

## **Unit 11: Commercial Law in Algeria**

Commercial law in Algeria governs the rights, relations, and conduct of individuals and businesses involved in commerce, trade, and sales. The primary legal framework is the Commercial Code (Law No. 05-01 of February 6, 2005), which outlines the rules for commercial transactions, business organizations, and related activities.

### **Key Components of Commercial Law**

#### **Commercial Contracts:**

The Commercial Code regulates various types of contracts, including sales, leases, and agency agreements. It establishes the legal requirements for forming valid contracts, including offer, acceptance, and consideration.

**Business Entities:** The law outlines the different types of business entities that can be established in Algeria, including:

**Société à Responsabilité Limitée (SARL):** Limited liability company.

**Société Anonyme (SA):** Public limited company.

**Société par Actions Simplifiée (SAS):** Simplified joint-stock company.

Each entity type has specific regulations regarding formation, management, and liability.

**Commercial Transactions:** The law governs various commercial transactions, including selling goods, services, and intellectual property. It addresses issues such as delivery, payment terms, warranties, and liability for breaches of contract.

**Banking and Finance:** Commercial law regulates the banking sector and financial transactions, including loans, credit agreements, and securities. It establishes the rights and obligations of banks and their clients.

## **Bankruptcy and Insolvency:**

The Commercial Code includes provisions for bankruptcy and insolvency proceedings, outlining the processes for liquidating assets, settling debts, and protecting creditors' rights.

**Competition and Consumer Protection:** The law includes regulations to promote fair competition and protect consumers from unfair business practices, misleading advertising, and defective products.

## **Legal Terms**

- **Commercial Law:** القانون التجاري
- **Commercial Contracts:** العقود التجارية
- **Business Entities:** الكيانات التجارية
- **Bankruptcy:** الإفلاس
- **Consumer Protection:** حماية المستهلك
- **Commercial Transactions:** المعاملات التجارية

## **Questions :**

- **What governs commercial law in Algeria?**
- **What types of business entities are recognized under Algerian commercial law?**
- **What does commercial law regulate regarding contracts?**
- **What provisions does the law include for bankruptcy?**
- **How does commercial law protect consumers?**

## **Multiple Choice Questions (QCM)**

**What is the primary law governing commercial transactions in Algeria?**

- A) Civil Code
- B) Commercial Code
- C) Labor Code

D) Tax Code

**Answer:**

**Which type of business entity is a public limited company in Algeria?**

A) SARL

B) SA

C) SAS

D) Sole Proprietorship

**Answer:**

**What is required for a valid commercial contract?**

A) A verbal agreement

B) Offer, acceptance, and consideration

C) Notarization

D) A business license

**Answer:**

**What does bankruptcy law in Algeria include?**

A) Only criminal penalties for businesses

B) Processes for liquidating assets and settling debts

C) Tax evasion regulations

D) Employment law

**Answer:**

**How does commercial law address competition?**

A) By promoting monopolies

B) By regulating competition and protecting consumers

C) By eliminating all market regulations

D) By controlling prices

**Answer:**