

perity. They could not agree with the cashier of the Western Bank, in considering the discount accounts of individuals, though subsequently transferred into their "cash accounts," as "*private accounts*," in the general acceptance of that term amongst bankers. This designation can be correctly, or technically applied to "cash accounts" exclusively, and this view, appears in some degree to be recognised or sanctioned by the 8th article of the by-laws of the Western Bank, which states—that "no director, without special authority from the board shall be permitted to inspect the *cash accounts* of any person with this bank." This restriction is just, because a large portion of the "*cash accounts*" are unconnected with the business of a bank, being deposits *for safe keeping merely*—money received and used indiscriminately with the bank's own cash, not necessarily, but for the consequent convenience and profit of the institution. The board of directors can have no desire or occasion to examine accounts of this description, as the aggregate amount of the deposits, thus accruing, and *not* the particulars of these individual's accounts, is the only matter of interest to the bank. The details of such accounts are and ought to be kept private and secret, and hence originated the general application of the term "private accounts" to all the "cash accounts of a bank—all the accounts of individuals or of firms, existing on the books of a bank, are "private accounts" in *one* sense of the expression—that is, they are particular accounts, when contrasted with "public accounts," but there are in reality no accounts (practically) really private, that is secret, except the "cash accounts" referred to in the by-laws quoted; as all other accounts, are either placed before the directors at their meetings, or open to their inspection at their pleasure. But the condition expressed in the 8th article of the by-laws referred to, in reference to the examination of "cash accounts" by directors "without special authority from the board," implies that even these accounts, denominated private or secret accounts, may require to be examined, and it is evident, from the general tenor of charters—from occasional investigations made under the authority usually reserved by the State—that the grantors of corporate privileges, can require and procure all the information possessed by directors, in regard to the accounts, transactions, or concerns of a bank.

It is besides obvious to every one acquainted with the system of accounts prevalent in banks, that the correctness of a very important item—the amount of individual deposits can only be ascertained by reference to the detail of the balances of all the "cash accounts." The general statement furnished only the aggregate amount of the balances of the cash accounts, which might for example appear to be in the statement, only \$200,000; while in fact a detailed list of the cash balances might shew that there were deposited to the amount of \$300,000, and over drafts existing of \$100,000, constituting apparently an aggregate liability for deposits of \$100,000 less than were justly due.

If the duty of the commissioners was limited to the enquiries