

Notes of the Kittanning Bank of Kittanning, Pennsylvania

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SPMC 33

History of the Area

THE original Indian village of Kittanning, Pennsylvania, located 47 miles north of Pittsburgh on the Allegheny River, gained historical fame on September 8, 1756, when Colonel John Armstrong, with his troops, attacked the village. They killed the Indian leader, "Captain Jacobs," along with seven Indian men and two women. The Indian chief Shingas escaped. Colonel Armstrong's official report set losses at 17 men killed, 13 wounded and 19 missing. Of the 19 missing, three were later reported alive. Even with such losses, the attack on Kittanning was a moral victory and improved the spirit of future western frontier settlers, when the Delaware Indians abandoned their settlement at Kittanning.

The famous Kittanning medal (or Armstrong medal) was struck in Col. John Armstrong's honor by the corporation of the city of Philadelphia, Pa. on January 5, 1757.

With Pennsylvania in the midst of the French and Indian war, the attack at Kittanning was made in retaliation when the frontier attacks reached a climax on July 30, 1756. A force of Indians headed by Captain Jacobs and supported by 15 Frenchmen besieged Fort Granville and killed Lt. Edward Armstrong, then in command, who was the brother of Col. John Armstrong. The defeat of the Indians here at Kittanning in 1756 opened the country to the west. Western Pennsylvania's Allegheny-Ohio River Valley was considered "The West" in early colonial times.

Thomas Penn's proprietors ordered a tract of land surveyed for Armstrong, which included the old Kittanning village. The Patent for this land grant is dated March 2, 1775.

Fort Armstrong was erected here in 1779 as an important Revolutionary fort to secure the Allegheny River Valley for early frontier settlers. One of the first settlers in Kittanning in 1791 was Pvt. James Claypool, who with his wife Lucretia and their six children moved here from Somerset County. They built a log block house just south of Fort Armstrong on the Allegheny River. Remnants of the Claypool block house remained until 1835 when the land was cleared.

(Early history of Kittanning is important to this writer [Ray Rennick] since James and Lucretia Claypool were his great-great-great grandparents.)

The village of Kittanning became an important trading post of the Allegheny Valley between Oil City and Pittsburgh. Today, even though it is the county seat of Armstrong County, it is still principally a farming community.

Banking and Numismatics

The survival of state and national bank notes makes history come alive since the signatures of prominent early settlers are inscribed on these pieces of monetary exchange.

The first institution affording the people any banking facilities was the Mechanics Savings Fund Company organized on February 27, 1836. The officers were William F. Johnson, president; William Matthew, secretary; and Joseph M. Jordan, treasurer. The date the banking organization ceased to operate is unknown to the writer.



Kittanning Bank deposit receipt, June 18, 1861.

In 1844, a movement was started in Kittanning to organize the Armstrong County Bank but without success. On May 5, 1857, The Kittanning Bank was incorporated as a state bank with a capital of \$100,000. Provisions were made for the right of increase to \$300,000 with the stock being divided into shares of \$50 each. During the general bank suspension of specie payment in 1857-58, it was one of few banks in Pennsylvania which continued to pay specie.

The original bank building was built by its president, James E. Brown, in 1858. In 1906, Architect W. J. East of Pittsburgh was selected to build a new stately structure, a large cut-stone block bank building near the original building at 236 Market Street. It still stands today; however it ceased to function as the home of the Kittanning Bank in 1947.

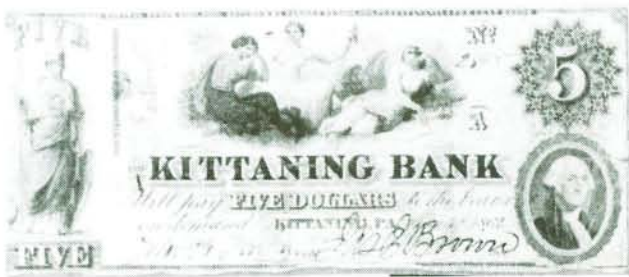
With the passage of the National Bank Act of 1863, the First National Bank of Kittanning was chartered in August 1863 as number 69. The issue date appearing on its first notes is November 2, 1863. It is interesting to note that this newly-formed national bank opened and conducted business in the same banking room as the original state bank (Kittanning Bank). Many of the officers and directors served both banking institutions.

In 1866, the original Kittanning Bank tried to organize as The Kittanning National Bank under charter #1654; however, it was never completely organized as a national bank and never issued any notes. The bank voluntarily liquidated on April 29, 1867 and consolidated with the First National Bank of Kittanning, #69. The consolidated banks continued to operate as just one bank in the same building.

More changes took place in the banking institutions in 1882 when The National Bank of Kittanning was organized on April 4, 1882 under charter #2654, and succeeded The First National Bank of Kittanning #69. It, too, continued to operate in the same building. The reason for reorganization was that many of the old stockholders of #69 were dead and a new set of stockholders was organized.

After 20 years of service, The National Bank of Kittanning #2654 was placed in voluntary liquidation on March 10, 1902 and was succeeded by the newly-organized The National Kittanning Bank chartered on February 15, 1902 with charter #6127. This newly-organized bank also continued to conduct business in the same bank building.

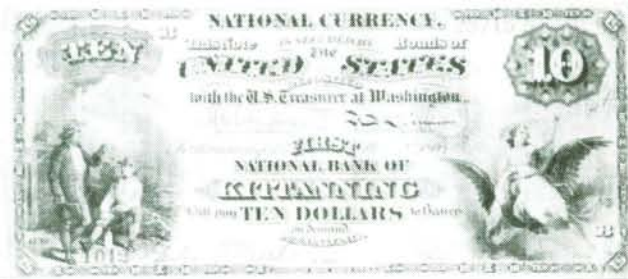
On May 31, 1947, The National Kittanning Bank merged with the Safe Deposit and Title Guaranty Company of Kit-



\$5 note of The Kittanning Bank dated Jan. 4, 1862.



\$10 note of The National Kittanning Bank, Series of 1902.



\$10 note of The First National Bank of Kittanning, Nov. 2, 1863.



\$10 note of The National Kittanning Bank, Series of 1929.

tanning. This banking institution was founded in 1890 and located in its original spacious four-story structure located at the southwestern corner of Market Street and McKean. On the merger vote, 983½ of 1000 shares outstanding were voted

in favor of the merger, thus ending a banking institution lasting 90 years under five different official titles. Only five years later in 1952, the Safe Deposit and Title Guaranty Company merged with the Mellon Bank NA of Pittsburgh. The Mellon Bank, originally founded in Pittsburgh in 1869, is one of five major banking institutions serving Western Pennsylvania. The era of the small national bank in each community is ending as the giant banking institutions of America absorb the small independents.

Even though the Kittanning National Bank was initially the oldest banking institution in Kittanning, with 90 years service, two other national banks are still playing an important part in the growth of the city. The Farmers National Bank of Kittanning was chartered in 1884 with charter #3104. The bank, located at 201 Market Street and Jefferson Avenue, is enjoying its 99th year of service in 1983.

The Merchants National Bank of Kittanning #5073 was chartered in 1897. It still operates today after 86 years. Located at 222 Market Street, it occupies the original home site of James E. Brown, president of the original Bank of Kittanning.



The National Kittanning Bank, charter 6127, was located in this building from 1906 to 1947.



City view of Kittanning, Pa., April 1983, bridge to Market Street.

Banks in Kittanning, Pennsylvania Issuing Bank Notes

	First Charter			Second Charter—1882				THIRD CHARTER—1902				Series—1929	
	ORIG.	1875		brown back	value back	dated back	Red Seal	Dated Back	Plain Back	Type 1	Type 2		
The Kittanning Bank	(state)	1857-1866											
The First National Bank of Kittanning	#69	1863-1882	5 10 20	5 10 20	—	—	—	—	—	—	—	—	
The Kittanning National Bank	#1654	1866-1867	(Issued no notes)										
The National Bank of Kittanning	#2654	1882-1902	—	—	—	—	—	—	—	—	—	—	
The National Kittanning Bank	#6127	1902-1935 *	—	—	—	—	—	10 20	10 20	10 20	10 20	5 10 20	
The Farmers National Bank of Kittanning	#3104	1884-1935 **	—	—	—	—	—	10 20	10 20	10 20	10 20	10 20	
The Merchants National Bank of Kittanning	#5073	1897-1935 **	—	—	—	—	10 20	10 20	—	—	5 10	10 —	

Remarks: * The National Kittanning Bank #6127 merged with the Safe Deposit and Title Guaranty Company on May 31, 1947. The latter bank then merged with Mellon Bank NA in 1952.

** Banks still operating under original title in 1983.

References and Acknowledgements

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- (12) Collaborators in acquiring notes and additional information to prepare this paper are: Richard T. Hooper, Allen & Penny Mincho, Jess Peters-Don Fisher, Curtis Iverson, Ed's Currency, Kevin Foley, Fred Verzellesi, Walter O. Patton, Jack R. Westwood, and NASCA.

Falklands Currency Shunned in Britain

Our member in Britain, John Glynn, has submitted a tear sheet from the Saturday, April 23, 1983 London *Daily Mail* with an article entitled "Forces wives win battle of the Falklands fiver." It tells of the difficulty encountered by wives of British servicemen in changing the Falkland Islands currency sent home by their husbands who served in that recent conflict. The story by Gill Swain follows:

A battle over the value of currency from the Falklands was won by servicemen's wives yesterday.

The dismayed wives had discovered that Falklands notes sent home by their husbands shrunk dramatically in value when they were changed at banks in England.

One aircraftman's wife complained that she was charged £2.17 when she changed a £10 note at a branch of Barclays Bank.

The cause was taken up by her MP, who protested to the Defence Secretary over hefty commission charged to change the notes.

Soldiers' wives, attempting to use the money their husbands had scrimped from their pay, were being short-changed, complained Mr. Gerrard Neale, Tory MP for North Cornwall.

The campaign paid off and Barclays have announced that in future they will exchange all Falkland Islands currency at a pound for a pound—and charge no commission.

Yesterday the *Daily Mail* set out to discover how all the big banks would react to money earned in the defence of the Falklands. But there was an immediate problem—finding any of the notes.

The Bank of England didn't have any. Neither did the Bank of South America—a long shot, that one.

Eventually, the head office of Thomas Cook's rummaged through their drawers and came up with five crumpled Falklands £5 notes.

First stop was Barclays at Piccadilly, London, where a cashier studied the note curiously, studied her exchange book unsuccessfully

(Continued on Page 179)