

terms, the right to impose any such clog. And it is difficult to understand why, if there had been an intention to do so, it was not as clearly expressed as in the other cases.

The appellants rely upon section 45 as supplying the power, but it must be read in connection with the group of sections under the heading of "Transfer of Shares," in which are set forth the conditions and restrictions prescribed by that part of the Act, and secs. 80 and 81 as to powers of directors.

In order to ascertain what conditions or restrictions may be prescribed by by-law, reference must be had to sec. 80(a). So far as stock is concerned, the power conferred is to make from time to time by-laws not contrary to law, or to the letters patent of the company, or to that part of the Act as to the following matters: "The regulating of the allotment of stock; the making of calls thereon; the payment thereof, the issue and registration of certificates of stock; the forfeiture of stock for non-payment; the disposal of forfeited stock and of the proceeds thereof, and the transfer of stock."

Nothing in these matters indicates the assertion of a power to prevent the transfer except by consent of the directors, in any case in which the Act has not expressly authorized it. Forms of transfers, and certificates and records of transfers, there must be, in order to ensure accuracy and ease in tracing the title of shares transferred from time to time, and such necessary conditions and restrictions as the attainment of that object calls for are reasonable and fair. In these ways the by-laws may regulate the transfer of stock without at all interfering with or hampering its ready saleability. These are provisions which regulate, in the true sense of the word, the transfer of stock, and the power given by the Act extends no further. When secs. 45 and 80 are read together, it seems plain that the by-laws of the company spoken of in sec. 45 mean those relating to transfer of stock which sec. 85 authorises, and these are limited to regulation.

Little, if any, assistance is to be derived from previous decisions either in the Courts of this province or elsewhere. In every case the general rule is conceded. *Primâ facie* the shareholder has a free right to transfer to whom he will, and where it is sought to introduce a different rule, the enquiry must relate back to the source of authority to make and enforce it. In England it is commonly settled by the terms of the articles of the company, by which the shareholders may, and frequently do bind themselves to many special conditions and restrictions. In the cases in which the question has come before the Courts of this country it has been discussed with reference to the Act in force at the