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The Company being in want of funds to pay the contractors, called in stock, and sued several stockholders who neglected to respond to the calls, a number of judgments were obtained in favor of the Company; but in one of the suits instituted in the Division Court in Bayham, the question as the Company being properly incorporated was raised, and in this issue judgment was given for the defendant. The question involved was, whether there had been a sufficient amount of stock subscribed to entitle the Company to the privileges of incorporation under Statute 16 Victoria, Cap. 190, as it appeared that the Secretary of the Company, WITHOUT ANY AUTHORITY, (as was subsequently proved,) had struck-out the name of a Stockholder who had died, and the amount subscribed was thereby made to appear less than £4,000, the sum inserted in the instrument referred to in the Statute, as being the capital stock of the Company. In consequence of this decision, the operations of the Company ceased at once, and have never since been resumed. Soon afterwards the second coupons on the debentures fell due, and the debenture-holders applied to the Treasurer of the Township for payment, but were informed that he had no funds on hand for their redemption, and that the debentures together with the coupons attached thereto were illegal; since that time the Council have continually refused to pay either principal or interest on the debentures, and allege, as an excuse for non-payment, that the By-Law No. 116 under which they were issued was illegal, inasmuch as it reserved no SINKING FUND for the redemption of the debentures, making them a charge on the general funds of the Township instead of providing for raising a sufficient sum by special rate, and did not recite the amount of rateable property in the Township according to the last revised assessment roll.—The debenture-holders are therefore without remedy unless the By-Law and proceedings subsequent upon it are legalised by Act of Parliament.

Anthony Scealey, purchaser and holder of debenture