

charged the Society will not be paid, and the majority of the Court think they ought not to be.

We are, therefore, to confirm with costs against appellants.

CROSS, J. The St. Bridget's Building Society, whose affairs are in question in this suit, was a society organized under cap. 69 of the Consolidated Statutes for Lower Canada. It had two classes of members, having to some extent antagonistic interests, denominated in the factums of the parties borrowing members and non-borrowing members respectively.

The Society appears to have got into difficulties, and with a view to closing its business a meeting of its members was held on the 3rd of April, 1879, at which were discussed proposals for settling its affairs by the borrowing members anticipating the payment of their liabilities, which extended by instalments over a series of years, and getting a deduction in consideration of a present cash liquidation; on which conditions it was represented that the non-borrowing members would be satisfied to accept the proceeds on condition that they should get the actual amount invested by them without interest.

A special meeting of the borrowing members, with the same object, was held on the 2nd June, 1879. It appears by the minutes of these meetings, it was proposed that notarial documents should be prepared and signed, binding each class of shareholders to terms that would liquidate the affairs of the society, but these projects came to nothing, and were superseded by the proceedings of a meeting of the members of the society held on the 16th July, 1879, at which it was resolved that the society should go into liquidation under the provisions of the Dominion statute 42 Vic., c. 48.

At the same meeting the appellants were named liquidators.

These liquidators held a meeting on the 8th August, 1879, at which it was resolved that they should compound with the borrowing members at a certain amount of cash, according to the borrowing members' indebtedness, and that the board of liquidators would also take stock-books with the amounts therein as part payment of the borrowing members' indebtedness to the society at par value.

On the 11th of August following, the liqui-

dators and the borrowing members held separate meetings. At that of the borrowing members, the minutes declare that it was for the purpose of hearing the conditions of the Board of Liquidators upon which they the borrowing members could get a clear discharge from the society. The President announced that the Board of Liquidators would take a certain amount of cash according to the face of each member's debt as shown in the ledger; some discussion ensued as to the rate of discount, when it was finally resolved that should there be any surplus after paying all the non-borrowers dollar for dollar, as that was all they wanted, it would be divided amongst the borrowing members, provided they would all pay up within three months, after which they would be charged interest.

The non-borrowing members were not represented at this meeting, unless they could be said to be so through the liquidators, in the person who acted as president of the meeting.

At the liquidators' meeting of the same date it was announced that a number of the borrowing members gave their names to go out in accordance with the proposition of the liquidators made to them. Upwards of thirty names are entered as so agreeing. This proposition may have been according to their meeting of the 8th of August, or it may have been what the President announced at the borrowing members' meeting of that day, the President so called being the former president of the directors and one of the liquidators.

The borrowing members seem to have liquidated their liabilities by paying 80 cents in the dollar of those liabilities, partly in cash and partly in the credits contained in books of the non-borrowing members taken at par, and in settling with the society, in place of reserving any right to participate in a surplus, they formally, by the same notarial documents which contained the discharge of their indebtedness, renounced specially and expressly, all rights and claims of any kind or nature whatsoever, which they might then or at any time claim to exercise against the Society as being members thereof, or for any cause whatever, granting the Society a most full and ample discharge. A specimen deed is produced, dated the 13th August, 1879, and the others are admitted to be to the same effect.