

amount required by the Act of incorporation wholly failed, not more than \$75,000 having been subscribed. No payments were made on the stock subscribed for by the defendants. The plaintiff, having an unsatisfied judgment and execution against the company for the recovery of money, sued the defendants as shareholders holding unpaid stock, under the Companies Clauses Act, R.S.C., c. 118, s. 30.

Held, that to constitute a binding contract to take shares in a company, when such contract is constituted by application and allotment, there must be an application by the intending shareholder, an allotment by the directors of the company of the shares applied for, and a communication by the directors to the applicant of the fact of the allotment having been made: *In re Scottish Petroleum Co.*, 23 Ch. D. 430; *Nasmith v. Manning*, 5 A.R. 126; *Ward's Case*, L.R. 10 Eq. 659.

The subscription for stock amounted to nothing more than an offer, and required to be completed by an allotment of stock to the subscribers: Bickley's Companies Acts, 7th ed., p. 64; Palmer's Company Law, 3rd ed., p. 69; *Pellatt's Case*, L.R. 2 Ch. 527; *Ritso's Case*, 4 Ch. D. 774; *Hobb's Case*, L.R. 4 Eq. 9.

The company never was organized; it had no business existence; it never had stock to allot; it never had directors; and therefore it never could make an allotment.

Held, also, that as no license was obtained by the company from the Minister of Finance within two years from the passing of the Act incorporating the company, such Act expired and ceased to be in force on the 13th June, 1900, and the company ceased to exist: The Insurance Act, R.S.C., c. 124, s. 24.

A. Millar, K.C., for plaintiff. *A. W. Anglin*, for defendants.

Falconbridge, C.J., Street, J. [

[Dec. 26, 1901

WALSH v. WALPER.

Execution—Fieri facias—Liquor license—Covenant by lessee to reassign license—Running with the land—Interpleader issue.

A license under the Liquor License Act cannot be seized by a sheriff under a writ of fieri facias. The piece of paper upon which it is printed and written ceases to be seizable as an ordinary chattel when it is converted into such a license.

The right to sell liquor at a particular place under such a license is a personal one and is not assignable by the holder of it unless he obtain the consent and comply with the conditions of s. 37 of Liquor License Act, R.S.O. c. 245.

A covenant in the lease of a hotel by the lessee that at the expiration of the lease he will assign to the lessor the license, if any, then held by him, is not a covenant binding upon the assignee of the term as such. It is a merely personal covenant having nothing to do with the land or its tenure.

Idington, K.C., for claimant. *W. H. Blake*, for execution creditor.