

terest therein for the plaintiffs and as to the other one-half interest for the parties represented by Nanton. By transfer dated June 11th, 1903, Nanton and defendant transferred to defendant the portion of these lands the interest in which they held for plaintiff. Nanton's authority for making this transfer was a memorandum of the same date, which purported to be a consent by plaintiffs to the division of the lands between him and defendant. This consent was executed by the defendant in the name of the plaintiffs and by his own name as manager, the plaintiffs' corporate seal being affixed thereto. There was no other authority from the plaintiff, and there is no allegation of any such other authority to make this division and transfer except such as it is claimed is derivable from the resolution of the Finance Committee on March 2nd, 1900. I am unable to find that there existed any authority in defendant to give consent to the division of these lands, or that he can take or retain the benefit of the lands so acquired without accounting therefor to the plaintiffs.

The position of the claim put forward in paragraphs 21 and 22 of the statement of claim is this:—Prior to March, 1900, certain shareholders of the plaintiffs applied for allotments of land in exchange for their holdings of stock in the company (this mode of settlement having been sanctioned by the Government), and allotments of land were made to them and their stock surrendered; but on the adjustment, certain balances of cash were due by the allottees to the plaintiffs and in consequence plaintiffs held undelivered, until payment should be made, the transfers of the lands which had been executed to the allottees.

In March, 1900, when defendant alleges plaintiffs authorized him to receive and retain the balance of plaintiffs' assets in settlement of his claims, balances were still due to plaintiffs by certain of those allottees, and the transfers, to the delivery of which they would have been entitled on final payment, remained in the plaintiffs' hands. These balances not having been paid, defendant, according to his own evidence, later on issued notices to the delinquents that unless payment was made within three months the transfers would be cancelled. Some of the delinquents not having paid within the time specified, defendant, of his own accord and without the knowledge or authorization of the plaintiffs, cancelled the transfers, and in the plaintiffs' name made