

were described as "fully paid." In most of these particulars the case differs entirely from *Re Perrin Plow Co.*, 12 O. W. R. 387, on which the learned referee relies. There, although at first unwilling, the contributory, Allan, eventually became an applicant for the whole number of shares in respect of which he was held. These shares were duly allotted to him; he took them and gave his note for them, relying on the undertaking of two persons interested in the promotion that they would pay the note for him by instalments. The shares were issued direct to him, and he received dividends upon them and gave a proxy in respect of them. He was held liable as a shareholder.

The present case is, in my view, not distinguishable in principle from *Bloomenthal v. Ford*, [1897] A. C. 156. In that case the person sought to be made contributory had lent money to a limited company upon the terms that he should have as collateral security fully paid shares in the company, and the company handed to him certificates for 10,000 shares of £1 each. No money had in fact been paid upon the shares, which were issued from the company direct to the lender, but he did not know this, and believed the representation that they were fully paid shares. An order having been made to wind up the company, he was placed upon the list of contributories, but it was held in the House of Lords that since the company had obtained the loan by a representation that the shares were fully paid, which the appellant believed and acted upon, the company and the liquidator were estopped from alleging that the shares were not fully paid, and that the appellant was entitled to have his name removed from the list of contributories.

The representation made in this case by the accredited agent of the company was similar to the representation in the *Bloomenthal* case. Money was lent for the benefit of the company through their agent, as in the *Bloomenthal* case. The company issued their certificate for fully paid shares, upon the faith of which the note representing the loan was renewed, and subsequently allowed to stand, the lender believing that he had received security for his claim. Instead of receiving security, the liquidator now maintains that he had subjected himself to a considerable liability. The facts of these two cases are sufficiently similar to render them practically indistinguishable. Upon the authority of *Bloomenthal v. Ford*, which was not referred to in the judgment of the learned referee, and which, he informs me, was not cited