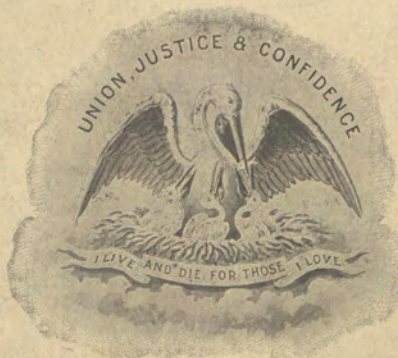


The History of Dixie



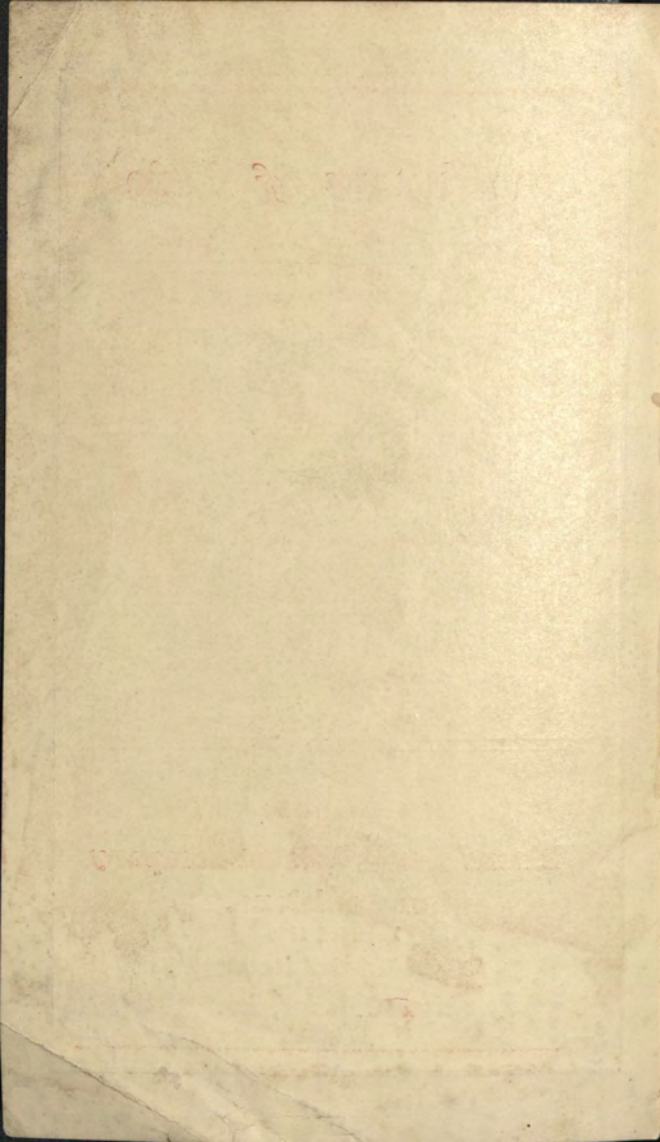
Presented by

**Citizens' Bank & Trust Company
of Louisiana.**

Founded 1833

620 Gravier Street

New Orleans, La.



The History of Dixie

London Financial Times.

Modern bankers, no doubt, are convinced that there can be no romance, no quaint flavor of old-time picturesqueness, connected with banking, but there is an abundance of both associated with the history of the Citizens' Bank of Louisiana, at New Orleans. Many institutions in London and Liverpool and on the Continent have had transactions with the old Louisiana house, and will recall its struggles and triumphs.

It was organized in 1833 and ceased to exist on Jan. 30, 1911, when the present Citizens' Bank and Trust Company of New Orleans, La., was formed to take its place. During its long career of more than three-quarters of a century there was not one blot on its record. In 1836 its credit was so good throughout the world that it sold an issue of \$3,000,000 of its bonds to the great banking house of Hope & Co., of Amsterdam, Holland.

The original charter was granted by the State of Louisiana in April, 1833, with a capital of \$12,000,000, which capital, according to the records of the bank, "was to be raised by the novel process of loans on bonds to be issued by the bank; the amount to be subscribed by stockholders to raise the capital was \$14,400,00 or 144,000 shares of the stock to secure the capital

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of \$12,000,000; the subscriptions were to be guaranteed, secured and pledged for by mortgage on real estate."

No money was paid by the subscribers to the capital stock of the bank on their shares. They placed mortgages on their plantations and slaves to secure the stock taken by them, which entitled them to a credit at the bank equal to one-half of the par value of their shares. On utilizing this credit the stockholder gave his note, renewable at the end of twelve months, with interest at 6½ per cent. in advance and such proportions of the capital sum in annual instalments as would pay off the debt at a certain fixed period.

The stock sold readily and after some delay the bonds were sold in England and on the Continent. The State of Louisiana finally guaranteed the bonds, which made them marketable throughout the world.

By the end of 1837 the bank was reported on by the government as being the strongest in the South and one of the best known in the United States. In that year it completed the sale of its bonds and those of other banks in Europe to the extent of \$20,725,000.

When the war of 1861 broke out in the United States the Citizens' Bank linked its fortune with the Confederacy, and was forced to pay the penalty later on. For instance, when Gen. Butler took charge of New Orleans for the Federal Government he immediately fixed his eye on the Citizens' Bank.

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He issued his orders to the Bank to turn over to him all money and property in its possession belonging to anyone who had aided the Confederacy. The bank paid him under the order \$215,820. Later at the dictation of Butler a further sum of \$306,400 was contributed to the city. It then paid Butler a further sum of \$37,000; then to Gen. Banks, at Butler's dictation, \$55,477, and later \$111,485. On Jan. 15, 1866, on order of the Federal general, Canby, it turned over securities to the extent of \$1,000,000 and charged it to profit and loss.

Besides these forced contributions, the Citizens' Bank gave \$250,000 to the Confederacy on 15th April 1861; loaned the Confederacy \$325,000 in coin on 7th January, 1862; and paid the payrolls of various divisions of the Confederate Army to a total of \$50,000. And yet, after all these outgoings and nothing repaid, the old bank stood its ground and lived out its charter, which expired on 30th January 1911, and gave up then only because it was impossible to get its charter renewed on account of its wonderful liberality.

No such charter can be had from any source to-day, and it is likely that no other charter of its kind was ever granted in the history of the world.

"For example, under section 4, mortgages granted in favor of this bank have no prescription and need no reinscription, whether acquired in any way, either by subrogation or otherwise.

"Again under section 26, where mortgages are

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granted in favor of this corporation the party mortgaging can never affect it by going into liquidation, insolvency or bankruptcy. The asset, thus pledged cannot be included in his list.

“In section 24 there is an exception in favor of this bank to all forms of procedure, since it is said that all property mortgaged to this corporation may be seized and sold at any time, in whosever hands it may be, no matter how transmitted.

“But one of the most remarkable provisions and one which cannot be had now to stand the test of the courts is that which provides that surplus earnings shall share with capital stock in immunity from taxation.”

Total dividends paid by the Citizens' Bank to its stockholders probably exceeds \$10,000,000. From 4th August, 1854 to 30th January 1911, dividends paid amounted to \$4,571,650.

The history of this bank is practically the financial history of the South. It is one example of how the South was pillaged and spoiled of its wealth in war times, and it is also a high testimonial of the wonderful resources of those States bordering on the Gulf of Mexico, for few lands could stand such a strain and come out and get up again.

Indeed, the Citizen's Bank was so closely identified with the South, that it gave it the name “Dixie Land” since preserved in the famous Southern war song, “Dixie.” It came about in

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this way : prior to the Civil War in the States the Citizens' Bank had the power to issue paper money notes just as the Bank of England does to-day. These bills were issued in denominations of \$10 and \$20, but preferably \$10 to the extent of a few million. They were well known and good all over the country. These \$10 bills were engraved in French, and on the backs were the French word "Dix" very prominent, and the ignorant Americans living along the upper Mississippi river, not knowing how to pronounce the French word, called the bills "Dixies." Finally, the bank's money became so popular that Louisiana was referred to as "The Land of the Dixies," or "Dixie Land." Afterwards the term was made to apply to all the Southern States.

The original song, "Dixie Land" was composed in 1859, by Daniel Decatur Emmett, as a "walkaround" for Bryant's Minstrels then performing in New York. He had frequently heard the expression "I wish I were in Dixie," and embodied it in the song. This crude song was afterwards rewritten by Gen. Albert Pike, who gave it the dash of the thrilling battle song which will live in history with the fate of "Dixie Land."



**Citizens' Bank & Trust Company
of Louisiana.**

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