

davit filed by the defendant McCullough with his appearance in this action, he stated that he was not a member of the Ottawa Cold Storage and Freezing Company for six months or more previous to the former action; that he was never served with a copy of the claim or writ in that action; that on the trial of that action he was subpoenaed by the plaintiffs as a witness to assist them in proving their case; that he was told by the plaintiffs' manager that, if he would assist the plaintiffs, there would be no judgment taken against him; and that he had been all the time unaware that judgment had been entered against him in that action. The learned Judge, after setting out the facts in a considered opinion, said that he agreed with the view of the Master that, in the circumstances, none of the allegations in the affidavit disclosed any ground of defence to the action; and the present motion and appeal should be dismissed with costs. J. H. Fraser, for the defendant McCullough. M. L. Gordon, for the plaintiffs.

MCANDREW V. NAGRELLA MANUFACTURING CO.—MONCUR V. IDEAL
MANUFACTURING CO.—MIDDLETON, J.—MARCH 14.

Company—Subscription for Shares—False and Misleading Statements—Cancellation of Subscription—Winding-up of Company—Action by Liquidator for Declaration of Invalidity of Mortgage made by Company—Fraud Practised upon Individual Shareholders—Inability to make Restitution.—The first action was brought for cancellation of the plaintiff's subscription for 20 shares of the defendant company's stock, and for consequent relief. The second action was brought by the liquidator of the Nagrella Manufacturing Company to have it declared that a mortgage for \$15,000 made by that company in favour of the defendant company was invalid, and for consequent relief. The actions were tried without a jury at Hamilton.—MIDDLETON, J., delivering judgment, said that the statements made by Mr. Fletcher and the letter given by Mr. Main were intended by Mr. Fletcher to induce subscribers to take stock in the Nagrella Company, and were false and misleading. Mr. Main probably had no evil intention, and failed to realise the real nature of his acts and the use to which his letter would be put; but to take this charitable view of his conduct taxed to the very limit the credulity and charity of the judicial mind, and caused amazement at the simplicity of mind of an "auditor" who seemed to enjoy some large measure of public confidence. The plaintiff