



MONTANIOS & MONTANIOS LLC

ADVOCATES AND LEGAL CONSULTANTS

Diagoras House
16 Pantelis Catelaris Street
CY-1097 Nicosia
CYPRUS

Telephone: +(357) 22 66 07 66

Fax: +(357) 22 67 87 77 +(357) 22 66 60 52

E-mail: montanios@montanioslaw.com.cy

Postal address: P O Box 25001, CY-1306 Nicosia, Cyprus

MICHAEL MONTANIOS (1918 - 2007)
Founder of the Firm (1951 Famagusta)

ERIC MONTANIOS of the Middle Temple (London), Barrister
ACIS MONTANIOS of the Middle Temple (London), Barrister
ADAM MONTANIOS LLB (Hull)
ZOE MONTANIOS LLB (Athens)
MARIA TOUMAZI LLB (London), Solicitor
PETROS IACOVIDES B Soc Sc (Keele), of Gray's Inn (London), Barrister
AVRA ARESTIS - ZACHARIADES LLB (Leicester), LLM (London)
ELVINA MONTANIOS LLB (Bristol), LLM (London), of the Middle Temple (London), Barrister
YIANNIS PAPAPETROU LLB (Warwick), LLM (London), of Lincoln's Inn (London), Barrister
ERDEM ERGINEL BA (Amherst), LLB (Southampton), LLM (London)
CHRISTINA MONTANIOS LLB (Cardiff), LLM (Cardiff)
MARINA KALLI LLB (Southampton), LLM (Kent), of the Middle Temple (London), Barrister
GLAFKOS MITSIDIS BA (Kent), LLM (Kent), of the Middle Temple (London), Barrister
ALKI MONTANIOS LLB (Southampton), LLM (EUC, Nicosia)
ANNA-MARIA LEOTSAKOU LLB (Southampton)
GEORGE TOUMAZIS LLB (Reading), LLM (London)
NICOLAS MONTANIOS LLB (Westminster), PG Dip (London)
CRISTIAN LOUCA LLB (Surrey), PG Dip (London)
CHRISTOPHER LYTRAS LLB (Sussex)
MARILENA HADJIMICHAEL LLB (Surrey), LLM (Southampton)
HELEN GEORGIADES Legal Executive

Nicosia, 17 October 2020

TO WHOM IT MAY CONCERN

I, Eleftherios (alias Eric) Montanios, of Diagoras House, 16 Pantelis Catelaris Street, 1097 Nicosia, Cyprus do hereby state the following:

I have studied law in England and took the qualification of Barrister-at-law at the Middle Temple, London, in 1965. In 1967 I was registered as an advocate of the Supreme Court of Cyprus and I have been practicing as such since then. I am now the senior partner in the law firm Montanios & Montanios LLC. My experience includes dealing with a range of contentious and non-contentious matters, particularly in corporate, maritime and aviation law. My work has been recognised by the award to me of the "Cyprus Maritime Personality Award 2015" of the Ministry of Transport, Communications and Works and of the "2016 Business Leader Award in Financial and Professional Services" by the Cyprus Chamber of Commerce and Industry.

Mr. Adrian Grigoriu of Romania has requested from Montanios & Montanios LLC that we give a legal opinion under Cyprus law on whether the document (hereinafter called the "2001 Authorisation") entitled "Authorisation" dated 10 November 2001 and signed by Mr Stelios Savvides, as director of Formby Trading Limited (hereinafter called "the Company"), of Limassol, Cyprus, validly authorises and empowers Mr Catalin Sava under Cyprus law to sell,

or in any other way dispose of, any property belonging to the Company. A photocopy of the 2001 Authorisation is attached herewith, marked "**Exhibit 1**".

For the reasons which are set out below, I am of the opinion that, under Cyprus law, the 2001 Authorisation does not validly authorise and empower Mr Sava to sell, or in any other way dispose of, any property belonging to the Company.

1. The first basic reason is that the 2001 Authorisation does not comply with the relevant provisions of Cyprus law and, therefore, did not validly grant to Mr Sava the authorities which it purported to grant.

1.1 The Company is a company incorporated in Cyprus, pursuant to the provisions of the Companies Law, Cap 113 of the statute laws of Cyprus, as amended (hereinafter called "the Companies Law").

1.2 Section 8 of the Companies Law provides "*There may in the case of a company limited by shares, and there shall in the case of a company limited by guarantee, be registered with the memorandum articles of association signed by the subscribers to the memorandum and prescribing regulations for the company.*" The articles of association of a company have to be registered with the Registrar of Companies. I attach, as **Exhibit 2**, photocopy of the relevant pages of the Companies Law containing the said section.

1.3 The articles of association of the Company, which were registered with the Registrar of Companies upon its incorporation on 20 August 2001 as a limited liability company, pursuant to the Companies Law, provide, by article 95, as follows, in translation into English from the original text in Greek:

"95. The directors may from time to time and at any time by power of attorney appoint any company... person ... to be the attorney... of the company for such purposes and with such powers, authorities and discretions... as the directors may think fit".

I attach a printout of the articles of association of the Company in Greek from the official website of the Registrar of Companies.

1.4 Article 114 of the articles of association of the Company provides, in translation into English, the following:

"The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless so fixed shall be two."



- 1.5 From the search which I have carried out at the website of the Registrar of Companies regarding the Company I have found that on 10 November 2001 there were registered with the Registrar of Companies two directors of the Company.
- 1.6 As appears on the face of the 2001 Authorisation, it was signed by only one director. It refers to "representatives" in the plural at the following instances. In the first line it is stated "**We the representatives** of". In the fourth line it is stated "to be **our** authorised representative". In lines 13,14 it is stated "in **our** name". In line 16 it is stated twice "**we** shall not". Despite the above references, the 2001 Authorisation was signed by only one director.
- 1.7 Accordingly, the 2001 Authorisation does not comply with the provisions of articles 95 and 114 of the articles of association of the Company and, therefore, it did not validly grant to Mr Sava the authorities which it purported to grant.
- 1.8 The need for the signing of an authorisation / power of attorney of the Company by two directors was recognised and observed by them in the document entitled "Authorisation" dated 13 June 2005 (photocopy of which is attached as **Exhibit 3**) and in the document entitled "Power of Attorney" dated 4 April 2007 (photocopy of which is attached as **Exhibit 4**) both signed by two directors of the Company.
2. In case my opinion expressed in section 1 above is not accepted, I am of the further opinion that, in any case, the powers which the 2001 Authorisation purported to give to Mr Sava do not include a power to sell or otherwise dispose of, any property belonging to the Company.

In analysing this issue reference will be made to an English legal treatise and court cases for the following reason. During the period when the United Kingdom was ruling Cyprus, the English common law and the principles of equity were introduced to the Cyprus legal system; further, most of the basic statutes enacted in Cyprus were based on English statutes, like the Companies Law which was based on the English Companies Act, 1948. When Cyprus became independent in 1960, the common law and principles of equity and all laws in force on the date of independence were retained in force, subject to such modifications as were necessary to bring them into conformity with the Constitution of Cyprus.

It is a well-established principle that a power of attorney (the document conferring authorities to an agent) is construed strictly by the courts according to well-recognised rules and confers only such authority as is given expressly or by necessary implication. The said principles are summarised in the treatise *Halsbury's Laws of England* (4th edition reissue) Volume 1(2) paragraph 46 (Strict Construction) at page 39, where reference is made to court cases establishing the said rules.



Another clearly established principle is that the primary object of a power of attorney is to enable the attorney to act in the management of his principal's affairs. An attorney cannot, in the absence of a clear power so to do, make presents to himself or to others of his principal's property. I attach the relevant pages from the English Court of Appeal case *Reckitt v Barnett, Pembroke and Slater, Limited*. (1928) 2 KB 244, 268.

In the present case, I understand that none of the proceeds of the sale of the Company's property effected by virtue of the 2001 Authorisation went to the Company. Accordingly, Mr Sava was clearly not authorised to sell the Company property for the benefit of himself or third parties.



Eleftherios (Eric) Montanios
Senior Partner
Montanios & Montanios LLC

FORMBY TRADING LIMITED

Business Address:
 229, Arch. Makarios III Ave., Meliza Court, 4th Floor, 3105 Limassol, Cyprus

Postal Address:
 P.O.Box 51263, 3503 Limassol, Cyprus

Tel. no.: 00357 25868000 Fax no.: 00357 25587871

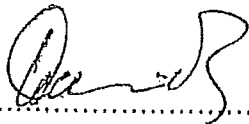
Limassol, 10 November, 2001

AUTHORIZATION

We the representatives of FORMBY TRADING LIMITED with the registered office in Cyprus, Meliza Court, 229 Arch. Makarios III Avenue, 3105 Limassol, authorize Mr CATALIN SAVA domiciled in Bucharest, Romania, at Str. Dristorului nr. 97, -119, bl.63, et. 9, ap. 268, sector 3, to be our authorized representative in respect with the business of FORMBY TRADING LIMITED in Romania. The powers of Mr SAVA shall be complete for any action and transaction in Romania which he will undertake to open and operate bank accounts, will negotiate and sign any commercial contract in Romania, will sign any document related to the activity of the company, whenever and wherever it is necessary, will hire personnel and outside consultants, lawyers and legal consultants for legal consulting and representation. In case of litigation, he is authorized to represent the company in conciliation and transaction of any litigious situation, he is authorized to represent the company in Legal Court.

In all the actions listed above, Mr SAVA will sign in the name of the company and in our name and may use the stamp of the company engaging the company in a valid way.


For the actions listed above we shall not nominate any other person or we shall not act outside of this mandate.



.....
 Stelios Savvides
 Director



Signed (or sealed) this day in my presence
 by Stelios Savvides
 of Limassol who is personally known
 to me in testimony whereof I have hereto set my
 hand and official seal this 10th day of
November 2001.


 PANELIS SILVESTROS
 Certifying Officer

discharged or has determined, or has been secured to the satisfaction of the Court :

Provided that the Court may, in the case of any person or class, for special reasons, dispense with the notice required by this section.

(4) The Court may make an order confirming the alteration either wholly or in part, and on such terms and conditions as it thinks fit.

(5) The Court shall, in exercising its discretion under this section, have regard to the rights and interests of the members of the company or of any class of them, as well as to the rights and interests of the creditors, and may, if it thinks fit, adjourn the proceedings in order that an arrangement may be made to the satisfaction of the Court for the purchase of the interests of dissentient members, and may give such directions and make such orders as it may think expedient for facilitating or carrying into effect any such arrangement :

Provided that no part of the capital of the company shall be expended in any such purchase.

(6) An office copy of the order confirming the alteration, together with a printed copy of the memorandum as altered, shall, within fifteen days from the date of the order, be delivered by the company to the registrar of companies, and he shall register the copy so delivered and shall certify the registration under his hand, and the certificate shall be conclusive evidence that all the requirements of this Law with respect to the alteration and the confirmation thereof have been complied with, and thenceforth the memorandum as so altered shall be the memorandum of the company.

The Court may by order at any time extend the time for the delivery of documents to the registrar under this section for such period as the Court may think proper.

(7) If a company makes default in delivering to the registrar of companies any document required by this section to be delivered to him, the company shall be liable to a fine not exceeding ten pounds for every day during which the default continues.

Articles of Association.

8. There may in the case of a company limited by shares, and there shall in the case of a company limited by guarantee, be registered with the memorandum articles of

association signed by the subscribers to the memorandum and prescribing regulations for the company.

9. (1) In the case of a company limited by guarantee, the articles must state the number of members with which the company proposes to be registered.

(2) Where a company limited by guarantee has increased the number of its members beyond the registered number, it shall, within fifteen days after the increase was resolved on or took place, give to the registrar of companies notice of the increase, and the registrar shall record the increase

If default is made in complying with this subsection, the company and every officer of the company who is in default shall be liable to a default fine.

10. (1) Articles of association may adopt all or any of the regulations contained in Table A in the First Schedule.

(2) In the case of a company limited by shares and registered after the commencement of this Law, if articles are not registered, or, if articles are registered, in so far as the articles do not exclude or modify the regulations contained in Table A in the First Schedule, those regulations shall, so far as applicable, be the regulations of the company in the same manner and to the same extent as if they were contained in duly registered articles.

11. Articles must—

(a) be printed ;

(b) be divided into paragraphs numbered consecutively ;

(c) bear the same stamp as if they were contained in an agreement ;

(d) be signed by each subscriber of the memorandum of association in the presence of at least one witness who must attest the signature.

12. (1) Subject to the provisions of this Law and to the conditions contained in its memorandum, a company may by special resolution alter or add to its articles.

(2) Any alteration or addition so made in the articles shall, subject to the provisions of this Law, be as valid as if originally contained therein, and be subject in like manner to alteration by special resolution.

Regulations required in case of company limited by guarantee.

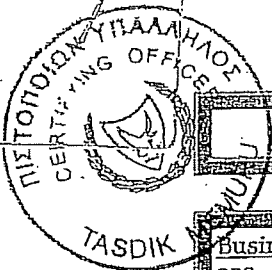
Adoption and application of Table A. First Schedule. Table A.

Printing, stamp, and signature of articles.

Alteration of articles by special resolution.

Exhibit 2

Articles prescribing regulations for companies.


FORMBY TRADING LIMITED
Business Address:229, Arch. Makarios III Ave., Meliza Court, 4th Floor, 3105 Limassol, CyprusPostal Address:

P.O.Box 51263, 3503 Limassol, Cyprus

Tel. no.: 00357 25868000 Fax no.: 00357 25587871

AUTHORIZATION

We, the directors of FORMBY TRADING LTD., with the legal address in Cyprus, Meliza Court 229 Arch. Makarios III Avenue, 3015 Limassol, we authorize Mr. CATALIN SAVA, resident at Bucharest, Romania, Bdul. Iuliu Maniu nr. 16; Bl. 14, Sc. A, et. 9, ap. 18, Sector 6, , bearer of Identity Card Series DP nr. 112353 issued by INEP on 09.05.2005, Personal Numeric Code 1710807100104 to act in the position of our authorized representative of our company in Romania for the following operations:

1. The purchase of 75.50 % of the shares of APROMATCO S.A. (a total of 702,609 shares) with legal address at Bucharest, Romania, Str. Lipscani Nr. 33 Sector 3, registered at ORCTMB with the no. J40/245/1991, CUI 331730 dated 30.04.2005, shares owned by ARBORIA MANUFACTURING SRL with legal address at Bucharest, Romania Str. Jiului 10, Sector 1, registered at ORCTMB with no. J40/9273/1999, CUI 6599759; The price of the sale/purchase contract to be settled by direct negotiation with the representative of ARBORIA MANUFACTURING SRL;
2. Mr. Sava is authorised to purchase additional shares of S.C. APROMATCO S.A. at prices to be negotiated with the shareholders;
3. Mr. Sava will sign any and all commercial contracts being fully empowered to do such,
4. Mr. Sava will negotiate and will sign any transaction related with our company interest in Romania;
5. Mr. Sava will represent our company in relations with authorities and is authorized to pay all fees, taxes and any amounts due by our company to the state of Romania;
6. Mr. Sava will sign whichever document necessary and will make use of the company stamp, in our name, his signature being opposing relationship to us

...../2





- 2 -

7. For legal issues Mr. Sava will retain lawyers who will verify, prepare the documents, will register the documents of the sale purchase transaction of the shares with the Romanian authorities, as it is necessary and to any other contracts;
8. THIS AUTHORIZATION IS THE DECISIONS OF THE SHAREHOLDERS GENERAL ASSEMBLY OF FORMBY TRADING LTD.

Stelios Savvides – Director

Eva Agathangelou – Director

Limassol: 14 June, 2005



Signed (or sealed) this day in my presence by
Stelios Savvides & Eva Agathangelou
Who is/are personally known to me. In testimony where
of I have hereto set my hand and Official Seal this
14 Day of June 2005

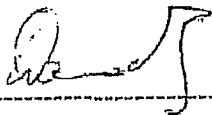
ALKIVADES E. TSAKANIAS
Certifying Officer
Fees £(0.00)

POWER OF ATTORNEY

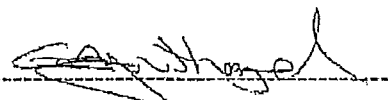
We the representatives of FORMBY TRADING LIMITED , with legal office at Cyprus, 229 Arch. Makarios III Avenue, Meliza Court, 4th Floor , 3015 Limassol, Cyprus, we authorize Mr. SAVA CATALIN domiciled at Bucharest, Romania , Bdul. Iuliu Maniu nr. 16, Bl. 14, Sc. A, et. 9, ap. 18, Sector 6, holder of Identification card CI series DP nr. 112353 Issued by INEP at 09.05.2005, CNP 1710807100104 6 to act as authorized representative of our company in Romania for the following operations:

- To purchase about 12% of the shares of SC APROMATCO SA Bucuresti, Str. Lipsani nr.33, sector 3, registered at Commercial Registry of the Bucharest Tribunal with no. J40/245/1991, CUI 331730 dated 30.04.2005 , shares held by SC CDG INVESMENT SRL with legal office at Bucharest str.GEN. BERTHELOT nr.59, sector 1 and Mrs. NASTASE RALUCA EUGENIA (former TOCU) domiciled at Bucharest, str. Partizanilor nr.1, bl.M11, sc.1,et.7,ap.29, sector: 6 by way of direct negotiations ,
- He shall be able to renounce/relinquish the right or the trial rights as he will see fit in the court of law in Romania as it pertains to all legal actions filed by SC APROMATCO SA Bucuresti by way of its judicial administrator against SC KOILADA INVEST SRL , SC CDG INVESMENT SRL , HVB Tiriac Bank SA , Raluca Nastase (Tocu) , SC AVRIG 35 SRL , SC AVALON SRL , Koilada LLC -- New York , Hergan E. Alexander , Grigoriu Adrian , Toma Aurica
- To vote in the General Shareholders Extraordinary Meeting (AGEA) of 15.03.2007 the closing of the bankruptcy procedure in the file nr. 5720/3/2005 (old number 840) Sectia VII Comercial, Tribunalul Bucuresti and all actions connected to the closing of the procedure.
- To pay all debts to the debtors in the case file nr. 5720/3/2005 Sectia VII Comerciala, Tribunalul Bucuresti up to the extinguishing of all debts using all legal sources and means.
- To pursue the negotiations with Koilada LLC – New York in the case file nr. 43785/3/2006 – S VI a Comerciala Bucuresti to reach a transaction or the purchase all of the shares of the company..
- Mr. Sava shall negotiate and shall sign any transaction for the interests of our company in Romania inclusive of the Negotiation Note signed with Mr. Hergan E. Alexander and his companies (SC KOILADA INVEST SRL , SC CDG INVESMENT SRL , SC AVRIG 35 SRL , SC AVALON SRL) or any other company indicated by this person during the negotiations.
- Dl. Sava shall sign any documents (relinquish declarations, conclusions, meeting notes, appeals, recourses, any procedural documents) related to the court cases and shall use the stamp of the company in our name and for us, his signature shall be accepted by us.
- THIS AUTHORIZATION IS DECISION OF GENERAL ASSEMBLY MEETING OF THE SHAREHOLDERS OF FORMBY TRADING SRL.

Limassol: 4th April, 2007



Stelios Savvides – Director



Eva Agathangelou – Director



HALSBURY'S
Laws of England

FOURTH EDITION
REISSUE

Volume I(2)

(2) CONSTRUCTION OF AUTHORITY

(i) Powers of Attorney

46. Strict construction. An instrument conferring authority by deed is termed a power of attorney¹. The person conferring the authority is termed the donor of the power, and the recipient of the authority, the donee. A power of attorney is construed strictly by the courts, according to well-recognised rules², regard first being had to any recitals which, showing the general object, control the general terms in the operative part of the deed³.

General words used in conferring the power are construed as limited by reference to the special powers conferred⁴, but incidental powers necessary for carrying out the authority will be implied⁵. Thus a power granted to the donee to manage certain property, followed by general words giving him full power to do all lawful acts relating to the donor's business and affairs, of what nature or kind soever, does not necessarily include authority to indorse bills, for the general words are construed as having reference to managing the donor's property, for which indorsing bills may not be incidental or necessary⁶. A power to complete all contracts which the donee may deem necessary for a specific object, however, includes authority to obtain money for payment in respect of such contracts, where the payment is necessary and incidental to the completion⁷.

¹ See para 21 ante.

² *Bryant, Powis and Bryant Ltd v La Banque du Peuple* [1893] AC 170 at 177, PC; *Howard v Baillie* (1796) 2 Hy Bl 618; *Withington v Herring* (1829) 5 Bing 442.

³ *Rooke v Lord Kensington* (1856) 2 K & J 753 at 769; *Danby v Coutts & Co* (1885) 29 Ch D 500.

⁴ *Attwood v Munnings* (1827) 7 B & C 278; *Perry v Holl* (1860) 2 De G F & J 38 at 48; *Lewis v Ramsdale* (1886) 55 LT 179.

⁵ *Re Wallace, ex p Wallace* (1884) 14 QBD 22, CA, where a solicitor authorised to conduct legal proceedings was held justified in presenting a bankruptcy petition; but he is not justified in assenting to the execution by the defendant of a deed of assignment for the benefit of his creditors: *Re A Debtor (No 1 of 1914), ex p Debtor v Petitioning Creditor* [1914] 2 KB 758.

⁶ *Esdaille v La Nauze* (1835) 1 Y & C Ex 394; cf *Harper v Godsell* (1870) LR 5 QB 422 (general words limited to exercise of privileges under a partnership); and see *Lewis v Ramsdale* (1886) 55 LT 179.

⁷ *Withington v Herring* (1829) 5 Bing 442 at 459 per Park J; and see *Henley v Soper* (1828) 8 B & C 16 (authority to dissolve partnership and appoint any other person the donee might see fit includes authority to submit the accounts to arbitration).

47. Limits of authority to be observed. There must be strict adherence to the authority conferred by power of attorney. If the agent in the pretended exercise of his authority acts in excess of and outside the reasonable scope of its special powers, the third party will be unable to make the principal liable¹. Thus, where an instrument gives authority to sign contracts, acceptances and other documents, it gives power to sell or purchase negotiable instruments, but it does not give power to pledge them². Similarly, a power to draw cheques extends only to drawing cheques in relation to the principal's affairs³. A signature by procuration to a negotiable instrument operates as notice that the agent has only a limited authority to sign and the principal is bound by such signature only if the agent in so signing was in fact acting within the limits of his authority⁴. Such notice operates as and when the document is negotiated or delivered⁵.

¹ *Jacobs v Morris* [1902] 1 Ch 816, CA, where a loan to the agent was made without enquiry, and, as he had no general borrowing powers, it was held not within his authority to bind his principal.

1928
 ROBINSONS, LD.
 v.
 RICHARDS.
 Lord Hewart
 C.J.

In these circumstances, while not assenting to the suggested view that the driver of the tractor must not be the person upon the tractor who is regarded as a possible operator of the brake of the trailer, I think that the learned magistrate was right in the conclusion at which he arrived, and that this appeal fails.

AVORY J. I agree entirely and have nothing to add.

ACTON J. I agree.

Appeal dismissed.

Solicitors for appellants: *Amery Parkes & Co., for Gerald W. Huntbach, Hanley.*

Solicitors for respondent: *Few & Co., for R. Eustace Joy, Stafford.*

R. F. S.

C. A.

[IN THE COURT OF APPEAL.]

1928
 Feb. 16, 17,
 21;
 March 19.

RECKITT v. BARNETT, PEMBROKE AND SLATER,
 LIMITED.

[1926. R. 2265.]

Principal and Agent—Power of Attorney—Power given to Attorney to draw Cheques — Cheque drawn for Attorney's private Purposes — Liability of innocent Payee of Cheque.

The plaintiff gave a power of attorney in favour of T. to indorse or sign the plaintiff's name to any cheque, dividend or interest warrants, to enter into any contracts or arrangements which he, the attorney, might think fit, and to sign and execute all documents which might be necessary or such as he might think fit. As the power of attorney did not in terms authorize T. to draw cheques, a question was raised thereon by the plaintiff's bankers, whereupon the plaintiff wrote to them stating that he "wished the power to cover the drawing of cheques drawn upon you" by T. "without restriction." This letter remained in the custody of the bankers.

T. drew a cheque upon the plaintiff's bank payable to the defendants or order, signed by him as the plaintiff's attorney, but in payment of a debt of his own. This was done without the sanction or knowledge of the plaintiff, who, on becoming aware of the facts, sued the defendants to recover the amount of the cheque as damages for conversion or as money had and received by them to the plaintiff's use:—

C. A. the plaintiff's affairs, then, in my opinion, the plaintiff is
1928 entitled to relief upon the authority of *John v. Dodwell*
& *Co.* (1)

RECKITT
v.
BARNETT,
PEMBROKE
AND
SLATER, LD.
Russell J.

It is, I think, clear that under the power of attorney (apart from the letter) Lord Terrington's powers are carefully and in terms limited to acting in the management of the plaintiff's affairs. Of the first ten clauses, all except No. 9 are in terms confined to the plaintiff's affairs. Clause 9 is expressed in more general terms, but from the context it must be limited in the same way. Clause 11 is in terms limited to "the purposes aforesaid," and is the only clause under which express authority might be said to be conferred to draw cheques on the plaintiff's banking account.

The plaintiff's bankers were apparently unable to accept the power of attorney as sufficient authority to draw cheques, and at their request the letter of August 17, 1915, was written and sent to them. The letter runs thus: "Referring to the power of attorney which I have given in favour of Mr. Harold James Selborne Woodhouse, and which you have inspected, please note that I wish the power to cover the drawing of cheques upon you by Mr. Woodhouse without restriction."

It is said that the plaintiff's statement to the bank that he wishes the power of attorney to cover the drawing of cheques upon them by Mr. Woodhouse "without restriction," operates to enlarge the powers conferred by the power of attorney, and to such a sweeping extent that Lord Terrington became authorized to do what he liked with the plaintiff's moneys, even to the extent of applying them in payment of his own personal debts. It would need words unambiguous and irresistible to enable me to attribute such a meaning and intention to a power of attorney. The primary object of a power of attorney is to enable the attorney to act in the management of his principal's affairs. An attorney cannot, in the absence of a clear power so to do, make presents to himself or to others of his principal's property. Thus it has been held by the Court of Appeal that a power to mortgage

(1) [1918] A. C. 563.