

EQUITABLE RELIEF.

The case of *Foss v. Harbottle*, 2 Hare, 461, is the foundation of what, to my mind, is an unwise rule of law, namely, that the Courts will not interfere with the domestic affairs of a company excepting to prevent or to give relief against fraud, where the acts complained of are confirmed by or are capable of being confirmed by a majority of the members of the company. It ought to be a law that neither the directors nor a majority should be entitled to do anything which is inequitable with regard to the minority and the Courts should have power to give relief against inequitable conduct. Corporations only exist for the convenience of business and not in order to allow a majority to tyrannize over a minority. Where two or more persons are in partnership no partner has in the eye of the law any more control or right over the undertaking in which they are embarked in common than the other, and there is to my mind no sound reason why the law of partnership in that respect should not apply to companies. It is not here suggested that the Court should interfere, excepting in cases of injustice. Where the majority, in the exercise of its judgment, adopts a course which reasonable people might well consider for the interest of the company, the Court certainly should have no right to interfere, but where the only justification for the action which injuriously affects the interests of the minority is that it is the act of the majority or the act of the directors who control the majority, then it is a denial of justice to deny that relief on the doctrine laid down in *Foss v. Harbottle*.

DIRECTOR OFFICIALS.

The provisions in the Companies' Act, with regard to the payment of directors who are officers of the company, which requires that no remuneration shall be paid to them unless under a by-law passed by the shareholders is nearly universally evaded.

A general by-law on the incorporation of a company is passed authorizing the directors to pay to a director officer such amount as they in their discretion may think proper and the matter never comes before the shareholders again. In large corporations