

the company as an executor, administrator, tutor, curator, guardian or trustee for any person named in the books of the company as being so represented by him, shall be personally liable as a shareholder; but the estate and funds in his hands of the party represented by him shall be liable.

It should be stated that under both acts a company is not bound to see to the performance by the trustee of any trust in respect of any share; and the receipt of the shareholder, in whose name the same stands in the books of the company, is a valid discharge to the company for any dividend or money payable on the shares. No person holding stock as collateral security is personally subject to liability as a shareholder; but the person pledging such stock is considered as holding the same, and is liable as a shareholder.

Calls on shares must be promptly paid on the day appointed for payment, and a shareholder is liable for interest thereon at the legal rate after default in payment.

If the call is not paid at the appointed time the directors may, if they prefer, forfeit the shares, which will thereupon become the property of the company, and can be disposed of by the company. The Dominion Joint Stock Company Act provides that, notwithstanding the forfeiture, the holder of such shares which have been forfeited will continue liable to the then creditors of the company for the amount unpaid on such shares at the time of forfeiture, less any sums subsequently received thereon.

The shares of stock are transferable on the books of the company in the manner prescribed by the letters patent or the by-laws of the company. No transfer of shares by a shareholder is valid for any purpose, so far as the company or its creditors are concerned, until entry thereof is made in the transfer book; but, until such transfer is entered, both transferee and transferer are each liable on the shares to the company and its creditors. Such a transfer, however, though not so entered, is valid as between the transferrer and transferee.

The Dominion Joint Stock Company Act, however, provides that the entry of the transfer is not necessary in the case of companies whose stock is listed and dealt with on any recognized stock exchange by means of scrip commonly in use, endorsed in blank, and transferable by delivery, which constitutes valid transfers; the scrip holder is not, however, entitled to vote upon shares until they are registered in his name in the books of the company.

No transfer of shares, whereof the full amount has not been paid in, can be made without the consent of the directors; and whenever any transfer of shares not fully paid in has been made with such consent to a person who is not apparently of sufficient means to fully pay up such shares, the directors are personally liable to creditors of the company to the same extent as the transferring shareholder, but for such transfer, would have been.

No share is transferable until all previous calls are fully paid; The Dominion Joint Stock Company Act further provides that the directors may decline to register any transfer of shares belonging to any shareholder who is indebted to the company.

SHAREHOLDERS' VOTES AT GENERAL MEETINGS.

Every shareholder is entitled to as many votes as he holds shares, and he may vote either in person or by proxy, but if he is in arrear in respect of any call he cannot vote. No transferee of shares, if his transfer is not registered in the transfer book, can vote. Every

grant of incorporation, and that at least ten per cent. of the nominal capital of the company has been subscribed. (7) Signatures to the petition and memorandum of agreement and stock book must be witnessed and proved by the affidavit or statutory declaration of persons who are not petitioners, or directly interested in the formation of the company.

(8) Signatures by attorney must be made under a specific, not general, power of attorney, duly executed, and at least two signatures must be written on the leaf, or page, which contains the prayer of the petition.

(9) The facts stated in the petition must be established by affidavit or statutory declaration.

GOVERNMENT FEES FOR LETTERS PATENT UNDER ONTARIO ACT.

The petition will not be considered by the government until the fees are paid. The fees are payable to the Provincial Treasurer. The following is the tariff of fees:

FOR LETTERS PATENT.

When capital stock is \$40,000 or less, \$100.

When capital stock is more than \$40,000, but does not exceed \$100,000, the fee is \$100, and \$1 for every \$1,000 or fractional part thereof in excess of \$40,000.

When capital stock is over \$100,000, but does not exceed \$1,000,000, the fee is \$100, and \$2.50 for every \$10,000 or fractional part thereof in excess of \$100,000.

When capital stock is \$1,000,000 or over, the fee is \$885, and \$2.50 for every \$10,000 or fractional part thereof in excess of \$1,000,000.

When the charter is for a cheese or butter company, \$10.

FEES FOR SUPPLEMENTARY LETTERS PATENT.

When the capital of a company is increased, the fee is according to the above tariff, but on the increase only. In all other cases of supplementary letters patent the fee is \$100.

FEES FOR LICENSES.

For a license to an extra-provincial company to hold land or to sell mining stocks, etc., the fee is according to the above tariff, and is levied according to the nominal capital of the company.

FEES FOR ORDERS-IN-COUNCIL.

For an order-in-council changing the name of a company, \$25.

For an order-in-council approving of a by-law creating preference stock, \$50.

FEES ON DEPOSITING WITH THE GOVERNMENT ANNUAL SUMMARY OF THE AFFAIRS OF THE COMPANY.

1. When the capital stock of the company is \$50,000 or under, \$2.

2. When the capital stock of the company exceeds \$50,000 but does not exceed \$100,000, \$5.

3. When the capital stock of the company exceeds \$100,000, \$6.

ONTARIO ACT AS TO LICENSES TO EXTRA-PROVINCIAL CORPORATIONS.

Under the provisions of this act nearly every company (other than an insurance or loan company) not incorporated under the authority of an act of the Legislature of Ontario, and having gain for one of its objects, must take out a license from the Government of the Province of Ontario to carry on business in the Province of Ontario.

FEES FOR LICENSES FOR EXTRA-PROVINCIAL CORPORATIONS.

Fees for licenses to corporations incorporated under an act of the Legislature of the late Province of Canada, or by Royal Charter of the Government of that Province (that is, incorporated before 1st July, 1867), authorized to carry on business in Upper Canada, but not carrying on business in Ontario at the date of the commencement of the "Act respecting the licensing of Extra-Provincial Companies" (that is, on the 30th April, 1900); and for corporations incorporated under an act of the Dominion of Canada (that is, since 1st July, 1867), and authorized to carry on business in Ontario.

If the capital stock of the company does not exceed \$100,000, the fee is \$25.

If the capital stock of the company exceeds the sum of \$100,000, the fee is \$50.

In respect of all other extra-provincial companies the license fees payable are the same as the fees payable under the incorporation of a company by letters patent under The Ontario Joint Stock Company Act.

In the case of certain extra-provincial companies the Lieutenant-Governor-in-Council may reduce the fee payable for the license. See Section 18 of the act.

FEES ON ANNUAL RETURNS OF EXTRA-PROVINCIAL CORPORATIONS.

If the capital stock does not exceed \$100,000 the fee is \$5.

If the capital stock exceeds \$100,000 the fee is \$10.

INCORPORATION OF COMPANIES UNDER THE DOMINION JOINT STOCK COMPANY ACT.

Under this act letters patent granting incorporation will be granted to any number of persons, not less than five, who must be of the age of twenty-one years.

The petitioners must give at least one calendar month's previous notice in *The Canada Gazette* of their intention to apply for the letters patent.

This notice must contain the following particulars: (1) The proposed corporate name of the company. (2) The purposes for which incorporation is sought, and that the operations of the company are to be carried on throughout the Dominion. (3) The place within the Dominion which is to be its chief place of business.

(4) The proposed amount of its capital stock. (5) The number of shares into which the capital is intended to be divided and the amount of each share. (6) The name in full and the address and occupation of each petitioner, with special mention of not less than three not more than fifteen of their number who are to be the first or provisional directors of the company, and the majority of whom must reside in Canada, and each director must own stock absolutely in his own right.

At any time not more than one month after the last publication of such notice in the *Gazette* the petitioners may petition for the issue of the letters patent, and the persons who petition must be the same persons whose names appear in the *Gazette*, and must be shareholders in the proposed company. One half of the proposed capital stock must be subscribed for and ten per cent. in cash paid in thereon by those whose names are set out in the *Gazette* notice and in the petition, or by some of them. Stock subscribed for by persons who have not joined in the notice and petition will not be recognized. The petition must correspond in every particular with the *Gazette* notice, and should contain the following additional information: The amount of stock taken by each of the petitioners; the amount paid thereon by