

1856. has been intrusted to dispose of—or has acquired from others for himself, what it was his duty to have acquired for his principal; or has bought from his principal, or has sold to his principal, which, according to circumstances he may, or may not be permitted to do. In that class of cases I do not doubt that the principle is to be applied to the members of a governing body of a corporation, viewing them in the light of trustees acting for the shareholders. And it is not in the case of trading corporations only that the principle is to be applied, but equally to the members of the council of a municipal corporation created for the purposes of local government, but having also, all such bodies ordinarily have, property and pecuniary interests to preserve and manage.

I mean, that when a member of such a council violates the rule in any such particular as I have mentioned, he would hold the estate or property of any kind which he has acquired subject to the same equity, as any trustee would hold it under similar circumstances.

Judgment.

But I am not yet prepared to say that no act of such a trustee, by which his private interest may be said to be brought into conflict with his duty as trustee, can be allowed to stand; because in practice, I believe members of the governing body of a corporation are openly allowed, and without question, to do acts which one can easily see may place their private interest in conflict with their duty; and that such acts are not unfrequently the subject of discussion in courts of justice, without its being contended or imagined that they are necessarily invalid.

For instance, the directors of a bank discount notes for a director as well as for others; and we have seen the expediency discussed of the legislature placing some limit to the extent to which directors shall obtain

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