

REPORTS AND NOTES OF CASES.

Dominion of Canada.

SUPREME COURT OF CANADA.

Ont.] MORRIS v. UNION BANK. [Nov. 16, 1901.
Joint stock company—Payment for shares—Equivalent for cash—Written contract.

M. and C. each agreed to take shares in a joint stock company, paying a portion of the price in cash, and receiving receipts for the full amount, the balance to be paid for in future services. The company afterwards failed.

Held, affirming the judgment of the Court of Appeal (27 Ont. App. R. 396), that as there was no agreement in writing for the payment of the difference by money's worth instead of cash under s. 27 of the Companies Act, M. and C. were liable to pay the balance of the price of the shares to the liquidator of the company. Appeal dismissed with costs.

Watson, K.C., for appellants. *Hellmuth* and *Saunders*, for respondents.

Ont.] SOPER v. LITTLEJOHN. [Nov. 16, 1901.
Lease—Covenant—Forfeiture—Company—Shareholder—Personal liability—Waiver.

A lease to a joint stock company provided that in case the lessee should assign for the benefit of creditors six months' rent should immediately become due, and the lease should be forfeited and void. The two lessors were principal shareholders in the company, and while the lease was in force one of them, at a meeting of the directors, moved, and the other seconded, that a by-law be passed authorizing the company to make an assignment, which was afterwards done, the lessors executing the assignment as creditors assenting thereto.

Held, reversing the judgment of the Court of Appeal (1 O.L.R. 172), that the lessors and the company were distinct legal persons, and the individual interests of the former were not affected by the above action: *Salamon v. Salamon* (1897) A.C. 22, followed.

The assignee of the company held possession of the leased premises for three months, and the lessees accepted rent from him for that time and from sub-lessees for the month following.

Held, also reversing the judgment appealed from, that as the lessors had claimed the six months' accelerated rent under the forfeiture clause in the lease and testified at the trial that they had elected to forfeit; and as the assignee had a statutory right to remain in possession for the three