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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 Estonian law ("Estonian 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 Estonian 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:*

Law of Obligations Act ("LOA", in Estonian: *Võlaõigusseadus*) Artt. 670-691.

b. Link(s) to official publication:

The Estonian version of the LOA is accessible via this link.

c. Link(s) to English translation:

The English translation of the LOA is accessible via this link.

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 Estonian Agency Law the same?

Yes. See, Art. 670(1) LOA.

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

No.

Q4. The Directive (Art. 2(2)) entitles the Member States to exclude from the scope of application entities whose activities as commercial agents are considered secondary in nature. Has Estonia 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 Estonian Agency Law provide for such obligation?

Yes. Art. 672 LOA states that each party has the right to demand that the content of the agency agreement, of any amendments thereto and of any additional agreements be set out in a document signed by the other party. Any agreements which restrict or limit this right are void.

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

Yes. An agency agreement must be executed in writing to be valid and enforceable in the following cases:

- If an agent may not also act for the benefit of other principals (Art. 675(1) LOA);
- A principal may also authorise other parties to perform the same obligations as the agent. If a principal has assigned a particular area to the agent or has determined a group of customers for the agent with whom the agent is to negotiate or enter into agreements, the agent has the exclusive right to negotiate and enter into agreements in the name and on account of the principal in that area with that group of customers unless agreed otherwise in writing (Art. 675(2) LOA);
- In case of an agreement which restricts the economic activity of an agent after the termination of an agency agreement (a restraint of trade clause) (Art. 689 (1) LOA).

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 Estonian Agency Law?

Yes. Such minimum obligations of a commercial agent are set out in Art. 673 LOA.

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

Yes. Alongside the obligations of the agent, Art. 685 LOA sets out the agent's right of security. According to this provision, in order to secure claims arising from an agency agreement which have fallen due, the agent has the right of security over the movables and securities of the principal which, on the basis of the agency agreement, are in the possession of the agent, and also to payments made by third parties and received by the agent in the case where the agent has the right to receive such payments. An agent may refuse to hand over documents only in the case where this is necessary to secure claims for an agency fee or for the reimbursement of expenses which have fallen due. Any agreements to waive or restrict the right of security are void.

Q9. Does Estonian 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 Estonian Agency Law?

Yes. See, Art. 674(1) LOA.

Q11. Does Estonian Agency Law explicitly impose any other obligations on the commercial agent that go beyond the aforesaid minimum?

No.

B.2 - LEVEL AND CALCULATION BASIS OF RENUMERATION

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

Yes. The LOA does not limit the freedom of the parties to fix the level of the remuneration of the commercial agent. However, LOA does set out the agent's right to collection charge and also requires the reimbursement of expenses of the agent:

- Art. 683 LOA prescribes that in addition to an agency fee payable on agreements entered into, an agent has the right to an additional fee payable on amounts collected according to the orders of the principal and delivered to the principal.
- According to Art. 684 LOA, an agent may demand that reasonable expenses incurred upon the performance of an agency agreement be reimbursed if they exceed the expenses usually incurred upon the performance of this type of agency agreement. An agent may demand that expenses usually incurred upon the performance of an agency agreement be reimbursed if so agreed upon or if this is usual under the circumstances. An agent may demand that expenses be reimbursed regardless of whether the agent has the right to receive an agency fee.

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 Estonian Agency Law?

Yes. See, Art. 680(1)-(2) LOA.

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 Estonian Agency Law?

No.

Q15. Does the Estonian Agency Law impose any criteria with regard to the type of the agent's remuneration (i.e.

fixed amount or commission)?

No.

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

No.

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 Estonian Agency Law?

Yes. See, Art. 678(1) LOA.

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 Estonian Agency Law?

Option 1. See, Art. 678(2) LOA.

B.4 - RENUMERATION 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 Estonian Agency Law?

Yes. See, Art.678(3) LOA.

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

Yes. See, Art.678(4) LOA.

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 Estonian Agency Law?

Yes. See, Art. 679 LOA.

Q23. Are there any additional circumstances provided for in the Estonian 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 Estonian Agency Law apply the same deadline?

Yes. See, Art. 679 LOA.

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 Estonian Agency Law apply the same deadline?

Yes. See, Art. 679(6) and Art. 682(1) LOA.

It should be noted though that Art. 679(6) LOA sets out that the claim of an agent for an agency fee falls due on the last day of the month during which, pursuant to the Art. 682(1) LOA, the size of the agency fee is to be calculated. According to Art. 682(1) LOA a principal must calculate the fee payable to an agent on a monthly

basis, but the calculation period may be extended to three months by agreement. Thus, the deadline may in fact be shorter if the fee is calculated on a monthly basis and there is no agreement to extend the period to three months.

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 Estonian Agency Law impose the same restriction on the parties?

Yes. See, Art. 679(7) and Art. 682(5) LOA.

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 Estonian Agency Law impose these cumulative conditions?

Yes. See, Art. 679(4) LOA.

Q28. Does the Estonian 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 theEstonian Agency Law also provide for such an obligation of restitution?

Yes. See, Art. 679(4) LOA.

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 Estonian Agency Law?

Yes. See, Art. 682(1)-(2) LOA.

Q31. Does the Estonian 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. See, Art. 682(6) LOA.

Q32. Does the Estonian Agency Law impose any additional requirements with regard to the statement of the commission due?

No.

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 Estonian Agency Law grant the commercial agent the same right?

Yes. See, Art. 682(3) LOA.

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

Yes. According to Art. 682(4) LOA in addition to a calculation of the agency fee and an extract from the accounting records, an agent may demand that information be submitted on all circumstances relevant to the claim for an agency fee, to the date on which it falls due and to the method of its calculation.

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

Yes. According to Art. 680(2) LOA the agency fee must be calculated according to the agreement entered into as a result of the activities of an agent from the amount payable by the other party to the agreement or by the principal. Accessory expenses, including transportation and packaging costs and other payments, must be deducted from the amount only if they are indicated separately.

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

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

Specific sectors. Certain specifics apply to insurance agency.

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 Estonian Agency Law impose these cumulative criteria?

Yes. See, Art. 689 (1)-(2) LOA.

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

Yes. According to Art. 689 (3) LOA the principal must pay reasonable compensation to the agent for the period of the duration of the restraint of trade clause even if this has not been agreed.

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 Estonian Agency Law?

Yes. See, Art. 689(2) LOA.

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 Estonian Agency Law impose any such restrictions?

No.

Q41. Does the Estonian 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 Estonian 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. 681 LOA.

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

Yes. According to LOA 681 the agreement on the liability of an agent for the performance of third party-customers must be expressed in written form.

The payment of *del credere* commission is mandatory if an agent undertakes to be liable for the performance of third party- customers and any agreements which preclude the right of agents to receive *del credere* commission are void.

The right of an agent to *del credere* commission arises as of entry into an agreement from which obligations arise for the performance of which the agent is liable.

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 Estonian Agency Law?

Yes. See, Art. 686(3) LOA.

Q46. Does the Estonian 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 Estonian Agency Law?

Yes. See, Art. 686(1) LOA.

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 Estonian Agency Law?

Yes. See, Art. 686(1) LOA. This applies though only if acting as an agent has been the agent's principal activity.

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 Estonian Agency Law?

No.

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

Not applicable.

Q51. According to the Estonian 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 Estonian Agency Law?

Yes. See, Art. 686(2) LOA.

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 Estonian Agency Law?

Yes. See, Art. 686(1) LOA.

Q54. Does the Estonian 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 Estonian Agency Law?

No.

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 Estonian Agency Law?

No. These are not specifically reflected in the provisions concerning agency agreements in LOA, but similar grounds can be derived from the general contract law provisions.

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

No.

Q58. Does the Estonian 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. See, Art. 686(2), Art. 687, Art. 688(5) LOA.

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

Yes.

According to Art. 687 LOA any agreements which preclude or restrict the right to cancel an agency agreement

with good reason are void. The LOA does not provide for specific grounds for termination as regards agency agreements, but general contract law provisions apply, and such general clauses allow termination for instance in the case of material breach but not exclusively. The parties are generally free to agree on the grounds of termination and are also free to agree on termination for instance in the case of change of control.

Absent any specific contractual grounds for termination, LOA applies. As LOA does not provide specific grounds for termination regarding the agency agreements, the regulation on authorisation agreements should be applied by analogy, according to which both parties have the right to cancel the agreement, if it becomes evident that, bearing in mind all the circumstances and the interests of the parties, the party wishing to cancel the agreement cannot be expected to continue performance of the agreement (Art. 631 LOA). The general part of LOA stipulates similarly that either party may cancel the agreement with good reason without giving advance notice, in particular if the party cancelling the agreement cannot reasonably be expected to continue performing the agreement taking into account all the circumstances and the mutual interests of the parties (Art. 196 LOA).

Therefore, the possibility to terminate also extends to facts and occurrences that do not amount to a breach, if it cannot be expected to continue performance considering the interests of both parties.

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.)?

No.

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 Estonian Agency Law provide for this criterion?

Yes. See, Art. 688(1) LOA.

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 Estonian Agency Law provide for this criterion?

Yes. See, Art. 688(1) LOA.

Q64. Is under the Estonian 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. See, Art. 688(1) LOA provides for the agent's right to receive indemnification upon termination of an agency agreement, but this is not related to the application of a non-compete clause.

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 Estonian 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 Estonian Agency Law?

Yes. See, Art. 688(2) LOA.

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 party.

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

Yes. See, Art. 688(3) LOA. Additionally, indemnification or compensation for damage is not payable, where acting as an agent was an ancillary activity of the agent.

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 Estonian Agency Law?

Yes. See, Art. 690(2) LOA.

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 Estonian Agency Law?

Yes. See, Art. 688(3) LOA provides for the right of an agent to demand compensation for damage caused to the agent by the termination of the agency agreement. General provisions of the LOA in the case of breach of contract can also be applicable.

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?

No.

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 Estonian Agency Law?

Yes. See, Art. 688(3) LOA.

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 Estonian Agency Law take the same circumstances into account?

Yes. See, Art. 688(3) LOA.

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 Estonian Agency Law?

No.

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

Yes. See, Art. 688(5) LOA.

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

Yes. This is not specifically regulated in law.

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

Yes. According to Art. 690(2) LOA, the limitation period of a claim for indemnification and compensation for damage is one year as of the date of termination of the agency agreement.

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 Estonian 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.

Q82. Does the Estonian Agency Law provide for a statute of limitations that is applicable to claims regarding the performance of agency agreements?

Yes. According to Art. 690(1) LOA the limitation period of a claim arising from an agency agreement is four years as of the end of the year in which the claim falls due. Parties to an agreement must not agree on a limitation period shorter than one year.