

on the company to fence its right of way in the absence of an order of the Board of Railway Commissioners to do so, and that their contiguity to the limits of an incorporated town did not constitute the lands a portion of the settled locality of such town.

Having regard to the powers given the Board of Railway Commissioners by section 254 of the Railway Act, and particularly the language of sub-section 4, the word "locality" must be construed without reference to the proximity of town limits.

Davis, K.C., for appellant. Burns, for respondent.

Hunter, C.J.]

[Jan. 29.]

ANGLO-AMERICAN LUMBER CO. v. McLELLAN.

Company law—Sale of shares—Resolution of company empowering president to sell—Note given for purchase price—Note and shares placed in bank in escrow pending payment of note—Allotment.

Defendant purchased fifty shares in plaintiff company, giving his note for \$5,000 therefor, payable ten days after date, signing at the same time an application for the shares. There was some evidence of an arrangement between defendant and the president of the company that defendant was to be employed as a foreman by the company, and that if he proved unable to perform the work, the president would take back the shares and refund the money. Apparently there was no formal allotment of the shares by the company beyond a resolution empowering the president to dispose of the shares, but the president placed the shares and the note in escrow in the bank, the shares to be delivered up on payment of the note.

Held, that upon the signing of the application and the delivery of the note, the defendant became the owner of the fifty shares, with power to forthwith validly assign them to anyone else, or to have bound himself to do so on the issue of the certificates if the company's articles of association required endorsement of the certificates; and that there was no nature of allotment necessary.

J. A. Russell, for plaintiff company. Craig, for defendants.