

LAW NO (6) FOR 2004 Regarding the Organization of Trading Agencies Works

In execution of the decisions of the basic people's congresses, in their holding sessions for the year 2003; And after having reviewed the Declaration of the People Power Raising; And the Green Document for Human Rights in the era of masses; And the law No. (20) for year 1991, related to freedom enhancement; And the law No. (1) for year 2001, related to people's congresses and people's committees; And the commercial law and its amendments; And the law No. (33) for year 1971, related to the organization of trading agencies works; And the law No. (87) for year 1975, regarding some rules concerning the trading agencies works practice.

Has formulated the following law:

Article One

In application of the rules of this law, the following denotations shall indicate the meanings in front of each thereof:

1. Trading agency:

A trading activity practiced by a person according to the rules of this law. To practice the trading agency activity necessitates a conclusion of a contract or an agreement between (Mandatory and Agent), in the which one of the activity stipulated in this law is conferred.

2. Trading agent:

It is the physical or moral person permitted to practice one or more works of the trading agency, according to the restrictions and terms stipulated in this law. The trading agent works is described often by the introduction or products, or specified services, and their import and distribution, whether directly or through distributors to be contracted with them, and offering after sale services as well as bearing the responsibility of commercial fraud or defect to be incurred on the goods or services performed in his knowledge or through him.

3. Committee

General People's Committee for Economy and Commerce.

4. Secretary

Secretary of the General People's Committee for Economy and Commerce, or his deputy.

5. Competent Department

General Administration for Companies and Trading Registrations at the Secretary of the General People's Committee for Economy and Commerce, or its representative body.

6. Mandatory

It the foreign physical or moral person who produces or supplies goods and offers the services, having a known shop, company, corporation or a factory enjoying an independent legal form.

7. Goods and services

Every product or service among those stipulated in the executive regulation of this law, bearing a recognized and registered trademark according to the law.

Article Two

It is considered among the trading agency works, the performance of the following words:

1. Trading agency.
2. Trading agreement.
3. Agency by commission.
4. Commercial representation.
5. Distributorship.
6. Middleman ship and Brokerage.

The work of the trading agency is restricted to the persons enjoying the Libyan nationality, and Libyan bodies whose capital is totally owned to Libyans.

Article Three

The permission to practice the trading agency activity is issued by the Committee for bodies or individuals among those practicing ordinarily the import and export activity or service activities as to be indicated in the executive regulation of this law. It may not practice the trading agency works unless after having obtained the said permission.

Article Four

The permission to practice the trading agency works includes the following:

- Determination of the goods or service categories permitted in the trading agency work.
- Determination of the local extent for the trading agent work inside Libya .
- Duration of the trading agency.

Article Five

The goods and services, for purposes of trading agency practice, are divided into goods and services homogeneous categories. A person is permitted to practice the activity in only one thereof not more.

The Committee may permit some moral persons to practice more than one category, in cases it sees fit or necessary for the trading agency work.

Article Six

The trading agents shall conclude official contracts or agreements with the foreign mandators, containing especially the determination of the trading agency type, duration, activity field, its extent and the financial compensation of the agent's work.

They shall refer a copy of those concluded contracts or agreements to the Competent Department immediately when proceeding the activity.

The executive regulation specifies the suitable time-limit within which the contracts and agreements copies shall be referred as well as their submission and registration.

Article Seven

The Secretary may oblige the trading agent to formulate the contract or agreement concluded between him and the foreign mandatory, in a specified form for purpose to clarify the relationship nature between both parties as well as to determine the agent's responsibility towards who are dealing with him.

A decision will be issued by the Secretary regarding the form and its application system.

Article Eight

The General People's Committee may restrict the trading agent work in some moral Libyan persons, as for some goods and services having special or strategic nature, or with huge economic revenue.

The executive regulation of this law shows the restrictions necessary to limit the practice of the trading agency works.

Article Nine

A general register to be created in the Competent Department in which the basic data of trading agents permitted to practice the activity are recorded.

The executive regulation shows the procedures of books keeping and data that must be recorded therein, as well as the imposed fees for registration and renewal.

Article Ten

It is prohibited to conclude contracts with foreigners, either they are moral or physical persons, regarding the supply of goods or services, unless they have approved trading agent according to the rules of this law.

It is excluded there from, the goods and services to be determined by the General People's Committee for Economy and Commerce.

Article Eleven

The executive regulation of this law is to be issued by the General People's Committee, upon a proposal to be made by the General People's Committee for Economy and Commerce, including the following:

1. Determination of the terms and procedures required to obtain the permission to practice the trading agency work and its renewal.
2. Determination of the goods and services categories for which permission is allowed to be granted for practicing trading agency works therein. Determination of fees necessary for registration and its renewal as well as for data recording and other procedures.
3. Determination of minimum warranty period offered for the aged goods, as well as the procedures required for maintaining the defected goods or replacing them, and the warranty certificate and data to be contained therein. Determination of rates by which the mandatory is bound to supply in a form of spare parts and equipment.
4. Determination of the maximum number of trading agencies permitted to be practiced by moral persons.

5. Cases in which the trading agency may be granted or stopped, and the body owning it.
6. Procedures and terms required for ceding or transferring the trading agency.

Article Twelve

Will be punished by imprisonment for a period not less than one year, and not exceeding three years, or by a fine not less than (LD 10000) ten thousand Libyan Dinars, or by both thereof, anyone commits an action breaching any of the rules indicated in the articles (3, 6, 10) of this law. The punishment is duplicated in case of redone, in addition to the cancellation of the permission to practice the trading agency work.

Article Thirteen

The law No. (33) for year 1971, the law No. (87) for year 1975, above mentioned, are cancelled as well as any rule contradicting the rules of this law.

Article Fourteen

This law shall come into force as of date of its issue, and shall be published in the legislations record.

Issued in Sirte, on 06/03/2004.