

CHANCERY APPEAL CASES.

Succession Duty—Foreign Domicile.—Succession duty is not payable on legacies given by the will of a person domiciled in a foreign country. *Wallace v. Attorney General. Jeves v. Shadwell.* Law Rep. Ch. Ap. 1.

Vendor and Purchaser—Sale—Conditions of Sale—Puffers.—Property was put up for sale by auction, the conditions stating that the highest bidder was to be the purchaser, and not saying anything as to bidding on behalf of the vendors. An agent of the vendors bid £2,500, the auctioneer then bid £2,600, and the agent and the auctioneer continued bidding against each other, till the biddings reached £3,600. The defendant then bid £3,650, and the property was knocked down to him:—

Held, reversing the decision appealed from, that the vendors could not enforce the contract.

Quære whether the rule allowing one puffer is good. *Mortimer v. Bell*, Ch. Ap. 10. From the evidence in the cause it appeared that what took place at the sale was as follows:—The vendors instructed the auctioneer to put up the property for sale, but not to let it go under £4,000. The auctioneers, very eminent men in their line of business, employed a person named *Webb* to bid, which the member of the firm who acted at the sale stated in his evidence to be the universal practice, unless a sale was to be without reserve. *Webb*, by the direction of the auctioneer, started the biddings at £2,500. The auctioneer then bid against *Webb*, and so on, until the biddings reached £3600. The defendant then bid £3650. The auctioneer then, by the direction of one of the vendors, who was present, ceased to bid, and the property was knocked down to the defendant at £3,650. From the first bidding of £2,500, the biddings had advanced by £100 each time, *Webb* and the auctioneer bidding alternately, so that there had been eleven fictitious biddings, that of the defendant being the only real one. The purchaser insisting that the sale was fraudulent, and refusing to complete, the vendors filed a bill for specific performance, and the purchaser brought an action to recover his deposit. Lord Cranworth, L. C., observed: "The conditions of sale in this case contained the usual provision that the highest bidder

should be the purchaser. Courts of law have held that such a condition prevents the vendor from interposing any reservation—that he has, by that condition, agreed that whoever offers the highest price shall have the property. A bidding by the vendor, or his agent, is, it is said, no bidding, and so there is a contract that the highest bidder other than the vendor shall be the purchaser. It is not disputed that the vendor may stipulate for the power of buying in the property, if it is going at a sum below what he considers a fair price. But in the absence of such stipulation, courts of law hold, that it is a fraud in a vendor to interpose any bidder to prevent the property from going to the person who offers the highest price. * * * Here there were in effect two persons (*Webb* and the auctioneer) bidding for the vendors. The whole sale, up to the bidding of £3,600, was a mere fiction. * * * I can find neither principle nor authority for holding that in such a case a vendor who, by this misrepresentation, has induced a third person to bid, can enforce his contract." [The Lord Chancellor even doubted whether a sale would be valid, if there were only one fictitious bidder, or *puffer*, unless it were stipulated that the property would not be sold under a fixed price. If this doctrine were enforced in Canada, a good many sales at auction would be null.]

Ancient Lights—Injury.—The owner of ancient lights is entitled not only to sufficient light for the purpose of his then business, but to all the light which he had enjoyed previously to the interruption sought to be restrained.

CRANWORTH, L. C., observed: "Even if the evidence satisfied me, which it does not, that for the purpose of their present business a strong light is not necessary, and that the plaintiffs will still have sufficient light remaining, I should not think the defendant had established his defence unless he had shown that for whatever purpose the plaintiff might wish to employ the light, there would be no material interference with it." (The local custom in London permitting the owner of a house to raise it to any height he might think fit, was abolished by 2 and 3 Wm. IV., c. 71, and the Lord Chancellor feared that serious inconvenience would ensue.) *Yates v. Jack*, Ch. Ap. 295.