

company hold of each of them, he believes it would amount to between \$800 and \$900, "and at all events the company is indebted in pursuance of these contracts in an amount far exceeding \$500." The bookkeeper states that she knows the company had dealings with 18 of the 22 assignors (including the 7 who made affidavits), and, while she cannot remember the amounts deposited with the company by the parties individually, she believes it amounts to fully \$800, and at all events it would amount to more than \$500. She is evidently mistaken in using the expression "deposited with the company," and means with the union or association or this company or the Montreal company, which appeared on the scene later on.

The affidavit of W. J. Doran states that about November, 1903, the government interfered with the business of the association and union, and the manager of each was fined in the police court at Toronto for carrying on the business of a loan corporation without a license. In the subsequent cancellation dated 15th December, 1903, of the company's registry under the Loan Corporations Act, it is said that these fines were imposed in September and October, 1903, respectively, and were imposed under that Act for undertaking and transacting an unlawful business. Possibly it was thought they were using a name, or combination of names, likely to deceive or mislead the public—as prohibited in the amendment of June, 1903, 3 Edw. VII. ch. 16, sec. 9, for the law against unincorporated partnerships entering into such contracts as these was passed in April, 1904, 4 Edw. VII. ch. 17, sec. 4, and I have not found any previous enactment prohibiting such contracts as these being taken by an incorporated partnership, if people chose to deal with it.

However, the fines being inflicted, the members of the two partnerships apparently concluded that their business must be done by some sort of a registered incorporated body, and they turned themselves to the People's Loan and Deposit Company. The company was at that time a shadow. It had been incorporated in 1875 under the Act of 1859 respecting building societies, C. S. U. C. ch. 53, and had had a substantial paid-up capital, but apparently had eventually lost money, for, according to W. J. Doran's affidavit, it had about the spring of 1903 realized on all its assets and distributed them among the shareholders, thereby repaying them 51 cents on the dollar. He says he and his associates