

FIRST OF A SERIES

Rare Banknotes, Banks, and Bankers of Indiana

By WENDELL WOLKA

THIS IS the first of a series of articles which will attempt to cover some of the rare, unknown, and amusing aspects of Indiana obsolete paper money and the people who were responsible for its issuance. This writer certainly hopes that others will write about their own State's notes. This is about the only way that these stories about our notes can be passed on to future generations.



PART I

The State Bank of Indiana, Branch at Fort Wayne \$6.00 Note

ONE of the rarest Indiana notes known today is a well-worn \$6 issue of the State Bank of Indiana's Fort Wayne branch. Of course, many notes can lay claim to being unique, but I believe that the story of why this note is, in all probability, unique is the reason that it stands apart from many of the others.

The State Bank of Indiana was formed in January, 1834 by the Indiana General Assembly and given a charter to operate for a period of 25 years. With branches distributed throughout the state at Indianapolis, Vincennes, Richmond, Lawrenceburg, Terre Haute, New Albany, Madison, Bedford, Evansville, Lafayette, Fort Wayne, South Bend, and Michigan City, the State Bank of Indiana served the needs of the growing state well and with impeccable honesty. Alone among the Western banks, it weathered the Panic of 1837.

Needless to say, this type of reputation was bound to make the bank the target of numerous efforts to use its name for ill-gotten gain on the part of many dishonest people. The easiest way to take advantage of the situation in those days was to counterfeit the notes

of a well-known bank and circulate as many notes as fast as they could be spent for any type of goods or services. This was done with painful regularity to the State Bank of Indiana. Every major issue was counterfeited to a degree and some new ones which bore no resemblance to any legitimate issue were even dreamed up by these enterprising souls.

For some strange reason, one particular issue of notes was especially hard hit. The State Bank of Indiana issued 36,800 six, seven, eight and nine-dollar notes between 1837 and 1839. This series was so extensively counterfeited that the State Bank of Indiana was forced to take the unprecedented action of actually withdrawing the entire series from circulation. This was indeed the only instance in the bank's history when this approach had to be used. To date, the note illustrating this article is the only known survivor of the entire series.

The lure of the hobby is, I suppose, that there could always be another survivor lurking in that next old Bible or dusty trunk waiting to be rescued!

NEXT: "The Boone County Bank—The Little Bank That Almost Did!"