

MACMAHON, J.

OCTOBER 26TH, 1904.

WEEKLY COURT.

RE CANADA WOOLLEN MILLS, LIMITED.

Company—Winding-up—Sale of Assets—Acceptance of Tender of Inspector under Act—Powers of Referee—Sale not Recommended by Liquidator.

Appeal by W. T. Benson & Co., creditors of the Canada Woollen Mills, Limited, a company being wound up under the Dominion Act, from the certificate of James S. Cartwright, official referee, of his acceptance of an offer made by W. D. Long to purchase the assets of the company, upon the following grounds: (1) That the sale was not made by the liquidator of the company, as the statute requires, nor did he accept the offer of Long. (2) That Long was an inspector appointed under the Act, and could not purchase. (3) That the sale was made improvidently and at an under-value, and not in accordance with the practice of the Court. (4) That the offer by Long and the acceptance by the referee did not constitute a definite bargain capable of being enforced, and there was no written evidence of the bargain, and its terms were not settled.

W. H. Blake, K.C., for appellants.

I. F. Hellmuth, K.C., for W. D. Long.

G. H. D. Lee, for the Dominion Bank and certain other creditors supporting the sale.

R. S. Cassels, for the liquidator.

MACMAHON, J.—. . . Mr. Long was one of the six inspectors in the liquidation, and was such when he purchased the assets of the estate for \$253,000. . . .

[Reference to Segsworth v. Anderson, 23 O. R. 573, 21 A. R. 242, 24 S. C. R. 699; Gantonguay v. Savoie, 29 S. C. R. 613; Ex p. James, 8 Ves. 345.]

Now, I find from the correspondence put in, that Mr. Long, having purchased on 22nd September, two days afterwards—on the 24th—telegraphed to George Moore at Waterloo offering the Waterloo mills for “\$54,000, including all supplies in mill,” and saying, “I will take five thousand with you, Seagram, Randall, and friends. Payments made easy. Wire me reply. Sold both Carleton mills.” He sold the Carleton Place mills at \$50,000.