

República Checa

Información aportada por la Sección Económica y Comercial de la Embajada Argentina en República Checa.

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La actividad de los agentes comerciales está regulada a nivel europeo por la Directiva N° 86/653/CEE del Consejo de 18 de diciembre de 1986 relativa a la coordinación de los derechos de los Estados miembros en lo referente a los agentes comerciales independientes.

La legislación sobre este tema de Agentes y Representantes en la Unión Europea es la misma para todos los países miembros: Alemania, Austria, Bélgica, Bulgaria, Chipre, Dinamarca, Eslovaquia, Eslovenia, España, Estonia, Finlandia, Francia, Grecia, Hungría, Irlanda, Italia, Letonia, Lituania, Luxemburgo, Malta, Países Bajos, Polonia, Portugal, Reino Unido, República Checa, Rumanía, Suecia.

Aconsejamos leer el texto que figura para Alemania pues si bien este solo rige para los 27 países que forman la UE, el conocimiento de su texto ayuda a conocer los aspectos a tener en cuenta al firmar un contrato con un agente o representante.

De todas maneras puede también comunicarse con la embajada correspondiente solicitando mayor información.

Información – Ley 513/1991

A continuación encontrará cuatro tipos distintos de contratos de representación vigentes en la República Checa.

Division X Mandate

Section 566

(1) A „mandate“ (in Czech „mandatni smlouva“) is a contract under which the „mandatary“ (in Czech „mandatar“) undertakes to arrange, at the mandant’s expense and for a fee, a specific business matter by performing legal acts on behalf of the mandant, or by conducting other activity, and the „mandant“ (or „mandator“; in Czech „mandant“) undertakes to pay him a fee for his services.

(2) If the mandatary’s business activities include arranging the affairs of others, it is presumed that payment for the mandatary’s services has been agreed.

Section 567

(1) The mandatary must proceed with due care (due diligence) when making arrangements for others.

(2) The mandatary must perform the activity which he has undertaken to perform in accordance with the mandant’s instructions and interests, of which the mandatary is aware or ought to be aware. The mandatary is bound to inform the mandant of all the circumstances he becomes aware of while arranging a matter for the mandant and which might result in a change of the mandant’s instructions.

Section 568

(1) The mandatary is bound to arrange a matter personally only if it is stipulated in the mandate. If the mandatary breaches this duty, he becomes liable for any damage thus caused to the mandant.

(2) The mandant is bound to hand over to the mandatary things and information necessary for the arrangement of the certain (specific) matter, unless their nature indicates that they are to be obtained by the mandatary,

(3) If the arrangement of a specific matter requires performance of acts in law (transactions) in the name of the mandant, the mandant must issue in time the necessary written power of attorney to the mandatary.

(4) If the power of attorney is not included in the contract, it cannot be replaced by the mandatary's obligation to act in the name of the mandant, not even in cases where the person with whom the mandatary is negotiating knows of this obligation.

Section 569

The mandatary must hand over to the mandant, without undue delay, such things which he has received on his behalf when arranging the specific matter.

Section 570

The mandatary is liable for any damage caused to things taken over from the mandant when arranging a matter on his behalf, and for any damage caused to things taken over from third persons on the mandant's behalf, unless he could not have averted such damage even when exercising due diligence. The mandatary must insure such things timely only if the contract so provides, or if the mandant asks him to do so; in both cases the insurance is at the mandant's expense.

Section 571

(1) If the amount of remuneration is not set in the contract, the mandant is bound to pay to the mandatary the remuneration which was customary for an activity similar to that undertaken by the mandatary on the mandant's behalf at the time of conclusion of the mandate.

(2) Unless the mandate provides otherwise, the mandatary is entitled to his remuneration once he has duly performed the activity specified in the mandate, regardless of whether it has led to the expected result or not. If it may be expected that the arrangement of a matter on the mandant's behalf will cause considerable expenditure, the mandatary may ask for an appropriate advance after conclusion of the contract.

Section 572

The mandant must reimburse the mandatary for all the expenses which the mandatary necessarily and purposefully incurred when performing his obligation, unless it ensues from the nature of such expenses that they are included in the mandatary's remuneration.

Section 573

The mandatary is not liable for a breach of obligation by another person with whom he has concluded a contract when arranging a matter for the mandant, unless in the mandate he agreed to guarantee the performance of obligations assumed by other persons in connection with the arrangement of a certain matter.

Section 574

- (1) The mandant may terminate the mandate in part, or in full, at any time.
- (2) Unless the notice of termination provides otherwise, it takes effect on the day when the mandatary learned of it, or on the day when he could have learned of it.
- (3) As from the day when the termination notice becomes effective, the mandatary must terminate performance of the activity to which the notice applies. However, the mandatary must warn the mandant of all measures which must be taken in order to prevent any immediate threat of damage ensuing from the mandatary's incomplete performance in arranging a certain matter.
- (4) The mandatary is entitled to compensation of expenses (section 572) and a proportionate part of remuneration for services duly rendered prior to the day when the termination notice comes into effect.

Section 575

- (1) The mandatary can terminate the mandate; termination takes effect at the end of the month following the month in which such termination notice is delivered to the mandant, unless the termination notice sets a later date.
- (2) The mandatary's obligation to perform activities on behalf of the mandant terminates on the day the notice becomes effective. If this termination of activities could entail damage to the mandant, the mandatary must inform the mandant of the measures to be taken to prevent such damage. If the mandant cannot take such measures, even through other persons, and he asks the mandatary to take them himself, the mandatary is bound to do so.
- (3) If the mandatary is an individual [*a natural person*], his obligation terminates upon his death; if the mandatary is an entity [*i.e. a legal person*], its obligation terminates upon its dissolution [*i.e. upon the entity's deletion from the Commercial Register*].
- (4) As for the activities performed between the day on which the termination notice is delivered and the day of its effectiveness, the mandatary is entitled to claim both expenses (under section 572) and partial remuneration appropriate to the results attained in arranging the matter according to the mandate.

Section 576

The provisions of sections 567 to 575 apply *mutatis mutandis* to other cases involving an obligation to arrange a certain matter at someone else's expense under other provisions of this Code, unless these provisions indicate otherwise.

Division XI

Commission Agent's Contract

Section 577 - Fundamental Provisions

Under a „commission agent's contract“ (in Czech „smlouva komisionarska“), the „commission agent“ (in Czech „komisionar“) undertakes to arrange in his own name, but at the principal's account a certain business matter for the „principal“ (or „committer“; in Czech „komitent“), and the principal undertakes to pay him a commission for his services.

Section 578

(1) When arranging matters, the commission agent must act with the due care in accordance with the principal's instructions.

(2) He may diverge from the principal's instructions only if it is in the interest of the principal and if he cannot obtain the latter's consent in time. If the commission agent breaches this obligation, the principal may not consider such negotiations as being conducted on his account (i.e. at his expense), provided that he rejected such negotiations without undue delay after he learned of their contents.

Section 579

(1) The commission agent is bound to protect the principal's interests as these are known to him, and keep the latter well informed of all circumstances which may lead to a change in the principal's instructions. The commission agent is bound to arrange insurance only if it is specified in the contract, or if the principal has instructed him to; in both cases, at the principal's expense.

(2) The commission agent is bound to provide the principal with reports on arrangement of the principal's business affairs in the manner specified in the contract, or else as requested by the principal.

Section 580

(1) Unless the contract provides otherwise, the commission agent must use other persons to perform obligations based on his contract with the principal, if he is unable to perform them himself.

(2) If the commission agent uses other persons to perform in his stead, he is liable for their performance as if he were arranging the matter himself.

Section 581

No rights and duties ensue to the principal as a result of the commission agent's relationship with third parties. However, the principal may directly require a third party to hand over a thing or to fulfill an obligation which the commission agent has transacted for him, if the commission agent cannot do so himself due to circumstances concerning his person.

Section 582

The principal may demand from the commission agent fulfillment of a third party's obligation, without such party having fulfilled its obligation to the commission agent, only if the commission agent has undertaken this obligation in writing, or if he has violated the principal's instructions regarding the party with which the respective contract, at the principal's account, had to be concluded. In such case, the provisions on suretyship apply *mutatis mutandis*.

Section 583

(1) Ownership title to movables entrusted to the commission agent for sale is held by the principal until it is passed to a third party. Ownership title to movables acquired for the principal by the commission agent passes to the principal at the time when such movables are handed over to the commission agent.

(2) The commission agent is liable for any damage caused to the things mentioned in subsection (1), in accordance with the provisions of the contract on storage.

Section 584

(1) After he has arranged a determined transaction, the commission agent must submit to the principal a report on the result and draw up a completion statement.

(2) In his report, the commission agent must state the name of the person with whom the contract was concluded. If he fails to do so, the principal may claim fulfillment from the commission agent of the obligations resulting from this contract.

Section 585

The commission agent must transfer to the principal, without undue delay, rights acquired as a result of arranging a certain business transaction on his behalf and turn over to him everything that he has acquired as a result of such transaction, and the principal is bound to receive it.

Section 586

If the person with whom the commission agent concluded a contract for his principal breaches his obligations towards the principal, the commission agent is obliged, at the account of the principal, to demand fulfillment of these obligations or, if the principal agrees, to pass to the principal the claims arising from these obligations.

Section 587

(1) If the amount of the commission has not been agreed upon, the commission agent is entitled to a commission corresponding to his accomplished activities and the achieved results, taking into account the commission customary for comparable activities at the time the contract was concluded.

(2) The commission agent is entitled to payment of his commission as soon as he meets the obligations stipulated in sections 584 to 586.

Section 588

In addition to paying him a commission, the principal is bound to compensate the commission agent for all necessary and purposefully incurred expenses connected with fulfillment of his obligation on behalf of the principal. In case of doubt, it is presumed that the commission also includes compensation for such expenses.

Section 589

The provisions of sections 574 and 575 apply as well to a commission agent's contract.

Section 590

If the object of a commission agent's obligation is an activity of an ongoing nature, the provisions governing contracts on commercial representation also apply, as appropriate (*mutatis mutandis*), to the relationship between the principal and the commission agent.

Division XVII

Brokerage Contract (Contract with an Intermediary)

Section 642

Fundamental Provisions

Under a „brokerage contract“ (or „contract with an intermediary“; in Czech „smlouva o zprostředkování“), the „broker“ (or „the intermediary“; in Czech „zprostředkovatel“) undertakes to engage in activities aimed at providing the „client“ (or „the interested party“; in Czech „zajemce“) with the opportunity of concluding a certain contract with a third party, and the client undertakes to pay the broker a „fee“ („a commission“ or „brokerage“; in Czech „provize“).

Section 643

The broker (intermediary) must advise the client, without undue delay, of any circumstances which are important for the latter's decision-making on conclusion of the contract being negotiated, and the client is bound to keep the broker advised of all facts which are of decisive importance for conclusion of the contract.

Section 644

The broker is entitled to a commission on conclusion of the contract which is the object of his negotiating (mediating) activities.

Section 645

If it follows from the contract that the broker (intermediary) is only obligated to provide an opportunity for the client to conclude a contract of a particular content with a third party, the broker is entitled to a commission brokerage on providing such opportunity for the client.

Section 646

If, under the brokerage contract, the broker (intermediary) becomes entitled to a commission only after the third party has fulfilled the obligation ensuing to it from the negotiated contract, the broker also becomes entitled to a commission when the third party's obligation to the client is terminated, or suspended, due to a reason for which the client is responsible. If the basis for determining the amount of the broker's commission is fixed according to the extent of the third party's fulfilled obligation, this basis shall also include a non-rendered performance by the third party, should its failure to perform be caused by reasons for which the client is responsible.

Section 647

(1) The broker (intermediary) is entitled to an agreed commission, or to the commission customary for negotiating comparable contracts at the time when the brokerage contract was concluded. However, the broker is not entitled to a commission if the contract with a third party is concluded without his assistance or if, contrary to the terms of the brokerage contract, he also acted as broker for the other (third) party to the concluded contract.

(2) In addition to his commission, the broker is entitled to reimbursement of expenses related to his negotiating (mediating) activity, provided that this is expressly agreed in the contract. In case of doubt, it is presumed that the broker is entitled to such reimbursement only when he becomes entitled to his commission.

Section 648

The broker is obliged to keep the documents which he has acquired when performing his negotiating (mediating) activity for his client for as long as such documents may be important for protection of the interests of the client.

Section 649

(1) The broker is not liable for the performance of third persons with whom he negotiated (mediated) a contract; however, the broker may not propose to the client that he should conclude a contract with a party about which he knows, or ought to know, that there is a well-founded doubt whether such a party will duly and in time perform the obligations arising from the contract being negotiated.

(2) If the client so requests, the broker must inform him about the credibility of the party proposed by the broker as a party with which the client should conclude the contract.

Section 650

The brokerage contract is terminated if the client's contract with a third party, which is the object of the brokering activities, is not concluded within the time limit specified in the brokerage contract. If no time has been specified, either party may terminate the contract by notifying the other party.

Section 651

The broker's right to a commission is not impeded by the fact that a contract with a third party (section 644), or performance of a third party's obligation (section 646), is only concluded after termination of his brokerage contract, if he negotiated the contract with such third party.

Division XVIII

Contract on Commercial Representation

Section 652

Fundamental Provisions

(1) Under a „contract on commercial representation“ (in Czech „smlouva o obchodním zastoupení“), the „commercial representative“ (in Czech „obchodní zástupce“) as an independent entrepreneur undertakes to engage in long-term activity on behalf of the principal aimed at the conclusion of specified contracts (referred to as „commercial transactions“; „obchody“), or to negotiate and conclude transactions in the name of the principal and on his account.

- (2) A commercial representative cannot be:
- a) a person who as an organ may bind a legal entity;
 - b) a partner or member who under the law is authorized to bind the other partners or members; or
 - c) liquidator or trustee in bankruptcy.
- (3) The provisions on commercial representation shall not apply to:
- a) commercial representative whose activity is not paid; or
 - b) persons operating on a European regulated market or a foreign market under analogous regulation or a European multilateral trading facility or a commodity exchange.
- (4) The contract on commercial representation must be in writing

Section 653

In the specified territory, the commercial representative is obligated to pursue with due diligence the commercial activity which is the object of his obligation. If the territory is not defined in the contract, it is presumed that the commercial representative shall pursue his activity on the territory of the Czech Republic.

Section 654

- (1) The object of the obligations undertaken by the commercial representative is to find parties interested in concluding such commercial transactions as are specified in the contract.
- (2) If the contract provides that the commercial representative shall perform acts in law in the name of the principal, the rights and duties relating thereto shall be governed by the provisions on mandate.
- (3) Without being given a power of attorney by the principal, the commercial representative may not, in the name of his principal, conclude commercial transactions, receive performance for him, or undertake other acts in law in the name of the principal.

Section 655

- (1) The commercial representative shall carry out the activity, which he has undertaken to do, fairly, exercising due diligence (specialist care), in good faith and shall heed the principal's interests, act in compliance with his authorization and the principal's reasonable instructions and advise the principal of all necessary information at his disposal.
- (2) The commercial representative must keep the principal informed of trends on the market and of all circumstances which are important for the principal's interests, and in particular for the decisions he makes concerning the conclusion of commercial transactions.
- (3) If the contract allows the commercial representative to conclude commercial transactions in the name of the principal, the commercial representative must conclude them only on such commercial terms as are set by the principal, unless the principal agrees to another procedure.
- (4) If the commercial representative is unable to perform his activity, he must notify the principal accordingly, without undue delay.

Section 655a

- (1) The principal shall act fairly and in good faith in relation to his commercial representative. He shall in particular:
- a) provide to the commercial representative the necessary documentation relating to the object of transactions; and
 - b) supply to the commercial representative the necessary information relating to performance of obligations under the contract on commercial representation, in particular inform the commercial representative, within a reasonable time-

limit, of an expected substantial reduction of activity in comparison with what the commercial representative could reasonably expect.

(2) The principal shall inform the commercial representative within a reasonable time-limit if he accepted, rejected or failed to fulfill a transaction obtained by the commercial representative.

Section 656

The commercial representative is also bound, within the scope of his obligations, to assist in implementation of the concluded commercial transactions according to the principal's instructions and in the principal's interests, which are, or ought to be, known to the commercial representative, particularly when resolving discrepancies arising from the concluded commercial transactions.

Section 657

In the course of his commercial activity, the commercial representative may not, without the principal's consent, disclose information acquired from the principal to other parties, or use such information for his own benefit or for the benefit of other parties, if this is contrary to the interests of the principal. This duty remains binding even after termination of the contract on commercial representation.

Section 658

(1) Unless this division provides otherwise, a contract on commercial representation shall be subject to a brokerage contact (a contract with an intermediary).

(2) The commercial representative is liable for the discharge of obligations by a third party with which he proposed that the principal conclude a commercial transaction, or with which he has concluded a commercial transaction in the name of the principal, only if he has undertaken to bear such liability in writing and if he receives extra remuneration for assuming such liability. In such case, his rights and duties are subject to the provisions on suretyship.

Section 659

(1) The commercial representative is entitled to an agreed commission, or else to the commission which is customarily paid for comparable commercial representation, with regard to the place where the representative acts and the line (kind) of goods which the contract on commercial representation concerns. Where there is no customary practice, the commercial representative is entitled to a reasonable commission, taking into account all the circumstances of the concluded transaction. Each partial remuneration, which changes according to the number and value of individual transactions, shall be considered to be part of the commission.

(2) In addition to his commission, the commercial representative is entitled to reimbursement of expenses related to his activity, but only if such reimbursement was agreed on and, unless the contract implies otherwise, only when he is entitled to the commission from the commercial transaction to which such expenses are related.

(3) The commercial representative may not claim a commission or reimbursement of expenses if he acted as commercial representative or broker for the party with which the principal concluded the commercial transaction.

Section 659a

(1) A commercial representative is entitled to a commission on commercial transactions during the duration of his contractual obligation:

- a) if the commercial transaction has been concluded because of his activity, or
- b) if the transaction is concluded with a third party whom he has acquired as a customer for transactions of the specific kind, prior to effectiveness of his contract on commercial representation.

(2) During the period covered by his contract on commercial representation, the commercial representative is entitled to a commission also where he has an exclusive right to a specific geographical area or groups of customers and a transaction has been concluded with a customer belonging to that area or group, unless it is a case under section 659(3).

Section 659b

A commercial representative is also entitled to a commission on a commercial transaction after his contract on commercial representative has terminated:

- a) if the transaction is mainly attributable to this commercial representative's efforts and the transaction is entered into within a reasonable period after termination of the contract on commercial representation; or
- b) if, in accordance with the conditions under section 659a, the principal or the commercial representative received a third party's order before termination of the contract on commercial representation.

Section 659c

A commercial agent is not entitled to the commission under section 659a if the commission is payable to the previous commercial representative under section 659b, unless it is equitable because of the circumstances for the commission to be divided between these two commercial representatives.

Section 660

(1) Unless an agreement was concluded under section 661, the entitlement to a commission arises when:

- a) the principal has executed the transaction (*i.e. the obligation under such transaction*);
- b) the principal should have executed the transaction according to the transaction concluded with a third party; or
- c) a third party has executed the transaction.

(2) The entitlement to a commission arises at the latest when the third party has executed his part of the transaction or would have done so if the principal had executed his part of the transaction. However, if such third party is to execute his obligation only after more than six months from the day when the transaction is concluded, the commercial representative shall be entitled to a commission after conclusion of the transaction.

(3) The commission shall become payable not later than on the last day of the month following the quarter in which the entitlement to such commission arose.

(4) Derogations from subsections (2) and (3) may be agreed if they are in favor of the commercial representative.

(5) If the basis for determining the commission depends on the scope of fulfillment of a third party's obligation, this basis must also include such non-rendered part of the obligation if the failure to perform was due to reasons for which the principal was responsible.

Section 661

If it ensues from the contract that the commercial representative is only obligated to provide an opportunity for his principal to conclude a commercial transaction of a certain content with a third party, the commercial representative is entitled to his commission on providing such opportunity for the principal.

Section 662

- (1) Unless the contract on commercial representation stipulates differently, the right to a commission extinguishes if it is obvious that the transaction between the principal and a third party will not be executed and this is due to reason for which the principal is not to blame.
- (2) Any commission which the commercial representative has already received shall be refunded if the right (entitlement) to the commission extinguishes under the preceding subsection.
- (3) Derogations from subsection (1) may be agreed only if they are in favor of the commercial representative.

Section 662a

- (1) The principal shall provide his commercial representative with a statement of the commission due not later than on the last day of the month following the quarter, in which it became due. Such statement shall include the main components, on which base the commission was calculated.
- (2) The commercial representative may request to receive all information, particularly statements from the accounting books, which the principal has available and which the commercial representative needs in order to verify the amount of the commission that corresponds to him.
- (3) Derogations from subsections (1) and (2) may be agreed only if they are in favor of the commercial representative.

Section 663

- (1) The principal shall provide his commercial representative with all the documents and aids necessary for the fulfillment of the representative's obligations.
- (2) The documents and aids referred to in subsection (1) remain as property of the principal, and the commercial representative must return them on termination of the contract, unless with regard to their nature they were used up when the representative was fulfilling his obligations.
- (3) The commercial representative is obligated to keep any documents which he acquired in connection with his activity on behalf of the principal, for as long as they may be important for the protection of the principal's interests.

Section 664

Non-exclusive Commercial Representation

Unless it follows from the contract otherwise, the principal may also authorize other persons to engage in the commercial representation which has been agreed with the commercial representative, and the commercial representative may engage in the kind of activity which he has undertaken for the principal also for other persons, or conclude commercial transactions which are the object of commercial representation on his own account or on another person's account.

Exclusive Commercial Representation

Section 665

If an exclusive commercial representation has been agreed, the principal is obligated not to use another representative for commercial transactions within the specified territorial area and in the specified scope being the object of such representation, and the commercial representative is not authorized to take on commercial representation of another party within such scope, nor to conclude commercial transactions on his own account or on another party's (person's) account.

Section 666

The principal is entitled to conclude commercial transactions on the territory to which an exclusive commercial representation contract relates, without his exclusive representative's collaboration, but he must pay him the commission on such commercial transactions as if his exclusive commercial representative had assisted him in concluding them [section 659a(2)], unless the contract provides otherwise.

Termination of Commercial Representation

Section 667

The obligation of the commercial representative terminates with the expiry of the time for which the contract was concluded. However, if the parties continue to abide by the terms of the contract, it is presumed that the validity of the contract has been extended by the period for which it was originally concluded, up to a maximum of six months. If after expiry of the additional period, the parties still continue to abide by the terms of the contract, the contract changes to that concluded for indefinite period.

Section 668

- (1) A contract is concluded for an indefinite period of time, if the contract so stipulates or if it does not contain any provisions on the length of time for which it is concluded, or unless limitation of the time ensues from the purpose of the contract.
- (2) A contract which is concluded for an indefinite period of time may be terminated by either party giving notice.
- (3) The period of notice shall be one month for the first year of contract, two months for the second year, and three months for the third year and subsequent years. The parties may not agree on shorter periods of notice.
- (4) If the contracting parties agree on longer periods of notice than those under subsection (3), the period of notice to which the principal is committed may not be shorter than that which must be complied with by the commercial representative.
- (5) The preceding subsections shall also apply to a contract for a fixed period if it was converted to a contract for indefinite period under section 667, whereby the period of notice shall also take into account the time of the contract for a fixed period before the conversion of such contract to that for indefinite period.

Section 669

Entitlement to Indemnity

(1) The commercial representative is entitled to an indemnity after termination of his contract if:

- a) the commercial representative has acquired new customers for the principal or has significantly increased the volume of business (trade) for the principal with existing customers and the principal continues to derive substantial benefits from the business (trade) with such customers; and
- b) the payment of this indemnity is equitable having regard to all the circumstances and, in particular, the commission lost by the commercial representative on business transacted with such customers; these circumstances also include the application or non-application of a restraint of trade clause in the meaning of section 672a.

(2) The amount of indemnity may not exceed the representative's commission calculated from his annual average remuneration over the preceding five years and if his contract goes back less than five years the indemnity shall be calculated on the average for the period in question.

(3) The grant of such an indemnity shall not prevent the commercial representative from seeking damages.

- a) The right to an indemnity shall also arise if termination of the contract is caused due to the commercial representative's death.
- b) The commercial representative shall lose his right (entitlement) to indemnity under subsection (1) if he fails to notify the principal of assertion of his rights within one year when the contract was terminated.
- c) The parties cannot derogate by agreement from the preceding subsections to the detriment of the commercial representative when their contract is operative.

Section 669a

(1) Entitlement to an indemnity under section 669 shall not arise where:

- a) the principal has terminated the contract on commercial representation because of default attributable to the commercial representative which would justify withdrawal from the contract;
- b) the commercial representative has terminated the contract, unless such termination is justified by circumstances attributable to the principal or on grounds of age, infirmity (disability) or illness of the commercial representative in consequence of which he cannot reasonably be required to continue his activities; or.
- c) with the agreement of the principal, the commercial representative assigns his rights and duties under the contract on commercial representation to another person.

(2) The parties may not by agreement derogate from the provisions of the preceding subsection to the detriment of the commercial representative before the contract on commercial representation expires.

Section 670

If an exclusive representation was agreed upon for a fixed period, either party may terminate the contract by the procedure specified in section 668(3), provided that in the last 12 months the volume of transactions did not reach the sum set in the representation contract, or the volume proportionate to sales on that market.

Section 671

Repealed

Section 672

- (1) If a principal who concluded an exclusive commercial representation contract uses also the services of another commercial representative, the exclusive commercial representative is entitled to withdraw from the contract.
- (2) If the commercial representative who concluded an exclusive representation contract with the principal also performs some activity which is within the scope of his exclusive contract with the principal for other parties (persons), the principal is entitled to withdraw from the contract.

Section 672a

Restraint of Trade Clause

- (1) The contract on commercial representation may include a written agreement that, during an established period, however not longer than 2 years after the termination of the contract, the commercial representative shall not execute an activity which was the object of his commercial representation within the stated geographical area either on his own account or someone else's account or some other activity which would be competitive in relation to the principal's activity.
- (2) A restraint by trade clause contrary to the provisions of subsection (1) shall not be valid.
- (3) In the case of doubt, the court may limit or nullify a restraint of trade clause which would restrict the commercial representative more than the necessary level of protection of the principal.