accommodation. So an insurance company, even when it is not established upon the principle of mutual assurance, will, I believe, as readily grant a policy to one of the directors of the company as to a stranger.

1856.

Bowes v. City Toronto

Yet it is quite evident that the director procuring the discount in the one case, or the policy of insurance in the other, may very possibly have a motive in misleading the board of which he is a member by inducing them to discount a note or accept a risk which he may know to be more doubtful in its character than they imagine it to be.

It would be easy to state other cases in which a member of the governing body of what are called trading corporations may have transactions which may place his interest in conflict with his duty to the corporation, and in which nevertheless, where no fraud can be shewn to have been practised, such transactions have not hitherto been taken to be void, nor could be so held, perhaps, without creating an inconvenience greater than any evil likely to arise from permitting such transactions.

Judgment.

Without pretending to say where or how a line could be drawn, or even expressing a settled opinion that any of such transactions as I have just mentioned would certainly be held valid by a court of equity, I wish only to express my doubt whether we can safely give so universal an application as we are asked in this case to give, to the principle which is often announced in adjudged cases, "that he who is intrusted with the business of others cannot be allowed to make such business an object of interest to himself,"—for, though I can readily perceive that abuses are very likely to creep in where such conflicting interests are allowed to co-exist, still I am not yet satisfied that the doctrine has been, or is to be, applied so literally as to prohibit members of a municipal or other