That a person is bound by the acts of an agent which fall within his apparent authority though they were not actually
authorized is an application of the wider doctrine of estoppel. It is clear that to have an estoppel there must not only be a
representation, but also a reliance on that representation\textsuperscript{16}. It is not enough that the principal holds out the agent as
having certain authority, there must also be a reliance on such holding out. The conduct of the person claiming the
estoppel is as important as that of the person against whom it is claimed.

[...]

The correct proposition of law is that a principal is bound by an act within the authority apparent to the person dealing with
the agent.

\textsuperscript{16}\textsuperscript{16}The essential factors giving rise to an estoppel are . . . (1) A representation or conduct amounting to a representation
intended to induce a course of conduct on the part of the person to whom the representation is made. (2) An act or

\textbf{Referring Principles:}

II.4 - Agency by estoppel / apparent authority