

Who May Be An Agent (Sec184)

- Any person can be appointed as agent including a minor or a person of unsound mind.
- The reason being since the act of agent is considered as the act of principal hence he may appoint any person as his agent.
- But in case of appointing a minor or a person of unsound as his agent he runs the great risk because he cannot hold such an agent liable for his misconduct or negligence.

KINDS OF AGENTS

(AUTHORITY POINT OF VIEW)

- General Agent:

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page 7 of 37

– ***One who is employed to do all acts connected to the business, e.g. a manager of a firm.*** He can bind the principal by doing anything which falls within the ***ordinary scope of business***, whether he is actually authorized for any act or not, is immaterial, provided the third party acts bonafide (real) i.e. they assume that such an agent has power to do all that which is usual for a general agent to do in a business concerned.

- **Within reasonable time:**

- A ratification to be effective must be made within reasonable time after the original contract is made.

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page 21 of 37

– Where the time is expressly fixed for the performance of the contract, ratification must be made within that time.

- **Ratification must not injure the third person:**

- A ratification cannot be effective where its effect is to subject a third person to damages, or terminate any right or interest of a third person. ----

AGENT'S AUTHORITY

- **1. Actual Authority:**

- An agent can do all such acts as have been assigned to him either expressly or impliedly and thereby bind the principal to third parties by acts done within the scope of 'actual' or 'real' authority.

- **2. Apparent Authority:**

- An agent can also bind the principal to third parties by acts done with in his apparent authority, though it is not in his actual authority, provided the third party acts bonafide.
- Apparent authority means that an agent having an authority to do an act or carry on a business has authority to do every lawful thing which is necessary in order to do such act, or which is usually done in course of conducting such business" -----

TERMINATION OF AGENCY

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Page 36 of 37

- 1. By act of parties
- 2. By operation of Law

- Self

- Delegation of authority

- Sub-agent

- Substituted agent

- Irrevocable(fixed) agency

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Page 37 of 37