HODGINS, MASTER IN ORDINARY. JUNE 20TH, 1906.

MASTER'S OFFICE.

RE CEMENT STONE AND BUILDING CO.

McBEAN'S CASE.

Company—Winding-up—Contributory—Petitioner for Incorporation—Subscription for Shares—Memorandum of Association—Director and President of Company.

Upon a reference for the winding-up of the company, it was sought to place William McBean's name on the list of contributories.

THE MASTER:—In this case McBean was one of the petitioners for the charter of incorporation, in which it was alleged "that by subscribing therefor in a memorandum of agreement and stock book duly executed in duplicate, with a view to the incorporation of the company, your petitioners have taken the following amounts of stock set opposite their names." And under this, among the names, appears the following:

"Petitioners:	"Amount of Stock Subscribed for:
"William McBean.	"$2,200."

Section 10, sub-sec. (4), of the Ontario Companies Act, R. S. O. 1897 ch. 191, enacts that "each petitioner shall be the bona fide holder in his own right of the share or shares for which he has subscribed in the memorandum of agreement." The 23rd section of the Imperial Companies Act, 1862, though not worded according to the same form, has been interpreted as having much the same effect.

The charter of the company was issued on the 8th February, 1904, and on the 10th February the first meeting of the provisional directors was held, at which McBean was appointed chairman, and certain by-laws and resolutions were carried. A subsequent meeting of the shareholders for organization was held on the same day, at which McBean was appointed chairman, and, after the by-laws and resolutions of the provisional directors had been adopted, McBean was elected one of the directors, and at a subsequent meeting of the directors was elected president of the company.