4.13 Adverse Interest Exception

If you find that [*name of alleged agent*] was acting solely for [his] [her] [*other pronoun*] own purposes or those of a third party, then [*name of the alleged agent*]'s acts or omissions are not considered the acts or omissions of defendant [*name of alleged principal*].

[However, if you find that plaintiff dealt with [*name of agent*] in good faith and did not know, or have reason to know, that [*name of agent*] was acting against the interests of defendant [*name of alleged principal*], then you may find defendant [*name of alleged principal*] liable if you find that [*name of agent*] acted within [his] [her] [*other pronoun*] authority.]

[However, if you find that defendant [*name of alleged principal*] ratified or knowingly received a benefit from the acts or omissions of [*name of agent*], then you may find defendant [*name of alleged principal*] liable if you find that [*name of agent*] acted within [his] [her] [*other pronoun*] authority.]

[However, if you find that [*name of agent*] was the sole [representative of] [officer in charge of] defendant [*name of alleged principal*], then you may find defendant [*name of alleged principal*] liable if you find that [*name of agent*] acted within [his] [her] [*other pronoun*] authority.]

Comment

The adverse interest exception is narrow and generally requires "an agent to completely abandon the principal's interests and act entirely for his own purposes." *Cement & Concrete Workers Dist. Council Pension Fund v. Hewlett Packard Co.*, 964 F. Supp. 2d 1128, 1144-45 (N.D. Cal. 2013) (quoting *USACM Liquidating Trust v. Deloitte & Touche LLP*, 764 F. Supp. 2d 1210, 1218 (D. Nev. 2011)).