

REPUBLIC OF CYPRUS

**THE REGULATION OF RELATIONS BETWEEN
COMMERCIAL AGENT AND PRINCIPAL
LAW OF 1986**

(English translation prepared and issued
by the Service for the Revision and
Consolidation of the Cyprus Legislation)

LAW 76 OF 1986

A LAW TO PROVIDE FOR THE EXERCISE OF THE TRADE OF COMMERCIAL REPRESENTATIVE

The House of Representatives enacts as follows:

Short title

1. This Law shall be cited as the Commercial Representatives Law, 1986

Interpretation

2. In this Law unless the context otherwise requires
“Republic” means the Cyprus Republic “Importation” with the grammatical variations of the term and related expressions means the transportation from abroad into the Republic of goods by sea or air.

“Commercial Representative” means any person natural or legal (corporate body) which under a trade name of its own mediates as representative of one or more persons, for the importation of foreign goods or the exportation of local goods or for the disposal of local goods at home and includes any agent-distributor.

“exportation” with the grammatical variations of the term and related expressions means the transportation abroad from the Republic of local goods by sea or air. “Minister” means the Minister of Commerce and Industry.

*Establishment
and composition
of Council*

3. –(1) A Council shall be established competent to deal with the registration of commercial representatives and the granting of licenses for the exercise of the trade of commercial representative. The Council shall be composed of seven members as follows:

- (a) A representative of the Ministry of Commerce and Industry
- (b) The Registrar of Companies or his representative
- (c) Five members elected in general meeting by the commercial representatives and being commercial representatives themselves.

(2) For the purposes of constituting the first Council a general meeting is convened by the members stipulated in 1 (a) and (b) who invite to such a general meeting all the persons qualified for registration as commercial representatives and the persons so elected are registered as commercial representatives by virtue of this Law.

(3) Within fifteen days of the general meeting, there shall be convened a meeting of the Council at which its members elect one of the five elected members to be the Chairman of the Council.

(4) The term of office of the members of the Council, including that of

the Chairman, shall be two years.

- (5) In the event of temporary absence or temporary impediment of the Chairman, and for so long as these persist, the members of the Council elect one of the elected members to act as Chairman for the duration of such absence or impediment.
- (6) The Council may act regardless of any vacancy in its ranks
- (7) (a) The Chairman convenes the meetings of the Council and chairs such meetings. In the event of absence of the Chairman the members present elect one of the elected members to chair the meeting.

(b) Five members present shall be a quorum.

(c) The Council decides by majority and in the event of equality of votes the chairman of the meeting shall have a second or casting vote.
- (8) The Council by resolution approved by the Minister may regulate about its functions, the convening of its meetings the notices for meetings, the proceedings at the meetings and the recording of the Minutes.
- (9) All expenditure by the Board shall be paid out of the fees collected by the Council
- (10) The Council appoints certified auditors for the audit of the accounts kept by the Council and the audited accounts are submitted to the Minister.

*Qualifications
for registration*

4. –(1) Any person may register as a commercial representative if the Council is satisfied that he is of good character and has not been convicted during a period of ten years prior to the date of his application for an offence involving dishonesty or moral turpitude or violation of the Exchange Control Laws of the Customs and Excise Laws 1967 to 1977 and that no order in bankruptcy has been made against him, and

*Cap. 199 of
1972
82 of 1967
57 of 1969
4 of 1971
45 of 1973
12 of 1977*

- (a) is the holder of a graduation certificate or diploma of tertiary education in commercial, economic or other related subjects, or
- (b) is graduate of a secondary education school and has had prior service of at least five years with a commercial representative or a person dealing in trade, or
- (c) was exercising the trade of commercial representative on the date of the coming into effect of this Law.

Provided that in the event of a corporate body the Council shall be satisfied in regard to the above in respect of the Managing Director or Secretary of such corporate body.

5. –(1) The Council shall within three months of the coming into effect of this Law prepare and thereafter maintain a Registrar, called “Registrar of Commercial Representatives” in which the name and address of any person registered under the Law shall be entered together with any other particulars as the Council may from time to time consider necessary.

(2) The Council may:

- (a) order the removal from the Register
 - (i) of the name of any commercial representative who has applied for the deletion of his name from the Register,
 - (ii) the name of any deceased commercial representative
 - (iii) the name of any other particular which might have been wrongly or incorrectly entered in the Register, and
- (b) to make the amendments from time to time required in the Register

6. Subject to the terms and conditions of the preceding Articles any partnership, general or limited, may, on securing a permit from the Council, be allowed to operate as a commercial representative provided at least one of the general partners is the holder of a license such as is required by the Law.

General and limited partnerships acting as commercial representatives

7. In the event of the death of a commercial representative, provided a request is made within six months of his death and subject to the provisions of Article 4, the Council issues a license for the continuation of the business of the deceased to the person indicated by the Executor or Administrator of the estate of the deceased person.

Granting of license in the event of death of a commercial representative

8. After the lapse of one year from this Law coming into effect no person shall

- (a) exercise the trade of commercial representative or in any way act as commercial representative or present himself as such
- (b) trade under any name, trade name or title in which reference is made to the words “commercial representatives”

Prohibition of exercise of the trade of commercial representative without registration

unless he is registered under the provisions of this Law as a commercial representative and his licence has not been evoked under the provisions of Article 10

9. Any one contravening the provisions of this Law shall be guilty of an

Offences and penalties

offence and shall, on conviction, be liable to imprisonment not exceeding six months or to a fine not exceeding three hundred pounds or both imprisonment and a fine

10. –(1) In the event a commercial representative

- (a) is convicted of an offence involving dishonesty or morel turpitude, or
- (b) is found after an investigation by the Council to be guilty of dishonest or shameful conduct in his capacity as a commercial representative or of a conduct incompatible with his trade, or
- (c) is proved to have been registered as a commercial representative or secured a licence through false or misleading representations,

Disciplinary sentences

The Council may, according to the case, order the removal of his name from the Register or the revocation of his license and communicates such decision to the interested party through registered mail.

Provided that the Council may at any time, either acting on its own or at the request of the interested party, order the reinstatement of the name of such person in the Register, without any fee or on payment of a fee fixed by the Council.

11 –(1) Anyone aggrieved by the decision of the Council may within thirty days of the communication of such decision to him, appeal to the Minister stating the grounds for challenging such decision.

(2) The Minister considers the appeal made to him without delay and after hearing or giving the chance to the appellant claimant or his representative to defend the grounds on which appeal is based, decides about it and promptly communicates his verdict to the appellant.

Appeal

Provided that the Minister may assign to an officer or committee officers of his Ministry to examine certain aspects emerging the appeal and to submit to him the conclusions of such examination before the Minister issues his verdict on the appeal.

(3) Any one not satisfied with the Minister's verdict may appeal to the Courts of Law

12. All commercial representatives shall mention on all documents used by them the words "commercial representative" and their respective number of registration.

Documents used by a commercial representative

13 –(1) The Council with the approval of the Council of Ministers issues Regulations, published in the official gazette of the Republic, for the more efficient application the provisions of this Law.

Regulations

(2) Without limitation as to the generality of the subsection (1) such regulations my provide all or any of the following:

- (a) definition of the proceedings to be followed in respect of registration, reinstatement and license
- (b) definition of the fees for registration, reinstatement or issue of license as well as the period of validity of the license
- (c) provide about a code of ethics, the exercise of disciplinary action and the imposition of disciplinary sentences.

(3) Regulations made under this law shall be laid before the of Representatives. If within thirty days of such laying the of Representatives does not by resolution amend or annul, in whole or in part, the Regulations so laid, they shall then, after the expiry of the period hereinbefore mentioned, be published in the official gazette of the Republic and they shall come into force as such publication. In the event of their being amended, in whole or in part, by the House of Representatives, such Regulations shall be published in the official Gazette of the Republic by the competent Ministry within 15 days of their communication to it as so amended and they shall come into force as from such publication.

14. This Law shall take effect at a date to be fixed by the Council of Ministers in a notification to be published in the official gazette of the Republic.

*Commencement
of effect of this
Law.*