

Leacy, by indorsement on the share certificate, dated 27th February, assigned 2 of the shares to George F. Benson, and Leacy appointed Mr. W. H. Blake his attorney to transfer the shares on the books of the Imperial Starch Company to Mr. Benson. Mr. Blake was also appointed attorney by Mr. Benson to accept for him the said 2 shares of stock. Mr. Blake, on 2nd March, exhibited the share certificate, the transfer, and the powers of attorney to the manager of the Trusts and Guarantee Company, and applied to have the stock transferred, but the manager refused to make the transfer.

On 26th January, 1905, at a meeting of the directors of the Imperial Starch Company, the following by-law was passed: "Whereas it is desirable and in the best interests of the company that the shares of the company shall be transferable on the books of the company only in such manner and subject to such conditions and restrictions as are hereinafter mentioned: now therefore be it enacted and it is hereby enacted, that no transfer of any stock or shares of the company shall be valid until approved of by the directors and registered on the books of the company. All transfers of stock or shares shall be at the discretion of the directors."

Before this by-law could become effective, it required ratification by the shareholders, and at a meeting of the stockholders held on 7th February, representing 1,700 out of a total of 2,000 shares, the by-law was unanimously ratified.

The Imperial Starch Company were incorporated under the Joint Stock Companies Act, R. S. O. 1897 ch. 191, and by sec. 27 it is provided: "The shares of stock of the company shall be deemed personal estate, and shall be transferable on the books of the company in such manner only, and subject to all such conditions and restrictions, as by this Act, or by the special Act, or by letters patent or by-laws of the company, may be prescribed."

"28. The directors may refuse to allow the entry, in any such book, of any transfer of shares of stock whereof the whole amount has not been paid in."

"30. No share shall be transferable until all previous calls thereon have been fully paid in, or until declared forfeited for non-payment of calls thereon."

And by sec. 47: "The directors may from time to time make by-laws not contrary to law, or to the letters patent of the company, or to this Act, to regulate: