

Per ROBERTSON, J.: It was competent for the defendant at any time to make the declaration for the benefit of his wife and children, and by such declaration the policy under the Act absolutely insured, and must be deemed a trust for the benefit of his wife for her separate use, and of his children, according to the intent so expressed or declared, so long as any object of the trust remained. And although the declaration was made after the receivership order, the plaintiff could not interfere with the policy so as to destroy the rights of the beneficiaries under it at the maturity of the policy, even supposing their rights to be limited to the residue after payment of the plaintiff's execution, which, *semble*, they were not.

Cameron for the appellants, the beneficiaries under the statutory declaration as to the policy.

Rowell for the plaintiff.

MEREDITH, J.]

[Jan. 7.

IN RE HESS MANUFACTURING CO., SLOAN'S CASE.

Company—Promoter—Sale of property of promoter to company—Contributory.

Appeal from the decision of the Master in Ordinary.

Dr. Sloan, intending to promote the interests of a joint stock company for manufacture of furniture, became the purchaser of certain lands on which the factory was to be erected, for \$3,000, which price, however, was not to be payable if the factory was actually built. The building of the factory was proceeded with, and Dr. Sloan contributed \$7,300 for that purpose. The land being conveyed to him, he afterward obtained by a mortgage on it \$7,000, thus repaying his advances except about \$300.

The incorporation of the company was proceeded with, and a charter obtained, Dr. Sloan being one of the directors, and appearing as a subscriber for 150 shares, the shares being \$50 each. At a meeting of shareholders, after he had ceased to be a director, but at which he was present by agent, an agreement was come to to purchase the property from Dr. Sloan for \$25,000, payable by the assumption of the mortgage of \$7,000, and the issue to Dr. Sloan of \$18,000 of paid-up stock, which was to be held to include the \$7,500 worth of stock for which he had subscribed. \$18,000 worth of paid-up shares was accordingly allotted in the books of the company to Dr. Sloan.

The company being in process of winding up, the liquidator applied to have Dr. Sloan placed upon the list of contributories for 360 shares, representing the \$18,000 in question. Prior to the winding-up order, Dr. Sloan had transferred 234 of the 360 shares, and was at the date of the winding-up order the holder of only 126.

Held, affirming the decision of the Master in Ordinary, that Dr. Sloan was liable to be placed on the list of contributories in respect to these 126 shares, but not of the remaining 234 shares, in view of the circumstances under which these latter had been transferred.

Per the MASTER IN ORDINARY: Dr. Sloan was disqualified from making any profit on his transferring that property to the company which he had assisted in creating for the purpose of using the property, and his obtaining