# Business Law

## April 3, 2013

* What is an agency relationship? Agency -> Principal
  + Example: Real Estate, Sports Agent, etc.
  + They’re often fiduciary relationships
* Types of Relationships
  + Inside Relationship
    - The relationship between the agency and the principle.
  + Onbide Relationship
    - Tort Risk
    - Contract risk
* What are the terms of your type of agency relationship?
  + Agency Rules at Common Law
    - Obedience, notification, loyalty, etc.
* **Agent’s Duty of Loyalty and Avoiding Conflicts of Interest**
  + **Outside Benefits or Secret Benefits** – An agent is not entitled to receive benefits from outside the agency relationship unless the principal knows about and agrees to the agent’s receipt of the benefits
  + **Representation of More than One Principal** – An agent may not act on behalf of two or more principals whose interest conflict
  + **Confidential Information** – An agent can neither disclose nor use for his own benefit confidential information acquired during the course to the agency. This duty survives termination of the agency relationship. Thus, an agent who discloses or uses such confidential information after the agency relationship has terminated may still be liable for breach of the duty of loyalty.
  + **Competition with the Principal** – An agent may not compete with the principal in any matter within the scope of the agency business during the course of the agency relationship.
* Competition with the Principal