

a fifth of the shares of the defendant company, and the Court held that the defendant company had failed to establish that notice of the extent of his interest had been disclosed. The question, therefore, as stated by the Court of Appeal, was this: Can a director of a company on behalf of the company buy shares or other property from himself, or from a company in which he is pecuniarily interested? This question the Court of Appeal (Cozens-Hardy, M.R., Eady, L.J., and Pickford, J.) answer in the negative, unless the articles expressly allow it to be done. But the Court was of the opinion that the article above referred to was not wide enough to do so, and that it was immaterial that Harvey held the shares in the defendant company as trustee. Having voted for both transactions, and there not being a quorum without his vote, both transactions were declared invalid and rescinded, there being no difficulty in restoring the *status quo*. The judgment of Astbury, J., who tried the action, was therefore affirmed.

LANDLORD AND TENANT—LEASE—COVENANT TO BUILD—COVENANT TO REPAIR—COVENANT TO DELIVER UP—WAIVER OF COVENANT TO BUILD—RE-ENTRY—MEASURE OF DAMAGES.

*Stephens v. Junior Army and Navy Stores* (1914), 2 Ch. 516. This was an action by a lessor against lessees for breach of covenants to build and repair, and claiming a right to re-enter. The lease was dated 20 September, 1901, and the covenant to build provided that the contemplated building was to be erected on or before 1 July, 1911, and to cost not less than £2,000. The lease also contained a covenant to repair existing buildings and buildings covenanted to be erected. There were no buildings on the land and no building was erected pursuant to the covenant, but the plaintiff, after the 1 July, 1911, accepted rent, and thereby waived the covenant to build. The defendants denied the right of re-entry, and pleaded that they had tendered the rent which the plaintiff refused to accept, but they offered to determine the lease and deliver up possession, which the plaintiff refused. Joyce, J., who tried the action, gave judgment for the plaintiff for possession and for £2,000 for breach of the covenant to build. On appeal, it was contended for the defendants that the measure of damages was not £2,000, but the loss which the plaintiff had actually sustained. On the plaintiff's part it was contended that though the covenant to build was waived, the covenant to repair was in effect also a covenant to build, and that there was a continuing breach of that covenant for which the plaintiff was