized to issue money which circulated at variable discounts. The Merchants' and Mechanics' Bank of Chicago was one of the more successful in this business of issuing illegal currency.

#### Free Banking

After a bitter fight between "free banking" and "anti-banking" groups which started in the year 1846, at a special election the Free Banking Act of 1851 was adopted by a vote of 37,626 to 31,405. One of the requirements of the act was that any

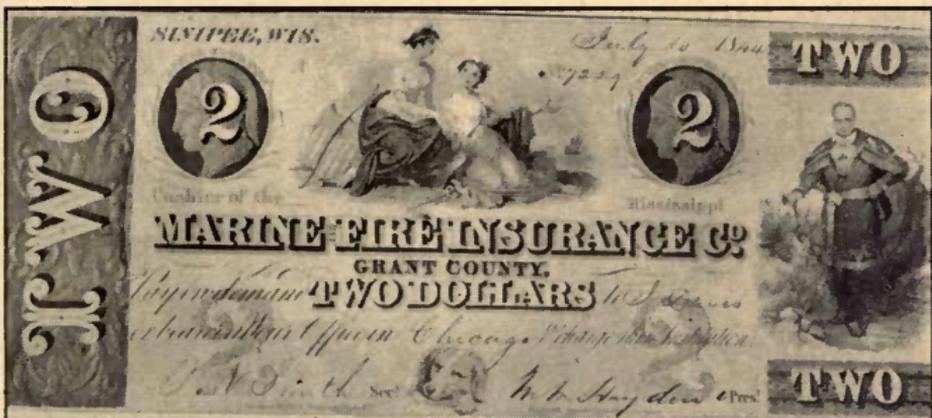
person who desired to engage in the issue of notes be required to deposit with the State Auditor bonds issued by the United States, the state of Illinois, or any state which paid full six percent interest. The deposit of the first two classes of bonds entitled the owner to circulate notes to the full market value of the bonds, but not more than half their par value.

When first passed, this new, so-called "free" banking law of 1851, could be and was so construed that two kinds of banks were established, each under the supervision of the state auditor, but one issuing notes secured by deposited bonds and the other simply issuing unsecured notes.

This act was responsible for the creation of many varieties of early paper money for which the collector of today may seek. Newspapers of the period tell of the establishment and the circulation of notes of many banks that no specimens have come down to us.

Banks were slow to be organized under the new law. In 1852 the Senate decided to repeal the act and there was a great rush to incorporate banks before the law was repealed and within a few days twenty-seven applications were made. Later, when the law was not repealed, the number of banks again fell off, until in 1854 the banking commissioners reported that there were only twenty-nine banks operating under the law, ten in Chicago, two each in Springfield and Naperville, and not more than one in any other city. The issues of these banks constituted but a small amount of the circulation, while illegal issues and those of foreign banks continued to flourish.

For a period a bank war waged, but little could come of all the agitation because of the intricate situation which existed. Legally estab-



Upper—A “George Smith” note of Marine and Fire Insurance Company.  
 Middle—\$1.00 of the Bank of Chicago showing signature of Seth Paine.  
 Lower—\$2.00 note of Bank of Belleville with State Auditor’s seal in corner.

lished banks were issuing illegal bills; some few banks did a strictly legal business, even going so far as to absorb illegal banks and issue legal for the illegal currency outstanding. The Chicago Marine Bank, which had organized under the law, was accused of having revived its old insurance company and of making legal loans thereto, so that the latter, in turn, might circulate illegal bills for profit. Some banks were so bold as to issue illegal currency for buying bonds that might be deposited with the auditor against legal issues. As a consequence, the bankers, under J. Y. Scammon of the Marine Bank of Chicago, determined to put an end both to the actual illegal practices and to unjust accusations of such dishonesty by getting the legislature to pass an amendment to the bank law which would prohibit all illegal banking. On February 10, 1853, this was passed and to conduct a banking business within the state except under the provisions of the statutes was made little less than a felony.

In prohibiting illegal currency, more than the powers of the law were required to accomplish the result. The public had been trained to accept the illegal issues, such as the George Smith notes in preference to legal issues. Also, men like Smith had bought interests in foreign banks and were circulating their issues in Illinois, and foreign banks had established agencies in the state for the purpose of circulating and redeeming their notes. Nebraska established agencies at Galesburg, Peoria, Macomb and other Illinois cities. Some states would persuade residents of Illinois to take stock in their banks and so attain a right to the bank's notes; such stockholders would then agree to help keep each other's notes in circulation, and so "wild cat" issues

both good and bad followed.

### Seth Paine Notes

Into this warfare stepped Seth Paine & Co., when it opened the Bank of Chicago on September 1, 1852.

Seth Paine was a native of New England. He arrived in Chicago by boat in 1834. When he landed he was without a cent of capital, having paid his last dollar for his fare on the boat. We are told he was tall and straight with a pleasing prepossessing manner. He was an excellent conversationalist and a fine public speaker. He hired out to the firm of Tailor & Breese, and in a short time became a partner in the firm. Later he went into partnership with Theron Norton under the name of Paine & Norton. He sold out to Norton in 1842.

During his early years in Chicago he became an ardent abolitionist and a follower of the socialistic doctrines of Fourier. When he sold out to Norton he went up into Lake County and bought, with a number of others, a large tract of land at Lake Zurich to try out some of these socialistic ideas. After a time we find him one of the directors and a manager of the unchartered Illinois River Bank at La Salle.

About this time he became an ardent spiritualist. His type of mind was such that he readily adopted every new "ism" that came along. To him the world was sadly out of joint and he looked upon himself as the one to set it right. The chaotic state of the banking business was such that he decided to return to Chicago and teach his old business associates how banking could be carried on in accordance with a higher law than the banking law of Illinois.

The prospectus of the new bank written by Paine himself, stated several principals, "We loan to no one to pay debts. We loan to no one

to aid in the murder of anything which has life. We loan to no man to speculate in the necessities of life. We loan nothing on real estate, believing that it can not be bought or sold, possession with use is the only title to it. We loan nothing to aid in the manufacture or sale of liquor or tobacco. We loan nothing to gamblers or money lenders. Our basis for making loans is the established character of the borrower. He must be temperate, honest and religious with a mind sufficiently developed to understand business."

For a few weeks the bank did a quiet business with a class of respectable citizens who approved of the sentiments in the prospectus. Paine and Eddy, his partner, were both ardent spiritualists and they began to bring spiritualism into the management of the bank. A trance medium, Mrs. Herrick was brought into the bank to give the officers the advice of departed spirits. The spirit of Alexander Hamilton was, thru Mrs. Herrick, to direct the policy of the bank. If a person came in to do business and Mrs. Herrick or the spirits, did not approve him he was unceremoniously thrown out into the street by some burly bouncers kept for that purpose. No smokers, drinkers or bankers were to be served. Women, children, negroes and spiritual minded men were to be served in that order. During this time Paine published a little paper called the Christian Banker. The articles were rambling discourses, witty and sarcastic, containing a mixture of spiritualism, banking and personal attacks on his enemies that made many think he was crazy. Ira B. Eddy had put most of the cash into the bank and when his friends saw how the business was being conducted they had him adjudged insane, and had an injunction served to protect Mr. Eddy's interests in the bank.

This caused a run on the bank. Paine and Mrs. Herrick stood behind the counter to redeem the bills that had been issued. Several prominent citizens who could not satisfy the spirits of the justness of their claims were unduly hustled out and thrown into the street.

Things came to a head the next day. The conservator of Eddy's estate tried to take over the affairs of the bank, and he met with threats of shooting. Finally the whole corps of the bank—officers, mediums, bouncers and all, were arrested and tried. Two or three were discharged and all of the rest except Mrs. Herrick were put under peace bonds of \$500. She was kept in jail for resisting officers.

With the removal of Eddy's money the bank was so badly crippled that it soon went out of business. Every note that was presented was paid by Paine, or Eddy's conservator. The bank, as bazarre as was its existence, was neither dishonored nor insolvent.

After the closing of the bank Paine returned to Lake Zurich, where he tried out many of his schemes. He established a school on his farm called "the Stable of Humanity" which he managed for several years. In 1868 he returned to Chicago and established a "Women's Home". The object of this was to provide respectable women a comfortable home at a moderate price. This he operated for about three years. He died in Chicago in 1871.

While Seth Paine's excursion into banking was short lived, he furnishes the history of banking in Chicago with one of the most colorful figures it has ever seen.

#### The End of Illinois Bank Notes

At the time of Lincoln's election in 1860, business was so good that the banks had increased their circulation and inflated currency until the state of Illinois had an aggreg-

ate circulation of \$12,320,694, secured by deposits of United States and state securities with a par value of \$14,000,000. Of this amount \$9,527,500 consisted of bonds of the southern states. Immediately following the election, the credit of the South began to diminish. Large deposits held by that part of the country in northern banks were suddenly withdrawn, which together with the depreciation in southern securities threatened financial chaos for Illinois.

In March, 1861, at which time twenty-two banks were to make good the demand of the commissioners for more security to cover their notes, seventeen with a total circulation of \$2,726,795 were unable to comply and were placed in liquidation. By now southern states were seceding one at a time and their bonds declining more and more rapidly in market value. The bonds of Missouri, which on April 1 were quoted at sixty-seven cents on the dollar, were worth only fifty-one by the 17th and their future prospects were growing steadily less attractive. By the end of April, Chicago bankers, who had previously carried the bills of a large number of Illinois banks whose bonds securing their currency had depreciated, made a list of thirty-two which they felt could not be carried any longer unless the deficiencies were speedily made up. This decision was really brought about by a citizen who circulated an article entitled "Stand From Under," warning the people of the state against taking the notes of these thirty-two banks. Immediately the issues of these banks flowed into the offices of Chicago bankers for redemption in such quantities that it seemed the bankers would soon have millions of them on hand.

Since the southern bonds securing these bills appeared not likely to

rise in value, the bankers could not well undertake the risk of holding large quantities of this currency and so were forced to discredit it, even at a greater loss to themselves than to their depositors. In addition to these thirty-two, nine others had been previously thrown out and the situation which now developed was subsequently referred to as an "era" in the financial annals of the state.

The monetary column of the Chicago Tribune of April 2, 1861, immediately after the discrediting of these banks, listed all banks in the state and showed that there were then sixty-four doing business with their notes still accepted, while thirty-nine were doing business with their notes in disrepute. Outside Chicago such discredited notes were sometimes accepted at fifty cents on the dollar. General financial disorder reigned and uncertainty became so great that exchange on the East not only rapidly rose but showed signs of going higher.

Currency became so variable as to be of little use as money. The bills of banks backed by northern securities, or those of banks which had made good their bond deficits, retired from circulation, driven out by those less stable banks. The poorer bills flooded the country and it became necessary for daily bulletins to be issued listing bills according to their present worth in terms of exchange and specie. Railroads, boards of trade, newspapers, and other groups issued lists, no two of which lists agreed. No holder of bank bills knew from one day to the next what his holdings were worth. Notes that were bankable one day were worthless the next. The situation was pretty much the same over the entire country. With between 1500 and 2000 kinds of paper money circulating thruout the country a "bank note detector" was an essential to the merchant. Some

of these books went into detail describing the distinguishing characteristics of more than a thousand bills. One of the best known of these bank note guides was "Thompson's Bank-Note Reporter" which was established in 1836 by John Thompson, who was one of the organizers of the First National Bank of New York and also of the Chase National Bank of New York.

Banks were rapidly forced into liquidation and notes poured into the office of the state auditor at such a rate that on occasions he had to close his doors until the accumulation could be counted, cancelled and burned. On January 1, 1862, only three Illinois banks had notes on a par basis. In November, 1860, there had been one hundred and ten solvent banks with a circulation of \$12,320,694, while just two years later the total circulation of the state amounted to only \$566,163. In spite of a bad situation the banks

were liquidated in such a manner that they managed to pay an average of sixty percent on their circulation.

The federal government issue of greenbacks and a little later national bank notes, soon started to replace local currency. By 1864 only twenty-three banks remained in the state. In 1866 the federal tax on state bank notes drove most of the currency, which until then had persisted, out of circulation and by 1869, according to the state auditor's report, there were only \$531 in bank notes outstanding in the state. This small amount of unredeemed notes accounts for the rarity of Illinois bank notes today. There are many issues of which only one or two specimens are known to be held by collectors. Most of the notes which have been preserved for numismatists are canceled notes which somehow were not destroyed at the time.

# Check List of Early Illinois Paper Money

BY D. C. WISMER and LEE F. HEWITT

## STATE ISSUES

### State of Illinois

Office of the Board of Public Works; Fund Commissioner of the State of Illinois  
\$2., \$3., \$5., \$10., \$100.  
Internal Improvement Office  
\$2., \$3., \$5., \$10.

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## BANK ISSUES

### Albion

Albion Exchange Bank  
\$1.25, \$2.50  
Bank of Albion  
\$5., \$10.

### Alledo

Bank of Alledo  
\$5.

### Alton

Alton Bank  
\$1., \$2., \$3., \$5., \$5., \$10.

### Anna

Wheat Grower's Bank  
\$1., \$2., \$5., \$10.

### Aurora

Bank of Aurora  
\$1., \$2., \$3., \$5.

### Belleville

Bank of Belleville  
\$1., \$2., \$3., \$5.  
Southern Bank of Illinois  
\$1., \$2., \$5., \$10.

### Belvidere

Belvidere Bank  
\$1., \$3., \$5.

### Benton

Frontier Bank  
\$5.  
Union Bank  
\$1., \$2.

### Bloomington

Bank of Bloomington  
\$1., \$2., \$3., \$5.  
Lafayette Bank  
\$1., \$2., \$3., \$5., \$5.

### McLean County Bank

\$1., \$2.

### Bolton

Bank of Southern Illinois  
\$1., \$2., \$3., \$5., \$10.

### Cairo

Bank of Cairo  
\$1., \$2., \$2., \$3., \$5., \$5.  
City Bank of Cairo  
\$1., \$2., \$3., \$5.  
The Planters Bank  
\$1., \$2.

### Caledonia

Bluff City Bank  
\$2., \$5.

### Carmi

Bank of Carmi  
\$1., \$2., \$5., \$10.  
Merchants Bank  
\$5., \$10.  
People's Bank  
\$1., \$2., \$5.

### Charleston

Farmer's & Trader's Bank  
\$1., \$2., \$3., \$5.

### Chester

Bank of Chester  
\$1., \$2., \$3., \$5.

### Chicago

Bank of America  
\$1., \$2., \$3.  
Bank of Chicago (Seth Paine)  
\$1., \$1., \$2., \$2., \$3., \$3.  
Bank of Commerce  
\$1.  
Branch of the State Bank  
\$1., \$2., \$5., \$10., \$100.  
Chicago Bank  
\$1., \$2., \$3., \$5.  
City Bank of Chicago  
\$1., \$1., \$1., \$2., \$3., \$5.  
Commercial Bank  
\$1., \$3., \$5.  
E. I. Tinkham & Company's Bank  
\$1., \$2., \$3., \$5.

**Chicago—Continued**

Exchange Bank of H. A. Tucker  
& Co.

\$1., \$2., \$3., \$5.

Farmer's Bank

\$1., \$2., \$5.

Marine Bank of Chicago

\$1., \$1., \$2., \$3., \$5., \$5.,  
\$5., \$10.

Phenix Bank

\$1., \$2., \$3., \$5.

R. K. Swifts Loan & Trust Bank

Bill of Exchange

Treasurer's Bank

\$1.

Trader's Bank

\$1.

Union Bank

\$1., \$2., \$3.

**Danville**

Stock Security Bank

\$1., \$2., \$5.

State Bank Branch

\$1., \$10.

**Decatur**

Railroad Bank

\$1., \$2., \$3., \$5.

**Edwardsville**

Bank of Edwardsville

25c, 50c, \$1., \$2., \$3., \$5., \$10.,  
\$20. (also post notes)

**Elgin**

Bank of Elgin

\$1., \$2., \$5.

Elgin Bank of D. Clark & Co.

\$2.

Home Bank

\$1., \$2.

**Elizabethtown**

Shawanese Bank

\$1., \$2., \$3., \$5.

**Equality**

Illinois State Security Bank

\$5., \$10.

National Bank

\$1., \$3., \$5.

**Fairfield**

Corn Exchange Bank

\$1., \$2., \$3., \$5.

Reaper's Bank

\$1., \$2., \$3., \$5.

**Galena**

Bank of Galena

\$1., \$2., \$3., \$5.

**Galesburg**

Reed's Bank

\$1., \$2., \$3., \$5.

**Galatea**

Bank of Galatea

\$5., \$10.

**Geneva**

Kane County Bank

\$1., \$2., \$3., \$5.

**Geneseo**

Bank of Geneseo

\$5.

**Golconda**

Bank of Ashland

\$5.

Ohio River Bank

\$1., \$2., \$3., \$5., \$10., \$20.

**Granville**

Continental Bank

\$5., \$10.

**Grayville**

Grayville Bank

\$1., \$2., \$5., \$10.

Southern Bank of Illinois

\$1., \$2., \$5., \$10.

**Greenup**

Cumberland County Bank

\$2., \$5.

**Griggsville**

Bank of Pike County

\$1., \$2., \$3., \$5., \$10.

Pamet Bank

\$1., \$2., \$3., \$5.

**Hardin**

Illinois River Bank

\$1., \$2.

Mechanic's Bank of Hardin

\$1., \$2., \$3., \$5.

**Harrisburg**

Lake Michigan Bank

\$5., \$10.

**Hutsonville**

Bank of Hutsonville

\$1., \$2., \$5.

Garden State Bank

\$1., \$2., \$2., \$5.

**Jacksonville**

Morgan County Bank

\$1., \$2., \$5., \$10.

- Jacksonville—Continued**  
Branch of State Bank  
\$5.
- Joliet**  
Merchants & Drovers Bank  
\$1., \$2., \$3., \$5.
- Jonesboro**  
Union County Bank  
\$5., \$10.
- Kankakee**  
Kankakee Bank  
\$1., \$2.
- Kaskaskia**  
Bank of Cairo at Kaskaskia  
\$1., \$1., \$2., \$3., \$3., \$5.,  
\$5., \$10.
- Kewanee**  
Bank of Kewanee  
\$1., \$2., \$5.
- Lacon**  
Marshall County Bank  
\$1., \$5.
- Lancaster**  
Lancaster Bank  
\$5., \$10.
- LaSalle**  
LaSalle Bank  
\$2.
- Lockport**  
State Bank of Illinois  
\$1., \$2.50 \$5., \$50.  
Illinois & Michigan Canal In-  
debtedness, printed on back of  
State Bank notes of the same  
denomination  
\$2.50, \$5., \$20., \$50., \$100.
- Marion**  
Agricultural Bank  
\$1., \$2., \$2., \$5.  
Maihaiwe Bank  
\$1., \$2., \$3., \$5.
- Marshall**  
Corn Planters Bank  
\$2., \$3., \$5.
- McLeansboro**  
Bank of the Republic  
\$1., \$2., \$3., \$5.  
E. I. Tinkham & Co. Bank  
(Branch)  
\$1., \$2., \$3., \$5., \$10., \$20.  
Hamilton County Bank  
\$1., \$2., \$3., \$5.
- The Hampden Bank  
\$1.
- Metropolis**  
Farmers Bank  
\$1., \$3., \$5., \$10.
- Momence**  
Bank of Momence  
\$1., \$2., \$3., \$5.
- Monmouth**  
Warren County Bank  
\$5.
- Morris**  
Grundy County Bank  
\$1., \$5.
- Mt. Carmel**  
Bank of America  
\$5., \$10., \$20., \$50., \$100.  
Branch of State Bank  
\$3.  
Citizen's Bank  
\$1., \$2., \$5., \$10.
- Mt. Vernon**  
Bank of Mt. Vernon  
\$1., \$2.
- Naperville**  
Bank of Naperville  
\$1., \$2.  
Dupage County Bank  
\$1., \$3., \$5., \$10.  
Humboldt Bank  
\$1.
- New Haven**  
Bank of Illinois  
\$1., \$3., \$5.  
Commercial Bank  
\$2., \$3., \$5.  
Illinois State Bank  
\$5., \$10.
- New Canton**  
Farmers Bank  
\$5.
- New Market**  
Bank of the Metropolis  
\$5., \$10.  
New Market Bank  
\$5., \$10.
- Newton**  
Illinois Central Bank  
\$1., \$2., \$10., \$20.
- Ottawa**  
Bank of Ottawa  
\$1., \$2., \$3., \$5.

- Ottawa—Continued**  
 City Bank  
 \$1., \$5.
- Oxford**  
 Mississippi River Bank  
 \$1., \$2., \$5., \$10.
- Palestine**  
 Commercial Bank  
 \$1., \$2., \$5., \$10.
- Paris**  
 Edgar County Bank  
 \$1., \$2., \$3., \$5.
- Peoria**  
 Central Bank  
 \$1., \$3., \$5.  
 Farmers Bank  
 \$5.
- Peru**  
 Bank of Peru  
 \$1., \$2., \$3.  
 Illinois River Bank of Taylor  
 & Coffin  
 \$1.
- Pittsfield**  
 Highland Bank  
 \$5., \$10.  
 Pittsfield Bank  
 \$1., \$2., \$5., \$5.
- Prairie City**  
 Graziers Bank  
 \$5.
- Quincy**  
 Bank of Quincy  
 \$1., \$2., \$3., \$5., \$10., \$20  
 Quincy City Bank  
 \$1., \$2., \$3., \$5., \$10., \$10.,  
 \$20., \$20.
- Raleigh**  
 American Exchange Bank  
 \$5., \$10.  
 Bank of Raleigh  
 \$5., \$10.  
 International Bank  
 \$5., \$10.
- Robinson**  
 Bank of the Commonwealth  
 \$5., \$10.
- Rockford**  
 Lumberman's Bank of E. L.  
 Fuller & Co.  
 \$2., \$3., \$5
- Rock Island**  
 Bank of the Federal Union  
 \$1., \$5.  
 Rock Island Bank  
 \$1., \$1., \$2., \$2., \$3., \$3.,  
 \$5., \$5.
- Rushville**  
 Rushville Bank  
 \$2., \$3., \$5., \$10.
- St. John's**  
 State Stock Bank  
 \$1., \$5.
- St. Marie**  
 Bull's Head Bank  
 \$5., \$10.
- Savannah**  
 Western Bank  
 \$1., \$2., \$3., \$5., \$10., \$20.
- Schawance Town**  
 Bank of Illinois  
 \$1., \$2., \$3., \$5.
- Shawneetown**  
 Bank of Illinois  
 \$1., \$2., \$3., \$20., \$20., \$50.,  
 \$100.  
 State Bank of Illinois  
 \$1., \$2., \$3., \$5., \$10.
- Sparta**  
 United States Stock Bank  
 \$1.  
 Bank of Sparta  
 \$1., \$2., \$3.
- Springfield**  
 Clark's Exchange Bank  
 \$1., \$2., \$3., \$5., \$10., \$20.  
 Mechanics & Farmers Bank  
 \$1  
 State Bank of Illinois (parent  
 bank)  
 \$1., \$1., \$2.50, \$5., \$10., \$20.,  
 \$100.  
 State Bank of Illinois Branch  
 \$5., \$10.
- Sycamore**  
 Sycamore Bank  
 \$1., \$5.
- Taylorville**  
 Plowman's Bank  
 \$2.
- Thebes**  
 Canal Bank  
 \$3., \$5.

**Thebes—Continued**

Eagle Bank

\$1., \$2., \$3., \$5.

**Urbana**

Grand Prairie Bank

\$1., \$2., \$5., \$10.

**Vandalia**

State Bank of Illinois (the first state bank, 1821)

\$1., \$2., \$3., \$5., \$10., \$20.

**Vermont**

Fulton Bank

\$3., \$5.

**Vienna**

Narragansett Bank

\$2., \$3., \$5., \$10.

Bank of Commerce

\$5., \$10.

**Washington**

Prairie State Bank

\$1., \$3., \$5., \$10.

**Waukegan**

Bank of Northern Illinois

\$1., \$2.

**West Aurora**

Bank of Aurora

\$1., \$2., \$3., \$5.

**Woodstock**

Woodstock Bank

10c.

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**CITY AND TOWN ISSUES**City of Bloomington, McLean County  
10c, 25c, 50c, \$1.Bureau County, Board of supervisors, annual meeting, 1864, Soldier's Relief Fund  
\$2.City of Columbia, Monroe County  
10c, 25cCity of East St. Louis, St. Clair County  
\$1., \$2., \$5.Griggsville, Treasury Note  
\$2.Kankakee City, Kankakee County  
25cMound City, Pulaski County  
5c, 25c**TRANSPORTATION ISSUES****Bloomington**Chicago, Alton & St. Louis R.R.  
\$10.**Chicago**Chicago & Southwestern Plank Road Co.  
\$1.**Lockport**Illinois & Michigan Canal Fund notes on the State Bank  
\$1., \$1., \$2., \$2.50, \$2.50, \$5., \$5., \$5., \$10., \$100., \$100., \$100., \$150.**East St. Louis**Illinois River Packet Co.  
10c**Joliet**Oswego & Indiana Plank Road Co.  
\$1., \$2., \$3., \$5.**LaSalle**Illinois & Rock River R.R.  
\$2., \$3.**Pekin**Illinois River Railroad Co.  
10c, 25c  
Illinois & Rock River R.R.  
25c**Peru**Salisbury Plank Road Co.  
\$1.**Shoal Creek**Shoal Creek Toll-Bridge (redeemable at J. H. Lambert's Store in Carlyle, Feb. 14, 1820)  
25c

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**SCRIP ISSUES****Alton**Jones & Sawyer  
25c**Beardstown**Champlin Smith & Co. on the banking house of J. C. Leonard & Co.  
10c, \$10.

- Belleville**  
 St. Clair Savings & Insurance  
 Co.  
 10c, 50c
- Bishops Hill**  
 L. Bjorkland, (Nov. 1, 1862)  
 25c, 50c  
 Western Exchange & Marine  
 Insurance Co.  
 25c, 50c, \$1., \$2., \$3., \$5.
- Bloomington**  
 Evergreen City Business Col-  
 lege  
 10c, 25c
- Breese**  
 R. S. M. Donne  
 10c
- Chebance**  
 E. S. Richmond  
 10c
- Chenoa**  
 J. R. Snyder  
 25c
- Chicago**  
 Luman Burr, Camp Douglass,  
 Post Sutler  
 25c  
 Chadwick & Co.  
 \$1.  
 Chicago Marine & Fire Insur-  
 ance Co.  
 \$1., \$2., \$3., \$5.  
 Chicago Times  
 5c  
 Thomas Church  
 25c  
 Philip Conley, 137 Lake St.  
 25c, 25c  
 Crosby Opera House, 1866.  
 \$5.  
 DeGraff & Co., advertising note  
 \$15.  
 A. O. Downs, 150 Lake St.  
 25c  
 Eastman's College note, Mer-  
 chants National Bank  
 \$3.  
 North Chicago Rolling Mill  
 \$10.  
 P. Palmer & Co., 112-116 Lake  
 25c, 50c
- Pedman & Co.**  
 25c, 50c  
 Geo. Randolph (payable in Ill.  
 & Michigan Canal 6% scrip)  
 5c  
 Ross & Co., 167 Lake St.  
 25c  
 Stein, Advertising note, 1868,  
 83 Clark St.  
 \$3.  
 Stryker & Co., 150 Lake St.  
 25c
- Danville**  
 Tincher & English  
 50c
- Dixon**  
 Dixon Hotel Co.  
 \$2., \$3., \$5.
- Dixons Ferry**  
 Dixon Hotel Co.  
 \$3., \$5.
- Dunton**  
 J. M. Olmstead  
 50c
- El Paso**  
 Van Vleet & Bois  
 50c
- Freeport**  
 John Long, on the Stephenson  
 County Bank  
 10c, 15c  
 Jos. Louchheim  
 25c, 50c  
 Wm. P. Malbum, on Farmers  
 Bank  
 5c, 5c, 25c, 25c, 50c
- Hanover**  
 H. A. Hallerman, 1862.  
 25c, 50c  
 P. Lampen & Co.  
 \$1.
- Jackson**  
 Illinois Exporting, Mining &  
 Manufacturing Co., (Inc. 1833)  
 \$1., \$2., \$3., \$10.
- Joliet**  
 Albert Day & Co., adv. note  
 \$3.  
 Joliet City Bank  
 5c

**Lockport**

Norton &amp; Co.

10c

H. Norton

12½c, 25c, 50c

**Macomb**

Chandler &amp; Co.

5c

**Nauvoo**Nauvoo House Ass'n (Mormon  
issue)

\$50., \$100.

**Ottawa**

Wm. H. W. Cushman, 1862.

10c, 50c

**Peoria**

Farmers &amp; Merchants Ex. Co.

\$3.

Merchants Association

5c

**Peru**

Brewster &amp; Co.

5c

Bank of Peru

5c

**Quincy**

L. &amp; C. H. Bull

5c

Eagle Mill, 1862

10c

Farmer's &amp; Merchant's Ex. Co.

\$1.

Quincy Savings Bank

5c

**Rochelle**

Guest &amp; Lake, advertising note

\$3.

**Rockford**

Wood &amp; Co., Druggists

2c

**Springfield**

(See State issues)

**Trenton**

David Beardsley &amp; Co.

5c

**Washington**

B. P. Kelly, Nov. 1, 1862

50c

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