expenses to his principal he debited the latter with the gross amount of the printer's bill and of the cost of advertising in the newspapers though he had, in fact, without the principal then knowing it, received discounts both from the printers and the newspaper proprietors according to a general custom on the part of printers and newspaper proprietors to allow auctioneers a trade discount off their retail charges which discount they did not allow to the auctioneers' customers if they dealt with them directly, and where the auctioneer in omitting to disclose the fact of his discounts to his principal did so in the honest belief that he was lawfully entitled under the custom to receive the discounts and retain them for his own use: *Hippisley* v. *Knee*, [1905] K.B. 1, 74 L.J.K.B. 68, 92 L.T. 20, 21 Times L.R. 5. Lord Chief Justice Alverstone declared that he was satisfied that there was no fraud on the part of the agent and that what was done by him was done under a mistaken notion as to what he was entitled to do under the contract which was enough to differentiate the case of *Andrews* v. *Ramsay*, [1903] 2 K.B. 635, *supra*, where the Court was dealing with an agent who acted downright dishonestly. He added that he was not prepared to go to such a length as to hold the agent not entitled to receive any commission if he failed to account for a secret discount received even though that failure might be due to an honest mistake. "If the Court is satisfied that there has been no fraud or dishonesty upon the agent's part, I think that the receipt by him of a discount will not disentitle him to his commission unless the discount is in some way connected with the contract which the agent is employed to make or the duty which he is called upon to perform. In my opinion, the neglect by the defendants to account for the discounts in the present case is not sufficiently connected with the real subject-matter of their employment. If the discount had been received from the purchasers the case would have been covered by *Andrews* v. *Ramsay*, [1903] 2 K.B. 635, *supra*; but here it was received in respect of a purely incidental matter; it had nothing to do with the duty of selling. It cannot be suggested that the plaintiff got by one penny a lower price than he would otherwise have got."

In another case dealing with the sale of goods and therefore not strictly in point with this annotation it was held that where the agent in numerous instances did not forward the invoices to purchasers of the goods which were made out in the name of the customer but were sent to the agent, and forwarded invoices made in his own name as agent at an increase over the price set in the principal's invoice and retained for himself the excess in that price while crediting only the written price to the principal, such act was a dishonest one in each transaction and deprived the agent of any right to commission in such transactions but did not deprive him thereof in other sales by him where he honestly acted within the terms of the contract of agency and credited his principal with the full amount received by him from the purchaser: *Nitedals Taendstikfabrik* v. *Bruster*, [1906] 2 Ch. 671, 75 L.J. Ch. 798.