

**EXCESS PROFITS DUTY—SALE OF BUSINESS—PURCHASE MONEY
PAYABLE BY INSTALMENTS—"ONE-THIRD OF THE NETT PRO-
FITS" OF EACH YEAR—DEDUCTION OF EXCESS PROFITS DUTY.**

In *Re Condran, Condran v. Stark* (1917) 1 Ch. 639. This was a summary application to determine the meaning of a contract for the sale of a business made in April, 1914. By the contract the purchase money was to be paid in annual instalments, such instalments being equal "to one-third part of the nett profits" for the year, and the question was whether or not for the purpose of ascertaining the amount of the annual "nett profits" the excess profit duty should be deducted. Peterson, J., following *Collins v. Ledgwick* (1917) 1 Ch. 179, held that the duty should be first deducted.

**LIMITED COMPANY—ARTICLE AUTHORIZING BOARD OF DIRECTORS
TO FORFEIT SHARES FOR NON-PAYMENT OF DEBT DUE BY HOLD-
ER—LIEN ON SHARES—ULTRA VIRES—ILLEGAL REDUCTION
OF CAPITAL—CLOG ON REDEMPTION.**

Hopkinson v. Mortimer Harley & Co. (1917) 1 Ch. 646. This was an action by the shareholder of a limited company for a declaration that an article of the defendant company authorizing the board of directors to forfeit the shares held by debtors of the company in default of payment of their debts was invalid. Eve, J., who tried the action, held that the article in question was invalid, and *ultra vires* of the company, in that it might, if carried out, lead to an illegal reduction of the capital of the company, and moreover was in effect a clog on the redemption, assuming that the company might properly create a charge on its shares for debts due by the company to the holders thereof. He concedes it to be legal to forfeit shares for non-payment of calls, but he considers there is a difference where forfeiture is imposed for non-payment of other debts due to the company. It must be confessed that there seems to be some need for elucidating what a company can, and cannot do, in the way of forfeiting, or accepting a surrender of its own shares, and whether or not it can properly resell shares once forfeited or surrendered.

**COMPANY—DEBENTURES—NO PLACE FIXED FOR PAYMENT—
DEATH OF DEBENTURE HOLDER—DELAY IN REGISTRATION OF
PROBATE—NO LEGAL TENDER—INTEREST—DUTY OF DEBTOR
TO SEEK HIS CREDITOR.**

Fowler v. Midland (1917) 1 Ch. 656. The Court of Appeal (Lord Cozens-Hardy, M.R., and Bankes, and Warrington, L.JJ.),