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APPELLATE DIVISION.

JUNE 7TH, 1915.

\*MORRISBURGH AND OTTAWA ELECTRIC R.W. CO. v.  
O'CONNOR.

*Company—Shareholders—Act respecting Prospectuses Issued by Companies, 6 Edw. VII. ch. 27, sec. 3(3)—Effect upon Subscription for Shares of Non-delivery of Prospectus—Shareholders Acting as such—Ratification—Voidable Subscription—Delay in Repudiating.*

Appeals by the defendants, in the above and nine other actions brought by the same plaintiffs, from the judgments of the County Court of the County of Carleton in favour of the plaintiffs.

The actions were brought to recover the amounts of calls made upon the defendants respectively as holders of shares of the capital of the plaintiffs, an incorporated company.

The defendants relied on sec. 3(3) of an Act respecting Prospectuses issued by Companies, 6 Edw. VII. ch. 27(O.): "No subscription for stock . . . induced or obtained by verbal representations, shall be binding upon the subscriber, unless prior to his so subscribing he shall have received a copy of the prospectus."

The appeals were heard by FALCONBRIDGE, C.J.K.B., HODGINS, J.A., RIDDELL and LATCHFORD, JJ.

G. Powell, for the appellants.

G. D. Kelley, for the plaintiffs, respondents.

RIDDELL, J., read a judgment, in which he said that in nine of the cases the defendants had, with full knowledge of the facts, accepted and taken the status of shareholders, by acting as directors, attending meetings of shareholders, giving proxies, paying calls on the stock or the like unequivocal acts; that the

\*This case and all others so marked to be reported in the Ontario Law Reports.