

by the tenants was successful. Lord Russell of Killowen said that he was about to deliver judgment, without a very comfortable assurance that he was right. But upon the whole he was inclined to the conclusion that the liability for the expenses was a liability of so exceptional a nature that, it being in the first instance cast upon the landlord, it must under the lease be borne in fair shares by the landlord and tenant. There was no provision that the local authority, upon default by the owner, should themselves execute the works. And there was no provision making the expenses a charge on the premises. The obligation was directly cast upon the owner, subject only to the provision in the Act, that if the owner alleged that the occupier of the factory ought to bear or contribute to the expenses, he might apply to the Court, which after hearing the tenant might make such order as it might consider just and equitable. The question was, whether the owners, the onus being upon them, had made out that this obligation had been taken off their shoulders by the covenant in the lease. The first covenant was that the tenant would bear, pay and discharge certain specified rates, and all other rates taxes and impositions and outgoings whatsoever which were, or should be assessed charged, or in any wise imposed on the premises or upon the landlord or tenant in respect thereof by authority of Parliament or otherwise. The expenses now in question were not charged or imposed on the premises. It was, however, on the latter words of the covenant that counsel for the landlord relied. His contention was that the expenses were a charge or an outgoing imposed in respect of the premises. His Lordship expressed great doubt as to the construction of the covenant, but upon the whole he thought the expenses were not within it, he doubted whether they were a charge, and he doubted whether they were an outgoing. The covenant was intended to deal with recurrent payments, such as rates, taxes and assessments, or with payments that did in some sense constitute a charge on or in respect of the premises. On the whole he thought the words of the statute were not sufficiently explicit to cover this exceptional charge. It was necessary also to consider the second covenant, which must in his opinion be read as a proviso to the first covenant. That also was a covenant as to the construction of which his Lordship felt no great certainty, but he thought on the whole that the words, costs and expenses, which the landlord, in respect of being owner or lessor, was called upon to bear or pay, by virtue of the Act, not inaptly met the case. On this ground also he thought that the appeal must be allowed. Even if the decision was not right in law, certainly it was a decision which would work equitably and justly. 15, T. L. R. 11.

DISPOSITION OF FORFEITED SHARES.—The Trustees, Executors and Securities' Insurance Corporation had in its possession a large number of forfeited shares upon which about one-quarter of the face value was credited as paid. An arrangement was entered into, which provided for steps being taken to reduce the capital in various ways. One of these was, to change the forfeited shares, originally ten pound shares on each of which a sum of three pounds or upwards had been paid into five pound, five shilling shares on which two pounds five shillings, an amount in every case less than the company had received, was to be treated as having been paid. These shares were to be allotted to some of the shareholders at thirty shillings for each forfeited share. The articles of the company contained a power to forfeit shares, and a

provision under which any share forfeited should be deemed the property of the company, and the directors might sell, re-allot and otherwise dispose of the same, in such manner as they might think fit. One of the large shareholders took proceedings to restrain the company from carrying this arrangement into effect. It was contended on his behalf that what was being done was in effect, issuing or reissuing shares at a discount, which was *ultra vires* of the company. It was also contended that when once a forfeited share came back to the possession of the company, it ceased to be an issued share, and could not be dealt with in the manner proposed. Mr. Justice Romer, the English judge who heard the application for an injunction, refused it. He said, that the directors in the present case proposed, in substance, to sell these shares as partly paid up. The directors were entitled to deal with this property to the best advantage, and nothing in the present transaction could be impeached. In the Court of Appeal, to which the case went, the same view was held. The Master of the Rolls said he did not think the point raised by the dissatisfied shareholder had any thing in it; it was novel, and of course the Court had to consider it. He did not see why a company that had power to forfeit shares should be compelled to ignore the fact that it had received whatever it had received in respect of the shares. What the company was doing did not seem to him within the principle of the decisions,—that a company may not issue shares at a discount. They were asked as a matter of law to say that they must ignore the fact that money had been paid on the shares. He saw nothing in law or in common sense to compel them to go back and treat the shares as if nothing had been received in respect of them. The appeal ought to be dismissed with costs. 15 L. T. R. 35.

STOCK EXCHANGE NOTES.

Wednesday, 7th December, 1898.

Extreme dullness has been the characteristic feature of the Stock Exchange during the week. A slight improvement was noticeable to-day, however, notwithstanding the heaviness of the international securities in London, and if only a little life could be infused into Canadian Pacific Railway, which is hanging like a leaden pall over the market, a very pronounced activity would result, as stocks are ready to respond quickly to all indications of an encouraging nature.

The Bank of England lost £787,000 in gold last week principally to Germany. This caused a temporary tightening of money in London, but the movement for the present has ceased, and rates are again falling. Sterling exchange has advanced in New York above the gold import point, so that there is no immediate likelihood of a drain upon the Bank's reserves to settle American balances.

Canadian Pacific has been a disappointment to holders, who expected to see a gradual appreciation take place in the price of the stock. There has been little fluctuation during the week, the quotations varying between 84 3-4 and 85 1-4, the former being to-day's closing figure.

The gross earnings for the last ten days in Novem-