

the attorney's charges in connection with the drawing up of the charter and promoting the bill through the legislature.¹ But apart from such a case, no member of an unincorporated company is liable to non-members for acts done before he became a member, unless he has rendered himself liable for them by some contract between him and them.² And generally speaking, an incorporated company is not liable for the acts and engagements of its promoters, unless it is made so by its charter, Act of Parliament, or deed of settlement, or unless it has become so by what it has done since its formation.³ Hence a contract, other than the kind above mentioned, entered into by a promotor before the incorporation of the company, will be at the personal risk of such promotor if the company, after incorporation, repudiates it.⁴

Contracts of promoters which would be *ultra vires* if entered into by the company after its formation, cannot, even if attempted to be ratified by the company when formed, bind the latter.⁵

But apart from equitable grounds already stated, a contract entered into or an act done before a company is formed cannot be ratified by it in the proper sense of that expression.⁶ Ratification is a technical word and presupposes the existence : 1, of a principal ; 2, of an agent ; and 3, of some act done by the agent for and on behalf of the principal but without his authority.⁷

¹ Auger v. Cornellier, R. J. Q. B., 1892, Que., 293.

² Lindley Partnership, 201, *et seq.*

Where parties signed a declaration under R. S. O. 1887, c. 172, and became incorporated for the purpose of carrying on the business of life insurance, and were prevented from doing so by the refusal of the Inspector of Insurance to issue a license, one of the signers of the declaration, who was compelled to pay the debts incurred by him in promoting the company, cannot hold the others liable to contribution as partners. Ellis v. Drummond, 1893, R. J. Q., 4 S. C., 473.

³ Lindley Comp., 146; and see National Insur. Co. v. Hatton, Q. B. 1879, 24 L. C. J., 26.

⁴ Irwin v. Lessard, Q. B. 1889, 17 R. L., 589. In this case the leasing of premises by a promotor for the purpose of carrying on the business of the Company when incorporated.

Carden v. General Cemetery Co., 5 Bing. N. C., 253. In *re* Brampton v. Longtown Ry. Co., L. R. 10 Ch., 177; Hitchens v. Kilkenny Ry. Co., 9 C.B., 536.

⁶ See Waddell v. The Dominion City Brick Co., 5 Manitoba, 119.

⁷ Wilson v. Tumman, 6 Man. & Gr., 236; Lindley Comp., 176. See Kelner v. Baxter, L. R. 2 C. P., 174; Scott v. Lord Ebury, *ibid*, 255; Melhado v. Porto Alegre Ry. Co., 9 C. P., 503; Spiller v. Paris Skating Rink Co., 7 Ch. Div., 368.