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## EXPLANATORY NOTE

(This Note is not part of the Regulations)

These Regulations implement Council Directive [86/653/EEC](#) on the co-ordination of the laws of member States relating to self-employed commercial agents (OJNo. L382, 31 December 1986, p. 17). The directive is within the scope of the Agreement on the European Economic Area by virtue of paragraph 30 of Annex VII to that agreement.

The Regulations set out the rights and obligations as between commercial agents and their principals (regulations 3 to 5) and deal with remuneration (regulations 6 to 12), and the conclusion and termination of the agency contract (regulations 13 to 16). They contain provisions relating to the indemnity or compensation payable to a commercial agent on termination of his agency contract (regulations 17 to 19) and also to the validity of restraint of trade clauses (regulation 20).

A Compliance Cost Assessment is available, copies of which have been placed in the libraries of both Houses of Parliament. Copies are also available from the Consumer Affairs Division of the Department of Trade and Industry, Room 325, 10-18 Victoria Street, London, SW1H 0NN.