

CONTRACT—PENALTY OR LIQUIDATED DAMAGES—TIME—WAIVER.

In *Clydebank Engineering Co. v. Castadena* (1905) A.C. 6 the appellants had entered into a contract with the Spanish Government for the building of war vessels, and by the contract it was provided that the vessels were to be delivered at stated periods, and that "the penalty for later delivery shall be at the rate of £500 per week for each vessel." The vessels were built and delivered some time after the specified time, and the contract price paid without any deduction or reservation of right. The present action was brought on behalf of the Spanish Government against the appellants to recover the penalty for late delivery. The appellants contended that by paying the contract price the respondents had waived the right to sue for the penalty, and that, at all events, they were only entitled to recover actual damages for breach of the contract, but the House of Lords (Lord Halsbury, L.C., and Lords Davey and Robertson) agreed with the Scotch Court of Session that there was no waiver, and the sum fixed by the contract was to be regarded as liquidated damages, and that the plaintiffs were entitled to recover, and the appeal was accordingly dismissed.

LICENSE, ISSUED PURSUANT TO STATUTE—MUNICIPAL AUTHORITY
—ULTRA VIRES.

Rossi v. Edinburgh (1905) A.C. 21 was an appeal by an ice cream vendor against a license proposed to be issued by the magistrates to the appellant, but which he claimed was ultra vires inasmuch as it unduly restricted the appellant's statutory rights. By the statute in question vendors of ice cream were forbidden to sell ice cream without a license which the defendants were empowered to issue. The statute gave no power to the defendants to restrict the hours or days of sale. The license in question was granted upon the condition, inter alia, that the licensee should not sell on Sunday or any other day set apart for public worship by lawful authority, or open his premises between certain hours. The House of Lords, reversing the Court of Sessions, held that these restrictions were ultra vires and unwarranted. That the power to issue the license did not include any power to make regulations for the sale of ice cream.

LEASE—COVENANT TO PAY TAXES—USUAL COVENANT BY LESSEE—
—INTEREST ON RENT IN ARREAR—DELAY BY LESSOR IN SHEW-
ING TITLE.

In *Canadian Pacific Railway v. Toronto* (1905) A.C. 33 the Judicial Committee of the Privy Council (The Lord Chancellor,