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## *THE LAW RELATING TO COMMISSIONS TO REAL ESTATE AGENTS.*

- I. *The general principles applicable to commissions on sales.*
- II. *The right to commission as affected by the employment of two or more agents.*
- III. *The right to commission as affected by the taking of a secret profit by the agents.*
- IV. *Cases in which the right to commission was upheld.*
- V. *Total or partial failure of claim to compensation.*

This subject is one of great interest at the present time as may be seen by the number of decisions which have been reported during the past few years. We find in vol. 4 of the Dominion Law Reports, at p. 531, a collection of the authorities grouped under the above appropriate headings. These are given in an annotation to the recent case of *Hoffner v. Grundy*, which appears in full at 529 of the same volume, and a note of which appeared on page 546 ante. As this annotation exhausts the subject we give it to our readers in full as follows:—

### *The General Principles Applicable to Commission on Sales.*

In order to found a legal claim for commission on a sale, there must not only be a casual, but also a contractual relation between the introduction of a purchaser and the ultimate transaction of sale: *Toulmin v. Millar*, 58 L.T. 96.

An agent who brings a person into relation with his principal as an intending purchaser, has done the most effective and possibly the most labourious and expensive part of his work, and if the principal takes advantage of that work and, behind the back of the agent and unknown to him, sells to the purchaser thus brought into touch with him, the agent's act may still well be the effective cause of the sale, though he advised the principal not to accept the terms offered by the purchaser: per Lord Atkinson in *Burchell v. Gowrie and Blockhouse Collieries*,