

The First National Bank Chartered in Virginia

By ELVIN B. MILLER

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Virginia's First National Bank Chartered When It Was Not Part of The Union.

NATIONAL Bank Notes came into being through the National Banking Act of February 25, 1863. Soon after the passage, National Banks began to be organized in most of the states and territories then in existence.

The first National Bank to be organized in Virginia was The First National Bank of Norfolk, Charter Number 271, on February 3, 1864. But if you will remember, the Civil War was in progress at this time and was not over until the spring of 1865. At the time the bank was organized, parts of Virginia, including Norfolk, were occupied by the Union Forces. This brings forth some very interesting questions about the conditions at the time and about the organizers. To give a better picture of Norfolk in the spring of 1864, we would like to go back to April 12, 1861, and give an abbreviated history of Norfolk from that time until the organizing of the first National Bank to be chartered in Virginia.

Saturday, April 12, 1861, a dispatch arrived in Norfolk telling of the bombardment of Fort Sumter. Sunday, April 20, one rumor had it that the Frigate *Cumberland* was about to bombard the city, another that the Navy Yard was to be destroyed, and still another that all the vessels were to be scuttled.

At the Navy Yard were the *Merrimack*, the *Pennsylvania*, the *Columbus*, the *Delaware*, and the *New York*; these vessels would have been invaluable as a nucleus to the Confederate Navy. But General William B. Taliaferro, at the head of The Richmond Grays and six companies from Petersburg, lacked the guns to contend with the warships. A Federal officer, under a flag of truce, was conducted to the Atlantic Hotel where he gave assurance that none of the vessels would be removed and that not a shot would be fired. The conference was no sooner over than Commodore Charles S. McCauley, in command at the Navy Yard, gave orders for the scuttling of all the Federal vessels except the *Cumberland*. All that afternoon and evening the Federals worked at destroying the Navy Yard and prepared to fire the buildings and ships. At 3:20 A.M. the *Cumberland* moved out into the river and in a few moments the flames shot up.

After the Federals had gone, General Taliaferro took immediate steps to fortify Norfolk and Portsmouth. The first actual encounter with the Federal Navy took place on May 19, 1861, when a shot from the *Monticello* landed in the midst of a gun battery at Sewells Point.

Next, a powerful Federal fleet assembled in Hampton Roads and maintained a complete blockade and so stopped all direct trade with foreign countries and other Virginia ports.

The *Merrimack*, sunk and partly burnt, had been transformed by the Confederates into a strange vessel, looking like a submerged house with only the roof above water. She had been covered with a bomb-proof network of railroad iron and her sides sloped in; her armament was of the heaviest and best-rifled cannon known.

President Lincoln, Secretary Stanton, and General McClellan, in the meantime, were preparing to hurl the great Army of the Potomac against Virginia in an effort to capture Richmond. Before the expedition could move, the absolute mastery of the Chesapeake Bay had to be assured. But early in March this mastery was challenged by the *Merrimack*, now called the *Virginia*.

The story of the success of the *Virginia* is known to everyone who has even a passing knowledge of Civil War history. The only trouble was that the *Virginia* could not lift the blockade. She was not a seagoing vessel and would have foundered the moment she got outside the capes. She could not go to Baltimore or Washington because she drew too much water. She was suited only for fighting in Hampton Roads.

At 8:30 on the morning of March 9th the *Virginia* opened fire on several Federal ships but joining the battle was the Federal ironclad *Monitor*. After a day of intensive fighting, the *Monitor* retired to shallow water where the *Virginia* could not follow.

The first battle between ironclads is frequently misunderstood. The *Monitor* did not save Washington and New York, because they were never in danger from the *Virginia*; she did not even win the mastery of Hampton Roads. More important, she did not clear the way for McClellan's invasion of the Peninsula. In other words, it was not the *Monitor*, but the limitations of the *Virginia* itself which put such narrow restrictions on her activities. The *Virginia* could only defend the mouth of the James, Nansemond, and Elizabeth Rivers, and this she did until the day of her destruction.

Next, McClellan landed one hundred thousand men on the peninsula and pushed on toward Richmond. Also, General Burnside was now operating in the Albemarle region. All this made Norfolk untenable. General Huger's Division was urgently needed by General Johnston at Richmond, so the order to evacuate the city was given on May 2, 1862.

Early on the morning of May 10th, General John E. Wool, accompanied by President Lincoln, Secretary Stanton, and Secretary Chase landed a large body of troops at Ocean View and marched on Norfolk. Within sight of Norfolk the army was halted by Mayor Lamb with a flag of truce. The Mayor stated that the Confederates had evacuated the city, so Norfolk became an occupied area of the Union Forces.

The *Virginia* with most of her armor removed still had too much draft to float up the James to Richmond, so she was grounded near Craney Island and set on fire.

THE days that followed were full of anxiety, hardship and humiliation for the people of Norfolk, which was under military rule for 13 months. Then in June, 1863, civil law was resumed under the authority of Governor F. H. Peirpoint. When Virginia seceded in 1861, the people of the western part of the state, declaring this action of no effect, organized a government to replace the one in Richmond. They elected Peirpoint governor and received recognition from President Lincoln as the legal government of Virginia. Later, when West Virginia was formed, Peirpoint made Alexandria his capital, and at once took measures to restore civil rule in the small part of Virginia under Federal control. Peirpoint permitted none but Union men to vote, and the newly-elected mayor, councilmen, and justices were, of course, hostile to the Confederacy. Eventually, some southern sympathizers took the oath of allegiance, for no ministers, physicians, lawyers, or merchants were

permitted to pursue their vocations without it. It was either take the oath of allegiance or starve.

In November, 1863, General Benjamin F. Butler was appointed to the command of the eastern district of Virginia and North Carolina. General Butler was notorious for his severity at New Orleans. He was in command when Mumford was hung at the New Orleans Mint. At Norfolk, the provost marshal and the provost court took over the functions of the civil courts, and so the city came under military rule again. Arbitrary orders were issued to levy taxes on business and to issue licenses to traders. General Butler, by vote of the Union men, overthrew even the pretense of civil government. Some of his orders were: a charge of one per cent on all goods shipped into his military district, a tax on all vessels leaving his district, and a tax for the privilege of catching oysters. On March 7, 1864, an order was issued that every fourth dog in the Norfolk district be killed, but the owner could save the dog by paying two dollars for a license.

From all indications the Butler regime was corrupt and oppressive. No man could do business without a permit from the military authorities, and permits were distributed to those who offered the highest bribe.

In the spring of 1865, some of the Confederate men came home bearing the parole of General Grant. By the order of General Butler these men were arrested on the street, dragged before him, and there he cut the buttons from their uniforms. The people of Norfolk accepted the outcome of the war in good faith, but the bitterness has hardly yet died out. The name of Butler will ever be infamous in Norfolk.

It was during General Butler's occupation that the First National Bank of Norfolk was organized and chartered. There were one thousand shares of stock authorized at a value of one hundred dollars each. The list of subscribers to this stock contained 37 names. To further describe these men the following letter gives us a clear picture:

HEADQUARTERS, DISTRICT OF VIRGINIA
Provost Marshal's Office
Norfolk, Va. Feb. 4, 1864

Maj. Gen. R. F. Bulter:

Sir:

I have examined the "List of Subscribers to Stock in the First National Bank" proposed to be started in this place, and recognize among the number some of the most respected and responsible Union men of the place.

Considering all things it is probably as fair a list as can be got, at this time.

Very respectfully,

Your ob. Servt.
(unreadable)

Lt. Col. & Provost Marshal

Thirty-six of the subscribers listed their residence as Norfolk. The other one listed his home as Philadelphia. This subscriber, Charles C. Rhodes, stands out as he bought 47 per cent of the stock offered compared to 53 per cent to the other 36 subscribers.

Very little is known about the bank after it was chartered, at least by this collector, until it was placed in receivership on June 3, 1874. At this time there are no notes known to be in the hands of collectors.

References:

Norfolk Historic Southern Port, Thomas J. Wertenbaker

First National Bank of Norfolk, Va., Charter No. 271
National Archives, Record Group 101, Comptroller of the Currency

Additions by Don Roberts

WE thought that you might be interested in how this article came about. Some time back a number of VNA ragpickers were having a talk session in Reed Walton's coin shop (Reed is mighty nice about letting us take up floor space that way). Reed had just obtained a small group of National Bank Notes and we were looking them up in the book, to get some information on the banks that issued them. We had wondered before about the first National Bank in the state of Virginia being started in Norfolk during the Civil War, when Virginia as such was not even a part of the Union. The subject came up again, and this time some of us thought that it would be interesting to see what we could find out about the bank. During the next VNA convention it was brought up during the annual ragpickers get-together after the banquet, and others became interested. After the meeting, Brent Hughes suggested to Elvin Miller that some information might be available from the Comptroller's Office in Washington. Elvin wrote them and did get some information: date of charter, names of first stockholders, date charter revoked, etc., but this raised as many questions as it answered. Who and what was man named Rhodes from Philadelphia that took out over 40% of the stock? We still have no information on him. Why did the bank only last 10 years? Where was the bank building and who were its officers? We have talked to a number of people and have obtained some more information, but much of it is fragmentary and some is contradictory. In a later article, we hope to bring you some of the information received to date, and are still looking for more. If any of our readers can help us in this project, it will be most appreciated. Even telling us where to look will be helpful, since many records from this time are scattered.

Notes from

Stanley Gibbons

Currency

By COLIN NARBETH

As first published in *Gibbons Stamp Monthly*, London

Always feel the paper of a note Sometimes it is not paper. There are over a hundred thousand different town and city emergency (notgeld) issues of Germany. Most of them are worth a few pence each. But some are made of linen, cloth and even velvet. They are worth much more. Among the world's great rarities are the Boer war issues by Major Birbeck who signed notes for the Uppington Border Scouts on torn-up khaki shirts and any piece of cloth he could get hold of.

Signatures are always worth looking at. The early paper money of America is an exciting treasure hunt for experts who have studied signatures. These notes were signed by well-known people in order to make the recipients have some trust in the notes. Hand-signed notes of Pennsylvania can be found with the signature of F. Hopkinson, one of the American leaders who signed the Declaration of Independence. Signatures of Joseph Borden (Delegate to the Stamp Act Congress of 1765) and David Brearley (signatory to the United States Constitution of 1787) are among the more common famous signatures to be found.

One such signature always worth having is that of John Mease who signed the Continental Currency notes of 1775 when America was still called "The United Colonies". He was a Lieutenant with Washington and was in charge of the detail whose job it was to keep the camp fires burning at Trenton to fool the British while Washington and his main force crossed the Delaware and surprised the British on Christmas Eve.