

Carter Ledyard Wins Preliminary Injunction Against Former Sales Agent for Merchant Cash Advance Clients

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Two Carter Ledyard merchant cash advance (MCA) broker clients recently won a preliminary injunction in the New York Supreme Court against one of the companies' former sales agents who opened a competing MCA sales company. The court found that, under the exacting standards required for enforcement of a non-solicitation agreement, Carter Ledyard's clients were likely to succeed in enforcing contractual restrictions precluding the former sales agent from soliciting merchants and independent sales offices with whom the former sales agent developed relationships while working with companies. The court concluded that the MCA companies have a legitimate business interest in protecting their own interests in the client relationships which the companies had enabled their former sales agent to acquire while he worked with the companies. Carter Ledyard attorneys Jacob H. Nemon and Jeffrey S. Boxer represented the firm's clients on the successful application.

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