

First National Bank and Trust

Founded: 1870

Location: Reed and Moore Dry Goods Store, west side of the public square, Sullivan (1870–75); Number 11, Commercial Row, northwest corner of public square (1875–1935); southwest corner of public square (1935–)

Medford B. and Luke Wilson traveled from Palestine, Illinois, to set up the Sullivan County Bank in September 1870. The bank's assets in 1870 consisted of \$10,000 in capital stock, a large iron safe, a few chairs, and a counter. In the latter part of 1871, Luke Wilson sold his share in the financial institution to Henry Barnard.

Barnard, Medford Wilson, Murray Briggs, and two others reorganized the institution into the First National Bank of Sullivan in January 1872, opening for business that April. At the end of the first fiscal year the bank's total assets reached more than \$127,000. Medford Wilson did not remain long in the new business, selling his share in the concern in 1874 to Thomas K. Sherman. Sherman took over Wilson's cashier post. The bank moved in 1875 to new quarters on the northwest corner of the square.

Three years after Sherman acquired Wilson's shares, John Giles became the bank's president. The financial institution was again reorganized, receiving a new charter under the name the Farmers' National Bank. Because the concern could not afford to purchase federal bonds, a necessity to operate as a federal bank, it dropped its national charter and opted for an Indiana charter in 1884.

After selling his shares in the First National Bank of Sullivan, Medford Wilson moved to Vigo County, organized a bank in Terre Haute with William H. Crowder, Sr., and moved it to Sullivan in 1875 under the name of the Sullivan County Bank. Wilson

sold his shares in the new bank to Jacob F. Hoke in 1889. Crowder served as president of the bank from 1875 until its merger with Farmers' State Bank in 1897.

On 16 August 1897 the merged banks reorganized as the Sullivan State Bank, and Hoke became president. Hoke continued in the office until 1916. Hoke had been in the dry goods business at least through the 1880s before pursuing a banking career. In 1891 he had become president of the Farmers' State Bank.

Cuthbert J. Sherman succeeded Hoke as president of the Sullivan State Bank, remaining until his death in 1924. The agricultural depression that hit the country after World War I must have affected the bank, as assets fell by almost \$300,000 between 1919 and 1923. At his death, Sherman provided money for the formation of a charitable trust that would allow Sullivan County residents to attend college. The Sullivan County Bank was named a trustee. By 1970 the trust fund had given out 131 scholarships.

Milton A. Haddon was named president by the board of directors in 1924, holding office until his death in 1930. He was a local attorney before joining the bank. During his tenure assets rose steadily, reaching more than \$1 million in 1929.

Throughout the various changes at the institution, long tenures were the norm for many of the bank's employees. During both Hoke's and Haddon's terms I. H. Kalley, a prominent local attorney, filled the post of vice president. In 1920 Mary L. Cramer came to work for the institution as one of only three employees, and she continued to work at the bank for fifty years. Gus Lowry became chairman of the board of directors in 1924, keeping his seat until his death in 1975.

From September 1931 until 1956, Charles F. Batey presided over the bank's affairs. He was educated as a druggist, turning to banking later in life. During the Great

Depression the Sullivan State Bank was the only financial institution, of the five operating in Sullivan County, to remain open. A run on the bank occurred on 27 June 1932. The bank remained open extra hours that day so most people could make a withdrawal if they wanted to do so. Remaining open allowed the bank's officers to prove the soundness of the institution to county residents. On 28 June most of the money was redeposited and the fear of the bank's closure allayed. Lowry, the chairman of the board of directors at the time, had maintained a large amount of liquidity at the bank and was credited at the time with the policy that allowed the bank to meet all requests and remain open. By the end of the decade the bank was in such a strong position that it added a branch office in Carlisle.

After Batey stepped down as president, Milton A. Haddon, Jr., was elevated to the post. He only served for five years before Robert A. Morrow moved from the office of executive vice president to the top post in January 1961. In September 1961 Robert W. Pierce, who continued as president into the 1990s and became chairman of the board in 1975, replaced Morrow. Throughout Batey's term in office deposits at the bank rose from \$1 million to more than \$10 million. Assets did not grow quickly during Haddon's tenure, but by 1967 total assets reached the \$19 million mark, and by 1975 they topped \$43 million. A decade later the bank could boast that its deposits topped \$98 million.

In 1986 the Sullivan State Bank merged with the Peoples State Bank of Farmersburg, which had branch offices in Shelburn and Fairbanks. The institution's name was again changed, this time to the Sullivan Peoples State Bank. Three years after the merger the bank opened a new branch in Farmersburg.

The consolidation of banks in the 1990s did not fail to touch the First Bank and Trust of Sullivan, the name the bank took after 1994 when the Sullivan Peoples State Bank merged with the First Bank and Trust of Brazil, Indiana. In 1998 the Sullivan County bank was merged into the First National Bank and Trust of Kokomo by its parent group, Hasten Bancshares. Before the acquisition, the First Bank and Trust of Sullivan had over \$232 million in assets and more than 111 employees. In 1999 the Kokomo concern had total assets in excess of \$968 million, with twenty-five branch offices and close to 370 employees. The Sullivan County institution was, in the last year of the twentieth century, a branch office of the Kokomo bank.