

1907, when shares were allotted to all who up to that date had signed the memorandum executed by Rankin, no shares were allotted to him. To hold him liable there must exist "some response either in writing or verbally or by conduct communicating to the defendant that the company had accepted his application and himself as a shareholder:" per Gwynne, J., in *Newman v. Ginby*, 29 C. P. 34, cited in *Re Haggart Brothers Manufacturing Co.*, 19 A. R. 582, and there approved. No list of shareholders is produced. In a book lettered on the front cover "stock register," and headed on the page opposite to that on which the name of the first subscriber to the memorandum appears, "register of _____," the name of Robert Rankin is found at p. 17. The entry beneath is, "1907, Mch. 26. Allotment—5 shares—\$500."

This entry is manifestly erroneous, if intended to mean that 5 shares were allotted to Rankin on 26th March. The company was not then in existence, and it is not pretended that any allotment was made to him until about a year afterward. Two drafts were passed upon Rankin in 1907, for "calls," of which there is no record in the company's minutes; but Rankin refused to accept the drafts. No stock had been allotted to him at this time. Shareholders to whom stock was allotted on 16th April paid a tenth of their subscription monthly during 1907, beginning in May or June.

The company was not successful, and in January, 1908, under advice from their solicitor, passed a resolution allotting stock to all who had signed the memorandum signed by Rankin, including those to whom stock had been allotted on 16th April, 1907. Notice of this appears to have reached Rankin, and a letter was written to him by the solicitor for the company claiming payment of the \$500. Rankin attended a meeting of the shareholders on 6th April, 1908, not as a shareholder, but to protest against being so considered. He did not attend any other meetings of the company, and no stock certificate was issued to him.

If he is a shareholder, he must have become so by reason of the memorandum referred to and the allotment of January, 1908. It is contended on behalf of the liquidator that Rankin, by subscribing to the memorandum before the charter issued, became a shareholder by virtue of the statute (sec. 9) and charter, creating and constituting the petitioners for the charter "and any others who have become subscribers to the memorandum of agreement a body corporate and