## STATUTORY INSTRUMENTS

# 1993 No. 3053

# The Commercial Agents (Council Directive) Regulations 1993

## PART I

### GENERAL

### Citation, commendement and applicable law

**1.**—(1) These Regulations may be cited as the Commercial Agents (Council Directive) Regulations 1993 and shall come into force on 1st January 1994.

(2) These Regulations govern the relations between commercial agents and their principals and, subject to paragraph (3), apply in relation to the activities of commercial agents in Great Britain.

(3) Regulations 3 to 22 do not apply where the parties have agreed that the agency contract is to be governed by the law of another member State.

#### Interpretation, application and extent

2.—(1) In these Regulations—

"commercial agent" means a self-employed intermediary who has continuing authority to negotiate the sale or purchase of goods on behalf of another person (the "principal"), or to negotiate and conclude the sale or purchase of goods on behalf of and in the name of that principal; but shall be understood as not including in particular:

- (i) a person who, in his capacity as an officer of a company or association, is empowered to enter into commitments binding on that company or association;
- (ii) a partner who is lawfully authorised to enter into commitments binding on his partners;
- (iii) a person who acts as an insolvency practitioner (as that expression is defined in section 388 of the Insolvency Act 1986(1)) or the equivalent in any other jurisdiction;

"commission" means any part of the remuneration of a commercial agent which varies with the number or value of business transactions;

"restraint of trade clause" means an agreement restricting the business activities of a commercial agent following termination of the agency contract.

- (2) These Regulations do not apply to—
  - (a) commercial agents whose activities are unpaid;
  - (b) commercial agents when they operate on commodity exchanges or in the commodity market;
  - (c) the Crown Agents for Overseas Governments and Administrations, as set up under the Crown Agents Act 1979(2), or its subsidiaries.

<sup>(1) 1986</sup> c. 45.

<sup>(2) 1979</sup> c. 43.

(3) The provisions of the Schedule to these Regulations have effect for the purpose of determining the persons whose activities as commercial agents are to be considered secondary.

- (4) These Regulations shall not apply to the persons referred to in paragraph (3) above.
- (5) These Regulations do not extend to Northern Ireland.