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FALCONBRIDGE, C.J.

JUNE 3RD, 1902.

WEEKLY COURT.

WALKERTON BINDER TWINE CO. v. HIGGINS.

*Company—Lien of —Shares.*

Motion by plaintiffs to continue an injunction restraining defendant from selling or transferring certain shares of the stock of the plaintiffs, an incorporated company. The defendant was the contractor for the plaintiffs' building. He received in January, 1901, in part payment of the contract price, a cheque for \$22,832, which, plaintiffs allege, should have been for \$22,384. In the final settlement he received in part payment the stock in question, which is fully paid.

G. H. Kilmer, for plaintiffs. The plaintiffs claim a lien on two grounds: (1) of debt; (2) part of the price payable under the contract is represented by the shares, and in effect plaintiffs have the right to stop the shares in specie in the hands of defendant. As between the parties there is a lien in favour of plaintiffs: *Lindley's Company Law*, p. 456; *Pinket v. Wright*, 12 Cl. & F. 764; *Hague v. Dandeson*, 2 Ex. 741; *McMurrich v. Bond Head Co.*, 9 U. C. R. 333.

M. H. Ludwig, for defendant. It is clear that no lien exists. The only case in which the company can refuse to register a transfer is set forth in R. S. O. ch. 191, sec. 28. See also *White on Joint Stock Companies*, p. 181.

FALCONBRIDGE, C.J.—The high authority of Lord Lindley is pledged to the dictum (*Lindley's Law of Companies*, 5th ed., p. 456) that a company should have a lien on the shares of its members for what may be due from them to the company in respect of such shares.