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COMMENTARY ON THE BANK ACT OF 1890. (1)

CHAPTER III.

CHARTER RIGHTS AND PRIVILEGES.

SECT. 1.—OF THE POWER TO RECEIVE DEPOSITS.

SECT. 2.—OF CHECKS.

SECT. 1.—OF THE POWER TO RECEIVE DEPOSITS.

75. It is of the essence of the business of banking that the Bank should receive on deposit the money and funds of other persons. In receiving deposits and opening accounts the Bank is free to choose whom it will as customers from among those that offer. The receiving a deposit from a person, without explanation or understanding to the contrary, at once and without more makes that person a customer of the Bank. But no implied undertaking to allow him to continue so for any length of time exists, neither is he under any obligation to continue so. The relationship may be dissolved at any time by either party, saving the then existing liens and rights of each. (2)

76. The Bank may receive deposits from any person whomsoever, whatever is his age, status or condition in life, and whether such person is qualified by law to enter into ordinary contracts or not; and, from time to time, may repay any or all of the principal thereof, and may pay the whole or any part of the interest thereon to such person, without the authority, aid, assistance or intervention of any person or official being required. (3)

77. The total amount which may be received on deposit from any one person or firm, legally capable of entering into ordinary contracts, may of course be the subject of convention between the contracting parties, but in the absence of convention it is without limitation. If, however, the person making any deposit could not, under the law of the Province where the deposit is made, deposit

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2) See 15 Ont. App. Rep. 609. (3) Section 84.