

ference that no one thus acting could have been influenced by any honest desire to secure such interests" may be enjoined; *Gamble v. Queens, etc., Co.* (1890) 123 N.Y. 91; see also *Hannerty v. Standard Theatre Co* (1891) 109 Mo. 297; but poor management alone, although resulting in loss to the corporation, furnishes no ground for the interference of equity. *McMullen v. Ritchie* (1894) 64 Fed. 253; *Ellerman v. Chicago, etc., Co.* (1891) 49 N.J. Eq. 217; *Leslie v. Lorillard* (1888) 110 N.Y. 519. The fraud being a deliberate service of an outside interest, the proof must shew a distinct favouring of that interest. Primarily the question of the adequacy of the consideration is examined, and where it appears that an undue advantage has been taken by the corporate managers, the contracts are avoided or the performance enjoined, *Woodroof v. Howes* (1891) 88 Cal. 184; *Sage v. Culver* (1895) 147 N.Y. 241, but a substantial discrepancy between the consideration and the market value of the res is not conclusive. *Gamble v. Queens, etc., Co.*, supra. Material evidence may be gleaned from a conflict or intermingling of the interests involved in the transaction: as in cases of contracts between the directors, officers, or majority stockholders and the corporation, *Rogers v. Lafayette, etc., Works* (1875) 52 Ind. 296; *Munson v. Syracuse, etc., Ry. Co.* (1886) 103 N.Y. 58, or between two or more corporations having common directors or officers, *Ryan v. Leavenworth, etc., Ry. Co.* (1879) 21 Kan. 365; *Fitzgerald v. Fitzgerald, etc., Co.* (1895) 44 Neb. 463; *Pearson v. Concord Ry. Corp.* (1883) 62 N.H. 537, or common majority stockholders. *Meeker v. Winthrop Iron Co.* (1883) 17 Fed. 48; *Peabody v. Flint* (Mass. 1863) 6 Allen. 52; *Farmers', etc., Co. v. New York, etc., Ry. Co.*, supra; *Goodin v. C. & W. Canal Co.* (1868) 18 Oh. St. 169. Lord Hardwicke said in *Whelpdale v. Cookson* (1747) 1 Ves., Sr. 9, "It is not enough for the trustee to say 'You cannot prove any fraud' as it is in his power to conceal it," and upon analogy to cases of strict trust to which this reasoning is applicable and in which the transac-