

The same thing is made plain by considering clauses 4 and 5. It is not, however, necessary to examine those clauses in detail, having regard to the view their Lordships have expressed as to clause 3. There is therefore no foundation for the contention that this agreement was *ultra vires*.

Now, what subsequently happened was this. On the 3rd February, 1913, two resolutions were passed by the Company, the first of which provided that the respondent

“be under the direct control and direction of the board of directors, who hereby delegate to the President of the Company the control and direction vested in them as to the above-named official, and the said manager and managing director is hereby directed not to take any action as manager and managing director, without the approval in writing of the President, the board of directors hereby delegating the said President all their power for the management of the Company when the board is not in Session.”

The second resolution on the same date appointed Mr. Thornton chief engineer and operating manager of the Company,

“with full charge of the engineering and operating of the Company, and that this official be directly under the control and direction of the board of directors, who hereby delegate to the President of the Company the control and direction vested in them over the above-mentioned official.”

It is quite plain, from a mere cursory examination of these resolutions, that they materially altered powers of the respondent and the duties which he had contracted to perform. Under the contract there were vested in his