

numbered 115 to 144, and to the dividends accrued thereon since 31st Dec., 1893, or to damages. The plaintiff purchased the shares in question in 1897 from a broker named Riddell, who was also secretary of the company, and paid him the purchase money therefor. She subsequently received, accepted, and returned to Riddell a transfer of 30 shares, not specifying the numbers, executed by Pitman, a clerk of Riddell's, who did not own any shares, and was a man of straw. Pitman received no consideration for the transfer, which he executed by Riddell's direction. The transfer was placed before the board of directors, and the board without requiring the production of Pitman's certificate passed the transfer, ordered it to be registered, and a new certificate issued, and at the same meeting a new certificate was issued under the seal of the company, signed by two directors and countersigned by the secretary, in accordance with the articles, wherein it was certified that the plaintiff was the owner of 30 shares, numbered 115 to 144 inclusive. The chairman, who presided at the meeting, did not sign the certificate, and did not notice that the shares therein specified formed part of his own holding, as was the fact. The certificate was subsequently handed over to the plaintiff and dividends paid to her, and also to the chairman in respect of the shares, Riddell concealing the fraud by paying a corresponding amount into the dividend account. He was subsequently dismissed, and notice was given to the plaintiff by the company that the certificate was invalid, and declining to recognize her as a shareholder. There were consequently two points in the case, the first as to the right of the plaintiff against the chairman, and secondly, as to her rights against the company. As to the chairman the plaintiff contended that he was estopped from denying her title to the shares mentioned in the certificate on the ground that he had presided at the board meeting at which the certificate was passed, but Farwell, J., held that the chairman was not bound by the certificate signed by the other two directors, nor estopped from disputing its validity as against himself; but he held that the certificate having been accepted and received by the plaintiff and relied on by her, was binding on the company and they were estopped from disputing it, and as the shares in question belonged to someone else they were liable in damages for the full value of the shares, and for which he gave judgment in favour of the plaintiff.