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### Unidroit

INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW

COMMITTEE OF GOVERNMENTAL EXPERTS ON AGENCY AND ON COMMISSION

## R E P O R T

on the works of the first session

(Rome, 29 June to 3 July 1970)



# I N D E X

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## R E P O R T

- 1. A Committee of Government Experts on Agency and on Commission on Sale and Purchase met from 29 June to 3 July 1970 under the auspices of UNIDROIT, at the seat of the Institute in Rome. Representatives of 21 States participated in the work. Two international organisations sent observers. A list of participants is to be found in Annex V of this report. The discussions were presided over by Mr. Benjamin A. WORTLEY, Q.C., Member of the Governing Council of the Institute. Mr. Tudor POPESCU assumed the of the Governing council of the Institute. Mr. Tudor POPESCU assumed the post of Vice-Chairman and Mr. Allan FARNSWORTH was appointed Rapporteur.
  - 2. The following working papers were before the Committee:
- Draft Convention providing a Uniform Law on Agency in Private Law Relations of an International Character with Explanatory Reports (U.D.P. 1961 Et. XXIV, Doc. 43);
- Draft Convention providing a Uniform Law on the Contract of Commission on the International Sale or Purchase of Goods with Explanatory Reports (U.D.P. 1961 Et. XXIV, Doc. 28);
- Analysis of the remarks of Governments on the Draft Conventions providing a Uniform Law on Agency in Private Law Relations of an International Character and on the Draft Convention providing a Uniform Law on the Contract of Commission on the International Sale or Purchase of Goods (U.D.P. 1970 Bt. XIX and XXIV, Doc. 44 and 29);
- Prospects of the Unification of the law relating to the activity of intermediaries in commercial matters (U.D.P. 1970 Et. XIX and XXIV, Doc. 45 and 30).

Professor ANTON, in an attempts to merge the two initial drafts ad advocated by the United Kingdom, submitted a document entitled "Draft Uniform Law on Agency in the International Sale or Purchase of Goods" to the Committee. Extensive use was made of this document during the session.

3. In accordance with the wishes of the Committee, no summary records of the meetings were kept. The purpose of this report is to give an account of the main trends and decisions taken by the Committee.

- 4. The Committee, taking account of the difficulties revealed in examining the observations submitted by Governments, paid special attention to the remarks made by the common law countries, which were particularly reflected in the thorough analysis submitted by the United Kingdom. It appeared that in this connexion the fundamental difficulty lay in the very distinction between agency and commission which was at the basis of the duality of the proposed drafts. The Committee, therefore, throught it appropriate, following the United Kingdom suggestion, to explore the possibilities of forming one single text from the two extent drafts while trying to define a single notion of agency and by limiting the sphere of application of the future instrument to intermediation in the sale and purchase of goods.
  - 5. In this regard the Committee decided to study the possibilities of a uniform regulation on the activities of the intermediary acting on behalf of another, it being understood that ordinary brokers would be excluded as they merely brought purchasers into contact with sellers.
  - 6. This new orientation of the work entailed a complete reformulation of the two initial draft conventions and the preparation of a certain number of new rules. It was obviously not possible, in the time allotted to the Committee, to elaborate fully a new draft uniform law. It was therefore decided to limit the discussions to a given number of items of particular importance for the orientation of future work. The Committee decided to concentrate its attention on the following questions, in order that joint solutions might be found:
  - 1. Sphere of application of the Convention with respect to the international nature of the activities envisaged.
  - 2. Results of an act carried out by the agent on behalf of the principal.
  - 3. Problem of ratification by the principal of an act carried out by an agent without authorization.
  - 4. General content of the Convention (Chapter headings).
  - 7. Items 1 and 2 were studied separately in two ad hoc working parties created within the Committee. Items 3 and 4 were dealt with in the Committee itself.

- 8. The results of the work on these four items, together with a brief commentary, appear in Annexes I to IV of this report.
- 9. In regard to future work, the Committee requested the Secretariat of UNIDROIT to prepare, in accordance with the general framework envisaged, a preliminary draft uniform law which would be revised by a limited working party towards the end of 1970. If this preliminary draft limited working party towards the end of 1970. If this preliminary draft were satisfactory, the Committee of Government Experts could meet again during the course of 1971 to examine it.

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## AHHEX I

Sphere of application of the Convention with respect to the international nature of the activities envisaged

### INTRODUCTION

- As the Committee had taken the decision of principle to merge the two drafts on agency and commission and to confine its task to relations in international sales, it was clear that one of the first points to be established was the determination of the international character of the legal relations under consideration in order to define, from this aspect, the sphere of application of the law now being studied.
- This question was dealt with in Article 2 of the initial draft on agency, and in Articles 2 and 3 of the initial draft on commission.
- After a general discussion on this matter a working party was created, composed of Mr. SANDWIK (Norway), Mr. POPESCU (Romania), Mr. EORSI (Hungary), Hr. SAMSO (Venezuela) and Mr. FARNSWORTH (United States of America).
- After receiving a report from this working party, the Committee formulated the following draft articles:

#### APPLICATION OF SPIERE THE DRAFT ARTICLES OH II.

- This law shall apply when 1.
- The principal and the third party have their places of business in (a) the territories of different States,

or

The agent and the principal have their places of business in the (b) territories of different States,

or

- The agent and the third party have their places of business in the (c) territories of different States.
- Where a party does not have a place of business, reference shall be made to his habitual residence.

### III. CONFIENTARY

- 14. This draft takes as a criterion the place of business of the three parties concerned, the agent, the principal and the third party (purchaser and seller). The Committee considered that this was the best way of organizing a clear system based on a relatively stable element which was simple to determine.
- 15. Other possibilities could have been envisaged, taking account, in particular, on the international character of the sale and the place of performance of the constituent acts of the contracts of agency and sale. The first was rejected by reason of its inherent difficulties, illustrated in particular by Article I of the Uniform Law on Sale which could clearly in particular by Article I of the Uniform Law on Sale which could clearly not be inserted into a convention on agency any more than reference could not be inserted into a convention on agency any more than reference could not be made to it. Moreover, it was clear that the international character should belong to the agency itself and not to the sale which was the object of it.
- 16. Likewise, any reference to the place of performance of the constituent acts of the contract was rejected. Indeed, such a criterion was considered inadequate for the characterization of the international element of the relations concerned.
- 17. According to the system adopted, it is sufficient if any one of the three parties (agent, principal, third party) has his place of business in a State different from that of any one of the other two, in order to provide the international element conditioning the application of the uniform law. This relatively general solution ensures a fairly extensive application of the uniform law. It was considered preferable to another application which would require the positions under (a) and (b) to be met solution which would require the positions under (a) and (b) to be met simultaneously. This was deemed too restrictive as it would have left a certain number of obvious international relations outside the sphere of application of the law.
- 18. Some members of the Committee considered that the condition stipulated in (c) was superfluous because the situation it contemplated was necessarily covered either by (a) or (b). Indeed, if the agent and the third party have their places of business in different countries:

- either the agent and the principal are in the same country, different from that of the third party, and (a) applies;
- or the principal and the third party are in the same country, different from that of the agent, and (b) applies;
- or else the three parties are in three different countries and (a) and (b) applies.
- 19. Some delegates, however, expressed doubts about this reasoning. It was stated in particular that (c) clarified the situation by setting forth the principle and that it had the advantage of clearly showing the two parties concerned (agent and third party) that the relations they established would be governed by the uniform law, without it being necessary to refer to the principal whose place of business could be unknown to the third party at the time he concluded the contract. Provision (c) was therefore retained.
- In this regard, the Committee examined the disadvantage that could subsist, due to the uncertainty as to the applicable law, when the application of the uniform law depended solely on the place of business of the principal, which might be unknown to the third party when the con-Similarly, it was possible that tractual relations were established. the principal and even the agent did not know who the third party would be or where his place of business would be when they concluded their representation agreement and therefore they could not judge as to whether the The Committee concluded that this was uniform law would apply or not. a disadvantage inherent in this subject and that the uncertainty could not Moreover, these uncertainbe completely removed in these special cases. ties already exist in the rules of private international law themselves. It was also observed that with respect to the position of the third party, the belated disclosure of the existence of a principal, even with his place of business abroad, would always give him the advantage of an additional option by offering him the choice between two debtors.
  - 21. The question of the determination of the place of business was also discussed by the Committee. In this regard it was pointed out that, in the case of a company with branches or subsidiary companies, it was necessary to take into account which of these branches or subsidiary companies was directly concerned by the particular contract. The Committee noted that UNCITRAL was examining this problem within the framework of its

study on the Convention providing a Uniform Law on the International Sale of Goods (ULIS). This matter was therefore left in abeyance for the time being and the present wording, similar to that of ULIS, was retained.

- 22. The rule stipulated in paragraph 2 of the proposed article, governing the case where a party had no place of business is similar to that appearing in ULIS Article I, paragraph 2.
- case of an agent and a principal established in the same country, concluding a contract in that country with a third party who was present but whose place of business was in another State. In this case, the uniform law would apply as it is now drafted, although the only external element would be the place of business of the third party, which an occasion might be irrelevant as, for example, when the contract was to be performed entirely irrelevant as, for example, when the contract was to be performed entirely in the country in which it was concluded. The Committee agreed that in such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such a case the substitution of municipal law for the uniform law might such as a case the substitution of law might such a case the uniform law mi



## II XEMMA

Results of the act carried out by the agent on behalf of the principal

## I. INTRODUCTION

- 24. For the purposes of a single convention the Committee decided to determine the results which, in the various cases, were to be attributed to the acts performed by one person acting on behalf of another within the field covered by the convention. Due to the lack of appropriate legal terms in French, the terms "représentant" and "représenté" were used to translate the English "agent" and "principal". It was, however, pointed translate the first was to be understood as comprising the notions of agent and commission agent, and the second as comprising the notions of principal and principal in contracts of commission (commettant).
- 25. This question was dealt with in Articles 12 and 13 of the initial draft on agency (U.D.P. 1961 Et XIX, Doc. 43); in Articles 19 and 20 of the initial draft on commission (U.D.P. 1961 Et XXIV, Doc. 28) as well as in Article 31 of the draft submitted by Hr. ANTON.
- 26. After a general discussion on this item a working party was established composed of Mr. ANTON (United Kingdom), Mr. MERZ (Switzerland), Mr. HERBER (Federal Republic of Germany) and Mr. HENRIQUEZ (Netherlands). This working party informed the Committee of the principles which it deemed should be considered and which are reproduced hereinafter under the heading should be considered and which are reproduced hereinafter under the heading should be considered and which are reproduced hereinafter under the draft "Types of Cases on Agency". The working party also submitted the draft texts of three articles which, after discussion and amendment, were finally adopted by the Committee to serve as a basis for future work.
  - 27. Types of Cases on Agency (A, being the Agent, P, the Principal, and T, the third party).
  - I. A enters into contract with T in the name of P. (A may expressly act in the name of P or it may result from the circumstances).
  - II. A enters into contract with T on behalf of PX, although he is not revealing at the moment of the conclusion of the contract his name.

    However, A and T agree on A's duty to communicate within a short timelimit PX's name.
  - III. A enters into contract with T on behalf of PX, but in his own name.

    (A's acting on PX's behalf may be declared expressly by A or result from the circumstances).

- Var. a) A and T agree that PX's identity shall not be revealed.
- A and T agree that no contractual links should be established between P and T, whether or not T will discover P's identity. Var. b)
- A enters into contract with T on behalf of PX. T is not told that A is not acting on his own behalf nor it can be argued by T from the circumstances.

In the cases sub I and II direct contractual relationships will be only established between P and T.

In the cases sub III and IV direct contractual relationships will be generally estaslished only between A and T. However certain continental legislations (Article 401 OR of Switzerland and Articles 1705-1707 C.C. of Italy), provide with reference to sales and purchased of corporeal goods for establishing to a certain extent direct links even between P and T (1).

The continental commissionnaire falls under cases II, III and IV insofar as A enters into contract with T on behalf of a Principal but not in his name. The continental legislations submit all these different cases to a specific set of rules governing the "commission-contract", Whereas according to the general rules of representation the ruling of case II differs from the ruling of cases III and IV as mentioned above (case II direct relationship P and T accepted; cases III and IV direct relationship P and T not accepted).

#### Note by Prof. Wortley (1)

Common Law countries allow P, if he wishes, to sue T and to allow him to be sucd by  $\Lambda$  if  $\Lambda$  so wishes, as soon as the existence of Phas been discovered, unless there is a contrary agreement.

The practical result of these rules is that in general P may remain unknown and therefore cannot be sued by T any more than P can bring action against T.

#### II. TEXT

The following draft articles were drawn up by the Committee.

#### Article A

- 1. When the agent carries out a sale or a purchase on behalf of the principal within the scope of his authorization, and when it is apparent that he is acting as an agent the contract shall directly bind the principal and the other contracting party, except as provided in the next following Article.
- 2. If the agent has exceeded the scope of his authorization, the contract shall not bind the principal and the third party seller or purchaser unless:
- (a) the principal has conducted himself in such a way that third parties may consider that the agent was authorized to conclude a transaction of that class; or
- (b) the authority to enter into transactions of that class may reasonably be inferred from the position the agent holds / with the consent of the principal /.
- 3. A third party may not found upon an apparent authority conferred by a principal upon an agent when he knew or ought to have known that the agent had no authority or was exceeding his actual authority.

### Article B

notwithstanding that an agent carries out a sale or purchase on behalf of a principal within the scope of his authorization and that it is apparent that he is acting as agent, the contract shall not bind the principal, but the agent and the third party only, when the agent and the third party expressly or tacitly agree that there shall be no recourse by the third party against the principal or that the name of the principal shall not be disclosed.

### Article C

1. When an agent carries out a sale or purchase on behalf of a principal but without disclosing or allowing it to be inferred that he is acting on behalf of a principal, the sale or purchase shall be binding only upon the agent and the person with whom he contracts.

### Hevertheless,

- (a) if it shall afterwards appear to the principal that the agent in concluding the contract was acting within the scope of an authorization given to him by the principal, as soon as he has satisfied his outstanding obligations to the agent, the principal may himself exercise the agent's rights and claims against a third party seller or purchaser / subject to all the defences which such third party may set up against the agent/. As soon as he has received notice that the principal intends to exercise the rights and claims of the agent against him, a third party may no longer free himself from his obligations arising out of the contract by dealing with the agent;
- (b) if it shall afterwards appear to the third party seller or purchaser that the agent did not conclude the contract on his own behalf and as principal, the third party seller or purchaser, / in case of non-fulfilment of the obligations owed to him by virtue of the contract of purchase or of sale/, may himself exercise against the principal the rights and claims arising for hisbenefit from the contract of purchase or of sale, subject to the defences that the principal may raise against the agent. As soon as he has received notice that the third party intends to exercise against him the rights and claims arising for his benefit from the contract of purchase or of sale, the principal may no longer from the contract of purchase or of sale, the principal may no longer from himself from the obligations of which execution is required of him by the third party by dealing with the agent.
- 2. In the case where a default in the execution of the obligations arising from the contract of purchase or of sale for the benefit of a third party seller or buyer shall arise from the non-fulfilment of the obligations of the principal towards the agent, the agent shall communicate to the third party the name of the principal, unless it follows from the to the third party the name of the circumstances at the time of contract of purchase or of sale or from the circumstances at the time of its conclusion that the third party seller or purchaser has waived such communication.

#### III. COMENTARY

#### Article A

- 29. In its first paragraph, Article A sets forth a general principle concerning the normal case of agency, in accordance with the meaning given to it by the draft, when it was apparent that one of the parties was acting as an agent.
- Paragraph 2 makes as exception to the creation of links between 30. the principal and the third party when the agent did not act within the limits of his authorization. Some members of the Committee observed that this opposability to the third party stemming from the lack of authorization which belonged to the relations between agent and principal would represent a new element for some continental laws. Nevertheless, the text was deemed acceptable. It should be noted that the scope of this exception is checked by the two rules appearing in (a) and (b) of this paragraph, which gave rise to a certain amount of discussion. Rule (a) corresponds to the common law notion of agency by holding out. the conduct of the principal into account, it being understood that this conduct may be characterized merely by a passive attitude, according to the circumstances. Rule (b) concerns instead the elements which are external to the conduct of the principal and which might have given the impression that full authorization existed for the performance of the act Some members of the Committee nevertheless desired that even in this case the attitude of the principal be taken into consideration and suggested the addition of a clause which, due to the lack of general agreement was placed between square brackets in order to show that views were divergent on this point.
- 31. Paragraph 3 explains the requirement for the good faith of the third party who may not act on appearances when he knows or should know them to be deceptive.

## Article B

32. Article B reserves the right for the third party and the agent to agree to exclude, either expressly or tacitly, the creation of relations between the third party and the principal. In the contract of commission as conceived under French law, for example, the disclosure of the name of the principal may often be considered as being tacitly excluded.

### Article C

- 33. Article C envisages the case where the agent (understood here as commission agent, in the meaning of continental law) presents himself to the third party as acting on his own behalf. Paragraph 1 in this case lays down as a principle, the absence of any link between the third party and the principal, subject to the two exceptions mentioned in (a) and (b) defining respectively the actions of the principal against the third party and the right of the third party against the principal, when the existence of an agency appears subsequent to the conclusion of the contract.
- (a) and (b), namely, the possibilities for direct action between the third party and the principal in the case of the belated disclosure of the latter, some members of the Committee in particular the representatives from Scandinavian countries objected and wished to have a more limited concept which would only admit such direct action in cases restricted to special situations, such as the bankruptcy of the agent, or fraud committed by the agent, or the non-performance by the third party or by the principal of these obligations. They felt apprehensive about the relatively general nature of the present wording lest the position and interests of the agent as an independent and responsible businessman might thereby be injured.

In this regard it was emphasized that the agent could make certain special commitments with respect to the principal or third parties. Such commitments should not be rendered ineffective through direct action, which would be prejudicial to the agent by lessening his role and by diminishing the confidence that may be placed in him.

- 35. Subparagraph (a) defines the conditions in which the principal may act against the third party. His right of action is subject to the performance of his obligations with respect to the agent, in order to protect the interests of the latter. The clause in square brackets was left pending because of the doubts expressed as to its usefulness; it was remarked that since these are "the agent's rights and claims against a third party" which are being exercised by the principal, they are implicitly reduced by the exceptions and defences of the third party against the agent.
- 36. Subparagraph (b) deals with the rights of the third party against the principal when the existence of the latter is revealed following the conclusion of the contract. The condition in square brackets

(subordination of the right of direct action to the non-fulfilment of the obligations owed to the third party) gave rise to varied comments. Some members were concerned about the restrictions that it would place on the rights of the third party. Others, more particularly the representatives from Scandinavian countries who wished to further limit the possibilities of direct action, considered it necessary to subordinate this to the case of the non-fulfilment by the principal of the obligations incumbent upon him. Finally, others remarked that this provision appeared unnecessary as no action could be exercised by the third party if the obligations owed to him had been fulfilled. In reply to this, it was stated that there might be a need for this provision for the regulation of outstanding obligations in the case they have not been fully carried out.

- Article 20 of the initial draft on commission. It might be necessary to amend the final provision concerning the waiving of the communication of the name of the principal to the third party. Article C would cover only the case where the existence of an agency was not known to the third party at the time of the conclusion of the contract. Its object is to permit the third party to proceed against the principal if the obligations assumed by him or for him have not been fully carried out.
- 38. Two members of the Committee, Mr. CIPROTTI (Vatican City) and Mr. HENRIQUEZ (Metherlands) were kind enough to submit other drafts on these matters, which were distributed as working papers 3 and 10.

## ANNEX III

Problem of Ratification by the Principal of an Act carried out by an Agent without Authorization

## I. INTRODUCTION

39. The Committee considered the question of ratification and took Article 15 of the initial draft on agency as a basis for its discussions. Without reaching a complete and final text on this point, the Committee nevertheless did elaborate the following draft articles.

### II. TEXT

- 40. 1. An act carried out on behalf of another by a person acting without authorization or having exceeded the limits of his authorization shall, if ratified by the person in whose behalf it has been carried out, produce the same effects as if it had been carried out under authorization.
- 2. Ratification is effective notwithstanding that the act itself could not have been effectively carried out at the time of ratification /unless it affects any rights acquired by a bona fide third party/.
- 3. If the act has been carried out on behalf of a corporation before its creation, ratification shall only be made effective if allowed by the law of the country governing its creation.
- 4. Ratification must comply with requirements as to the authorization laid down by article () above.
- 5. The third party and the person with whom he has contracted as agent can agree to rescind the contract before it is brought to the notice of the person from whom ratification should have been sought.
- 6. The third party shall have the right to fix a reasonable time for ratification by the principal.
  - 7. The third party may refuse to accept a partial ratification
  - 8. Ratification cannot be revoked.
- 9. The option to ratify passes to the personal representatives of the principal.

### III. COMMENTARY

- 41. The first paragraph states in general terms the effect of ratification. It should be emphasized that ratification does not necessarily imply the validity of the act: the text merely states that the ratified act shall produce the same effects as if it had been carried out under authorization. In respect of its possible effects the act is therefore subject to all the other conditions of the Convention, in particular those dealt with above in Annex II. The act performed by an agent exceeding the limits of his authorization is subject to the same rules as the act carried out without authorization.
- 42. A long discussion was held on paragraph 2. The initial wording of the draft convention on agency set forth as a principle:
  "Ratification shall only be valid if the act can still be validly carried out at the time ratification takes place". A counter principle was introduced following a proposal made by Mrs. RAMOFF (France).
  Unanimous agreement, however, was not reached and some members of the Committee stated that they were in favour of the original formula.
  The clause in square brackets, concerning the reservation of the rights acquired by bona fide third parties, was left pending due to the wish empressed by some members to introduce a general provision into the draft which would make an exception in all cases of the rights acquired by bona fide third parties. A proposal to morge paragraphs 2 and 5 is mentioned hereinafter (paragraph 45).
- 43. Paragraph 3 appeared in Article 15 of the draft on Agency. A proposal to generalise the terms of this article and to extend the scope of it to cover any person (and not merely corporations) was not adopted by the Committee.
- 44. Paragraph 4, taken from the original draft, refers to the article governing the form in which authorization must be given.
- 45. Paragraph 5 was the subject of a discussion which did not lead to an agreement. Some members proposed that in this specific case, third parties should be given a unilateral right of withdrawal thus freeing them from any obligation. Others contended that paragraph 5 did not add anything as the parties were always free to agree to undo what they had done.

- 46. Two texts to replace paragraph 5 in square brackets were submitted but due to the lack of time, the Committee was not able to examine them fully so as to come to a final decision.
  - a) Joint proposal submitted by Mr. CIPROTTI (Vatican City) and Mr. AJDARI (Iran)
- "5. The third party and the person with whom he has contracted as agent may not agree to withdraw from the contract after the contract has been brought to the notice of the person from whom ratification is sought.

The third party may revoke his consent by notice sent to the principal or the agent, if, at the time of the conclusion of the sale, he was unaware of the lack of authorization or if he did not know that the person with whom he was entering into contract was acting on behalf of another. The revocation shall not be valid if he has meanwhile consented that the contract be brought to the knowledge of the principal (for ratification); and it shall have no effect if it reaches the addressee when the sale has already been performed (or concluded, or finalised) by ratification.

b) Proposal submitted by Mr. HENRIQUEZ (Netherlands) who wished to replace paragraphs 2 and 5 by the following provisions:

"Ratification shall have no effect if, at the time of its performance, the act can no longer be validly carried out or if the third party has stated that he considers this act as void due to the absence of authorization.

The rights granted to other persons by the principal before the ratification of the act shall be upheld."

47. Paragraphs 6, 7, 8 and 9 were taken without change from Article 15 of the initial draft on agency.

## ANNEX IV

General Content of the Convention

(Chapter Headings)

48. In order to establish a framework for its future work, the Committee formulated the titles of the different chapters of the Convention, taking the composition of the two initial drafts on agency and commission as a basis for its discussion.

Title: DRAFT UNIFORM LAW ON AGENCY OF AN INTERNATIONAL CHARACTER IN THE SALE AND PURCHASE OF GOODS

Chapter I - Sphere of Application and Definitions

Chapter II - Establishment of Agency

Chapter III - Relations between the Principal and the Agent

Chapter IV - Results of an Act carried out by the Agent on behalf of the Principal

Chapter V - Relations between the Principal and the Creditors of the Agent

Chapter VI - End of Agency

Chapter VII - Successive Agents

- A suggestion to include in it certain provisions linked to the question of exclusive agency and unfair conpetition was not accepted. Some members of the Committee on the contrary suggested the deletion of Chapter III and stated that the internal relations between the principal and the agent should not be dealt with in the uniform law. It was finally decided to include only some rules of a very general nature in this chapter. It was also suggested that this chapter should contain a provision on the substitution of an agent by another.
- 50. Chapter IV will contain principally the provisions laid down in Annex II of this report (Results of the act carried out by the agent on behalf of the principal). It was also suggested to include the provisions mentioned in Annex III (Ratification) in this chapter.
- 51. The Committee discerned certain difficulties and ambiguities with regard to Chapter VII. Some uncertainty might be revealed as regards its content. It was, however, to retain this chapter in order that the questions to which it might give rise could be examined at a later stage.

### ANNEX V

List of Participants

Président du Comité:

M. Benjamin Atkinson MORTLEY, Q.C. Doyen de la Faculté de droit de l'Université de Manchester, Membre du Conseil de Direction de l'UNIDROIT.

ALLEMAGNE (République Fédérale) - M. Rolf HERBER, Conseiller au Ministère fédéral de la Justice - Bonn.

AUTRICHE

- M. Alfred DUCHEK, Secrétaire au Ministère fédéral de la Justice - Vienne.

BELGIQUE

- Mme Anne-Marie DELVAUX, Conseiller Juridique adjoint, Ministère de la Justice -Bruxelles.

CITE DU VATICAN

- M. Pio CIPROTTI, Professeur de droit privé comparé à l'"Università Pontificia Lateranense".

DANIMARK

- M. Owe PERCH-NIELSEN, Head of Department, Ministry of Justice; Copenhagen.

**ESPAGNE** 

- M. Luis DIEZ-PICAZO y PONCE DE LEON, Professeur de droit civil à l'Université de Valencia.

ETATS-UNIS D'AMERIQUE

- M. Allan FARNSWORTH, Professor of Law, Columbia Law School.

FINLANDE

- M. Kaarlo TELARANTA, Professeur, Helsinki.

FRANCI

- Mme Françoise RAMOFF, Magistrat à la Direction des Affaires Civiles et du Sceau, Ministère de la Justice, Paris.

HONGRIE

- M. Gyula EORSI, Professeur à l'Université de Budapest.

IRAN

- M. Ahmad AJDARI, Chargé d'Affaires à l'Ambassade d'Iran à Rome.

ITALIE

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