

COMPANY—CONTRIBUTORY—SALE OF BUSINESS TO COMPANY—CONTRACT—SHAM OR ILLUSORY CONTRACT—FULLY PAID SHARES—ALLOTMENT TO VENDORS' NOMINEES—WANT OF CONSIDERATION FOR SHARES ISSUED AS FULLY PAID—DIRECTORS—MISFEASANCE.

In re Innes & Co. (1903) 2 Ch. 254. The Court of Appeal (Williams, Romer, and Cozens-Hardy, L.JJ.) have now reversed the judgment of Kekewich, J. (1903) 1 Ch. 674 (noted ante, p. 472.) The court thought there was no ground for the assumption that the allotment of the shares to the directors was a sham or illusory contract, but that they took as nominees of the vendor who had bargained for such fully paid shares as part of his contract price. They also came to the conclusion that there was no ground for saying that the directors had been guilty of misfeasance in making the contract at an over value of the property purchased, and on both grounds they reversed the judgment of Kekewich, J.

LANDLORD AND TENANT—TRADE FIXTURES—TENANT'S RIGHT TO REMOVE TRADE FIXTURES—LEASE—COVENANT TO YIELD UP LANDLORD'S FIXTURES AT END OF TERM—CONSTRUCTION—GENERAL WORDS—EJUSDEM GENERIS.

Lambourn v. McLellan (1903) 2 Ch. 268, was a case between landlord and tenant as to the right to remove trade fixtures. The lease was one of premises for carrying on a boot business, and contained a covenant on the part of the lessee to deliver up the premises and the fixtures, specifying in detail a number of landlord's fixtures, and "all other erections, buildings, improvements, fixtures, and things which are now, or which at any time during the term hereby granted shall be fixed, fastened or belong to" the demised premises. No mention was made of machinery in the fixtures specified. The tenant placed on the premises various machines for carrying on his trade, which were screwed or nailed to the floor or wall. Having become bankrupt his trustee proposed to sell the machines, which the landlord claimed. Kekewich, J. (1903) 1 Ch. 806 (see ante, p. 469) held that he was entitled thereto; but the Court of Appeal (Williams, Romer, and Cozens-Hardy, L.JJ.) have reversed his decision, holding that in construing the general words in the covenant they must be limited to fixtures of the kind specifically mentioned, and that as those specifically mentioned were only landlord's fixtures the general words would not extend it to tenant's fixtures, and therefore the trustee was entitled to remove the latter as claimed.