

Q&A DOCUMENT | 4 October 2021

Q&A on Agency Agreements

Part 1: Introduction

Council Directive 86/653 (EEC) on the coordination of the laws of the Member States relating to self-employed commercial agents (the “Directive”) harmonizes the laws, regulations and administrative provisions of Member States governing the relations between the parties to commercial agency agreements.

As the Directive constitutes a minimum harmonization, the Member States are free to set higher standards applicable to agency agreements. In addition, on various aspects the Directive leaves room for further elaboration in national law.

In order to facilitate the use of this Q&A, for each relevant issue the position under the Directive is compared with the position under the relevant implementing rules of Finnish law (“Finnish Agency Law”). The starting point is always the minimum harmonisation reflected in the Directive. The Q&A then aims to identify any deviations or additions from the regime reflected in the Directive.

Part 2: Legislative framework

Q1. Which rules constitute the transposition of the Directive into Finnish Agency Law (a)? Where available, please also include a link to the official publication of the applicable rules (e.g., relevant link to the Official Gazette) (b) and to the English translation of the regulatory framework (c).

a. Legislative framework:

Act on Commercial Representatives and Salesmen (*Laki kauppaedustajista ja myyntimiehistä*) (417/92) 08/05/1992 (“the Act”)

As a general rule, the parties may agree on the content of an agency agreement. However, several provisions of the Act are mandatory, as explained below under each topic.

b. Link(s) to official publication:

The Finnish official publication is available via [this link](#).

The Swedish official publication is available via [this link](#).

c. Link(s) to English translation:

Not available.

Part 3: Scope

Q2. The Directive (Art. 1(2)) defines a commercial agent as a self-employed intermediary who has continuing authority to negotiate the sale or the purchase of goods on behalf of another party (the “principal”), or to negotiate and conclude such transactions on behalf of and in the name of that principal. Is the definition in the Finnish Agency Law the same?

Yes. See, Art. 1 Act.

Q3. Do other intermediaries fall within the scope of the Finnish Agency Law?

Yes.

Salesmen fall within the scope (Art. 41 Act). A salesman is an employee who under an agency agreement concluded with the employer has undertaken, on behalf of the employer, to promote the sale of goods in the same manner as a commercial agent by travelling from place to place or by visiting clients at the place where the business of the employer is located. Salesmen do not carry the goods to be sold with them (Art. 39 Act). It is worth noting that only some articles of the Act apply to salesmen (Art. 2-4, 7, paragraphs 1-4 of 8, Art. 32-43, 44 and 45 Act).

Q4. The Directive (Art. 2(2)) entitles the Member States to exclude from the scope of application parties whose activities as commercial agents are considered secondary in nature. Has Finland made use of this possibility?

No.

Part 4: Contractual phase

A. Form of agency agreements

Q5. The Directive (Art. 13) provides that, as a minimum, each party shall be entitled to receive from the other on request a signed written document setting out the terms of the agency agreement including any terms subsequently agreed. Does the Finnish Agency Law provide for such obligation?

Yes. However, the Act does not expressly stipulate that the written agreement must be signed by the parties.

Q6. Are there any (other) requirements under the Finnish Agency Law as to the form of the agency agreement in order for it to be valid and enforceable?

No.

B. Content of agency agreements

B.1 - RIGHTS AND OBLIGATIONS OF PRINCIPAL AND COMMERCIAL AGENT

Q7. The Directive (Art. 3) provides that a commercial agent has the following minimum obligations:

- to look after his principal's interests and to act dutifully and in good faith;
- to make proper efforts to negotiate and, where appropriate, conclude the transactions he is instructed to take care of;
- to communicate to his principal all the necessary information available to him;
- to comply with reasonable instructions.

Are these minimum obligations provided for in the Finnish Agency Law?

Yes. One exception applies: the Act does not address the obligation to make proper efforts to negotiate and, where appropriate, conclude the transactions he is instructed to take care of (Art. 5 Act).

Q8. Does the Finnish Agency Law explicitly impose any other obligations on the commercial agent that go beyond the aforesaid minimum?

Yes. The commercial agent shall inform his/her principal of any offers which the principal might accept as well as of the contracts that he/she has concluded in the name of the principal (Art. 5, paragraph 2 Act). In addition, the commercial agent shall not during the period of validity of the agency agreement and after its termination make use of or disclose to third parties business secrets or professional secrets of the principal which have been entrusted to him/her or which he/she otherwise has obtained if by doing so, he/she were to be acting in violation of good business practice. Also, when the collection of payments has been entrusted to the commercial agent, he shall keep the funds he/she has received apart from other funds (Art. 7 Act).

9. Does the Finnish Agency Law provide that a commercial agent may appoint sub-agents?

No.

Q10. The Directive (Art. 4) provides that a principal has the following minimum obligations:

- to act dutifully and in good faith;
- to provide his commercial agent with the necessary documentation relating to the goods concerned;
- to obtain the information necessary for the performance of the agency agreement;
- to notify the commercial agent within a reasonable period once he anticipates that the volume of commercial transactions will be significantly lower than that which the commercial agent could normally have expected;
- to inform the commercial agent within a reasonable period of his acceptance, refusal, and of any non-

execution of a commercial transaction which the commercial agent has procured for the principal.

Are these minimum obligations provided for in the Finnish Agency Law?

Yes. See, Art. 8 Act..

Q11. Does the Finnish Agency Law explicitly impose any other obligations on the principal that go beyond the aforesaid minimum?

No.

B.2 - LEVEL AND CALCULATION BASIS OF REMUNERATION

Q12. Are there mandatory rules under the Finnish Agency Law that limit the freedom of the parties to fix the level of the remuneration of the commercial agent?

No.

Q13. The Directive (Art. 6(1)) provides that, in the absence of an agreement on the level of the remuneration, the commercial agent is entitled to the remuneration that is customarily allowed in the place where he carries on his activities and, in the absence of such customary practice, to a reasonable remuneration taking into account all the aspects of the transaction. Do these principles also represent the default regime under the Finnish Agency Law?

Yes. See, Art. 15, paragraph 1 Act.

Q14. The Directive (Art. 6(2)) provides that any part of the remuneration which varies with the number or value of business transactions shall be deemed to be commission. Does this principle also represent the regime under the Finnish Agency Law?

Yes. The Act does not include an exact corresponding definition for commission but it has been addressed in Art. 10-15.

Q15. Does the Finnish Agency Law impose any criteria with regard to the type of the agent's remuneration (i.e. fixed amount or commission)?

Yes. The Act allows that the agent's remuneration is e.g. fixed or percentage-based (Art. 10-15 Act address remuneration).

Q16. Does the Finnish Agency Law impose any criteria with regard to the calculation of the agent's remuneration?

Yes.

The commission shall be calculated from the purchase price payable by the buyer. Any cash discount shall, however, not be deducted from the purchase price, nor shall freight, packaging, customs duty, insurance premium, tax or other such additional cost be deducted, unless this cost has been separately itemized in the invoice sent to the buyer (Art. 15, paragraph 2 Act).

B.3 - REMUNERATION BY MEANS OF A COMMISSION (DURING)

Q17. According to the Directive (Art. 7(1)) a commercial agent is entitled to a commission during the period covered by the agency agreement:

- where the transaction has been concluded as a result of his action; or
- where the transaction is concluded with a third party whom he has previously acquired as a customer for transactions of the same kind.

Are both cases reflected in the Finnish Agency Law?

Yes. See, Art. 10 Act.

Q18. The Directive (Art. 7(2)) provides for an additional case of entitlement to a commission and has left it to the Member States to choose between two options:

- Option 1: the transaction is entered into with a customer belonging to a specific geographic area or group of customers entrusted to the commercial agent; or
- Option 2: the transaction is entered into with a customer belonging to a specific geographical area or group of customers in respect of which the commercial agent enjoys exclusive rights.

Which option has been retained in the Finnish Agency Law?

Option 1. See, Art. 10 Act.

B.4 - REMUNERATION BY MEANS OF COMMISSION (AFTER TERMINATION)

Q19. According to the Directive (Art. 8) a commercial agent is entitled to a commission after the agency agreement has terminated if:

- the transaction is mainly attributable to the commercial agent's efforts during the period covered by the agency agreement and if the transaction was entered into within a reasonable period after that agreement terminated; or
- the order of the third party reached the principal or the commercial agent before the agency terminated and the conditions applicable to entitlement during the term of the agency are met.

Are both cases reflected in the Finnish Agency Law?

Yes. See, Art. 11, paragraph 1 Act.

Q20. Are there any additional cases provided for in the Finnish Agency Law?

No.

Q21. According to the Directive (Art. 9) a commercial agent is not entitled to the commission, if that commission is payable, to the previous commercial agent, unless it is equitable because of the circumstances for the commission to be shared between the commercial agents. Do these principles also represent the regime under the Finnish Agency Law?

Yes. See, Art. 11, paragraph 2 Act.

Q22. According to the Directive (Art. 10(1)) the commission shall become due as soon as and to the extent that one of the following circumstances obtains:

- the principal has executed the transaction; or
- the principal should, according to his agreement with the third party, have executed the transaction; or
- the third party has executed the transaction.

Are these circumstances reflected in the Finnish Agency Law?

Yes. See, Art. 12, paragraph 1 Act.

Q23. Are there any additional circumstances provided for in the Finnish Agency Law?

No.

Q24. The Directive (Art. 10(2)) provides that the commission shall be due at the latest when the third party has executed his part of the transaction or should have done so if the principal had executed his part of the transaction, as he should have. Does the Finnish Agency Law apply the same deadline?

Yes. See, Art. 12, paragraph 2 Act.

Q25. The Directive (Art. 10(3)) provides that the commission needs to be paid no later than on the last day of the month following the quarter in which it became due. Does the Finnish Agency Law apply the same deadline?

Yes.

According to the main rule, a commission shall be paid to the commercial agent within one month of the end of the calendar month during which the commission became due.

However, if the parties have agreed on a payment schedule deviating from the main rule, a contract term under which the commission shall be paid to the commercial agent later than within one month of the end of the calendar quarter during which the commission became due, shall not be binding on the commercial agent (Art. 14 Act).

Q26. The Directive (Art. 10(4)) stipulates that parties cannot by agreement derogate from the principles included in Art. 10(2) and 10(3) to the detriment of the commercial agent. Does the Finnish Agency Law impose the same restriction on the parties?

Yes. See, Art. 12, paragraph 2 and Art. 14, paragraph 2 Act.

Q27. According to the Directive (Art. 11(1)) the right to commission can be extinguished only if and to the extent that:

- it is established that the agreement between the third party and the principal will not be executed; and
- that fact is due to a reason for which the principal is not to blame.

Does the Finnish Agency Law impose these cumulative conditions?

Yes. See, Art. 13, paragraph 2 Act.

It is worth noting that if the third party fulfils his performance obligation in part only, the commercial representative shall be entitled to a commission only to the extent that the performance obligation is fulfilled unless otherwise provided in paragraphs 1 or 2 of Art. 13 Act.

Q28. Does the Finnish Agency Law allow for other cases where the agent's entitlement to commission is extinguished?

No.

Q29. According to the Directive (Art. 11(2)) any commission which the commercial agent has already received must be refunded in case the right to it is extinguished. Does the Finnish Agency Law also provide for such an obligation of restitution?

Yes. See, Art. 14, paragraph 1 Act..

Q30. The Directive (Art. 12(1)) provides that the principal must supply his commercial agent with a statement of the commission due. This statement must be supplied no later than the last day of the month following the quarter in which the commission has become due, and shall set out the main components used in calculating the amount of the commission. Do these principles also represent the default regime under the Finnish Agency Law?

Yes. In general, the commercial agent shall be entitled to receive a monthly statement on the transactions that entitle the commercial agent to the commission (Art. 19 Act).

Q31. Does the Finnish Agency Law impose that the parties cannot by agreement derogate from the principles included in Art. 12(1) of the Directive to the detriment of the commercial agent?

Yes. However, instead of following the general rule of the Act regarding monthly statements, the parties may agree that the commission statement is to be issued to the commercial agent within one month of the end of the calendar quarter during which the commission became due, i.e. follow the Directive's approach (Art. 19, paragraph 4 Act).

Q32. Does the Finnish Agency Law impose any additional requirements with regard to the statement of the

commission due?

Yes. Should circumstances appearing after issuing the commission statement indicate that the commercial agent has, in full or in part, forfeited his/her right to a commission for a transaction listed in the statement, the principal may credit himself/herself with the said commission in a later statement (Art. 19, paragraph 3 Act).

Q33. The Directive (Art. 12(2)) entitles the commercial agent to demand to be provided with all the information, and in particular an extract from the books, which he needs to check the amount of the commission due to him. Does the Finnish Agency Law grant the commercial agent the same right?

Yes. See, Art. 20, paragraph 1 Act..

Q34. Does the Finnish Agency Law broaden this right to information of the commercial agent?

Yes.

Should the principal refuse to give the information to the commercial agent or should there be justified reasons to suspect that the statement or the information given is incomplete or false, an auditor named by the commercial agent shall have a right to audit the books of the principal to the extent necessary to ascertain the right of the commercial agent to a commission. A contract term that would restrict the commercial agent's right to information shall be null and void (Art. 20, paragraph 2 Act).

Furthermore, should the collection of a receivable of the commercial agent based on the representation relationship otherwise be jeopardized, the commercial agent shall be entitled to retain possession of any documents, samples, models and goods to which he/she has acquired possession because of his/her duty as well as anything that he/she has collected from a third party under authorization of the principal, until the principal has paid the receivable of the commercial agent or given a security for its payment (Art. 21 Act).

Q35. Does the Finnish Agency Law impose any criteria with regard to the calculation of the commission?

Yes. See, Q16 .

Q36. Do specific rules and/or restrictions apply to:

- non-solicitation clauses;
- minimum sales quota;
- specific sectors?

No.

B.5 - NON-COMPETE CLAUSE

Q37. The Directive (Art. 20(2)) provides that a non-compete clause shall only be valid if and to the extent that:

- it is concluded in writing; and
- it relates to the geographical area or the group of customers and the geographical area entrusted to the commercial agent and to the kind of goods covered by the agency agreement.

Does the Finnish Agency Law impose these cumulative criteria?

Yes. See, Art. 31, paragraph 1 Act.

Q38. Does the Finnish Agency Law impose any additional criteria in order for a non-compete clause to be valid?

No.

Q39. The Directive (Art. 20(3)) provides that a non-compete clause shall be valid for not more than 2 years after termination of the agency agreement. Does the same maximum period apply under the Finnish Agency Law?

Yes. See, Art. 31, paragraph 2 Act.

Q40. The Directive (Art. 20(4)) provides that national law may impose other restrictions:

- on the validity or enforceability of non-compete clauses, or
- which enable the courts to reduce the obligations on the principal or the commercial agent.

Does the Finnish Agency Law impose any such restrictions?

No.

Q41. Does the Finnish Agency Law provide any criteria with regard to the calculation method of the indemnification in case of a violation of the non-compete clause?

No.

B.6 - LIABILITY

Q42. Under the Finnish Agency Law, can the parties agree that the commercial agent shall be liable (in whole or in part) for the breach of third party-customers with whom he/she has negotiated and/or concluded an agreement on behalf of the principal, by including a so-called del credere clause?

Yes. See, Art. 17, paragraph 1 Act.

Q43. If yes, are such clauses subject to certain rules and/or restrictions?

Yes. Such undertaking must be made in writing to be valid. The undertaking may relate only to a particular transaction or to transactions concluded with a particular third party. The commercial agent shall be entitled to a reasonable remuneration for such undertaking (Art. 17 Act).

Q44. Are there liability-related clauses that must be mandatorily included in agency agreements?

No.

C. Term and termination

C.1 - TERM

Q45. According to the Directive (Art. 14) an agency agreement for a fixed period which continues to be performed by both parties after that period has expired shall be deemed to be converted into an agency agreement for an indefinite period. Does this principle also represent the default regime under the Finnish Agency Law?

Yes. See, Art. 22, paragraph 2 Act.

Q46. Does the Finnish Agency Law contain particular rules and/or restrictions in relation to the term (incl. renewal) of agency agreements?

No.

C.2 - TERMINATION BY NOTICE

Q47. According to the Directive (Art. 15(1)) an agency agreement that is concluded for an indefinite period may by either party be terminated by notice. Does this principle also represent the regime under the Finnish Agency Law?

Yes. See, Art. 23, paragraph 1 Act.

Q48. According to the Directive (Art. 15(2)) the notice period is 1 month for the first year, 2 months for the second year commenced, and 3 months for the third year commenced and subsequent years. Do these notice periods also represent the regime under the Finnish Agency Law?

No.

Finland follows the approach of Article 15(3) of the Directive. Thus, if notice is given during the first year of the agency agreement, the notice period is one month.

Thereafter, the notice period is extended by one month for each beginning year of contract. However, the maximum notice period is in any case six months (Art. 23, paragraph 1 Act).

The parties cannot in advance agree on shorter notice periods. However, the parties may agree that the notice period to be observed by the commercial agent is three months even if the agency agreement has been in force for more than three years (Art. 23, paragraph 2 Act).

Q49. According to the Directive (Art. 15(3)) the notice period for the fourth, fifth and sixth year and subsequent years may be respectively 4, 5 and 6 months. Do these notice periods also represent the regime under the Finnish Agency Law?

Yes. See, Art. 23, paragraph 1 Act.

Q50. If yes, can the parties agree to a shorter notice period?

No. However, the parties may agree that the notice period to be observed by the commercial agent is only three months even if the agency agreement has been in force for more than three years. See, Art. 23, paragraph 2 Act.

Q51. According to the Finnish Agency Law, if no notice period has been agreed, is there a notice period that always applies irrespective of the duration of the agency agreement?

No.

Q52. According to the Directive (Art. 15(4)), if a principal and commercial agent agree on longer notice periods than those laid down in Art. 15(2) and (3) of the Directive, the notice period to be respected by the principal must not be shorter than that to be observed by the commercial agent. Does the same default regime apply under the Finnish Agency Law?

Yes. See, Art. 23, paragraph 3 Act.

Q53. According to the Directive (Art. 15(5)), unless otherwise agreed by the parties, the end of the notice period must coincide with the end of a calendar month. Does the same default regime apply under the Finnish Agency Law?

Yes. See, Art. 23, paragraph 4 Act.

Q54. Does the Finnish Agency Law provide how the termination notice must be notified to the other party?

No.

Q55. According to the Directive (Art. 15(6)), the answers to questions 47 to 53 also apply to agency agreements having a fixed term if they are converted to agency agreements having an indefinite term due to the continuation of the agreement beyond the fixed term, provided that the earlier fixed period must be taken into account in the calculation of the notice period. Does the same default regime apply to agency agreements having a fixed term under the Finnish Agency Law?

Yes. Even if not expressly stated in the Act, this interpretation is confirmed in the reasoning of the Government's proposal for the Act.

C.3 - TERMINATION FOR CAUSE

Q56. According to the Directive (Art. 16) an agency agreement may immediately be terminated:

- because of the failure of one party to carry out all or part of his obligations; or
- where exceptional circumstances arise.

Are both termination grounds reflected in the Finnish Agency Law?

Yes. See, Art. 25 Act.

Q57. Are there additional termination grounds provided in the Finnish Agency Law?

Yes. See, Art. 25, paragraph 2 Act.

An agency agreement may be cancelled without following the notice period when upon the conclusion of the agency contract, (i) the other party has deceived the party in an essential issue (i.e. by giving false information or not telling relevant information that would have affected the party's willingness to conclude the agreement); (ii) the other party refuses to agree to the demand of the party to conclude the agreement in writing; (iii) the other party is guilty of action by which he/she has severely violated the interests of the party (e.g. by giving false information to a third party on the business of the other party) or which otherwise results in a justified loss of his/her trust in the other party (e.g. if the commercial agent has acted also for the benefit of the principal's competitor).

Q58. Does the Finnish Agency Law provide that the parties may not derogate from the regime on termination for cause to the detriment of the commercial agent before the agency agreement is terminated?

Yes. The Act safeguards the right to terminate for cause for both parties (Art. 25 Act).

Q59. Is it possible to terminate the agency agreement based on certain grounds for termination (breach or other) included in the agency agreement?

Yes. The Finnish legal system is based on the principle of freedom of contract under which the parties are free to, e.g., determine the content of the agreement to the extent that it does not breach the provisions of mandatory laws.

Q60. If yes, is prior judicial intervention required in order for the termination of the agreement to take effect?

No.

Q61. Are there any other particular rules and/or restrictions as regards the termination of the agency agreement (e.g. trial period, etc.)?

Yes. A party may terminate the agreement early, provided it compensates the other party for any damage resulting from the premature termination (Art. 26 Act).

C.4 - INDEMNIFICATION

Q62. The Directive (Art. 17(2)(a)) provides that the commercial agent is entitled to an indemnification if and to the extent that he has brought the principal new customers or has significantly increased the volume of business with existing customers and the principal continues to derive substantial benefits from the business with such customers. Does the Finnish Agency Law provide for this criterion?

Yes. See, Art. 28, paragraph 1 Act.

Q63. The Directive (Art. 17(2)(a)) also provides that the commercial agent is entitled to an indemnification if and to the extent that the payment of this indemnification is equitable having regard to all circumstances and, in particular, the commission lost by the commercial agent on the business transacted with such customers. Does the Finnish Agency Law provide for this criterion?

Yes. See, Art. 28, paragraph 1 Act.

Q64. Is under the Finnish Agency Law the application of a non-compete clause a circumstance on the basis of which the commercial agent is presumed to be entitled to an indemnification (cfr. Art. 17(2)(a), second indent of the Directive)?

No.

Q65. Other than the criteria set forth in Art. 17(2)(a) of the Directive, are there any specific rules or precedents derived from the Finnish case law on the basis of which the indemnification is calculated?

No.

Q66. The Directive (Art. 17(2)(b)) provides that the amount of the indemnification may not exceed a figure equivalent to an indemnification for 1 year calculated from the commercial agent's average annual remuneration over the preceding 5 years, and if the agreement goes back less than 5 years the indemnification shall be calculated on the average for the period in question. Does the same regime apply under the Finnish Agency Law?

Yes. See, Art. 28, paragraph 2 Act.

Q67. According to the Directive (Art. 18), indemnification or compensation for damage is not payable where

- the principal has terminated the agency agreement because of default attributable to the commercial agent which would justify immediate termination of the agency agreement;
- the commercial agent has terminated the agency agreement, unless such termination is justified by circumstances attributable to the principal or on grounds of age, infirmity or illness of the commercial agent in consequence of which he/she cannot reasonably be required to continue his/her activities; and/or
- with the agreement of the principal, the commercial agent assigns his rights and obligations under the agency agreement to another parties.

Do these principles also represent the default regime under the Finnish Agency Law?

Yes. However, the commercial agent is entitled to an indemnity when he/she terminated or cancelled the agreement if the termination or cancellation was justified under circumstances attributable to the principal or if the commercial agent could not reasonably be required to continue his/her activities because of age, infirmity or illness (Art. 29, paragraph 1 Act).

Q68. According to the Directive (Art. 17(5)), a commercial agent may lose his/her entitlement to the indemnification or compensation for damage if within 1 year following termination of the agency agreement he/she has not notified the principal of his/her intention to pursue the entitlement. Does this principle also represent the default regime under the Finnish Agency Law?

Yes. See, Art. 29, paragraph 3 Act.

C.5 - ADDITIONAL COMPENSATION

Q69. The Directive (Art. 17(2)(c)) provides that the commercial agent, in addition to the indemnification, is entitled to seek damages for breach of agreement, failing to respect the notice period, etc. Does the same regime apply under the Finnish Agency Law?

Yes. See, Art. 28, paragraph 4 Act.

Q70. If yes, do specific rules and/or restrictions apply to the damage that can be compensated in addition to the indemnification under Art. 17(2) of the Directive?

Yes. The party that intends to claim compensation shall, after learning about the basis for claiming damages, without undue delay inform the other party of his/her intention. Failure to do so shall result in forfeiture of the right to compensation except where the other party has acted in bad faith or caused the other party substantial damage through gross negligence (Art. 9, paragraph 2 Act).

Q71. The Directive (Art. 17(3)) provides that the commercial agent is entitled to compensation for damage suffered as a result of the termination of the agency agreement. Does the same default regime apply under the Finnish Agency Law?

No. No such provision is included in the Act.

Q72. According to the Directive (Art. 17(3)) such damages shall be deemed to occur particularly when the termination takes place in circumstances:

- depriving the commercial agent of the commission which proper performance of the agency agreement would have procured him whilst providing the principal with substantial benefits linked to the commercial agent's activities; and/or
- which have not enabled the commercial agent to amortize the costs and expenses that he had incurred for the performance of the agency agreement on the principal's advice.

Does the Finnish Agency Law take the same circumstances into account?

No. No such provision is included in the Act.

Q73. Are there any other specific rules or precedents, than the criteria set forth in Art. 17(3) of the Directive,

derived from case law on the basis of which the compensation is calculated?

No.

Q74. The Directive (Art. 17(4)) provides that a commercial agent is entitled to indemnification or compensation for damage where the agency agreement is terminated as a result of the commercial agent's death. Is this default entitlement available under the Finnish Agency Law?

Yes. See, Art. 28, paragraph 3 Act.

Q75. The Directive (Art. 19) stipulates that the parties may not derogate from Art. 17 and 18 to the detriment of the commercial agent before the agency expires. Does the Finnish Agency Law impose the same restriction on the parties?

Yes. See, Art. 28, paragraph 5 and Art. 29, paragraph 4 Act.

Q76. Are the parties under the Finnish Agency Law free to opt for either indemnification or compensation?

No.

Q77. Must the commercial agent under the Finnish Agency Law claim the indemnification or compensation within a certain period of time after termination of the agency agreement?

Yes. See, Q68 and Q70.

Q78. Are there other specific rules with respect to compensation or indemnification following the termination of the agency agreement?

No.

Part 5: Dispute resolution

Q79. Do any specific rules and/or restrictions apply as regards the choice of forum and/or jurisdiction under the Finnish Agency Law?

No.

Q80. Can the parties opt for arbitration?

Yes.

Q81. If yes, are there any rules and/or restrictions as regards the enforceability of arbitration clauses in agency agreements?

No. However, an arbitration clause is not valid unless made in writing.

Q82. Does the Finnish Agency Law provide for a statute of limitations that is applicable to claims regarding the

performance of agency agreements?

No. However, see Q70.

In addition, a general limitation period of three years shall be applied (Art. 4 Act on the Statute of Limitations on Debt (728/2003)). As a general rule, the limitation period starts to run when a debt is due for payment or when a party becomes aware of a breach of contract. If the limitation period is interrupted by the party, a new limitation period starts to run from the date of the interruption.