

by Fawcett. . . . He never pretended to them that the payment was void because of duress, or that it was a deposit for bail.

As between the plaintiffs and defendants, the judgment will, therefore, be in favour of the plaintiffs for \$700.75 and interest from the 27th June, 1904, at 6 per cent. per annum until the 30th April, 1905, and at 5 per cent. per annum since that date. . . .

Now as to the claim by the defending defendants against Fawcett, who suffered judgment in favour of the plaintiffs by default, I am of opinion that, the defendants' loss having been occasioned solely by the fraud of Fawcett, they are entitled to judgment against him indemnifying them against the amount recoverable against them under this judgment by the plaintiffs, and also against their costs of defending this action, together with costs of the issue between them and him.

As between the plaintiffs and the defending defendants, I think there should be no costs of this action, as each has only had a partial success.

DIVISIONAL COURT.

MAY 9TH, 1910.

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

*Company—Transfer of Shares—Refusal of Directors to Allow—
Dominion Companies Act, sec. 45 — By-laws of Company —
Approval of Directors.*

Appeal by the company from the order of TEETZEL, J., ante 508, ordering the company to transfer on their books five fully paid-up shares of their stock assigned by Isaac Good to the applicant J. S. Good.

The company justified their refusal by their by-law, providing "that shareholders may with the consent of the board, but not otherwise, transfer their shares. . . . But no person shall be allowed to hold or own stock in the company without the consent of the board, and all transfers of stock must first be approved by the majority of directors before such transfer is entered."

The appeal was heard by MULOCK, C.J. EX.D., MACLAREN, J.A., and CLUTE, J.

A. H. F. Lefroy, K.C., for the company.

W. E. Middleton, K.C., and H. S. White, for the applicant.

The judgment of the Court was delivered by MACLAREN, J.A.:
— . . . The company were incorporated in 1895 by letters patent under the Dominion Companies Act, and the by-law in question was adopted at the organisation of the company on the

* This case will be reported in the Ontario Law Reports.