

**Debentures Issued in Blank.**—Under the authority of the Act, 38 Vict. c. 47, the defendant company issued debentures in blank, which were handed to the managing director, who subsequently handed them to the plaintiffs as security for a debt of the railway. In an action for an account of what was due under the debentures and payment, or in default a sale, it was:—Held, that the company having issued the debentures in blank and handed them to the managing director, who was also secretary and treasurer, to be dealt with by him at his discretion, he was empowered to complete them by the insertion of the obligee's name, and that the company were estopped from relying on the fact that the name was not filled in until delivery to the plaintiffs. *Bank of Toronto v. Coburn, Peterborough, and Marmora R. W. Co.*, 7 O. R. 1.

**Director Indirectly Invalidating Bonds.**—Semble, upon the facts stated in the report of this case, that the plaintiff, one of the directors, should be estopped from alleging that M. was not properly qualified as a director, the effect of which would have been to injuriously affect the value of bonds of the company, to the issue of which the plaintiff was a party. *Kiely v. Smyth*, 27 Gr. 220.

**Incorporated Company—Forfeiture of Charter.**—In an action for repayment of tolls alleged to have been unlawfully collected by a river improvement company, it appeared that the plaintiff had treated the company as a corporation, used its works and paid tolls fixed by the commissioner, and the company had also been sued as a corporation.—Held, that the plaintiff was precluded from impugning the legal existence of the company by claiming that its corporate powers were forfeited. *Hardy Lumber Company v. Pickering River Improvement Company*, 29 S. C. R. 211.

**Invalid Calls—Tender of Part.**—A gas company incorporated under 16 Vict. c. 173, by resolution of the directors made certain calls, to be paid on particular days named, but by the notice published they were made payable on different days. Defendant had written to the company, enclosing his note for four of the calls, saying that for the balance he would send his note soon, and requesting them to accept this offer, as he had been absent in Europe, and had no knowledge of any of the calls. The company, however, declined:—Held, that the calls were illegal, being unauthorized by the resolution, and that defendant was not estopped from disputing them. *London Gas Company v. Campbell*, 14 U. C. R. 143.

**Misappropriation by Superintendent**—*Arrest of Status.*—Defendant being employed by plaintiffs as their locomotive and car superintendent, made use of their materials and men in doing work for a sewing machine manufactory, in which he was a partner, and untruly entered such time and materials as employed in the plaintiffs' service. The plaintiffs having sued him upon the common counts claiming in their particulars for goods furnished, but not for work and labour:—Held, that defendant was precluded by his own misconduct from setting up as a defence that the plaintiffs under their charter could not sue on such a cause of action. *Northern R. W. Co. v. Lister*, 27 U. C. R. 57.

**Share Certificates.**—A company incorporated under the Ontario Joint Stock Companies' Letters Patent Act, R. S. O. 1887 c. 157, issued a certificate stating that a certain shareholder was entitled to twenty-two shares of the capital stock, as he in fact at the time was. The shares were not numbered or identified, but the certificate was numbered and contained the words "Transferable only on the books of the company in person or by attorney on the surrender of this certificate." The shareholder assigned the shares to the plaintiff for value, and gave the certificate to him with an assignment indorsed thereon. The plaintiff gave no notice to the company, and did not apply to be registered as a shareholder until several months had elapsed, and in the meantime the shareholder executed another transfer of the shares for value to an innocent transferee, who was registered by the company as the holder of the shares without production of the certificate:—Held, that the transfer to the plaintiff, in view of the provisions of s. 52 of the Joint Stock Companies' Letters Patent Act, R. S. O. 1887 c. 157, conferred upon him a mere equitable title which was cut out by the subsequent transfer, and that while the company might have insisted upon production of the certificate they were not bound to do so, and were not estopped from denying the plaintiff's right to the shares. *Smith v. Walkerville Malleable Iron Company*, 23 A. R. 15.

**Shareholder.**—Where a statutory liability is attempted to be imposed on a party which can only attach to an actual legal shareholder in a company, he is not estopped by the mere fact of having received transfers of certificates of stock from questioning the legality of the issue of such stock. A mortgagee of the shares and not an absolute owner, who takes a transfer absolute in form and causes it to be entered in the books of the company as an absolute transfer, is not estopped from proving that transfer is by way of mortgage. *Page v. Austin*, 10 S. C. R. 132.

See COMPANY, VIII 2, X. 3.

#### 4. Municipal Matters.

**Acquiescence of Corporation.**—A corporation may be bound by acquiescence as an individual may. *Township of Pembroke v. Canada Central R. W. Co.*, 3 O. R. 503.

**Arbitration—By-law not under Seal.**—Debt on award made by arbitrators appointed to value the plaintiff's property, through which the defendants had by their by-law directed a road to be made:—Held, that the defendants having gone to arbitration, were estopped from objecting that the by-law was not averred in the declaration to have been under seal. *Wilson v. Town of Port Hope*, 10 U. C. R. 465.

**Assessment—Error in Capitalization.**—Declaration on a county by-law to levy money for the general purposes of the year, alleging non-payment by defendants of the proportion to be raised by them. Plea, that in capitalizing the real property not actually rented, but held and occupied by the owners in the towns of N. (the defendants) and C. and the village of D., and in capitalizing the ratable personal property there for the year, the plaintiffs capitalized at ten instead of six per