

it is conceived that an offer made by circular to the public or some section thereof, will be an offer to the public."

The Ontario Act seems to contemplate a distinction between an offering to the public and an offering privately for subscription, after incorporation, for the Act requires that all companies increasing membership by more than ten over the original number shall file a prospectus, while it applies ss. 106 to 112, inclusive, to those companies only which offer shares for public subscription, seeming, therefore, to admit (a) that up to ten over the charter number new members may be added without so much as the filing of a prospectus, and (b) that after an increase of more than ten, and the consequent filing of a prospectus, other formalities are necessary only in the case of companies offering shares for public subscription, implying, therefore, that ten and more new subscribers may be had without offering shares for public subscription. The distinction between public and private subscription for shares is important in relation to meetings of shareholders, for s. 54 requires a general meeting of shareholders within two months of incorporation of companies not offering share for public subscription, while s. 111 requires a statutory meeting of shareholders of companies offering shares for public subscriptions within three months of the date at which the company is entitled to do business. It is suggested that offering by advertisement in newspapers, or by general distribution of copies of a prospectus, constitutes an offering of shares to the public for subscription, but that canvassing individuals, by hired canvassers or otherwise, accompanied even by the exhibition of a prospectus, is not such an offering to the public, and, therefore, that ss. 106 to 112, inclusive, of the Companies Act, do not apply to companies which confine their efforts to obtain shareholders to personal canvassing. This distinction strikes at the whole practice pursued in the formation of companies, and is, therefore, of special importance. The Act should be amended so as to set doubts at rest.

The provisions of the Act as to the election of directors is confusing. Read broadly, they seem to be intended to secure