

Federal Law No (13) of 2006
Amending Some Provisions of Federal Law No. (18) of 1981
Organizing Commercial Agencies

Khalifa Bin Zayed Al Nahyan

President of the United Arab Emirates

Federal Law No (13) of 2006

Amending Some Provisions of Federal Law No. (18) of 1981

Organizing Commercial Agencies

We, Khalifa Bin Zayed Al Nahyan, President of the United Arab Emirates,

After perusal of the constitution; and

Federal Law No. (1) of 1972 concerning the Jurisdictions of Ministries and the Powers of Ministers as amended; and

Federal Law No. (18) of 1981 Organizing Commercial Agencies as amended; and

Commercial Transactions Law promulgated by Federal Law No. (18) of 1993; and

Acting on the submissions made by the Minister of Economy, the approval of the Council of Ministers and the ratification of the Federal Supreme Council,

Have promulgated the following law:

Article 1

The texts of Articles (8), (9) and (23) of Federal Law No. (18) of 1981 referred to shall be replaced by the following texts:

A principal shall rescind an agency agreement only upon justification. It is not permissible to re-enter the agency in the Commercial Agents' Register in another

agent's name except after its validity has expired without renewal on the consent of both parties, or after a final court verdict striking it off is issued.

A commercial agency of a limited term shall expire on the date of its expiry unless its parties agree to extend the same within a year before such expiry.

Article (9)

If the termination of the agency causes damage to either of its parties, the injured may claim compensation for the damage it has suffered.

Article (23)

No person may import any commodities, products, manufactured goods, materials or any other merchandise covered by any commercial agency registered with the Ministry in another person's name for the purpose of trading through another channel than the agent. The Customs Department shall release such imports so procured only with the consent of the Ministry or the agent. Within their respective sphere of competence, the Customs Departments and Competent Authorities shall at the agent's request through the Ministry detain such imports and deposit them in the port warehouses or those of the importer till the dispute is determined, with the exception of the materials for which a decision is issued by the Council of Ministers to be liberalized for trading. The Ministry shall delete the commercial agencies related to such materials from the Commercial Agencies Register.

Article Two

Articles (27) and (28) of Federal Law No. (18) of 1981 shall be repealed.

Article Three

Any provision contrary or contradictory to the provisions hereof shall be repealed.

Article Four

This law shall be published in the official gazette and applied from the date of publication.

Signed

Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates

Issued by us at the Presidential Palace, Abu Dhabi

On : 7/5/1427 A.H.

Corresponding to : A.D. 3/6/2006

**Ratification by the Federal Supreme Council
of Federal Law No (13) of 2006
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Organizing Commercial Agencies**

Signed

Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates, Ruler of
Abu Dhabi

Signed

Mohammed Bin Rashid Al Maktoum
Vice President of the State, Prime Minister, Ruler of
Dubai

Signed

Sultan Bin Mohamed AL Qasimi
Member of the Federal Supreme Council, Ruler of
Sharjah

Signed

For / Saqr Bin Mohamed AL Qasimi
Member of the Federal Supreme Council, Ruler of
Ras AL Khaima

Signed

Hameed Bin Rashid AL Naimi
Member of the Federal Supreme
Council, Ruler of Ajman

Signed

Rashid Bin Ahmed AL Moala
Member of the Federal Supreme
Council, Ruler of Um AL
Quwain

Signed

Hamad Bin Mohamed AL
Sharqi
Member of the Federal Supreme
Council, Ruler of Fujairah