

his associates, he assumed adverse relations to his principal. It was, therefore, correctly ruled that, if found, such conduct constituted a breach of his contract, which prevented the earning of a commission."³

The general rule is well settled that a broker must act with entire good faith towards his principal, and he is bound to disclose to his principal all facts within his knowledge which are, or may be material to the matter in which he is employed, or which might influence the principal in his action and if he has failed to come up to this standard of duty he cannot recover.⁴

In *Williams v. McKinley*,⁵ the court said: "The law guards the fiduciary relations with jealous care. It seeks to prevent the possibility of a conflict between the duty and the personal interest of a trustee. It demands that the agent shall work with an eye single to the interest of his principal. It prohibits him from receiving any compensation but his commission and forbids him from acting adversely to his principal whether for himself or for others. It visits such a breach of duty not only with the loss of the profits he gains but with the loss of the compensation which the faithful discharge of duty would have earned. To permit the agent of a vendor to become interested as the purchaser or as the agent of a purchaser in the subject matter of the agency, inaugurates so dangerous a conflict between duty and self-interest, that the law wisely and peremptorily forbids it. An agent of a vendor who speculates in the subject matter of his agency or intentionally becomes interested in it as a purchaser, or as the agent of a purchaser violates his contract of agency, betrays his trust, forfeits his commission as agent and becomes indebted to his principal for the profit he gains by his breach of duty."⁶ This is not the first time this court has been called upon to announce these principles, but the reckless disregard of them which characterizes the acts of some of the agents

(3) *Quinn v. Burton*, 195 Mass. 277, 281.

(4) *Veasey v. Carson*, 177 Mass. 117, 120; *Acc. Sullivan v. Tufts*, 203 Mass. 155, 157; *Woods v. Lowe*, 207 Mass. 1.

(5) 74 Fed. 94.

(6) Citing cases.