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DEPOSITORS OF BANK TO FIGHT SHAREHOLDERS

Will Insist That Double Liability Claims Cannot be Avoided

"As long as there is a chance that Home Bank depositors will not be reimbursed in full for their losses, any action on the part of shareholders to avoid the double liability claim will be fought by the Depositors' association.

Arthur English, chairman of the Winnipeg depositors' committee and representative of Manitoba depositors on the national committee, made this statement to The Tribune today.

"The shareholders had a better chance to avoid being caught in the wreckage when the bank crashed," continued Mr. English. "They had the privilege of attending the shareholders' meetings and challenging the statements published by the bank's officers and auditors.

"The depositors did not. If a depositor had gone to any annual meetings of the bank, challenged any official statement and demanded to be shown any of the figures he would have been laughed at and told to get out."

Association Grows

Nearly 2,000 of the depositors in Manitoba have joined the Manitoba Depositors' association and Mr. English is confident that 4,000 will be enrolled within the next three or four weeks.

H. Higginbotham, Calgary, Alberta representative on the national committee, will address a mass meeting of depositors of Greater Winnipeg this evening in the Board of Trade hall, beginning at 8 o'clock. He will review the work of the national committee in the east and outline the plan of campaign to be carried on with the federal government.

SASK. SHAREHOLDERS FIGHT LIABILITY

[By Canadian Press]

TORONTO, Feb. 15—Comprehensive statement of defence was filed at Osgoode Hall Thursday by barristers acting on behalf of about 150 contributories included in the Home Bank association of Saskatchewan. This document covers the ground on which will be fought the legal battle to determine the liability, double and otherwise, of Home Bank shareholders, not only here and in Saskatchewan but also in other parts of Canada.

Among the points raised by this defence are the following:

It is denied that the Home Bank had power to issue shares of its capital stock.

It is also claimed that since the assets of the Home Bank have not yet been liquidated it will be impossible for the liquidator to say what sum, if any, will be required from the shareholders to enable the depositors to be paid in full.

"In the event of the assets of the bank not proving sufficient to pay the depositors in full," the defence continues, "and in case the Dominion government co-operates with the Canadian Bankers' association and pays the depositors in full, the liquidators will not require and cannot call upon shareholders for contribution or, in any event the liquidators cannot, till they know what sums, if any, will be required.

"The defendant," it adds, "further alleges that the shares of stock, if any, purchased by him belonged to the bank and the sale thereof constituted a trafficking by the bank in its own shares and was, and is, illegal and void."

It makes the further allegation that the purchase of these shares was made at a time "when the directors and officers of the bank knew and concealed the fact that the bank was insolvent."

Jockeying For Position

Jockeying for position in the Home Bank case continues.

D. L. McCarthy, K.C., special crown prosecutor, appeared before Mr. Justice Wright Thursday to discuss particulars of the charges against the directors and officials, but the defence refused to look at them.

Mr. McCarthy said the accused are charged with conspiracy under Section 444 of the code and signified that he was prepared to give what particulars to the defence Mr. Justice Wright might see fit. N. W. Rowell, K.C., representing all defending counsels, replied that they still contended that they were entitled to trial by county judge and that they did not feel like applying for particulars in the assize court because that would indicate recognition of the indictment as a valid one.

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