company, shewing that he had settled the appellant on the list of contributories in respect of certain shares in the company.

W. M. Douglas, K.C., for the appellant.

W. H. Blake, K.C., for the liquidator.

Meredith, C.J.:—The first of the two principal questions raised upon the argument was as to the liability of the appellant to be placed on the list of contributories in respect of certain shares which were allotted as bonus shares, some of them directly to the appellant, and others of them to other persons who transferred their shares to the appellant, he having notice that they had been issued as bonus shares, and that, although they were issued as fully paid up, in fact nothing had been paid in respect of them.

That the appellant is liable in respect of such of these shares as were standing in his name at the commencement of the winding-up was not disputed, but as to certain of them which had been transferred to persons who are entitled to hold them as fully paid up shares, it was contended that, the appellant having parted with all interest in them, and the shares being vested in his transferees, he was not liable to calls in respect of them, and therefore not liable to be placed on the list of contributories for the amount which ought to have been paid on them, as between the company and the appellant.

The second of the two principal questions argued was as to the right of the appellant, assuming him to be liable to be placed on the list of contributories for the amount unpaid on these shares, to set off against that liability a debt owed to him by the company at the commencement of the winding-up.

Upon both of these questions the official referee came to a conclusion adverse to the appellant.

It was stated upon the argument that no case could be found in which it has been decided that one to whom shares have been allotted as paid up shares, under circumstances which render him liable to pay for the shares, but who, before the commencement of the winding-up, has transferred them to a person who has been accepted as transferee, and who is entitled to hold the shares as fully paid, is liable to be placed on the list of contributories for the amount which ought to have been paid in respect of the shares.