

# The Ontario Weekly Notes

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TORONTO, APRIL 12, 1911.

No. 29.

## COURT OF APPEAL.

APRIL 1ST, 1911.

\*RE GOOD AND JACOB Y. SHANTZ SON & CO. LIMITED:

*Company—Transfer of Paid-up Shares—Refusal of Directors to Allow—Dominion Companies Act, secs. 45, 80—By-law—Ultra Vires—"Regulating" of Allotment—Reasonable Restraint on Alienation.*

Appeal by Jacob Y. Shantz Son & Co. Limited, from the judgment of a Divisional Court, 21 O.L.R. 153, dismissing appeal from the order of TEETZEL, J., directing the transfer of certain shares to J. S. Good.

The appeal was heard by MOSS, C.J.O., GARROW, MEREDITH, and MAGEE, J.J.A., and SUTHERLAND, J.

E. E. A. DuVernet, K.C., and A. H. F. Lefroy, K.C., for the appellants.

S. Johnston, K.C., and W. M. Cram, for the respondent.

Moss, C.J.O.:—The appeal in this matter is limited to the one general question, viz., the power of the appellants, a company incorporated under the Dominion Companies Act, R.S.O. (1886) ch. 119, to restrict the transfer of fully paid-up shares in the company as enacted in their by-law No. 2, clause 17. In other words, whether by virtue of their statutory powers they may pass and enforce such a by-law.

We are not concerned with any question of the respondent being bound by any special agreement, or by the circumstances under which the by-law was passed and confirmed by the shareholders. The special leave to appeal excludes all but the sole question stated in the order, and was only granted as to it, because of its general importance and the alleged conflict of decision with regard to it.

\*To be reported in the Ontario Law Reports.

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