

KING'S BENCH.

Galt, J.]

COMPLIN v. BEGGS.

[13 D.L.R. 27.]

Brokers—Real estate—Duty to obtain highest price—Principal and agent—Compensation—Breach of duty—Fraud of principal.

Where the prices of large acreages of farm lands are fixed approximately on well-understood standards, the owner who in the usual course employs a selling agent and names the selling price, either adding the agent's commission to that price or allowing the agent to retain whatever amount he can secure from a purchaser over and above the price named, cannot invoke the ordinary rule which imposes upon an agent the duty of obtaining the highest possible price for his principal.

Morgan v. Elford, 4 Ch. D. 352, applied.

Upon a contract by a real estate agent to sell lands for his principal, the obligation of the latter to treat the agent honestly and to do nothing calculated to deprive him unfairly of his commission is as strict as that of the agent to act honestly and to refrain from accepting (under ordinary circumstances) any commission or other benefit from the purchaser.

Upon an agency contract to sell lands a breach of duty by the agent which is not tainted by dishonesty but is merely the result of a mistaken notion of his rights will not disentitle him to commission, although he is liable to his principal for any profits illegally received.

Hippisley v. Kneebros, [1905] 1 K.B. 1, applied; *Andrews v. Ramsay*, [1903] 2 K.B. 635, distinguished; *Manitoba and N.W. Land Corporation v. Davidson* 34 S.C.R. 255, considered.

The land owner who listed his property for sale with a real estate agent is under a legal obligation to do nothing calculated to deprive the agent unfairly of his commission. (Dictum per Galt, J.)

P. J. Montague, for plaintiffs. *O. H. Clark*, K.C., for defendants.