

**DECREE NO. 206 OF THE  
EXECUTIVE COMMITTEE OF THE COUNCIL OF MINISTERS**

**WHEREBY:** Law No. 145 of June 22, 1988 established the Bylaw of the National Register of Foreign Representations, attached to the Chamber of Commerce of the Republic of Cuba.

**WHEREBY:** The transformations which have taken place in foreign trade as a result of the measures adopted for the economic development of the country, as well as the experience accumulated in recent years advise adapting the juridical regulations currently in force related to the National Register of Foreign Representations to the present conditions, as well as to the terms and practice of international use.

**THEREFORE:** The Council of Ministers, in use of the attributions which have been granted it by Article 98, paragraph k) of the Constitution of the Republic of Cuba, resolves to dictate the following:

**BYLAW OF THE NATIONAL REGISTER OF BRANCH OFFICES AND AGENTS OF FOREIGN MERCANTILE SOCIETIES**

**Article 1.-** The National Register of Foreign Representations will be denominated in the future National Register of Branch Offices and Agents of Foreign Mercantile Societies, will continue to be attached to the Chamber of Commerce of the Republic of Cuba and will be ruled by the stipulations of the present Bylaw.

**Article 2.-** To the effects of this Decree, it will be understood as:

a) Register: the National Register of Branch Offices and Agents of Foreign Mercantile Societies.

b) Chamber of Commerce: the Chamber of Commerce of the Republic of Cuba.

c) Mercantile society: juridical person conducting trade operations, with domicile abroad.

d) Individual entrepreneur: natural person with domicile abroad, who, in his own name, normally conducts trade operations.

e) Branch office: establishment belonging to a mercantile society or to an individual entrepreneur, settled in the national territory in order to carry out trade operations authorized to him.

f) Agent: national entity, previously authorized by the minister of Foreign Trade, which obliges itself through a Contract of Agency to promote trade operations in the name and on behalf of a mercantile society or an individual entrepreneur.

**Article 3.-** The following entities will be obliged to register:

a) Branch offices of the mercantile societies and individual entrepreneurs authorized to establish themselves in the Republic of Cuba

b) National entities authorized to act in the national territory as Agents of mercantile societies or of individual entrepreneurs.

**Article 4.-** The Register will have a person in charge, appointed by the Minister of Foreign Trade following the proposal of the President of the Chamber of Commerce, who will be the only person authorized to carry out registrations, issue licenses, issue certifications of the notations appearing in the Registration Books under his custody and

give faith of the registration of the branch offices and agents.

The Register will likewise have a deputy person in charge appointed by the Minister of Foreign Trade following the proposal of the President of the Chamber of Commerce, who will enjoy the faculties listed in the preceding paragraph when replacing the titular due to a temporary absence or any other reason preventing him from carrying out his functions.

**Article 5.-** The person in charge of the Register will open a dossier for each submitted application, which will be classified and numbered, keeping under his custody the documents filed in it.

**Article 6.-** The Register will keep the following books: "Diary of Presentations", "Diary of Initiated Dossiers", "Register of Branch Offices" and "Register of Agents", where the corresponding notations will be made, keeping them updated according to the following order:

a) Book "Diary of Presentations":

- applications presented to the person in charge of the Register

b) Book "Diary of Initiated Dossiers":

- applications for registration.

c) Book "Register of Branch Offices":

- name of the mercantile society and trade name of the individual entrepreneur, whichever the case, as well as the following information as identification:

- country of origin

- date of creation

- social domicile

- date of issue and License number

- mercantile operations whose performance has been authorized

- domicile of the Branch Office, and eventually of the secondary offices

- general information about the Representative

d) Book "Register of Agents"

- name and address of the Agent

- name of the mercantile society or trade name of the individual entrepreneur it represents, as well as the following data for identification:

- country of origin

- date of creation

- social domicile

- date of issue and License number;

- trade operations whose performance has been authorized.

**Article 7.-** The Register is public. Its public character will become effective through certification of the registrations and other notations in same.

Any person will be entitled to request information related with registrations and other notations appearing in the Books of the Register, after fulfilling the requirements established for this purpose. The person in charge of the Register is obliged to supply this information.

Certifications will be issued by the person in charge of the Register within the five working days following the day of their request, except that a legal or material obstacle prevents it, which will be stated underneath the certification.

**Article 8.-** The registrations and remaining notations carried out in the Registry Books, as well as the certifica-

tions issued upon request of a party will pay the rights in the quantity, currency and installments established to that effect by the President of the Chamber of Commerce.

Article 9.- The procedure for the establishment of a Branch Office or to act as an Agent start with the request of the interested party to the person in charge of the Registry, and conclude with its registration or denial, within a term not greater than sixty working days, counted from the date when the application for registration was presented.

Article 10.- The application for registration of a Branch Office will be made to the person in charge of the Register through the presentation of the following documents:

a) Writ explaining the reasons of the application, signed by a person duly empowered from the mercantile society or individual entrepreneur who is interested in establishing a Branch Office, whose signature will be authenticated by Notary Public or Chamber of Commerce.

b) Simple copy of the writ of creation and statutes of the foreign mercantile society. In the case of the individual entrepreneur, he will attach a document certifying that he is empowered to operate as such in his country of origin.

c) Public deed or power of attorney stating the appointment and faculties of the natural person who will act as Representative in charge of the Branch Office.

d) List of products and services comprised in the mercantile sector of the mercantile society or the individual entrepreneur, which shall be the object of trade operations in the national territory.

e) Bank report of the mercantile society or individual entrepreneur, issued no less than three months in advance of the date of presentation of the application, requested through a bank belonging to the National Banking System of the Republic of Cuba.

f) Curriculum vitae of the Representative.

g) General information of the productive, technical or services activity conducted by the mercantile society or the individual entrepreneur in the last five years, as well as details of the activity of subsidiaries and branch offices in other countries, in the cases they have them, which they intend to introduce in their relations in Cuba.

h) List of national entities with which the mercantile society or individual entrepreneur carries out negotiations in Cuba, and volume of the operations conducted during the last three years, duly endorsed by the chief authority of the corresponding Cuban entity or institution.

Documents which have been drawn up in a foreign language will be accompanied with their corresponding translations into Spanish, with a certified note that they agree with their originals.

Article 11.- The person acting as Representative of a Branch Office must be a foreign citizen.

Article 12.- The application for registration to act as an Agent will be made to the person in charge of the Register by means of a writ explaining the reasons for the request, signed by a duly empowered person from the national entity, attaching copy of the granted Agency Contract and the documents listed in paragraphs b), d), e), g) and h) of Article 10.

Article 13.- Only Cuban entities whose social object foresees the conduction of mediator activities in foreign trade operations will be entitled to apply for acting as an Agent, and they will provide documentary credit that they possess the required means and resources for the fulfillment of the intermediating activity they intend to conduct.

Those Cuban entities authorized to carry out imports of merchandise will not be entitled to apply for acting as Agent, nor will be those belonging to entrepreneurial or

corporative systems empowered to administrate store chains in the foreign currency retail market.

Article 14.- The person in charge of the Register will be entitled, in those cases when he considers it necessary, to request from the interested party the presentation of additional documents to those listed in the preceding articles.

This request will interrupt the term for the procedure established in Article 9, and it will be formalized in writing, granting a reasonable term for the presentation of said documents. Once this term has elapsed without presentation of these documents, the application for registration will be understood as tacitly caused to cease. The term foreseen in the above-mentioned Article 9 will begin to run again from the working day following the day when the requested documents are presented to the person in charge of the Register in compliance with all the requirements.

Article 15.- In order to allow that the notarial documents or certifications issued by Notary Public or foreign officer have legal effect in the national territory, they must be duly legalized by the Cuban consular officer in the country of origin, in the Ministry of Foreign Affairs of the Republic of Cuba and protocolized by Notary Public in Cuba, according to the formalities established in the Bylaw of the Law of State Notarial Offices, except stipulations in this regard contained in Treaties subscribed by the Republic of Cuba.

Article 16.- The person in charge of the Register will only admit those applications which adjust themselves to the requirements and formalities established in articles 10, 12 and 13. Once the dossier has been completed, he will send the application, with his recommendations, to the Ministry of Foreign Trade.

Article 17.- The Minister of Foreign Trade will authorize or deny the application of registration presented to the person in charge of the Register by dictating the corresponding Resolution.

With the Resolution from the Ministry granting the authorization, the interested party will make his formal registration in the Register within the term of ninety days counted from the date when the Resolution was issued. The corresponding License will then be issued.

The non-fulfillment of the above-mentioned term will imply the applicant's desisting and consequently, the person in charge of the Register will proceed to send the initiated dossier to the archives.

Article 18.- The Branch Offices and Agents will only be allowed to operate in the national territory, once they have obtained their registration, which will be acknowledged with the License issued to that purpose.

Article 19.- The License will contain the following information, according to each case:

- a) name of the mercantile society
- trade name of the individual entrepreneur
- name of the Agent and of the mercantile society, or name of the individual entrepreneur it represents;
- b) License number;
- c) dossier number;
- d) trade operations it has been authorized to conduct;
- e) registration date;
- f) term of validity;
- g) secondary offices.

Article 20.- Licenses will be issued in original and copy for a term of five years, within the three working days following the date of registration. The copy of the License will be part of the dossier opened by the person in charge of the Register.

Article 21.- Licenses may be renewed upon request of the interested party for successive terms of three years.

The application for a License renewal will be presented to the person in charge of the Register within a term not less than sixty working days previous to its expiration date.

Article 22.- The License whose renewal is not requested within the established term will be cancelled. Also cancelled will be the License whose renewal, having been applied for within the established term, were to be denied for not having maintained the conditions and reasons which justified its granting.

Article 23.- The non-fulfillment of the payment of the quota for the right to register within the established terms will imply cancellation of the corresponding License.

Article 24.- The modification, extension or cancellation of the License and the opening of secondary offices will be requested from the person in charge of the Register by means of a writ signed by a person empowered to from the mercantile society, individual entrepreneur or Agent.

Article 25.- The Branches and Agents, according to each case, will be obliged to keep the person in charge of the Register informed with regard to the following aspects:

a) Name and social domicile of the mercantile society or individual entrepreneur in the country of origin.

b) Name of the President or Director of the mercantile society, individual entrepreneur or Agent.

c) Name of the Representative in Cuba.

d) Social domicile, telephone numbers, telex and fax of the Branch Office or Agent, and in its case, of the secondary offices.

Article 26.- The registration covers the performance of trade activities related with the trade nature of the mercantile society or individual entrepreneur, according to the License issued in each case.

The granted License does not authorize the conduction of the following activities:

a) importing and exporting directly, with a commercial nature;

b) carrying out wholesale and retail trade in general of both products and services, except the post-sale and guarantee services expressly agreed upon in the contracts covering the foreign trade operations;

c) distributing and transporting merchandise in the national territory.

Article 27.- Regarding the engagement of personnel for administrative services both Branch Offices and Agents will comply with the regulations in force dictated to such effects.

Article 28.- The Minister of Foreign Trade will be entitled to definitely cancel the Licenses granted to the Branch Offices and Agents who do not comply with the provisions of the above articles 26 and 27 forbidding them to conduct in the national territory the activities they had been authorized, or to enforce any other of the established measures; all of which will take place independently of the measures which correspond according to the legislation in force.

Likewise, the Minister of Foreign Trade will be entitled to cancel the granted Licenses when reasons of public order, national interest or modification of the conditions and interests which justified the approval for the registration concur.

Article 29.- The entities and institutions which have been empowered in the sphere of their respective competences will be entitled to carry out the verifications they consider necessary concerning the activities conducted by Branches and Agents.

Article 30.- The public institutions, enterprises and remaining Cuban entities will be entitled to render services and carry out operations, actions or trade contacts with the Branches or Agents provided they acknowledge their registration by presenting the corresponding License.

## SPECIAL PROVISIONS

**FIRST:** Once the present Decree comes in force, the references to Foreign Representations and national entities authorized to represent foreign companies in Cuba contained in legal provisions will be understood to mean Branches and Agents, respectively.

**SECOND:** The Licenses granted by the National Register of Foreign Representations will retain their legal force until expiration of the term granted to each case in particular. The formal registration should be requested within the sixty working days counted from the date when the present Decree is published.

If the registration is not formally carried out within the term established by this Special Provision, it will imply that the registered entity desists from registering and, consequently, the License opportunely granted will be considered cancelled.

**THIRD:** The contents of the previous Special Provision will not apply in the cases of Cuban entities which, under protection of Decree No. 145 of 1988, were authorized to act as Representatives of foreign firms and do not fulfill the requirements contained in Article 13 of the present Decree.

The entities in question will communicate to the corresponding foreign firm, within the term of fifteen days counted from the date of issue of this Decree, the decision to cancel the signed agreement of representation. The agreements of representation will remain without legal effect one hundred and eighty days after the above-mentioned date.

**FOURTH:** The Minister of Foreign Trade, upon request of the maximum authority of the organs of the State's Central Administration, based upon reasons of convenience or of the country's economic interest, will be entitled to authorize the registration of Branches or Agents which do not fulfill any one of the requirements demanded in the documents established in paragraphs g) and h) of Article 10, as well as those listed in Article 13 of the present Decree for the case of Agents.

## TRANSITORY PROVISION

**UNIQUE:** This Decree will be enforced with regard to the applications for registration which have already been presented at the date of its coming into force.

## FINAL PROVISIONS

**FIRST:** Decree No. 142 "Bylaw of the National Register of Foreign Representations" of June 22, 1988 is hereby derogated, as well as whichever other provisions of lesser or equal hierarchy which oppose the fulfillment of the present Decree, which will begin to rule after its publishing in the Official Gazette of the Republic of Cuba.

**SECOND:** The organs of the State's Central Administration are hereby empowered within their competence to dictate whichever provisions may be necessary for the better fulfillment of those aspects established by this Decree.

**GIVEN** in the city of La Habana on the 10th day of the month of April of 1996, "Year of the Centennial of Antonio Maceo's Fall in Combat".

Fidel Castro Ruz  
President of the Council of Ministers

Ricardo Cabrisas Ruiz  
Minister of Foreign Trade

Carlos Lage Dávila  
Secretary of the Council of Ministers and of its Executive Committee