

execution, or under the order or judgment of some competent Court in that behalf, shall be valid for any purpose whatever, save only as exhibiting the rights of the parties thereto towards each other, and as rendering the transferee liable, *ad interim*, jointly and severally with the transferor, to the company and its creditors, until entry thereof has been duly made in the books of the company.

This very section admits, recognizes, or declares that a transfer may be valid as exhibiting the rights of the parties thereto towards each other, and that concedes all that has to be ascertained in this case.

Whatever the company might do in such a case in the way of disposing of stock against defaulting holders, the provision is not pointed at dealings between the holder and others, pending which an execution comes in. The sale, which is the act of the law, is not permitted to have a tortious effect so as to cut out the rights of a *bona fide* assignee or pledgee, which is the present case. Therefore, I think, irrespective of the question of notice to the company, that there was a valid dealing with these shares as between the plaintiff and the judgment debtor, which has not been extinguished or affected by the sale of the shares under execution.

The plaintiff is, in my opinion, entitled to judgment with costs. I hold this with more willingness both because the shares were paid in full, and therefore property over which the owner had practically unfettered right of disposition, and also because the purchase was made in the interests of one of the officers of the company.

A motion to set aside or vary the judgment was argued before Armour, C.J., and Falconbridge and Street, J.J., and the judgment of the Court was delivered by the Chief Justice as follows :

I am of the opinion that the judgment of the learned Chancellor was right and should be affirmed for the reasons given by him

It was contended, however, that the equity of redemption of White in the shares in question passed by the sheriff's sale to Jones, and was transferred by him to the defendant Cowan, and that we ought to make a decree in favor of the defendant Cowan for redemption.

No case for redemption is made by the pleadings, and I do not think that we ought to make such a decree upon the record as constituted and upon the evidence before us, but leave the defendant Cowan to seek such remedy, if he has it, by a suit for that purpose.

I do not think, however, that the law authorizes the sale of an equity of redemption in the shares of an incorporated com-