1875. Lindsay Petroleum Co. v. Pardee.

opinion. If the doctrine of reverter is the true one, it is an unfortunate state of the law, inasmuch as it will enable the perpetrators of, what has been pronounced in this country and in England, a gross fraud, to retain the fruits of that fraud without the law being able to reach them. It will be understood that I refer not to the defendant *Pardee*, but to the defendant *Farewell*.

Blake, V. C.—I am of opinion that the Company in question is defunct: that it was so at the time of filing the bill in this cause: that its property has gone into other hands, and, therefore, that the present bill cannot be sustained, as at the time of filing the bill there was no interest in the plaintiffs in the property in question. No amendment could or can be allowed in its favour. The decree made must be affirmed with costs.

Judgment.

Proudfoot, V. C.—I think that the declaration of the shareholders means that the Company shall last for five years, or any less time the shareholders may by resolution determine. The statute must have intended there should be a defined limit to the proposed existence of the corporation. It evidently was not intended that the shareholders should say, we propose to form a company for any time we may please short of fifty years.

The objection to the memorandum of association because it authorizes the sale of the lands, does not seem to me tenable. The Company was formed for the purchase of oil lands and working them. The declaration unnecessarily specified the lands, and then provided that the Company might sell or lease the lands in portions, or entirely, and either before testing or after, and for investing the proceeds in the purchase and working of other lands. The Statute, sec. 8, authorizes the Company to purchase and convey lands to enable it to carry on the operations mentioned, but not to mortgage. Taking the declaration as a whole, it amounts to nothing more than that the