

Part 3

The Bank As It Appears on the \$20 Note of the Northern Bank of Alabama at Huntsville

THE Northern Bank of Alabama was incorporated in Huntsville on February 10, 1852. This bank occupied the building erected for the Huntsville branch of the Bank of the State of Alabama, which had ceased operations in 1842 or 1843.

The Northern Bank operated successfully until the spring of 1862, when Federal troops entered Huntsville. The bank was finally forced to close when the town was permanently occupied in the fall of 1863. The president of the bank was James J. Donegan, who had been involved with the branch of the State Bank; the cashier was Theophilus Lacy.

cupied by banking institutions since it was built. . . . The large, semi-detached structure at the rear of the main building provided living quarters for the servants (of the cashier and his family, who lived over the main banking room; a common practice of the time)

The upper portion of the building, visible in the vignette behind the leaves, was a porch. The small rectangle at the base of the woman's outstretched finger was a door leading to detention cells in the basement of the building.



This \$20 note bears the signatures of Theophilus Lacy, cashier and James J. Donegan, president. Lacy later served as cashier of the National Bank of Huntsville (courtesy of Eric P. Newman).

After the Civil War, many of the directors of the Northern Bank were involved with the organization of the National Bank of Huntsville, which occupied the old bank building. The original application for a national bank charter shows the proposed name to be "The National Bank of North Alabama." Perhaps this name was too broad in scope for the comptroller; maybe the organizers felt that the word "Huntsville" belonged in the title; it is even possible that whoever filled out the form entered "North Alabama" as a force of habit. In any event, "North Alabama" is scratched out and "Huntsville" substituted.

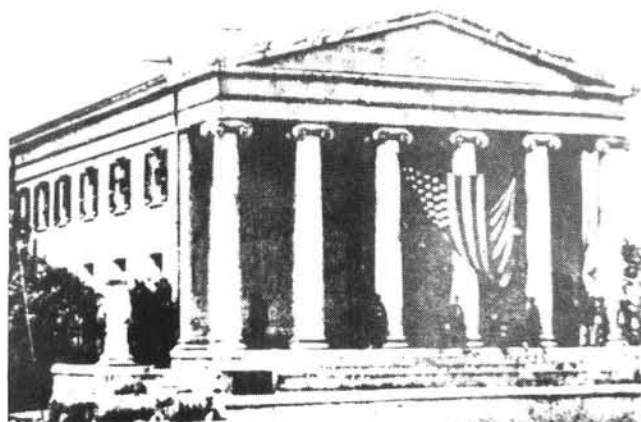
The National Bank of Huntsville (Charter 1560) was placed in voluntary liquidation in 1889, and was succeeded by the First National Bank of Huntsville (Charter 4067). First National became part of the First Alabama Bank Corporation in the early 1980s, and the building is still used as the main office. The interior has been renovated many times over the years, but the exterior is much the same as it was when it opened 150 years ago.

The central vignette on the \$20 issue of the Northern Bank clearly depicts the building as it appeared at the time the vignette was engraved by Toppan, Carpenter, Casilear & Company; the bank is the structure directly to the right of the woman in the center of the vignette. A description of the building clearly confirms its presence on the note:

This architectural and financial landmark, which stands on a high limestone bluff overlooking the Big Spring, has been oc-



The bank building is visible at the right of the two women.



The face of the bank building as it appeared when the \$20 note was issued. This photograph was taken when Huntsville was occupied by Union troops during the Civil War; notice the large flag and the soldiers.

Many of the same directors and officers of the Northern Bank of Alabama in Huntsville served in similar capacities when this application for a national charter was submitted. Notice that they intended to use "The National Bank of North Alabama" as a title, but changed it to "The National Bank of Huntsville."



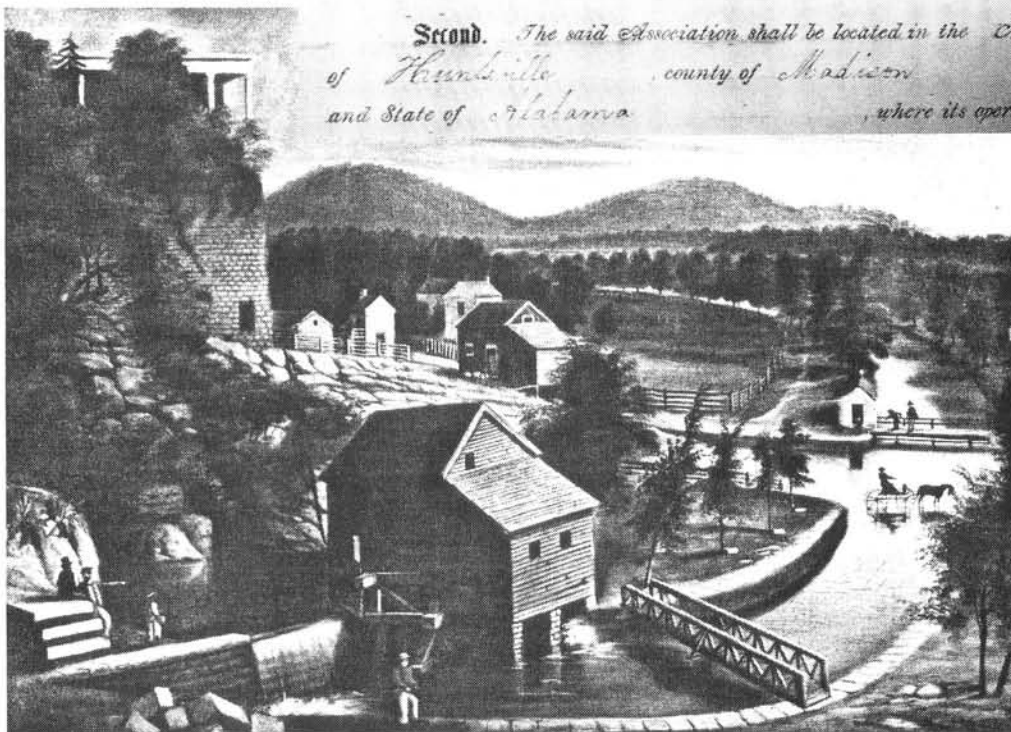
Organization Certificate.

We, the undersigned, whose names are specified in article fourth of this Certificate, having associated ourselves for the purpose of organizing a Banking Association, and transacting the business of Banking, under the Act of Congress entitled "An Act to provide a National Currency, secured by a pledge of United States Bonds, and to provide for the circulation and redemption thereof," approved June 3, 1864, do make and execute the following Organization Certificate:

The pump house and the entrance to the holding cells in the basement of the bank as they appear on the \$20 note.

First. The name of this Association shall be *The National Bank of North Alabama Huntsville*

Second. The said Association shall be located in the city of *Huntsville*, county of *Madison* and State of *Alabama*, where its operations of



Author's Note: Huntsville, Alabama is my home town. My first bank account was with the old First National Bank, and I transacted my "business" in the old building. At that time, the late 1950s, the main banking room was empty except for the tellers' cages on one side and tall writing stands on the other. I can remember the strange-looking old bank notes and checks under the thick glass on the writing stands. One former cashier of the bank told me that the first sheet of 1929 Series \$5 national currency notes issued to the First National Bank was placed under the glass in the late 1930s; a man broke into the bank and stole the sheet, and made the rounds of the bars on the courthouse square tearing off notes to pay for his drinks. He finally attracted the attention of the police, who managed to salvage what was left of the sheet, 3 notes. The stories of the banks that occupied this building over the years are interesting to me, and I hope that they will stimulate other SPMC members to consider submitting articles about their favorite bank and its notes.

ACKNOWLEDGMENTS

Gene Hessler and Eric P. Newman

REFERENCES

- Glimpses into Ante-Bellum homes, Huntsville, Alabama* (1986). American Association of University Women, Huntsville branch.
- Knox, J.J. (1903). *History of banking in the United States*. Bradford Rhodes & Co.: New York.
- Leggett, L.C. (1975). *Mississippi obsolete paper money and scrip*. Society of Paper Money Collectors.
- Rosene, W., Jr. (1984). *Alabama obsolete paper money and scrip*. Society of Paper Money Collectors.
- Sumner, W.G. (1884). *A history of American currency*. Henry Holt & Co.: New York.
- Whitfield, S. (1984, Nov./Dec.). Present home town, Huntsville, Alabama. *Paper Money*, pp. 267-272.