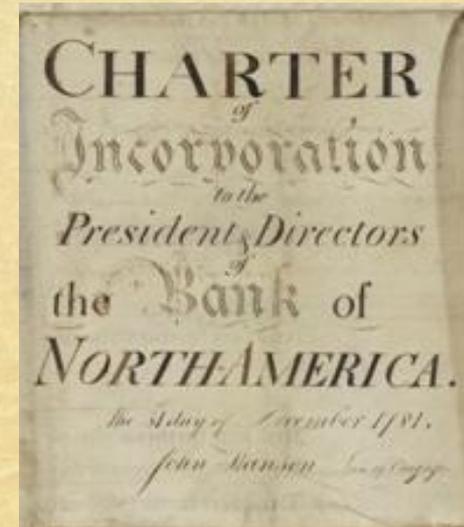


The Bank of North America

The History of Our Nation's First
Central Bank

When and Why Was the Bank Started?

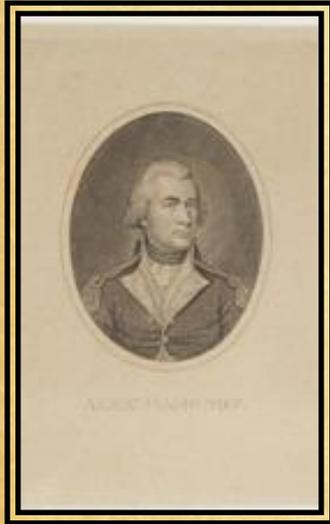
- Before the **Revolutionary War** the American **Colonies** were governed by Great Britain.
- The Bank of North America was **chartered** in 1781 to **fund** the **Continental Army** by **financing** the supplies needed for it.



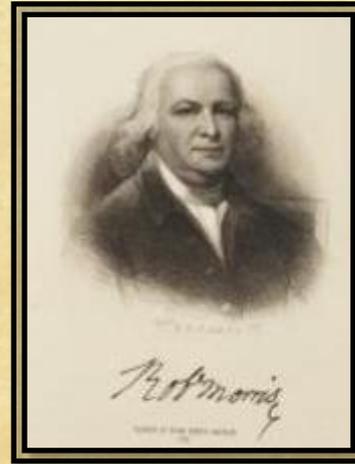
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- **Charter:** a written agreement that says how an organization will be run.
 - **Colonies:** a group of people who settle in a new place but are often still governed by their homeland.
 - **Continental Army:** the army George Washington led during the American Revolution.
 - **Finance:** to give money for a project.
 - **Fund:** to provide money for something.
 - **Revolutionary War:** the war we fought against Great Britain to form our own country.

Who Started the Bank?

- Two main **founders** of the bank were:



Alexander Hamilton:
First Secretary
of the Treasury.



Robert Morris:
From Philadelphia.
A key figure in
raising money for
the Continental
Army.

- Both were also **Founding Fathers** of the United States.

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- **Founder:** a person who invests their time or money to start something new.
 - **Founding Father:** a man who played an important role in the creation of our U.S. government.

How do You Start a Bank?

- To start a bank a group of people called **investors** decide to put their money together to use as the bank's money. Another founding father **Benjamin Franklin** invested in the Bank of North America.
- Once the bank has money it can make **loans**. For example, The Bank of North America loaned money to the **Continental Army**.

¹ The following is the list of subscribers to the Pennsylvania Bank, together with the various amounts contributed by them:

Joseph Reed £2,000	William Coats £4,000
Robert Morris 10,000	Emanuel Eyre 5,000
Blair McClenachan 10,000	John Dunlap 4,000
James Wilson 5,000	James Budden 4,000
George Clymer 5,000	Cadwalader Morris 2,500
William Bingham 5,000	Robert Bass 2,000
J. M. Nesbitt & Co. 5,000	Owen Biddle 2,000
Richard Peters 5,000	John Gibson 2,000
Samuel Meredith 5,000	Michael Hillegas 4,000
James Mease 5,000	Charles Pettit 2,000
Thomas Barclay 5,000	John Mitchell 2,000
Samuel Morris, Jr. 5,000	Matthew Irwin 5,000
John Cox 5,000	Thomas Irwin 5,000
Robert L. Hooper, Jr. 5,000	John Philip de Haas 5,000
Hugh Shiell 5,000	Philip Moore 5,000
Benjamin G. Eyre 4,000	Robert Knox 2,000

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List of some original investors

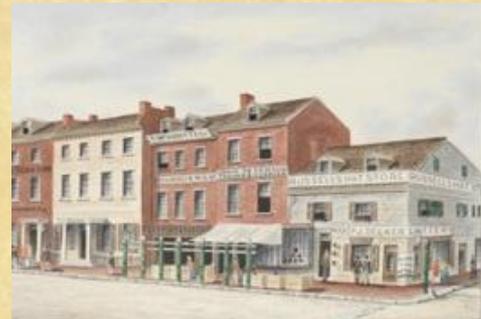
- **Benjamin Franklin:** a major figure in the founding of our nation. He was involved in science, politics, finance, and helped gain the support of the French during the Revolutionary War.
- **Invest:** to place your time or money into something you believe is important.
- **Investor:** somebody who provides money or resources for a specific cause or group.
- **Loan:** money given temporarily that needs to be repaid.

How do You Use a Bank?

- You can use a bank to **deposit** and **withdraw** your money.
- When you deposit money it goes into a personal **bank account** and the bank holds it for you until you need it again.



Continental Currency



*Site of the Bank of
North America 1828*

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- **Bank account:** a personal place to deposit money and make withdrawals.
 - **Deposit:** to put something somewhere, such as putting money in a bank.
 - **Withdraw:** to take something out. Money can be withdrawn from a bank account.

How do You Make Money?

- Money, also known as **currency**, comes in two forms. Coins are made of metal at a **mint**, and paper money is made by a paper maker and printer.
- During the **Colonial period** paper money was difficult to make. Sheets of paper made in mills would be sent to a printer who printed the design on them. The design told people how much the money was worth.



An order for paper by Robert Morris, 17...

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- **Colonial period:** the time in American history when we were ruled by Great Britain.
 - **Currency:** paper or coin money.
 - **Mint:** a place where coins are made.

Making Paper Money 200 Years Ago



1. Paper was made at a paper mill



2. A sheet of money after the design was printed onto the paper.

3. The sheet was cut into single pieces of currency like this one



How can a Bank Help Win a War?

In addition to holding your money, a bank is also able to make **loans**.

The Bank of North America, for example, loaned money to the **Continental Army** to fund the war.

Loans from the Bank of North America bought supplies and paid soldiers. Having that money helped the Continental Army defeat the British.



*John Nixon reading the
Declaration of Independence
on July 8th 1776*

Recap

- ◆ If the Continental Army was loaned 300 dollars would it need to pay the money back?
- ◆ What did we call our first paper currency separate from Great Britain?
- ◆ Who helped the bank finance the war?
 - ◆ Investors
 - ◆ England
 - ◆ Soldiers