

Government to exempt from military service men who in the township were engaged as farm-workers.

A public measure such as the order in council which the delegation sought to have repealed would, if acted upon, have the effect of reducing the number of farm-workers in the agricultural township of Burford, with the consequent impairment of the corporation's ability to perform its statutory duties; and therefore the matter was one "pertaining to or affecting the interests of the corporation."

The appeal should be allowed with costs and the action dismissed with costs.

CLUTE and SUTHERLAND, JJ., agreed with MULOCK, C.J.Ex.

MASTEN, J., read a judgment in which he gave reasons for agreeing that the action should be dismissed. He expressed no opinion as to the constitution of the action or the propriety of allowing an amendment.

*Appeal allowed.*

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SECOND DIVISIONAL COURT.

MARCH 26TH, 1920.

RE METROPOLITAN THEATRES LIMITED.

*Company—Winding-up—Directors—Payment of Dividend out of Capital—Liability—Ontario Companies Act, R.S.O. 1914 ch. 178, sec. 95.*

Appeal by E. C. Eckert, P. Noble, and S. Stevely from the order of FALCONBRIDGE, C.J.K.B., 16 O.W.N. 241.

The appeal was heard by MULOCK, C.J.Ex., CLUTE, SUTHERLAND, and MASTEN, JJ.

J. M. McEvoy, for the appellants.

A. C. McMaster, for the liquidator of the company, respondent.

MULOCK, C.J.Ex., reading the judgment of the Court, said that the Master in Ordinary had found the appellants liable for the amount of a dividend illegally paid by the directors, the appellants being three of them. The company carried on a theatre business, and the board of directors, at a meeting held on the 31st March, 1916, declared and directed payment of a dividend of 2 per cent. on the paid-up capital. The dividend amounted