The fiduciary duty is the defining duty of trusteeship and consists of several overlapping obligations intended to promote loyalty or faithfulness. As part of his fiduciary duty, the trustee should avoid conflict with the interests of the trust and not to make an unauthorised profit from the trust property, or from his position of trust. The fiduciary duty may also apply to a person who is not a trustee, in which case he is said to be a fiduciary. This chapter examines the principal obligations of trusteeship and the implications of breach of those obligations for trustees, beneficiaries, and third parties. It first discusses the strict rule of exemplary fiduciary propriety before turning to the duty of good faith. The chapter also looks at fiduciary relationships and fiduciary duties, the fiduciary duty to avoid conflicts of interest, the fiduciary duty to account for unauthorised profits, and trustee remuneration.
10. The fiduciary duty