

spoken of as trusts, delegated by the company to the directors, and exercisable by them in the interest and for the benefit of the company. But it has been doubted whether the word *trustee* accurately describes the relation of a director to his company. Certainly, some of the features of "complete" trusteeship are wanting in the director's position, and, as certainly, he is held, in the exercise of his powers as director or agent, to as strict accountability as a trustee would be, at least to the extent that those powers must not be employed to obtain any private benefit or advantage to himself. Perhaps the true view is that in enforcing and working out his obligations as agent of the company, the law applies by analogy the principles applicable to cases of trusteeship, in aid of the enforcement of that good faith on his part which lies at the foundation of his duty as agent.

Lord Justice Bowen says² : " When persons who are directors of a company are from time to time spoken of by judges as agents, trustees or managing partners of the company, it is essential to recollect that such expressions are used, not as exhaustive of the powers or responsibilities of those persons, but only as indicating useful points of view from which they may, for the moment and for the particular purpose, be considered ; points of view at which they seem for the moment to be either cutting the circle or falling within the category of the suggested kind. It is not meant that they belong to the category, but that it is useful, for the purpose of the moment, to observe that they fall *pro tanto* within the principles which govern that particular class. . . . These directors are not exactly agents, nor exactly servants—perhaps not servants at all—nor exactly trustees, nor exactly managing partners, if by that is meant that they are nothing more and nothing less. They are persons invested with strictly defined powers of management under the articles of association of a statutory corporation."

The directors being the agents of the company, are entrusted by law with the conduct of the company's business; and while acting

¹Lord Westbury, in discussing a similar question, uses the expression "complete trustee." *Knox v. Gye*, L.R. 5 H.L., 656.

²*Imperial, etc., Hotel Co. v. Hampson*, L.R., 23 C.D. 1, at p. 12.