

EUROLAW

EUROPEAN ECONOMIC INTEREST GROUPING (EEIG)
PARIS

ARTICLES OF ASSOCIATION
2004

Articles of Association - contents

<i>Article</i>	<i>Heading</i>	<i>Page</i>
<i>Chapter I</i>	<i>General Structure</i>	
Art 1	Legal Form	
Art 2	Name	
Art 3	Object	
Art 4	Registered Office	
Art 5	Term	
Art 6	Capital and Resources	
<i>Chapter II</i>	<i>Members</i>	
Art 7	Members	
Art 8	Membership, Assignment, Resignation, Exclusion	
<i>Chapter III</i>	<i>Management and Chairmanship</i>	
Art 9	Management	
Art 10	Chairmanship	
<i>Chapter IV</i>	<i>Internal Organization</i>	
Art 11	General Meetings	
Art 12	Collectives Decisions / Resolutions	
<i>Chapter V</i>	<i>Finances</i>	
Art 13	Financial Year	
Art 14	Accounting	
Art 15	Annual Accounts	
Art 16	Audit of Accounts	
Art 17	Right to Information	
Art 18	Financing of the EEIG	
Art 19	Members' Financial Responsibilities	
<i>Chapter VI</i>	<i>Supplementary Provisions</i>	
Art 20	Winding-up, Liquidation	
Art 21	Professional Responsibility of Members	
Art 22	Disputes between Members	
Art 23	Intellectual Property	
Art 24	Deed, Language	
Art 25	Costs	

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The original founders

- Maître Yves Marie Moray, lawyer at the Paris Bar, representing the law firm Moray & Associés, 12/14 Avenue Victor Hugo, 75116 Paris, France
- Maître Paulino San Emeterio Pila, lawyer at the Madrid Bar, Hermans Becquer, 10, 5 28006 Madrid, Spain
- Maître Geza Simonfay, lawyer at the Bar of Vienna, Laudongasse 26, 1080 Vienna, Austria
- Maître Jean Jacques Zander, lawyer at the Paris Bar, 12/14 Avenue Victor Hugo, 75116 Paris, France

Founded the European Economic interest Grouping (EEIG) EUROLAW in Paris in August 1995. This body succeeded the EEIG EUROLAW founded in Brussels in November 1992. Several other law firms have since become members of the EEIG. The current articles of association of the EEIG are as follows:

ARTICLES OF ASSOCIATION

I. GENERAL STRUCTURE

Art. 1 Legal Form

Eurolaw is a European Economic Interest Grouping (hereinafter EEIG) governed by EC regulation N° 2137/85 dated 25 July 1985.

Art. 2 Name

1. The EEIG's name is EUROLAW.
2. The deeds and documents issued by the EEIG's members and destined for third parties, in particular letters, invoices, purchase orders and similar documents, notices and miscellaneous publications must show the EEIG's name legibly preceded or followed by the words "European Economic Interest Grouping" or the abbreviation "EEIG", the EEIG's place of registration, registration number at the Register of Commerce and the address of its registered office.

Art. 3 Object

1. The EEIG's object is to assist its members in developing their professional legal practice. The EEIG's aim is to enable the development or deepening of the business relationships of its members in the European and international legal market. However, members are not obliged to use the EEIG or to work exclusively with its members.
2. The EEIG's object shall remain ancillary to its members' professional activity.
3. The EEIG can adopt deeds supplementary to these articles , such as and not comprehensively a Code of Conduct and Rules of Procedure.
4. The EEIG does not practise a regulated profession, does not give legal consultations, nor shall it represent third parties in legal proceedings.
5. The nature of the EEIG is and shall remain exclusively civil (non-commercial) in nature.

Art. 4 Registered Office

The EEIG's registered office is in Paris, at 66, avenue Victor Hugo, 75116 PARIS, France.

Art. 5
Term

The EEIG has been founded for an unspecified term from the date of its registration at the Brussels Register of Commerce, 19 November 1992.

Art. 6
Capital and Resources

1. The EEIG has no nominal capital.
2. The EEIG's resources consist of :
 - a. Member subscriptions, in accordance with Article 18 of these Articles of Association and the Rules of Procedure,
 - b. Any subsidies which may be granted to the EEIG,
 - c. Any other resources authorized by legislative and regulatory texts.

II.
MEMBERS

Art. 7
Members

1. The Rules of Procedure define the required profile of a member law firm with regard to its structure and professional areas of capability.
2. Only law firms can become a member. The term « law firm » refers to a legal entity made up of legal professionals duly authorized to practise a profession regulated by the national legislation of the European Union member state in which the law firm conducts its professional activity.

Art. 8
Membership, Assignment, Resignation, Exclusion

1. *Admission*

The decision to admit new members is a unanimous decision taken by the college of members. The admission procedure is defined in the Rules of Procedure.

The new member is not held liable indefinitely nor jointly and severally vis-à-vis third parties for payment of EEIG debts created before it joined the EEIG.

Admission of a new member is subject to payment of an entrance fee levied by decision by the college of members at time of admission. The amount and terms and conditions of this entrance fee are set down in the Rules of Procedure.

2. *Assignment of membership*

Membership cannot be assigned.

3. *Membership*

- a) Membership ends automatically when an EEIG law firm member ceases to exist.
- b) A change to the legal form of an EEIG law firm member does not affect the law firm's membership of the EEIG as long as the new legal entity conforms with the regulations in force in the member state where the law firm carries out its profession and as long as the new legal entity acts as the legal successor to the former entity.
- c) A change of partners (whether of physical or legal person) within a member law firm shall not affect the firm's membership status as long as the legal entity thus modified still matches the membership profile defined in the Rules of Procedure.

4. *Resignation*

- a) Any member can resign, giving three months' notice sent by registered letter with receipt of delivery to the Managing Director of the EEIG.
- b) Notification must be sent out before the budget for the following financial year has been adopted by the general meeting. If it is not, subscription for the said financial year remains due in full.

5. *Exclusion*

- a) Any member can be excluded from the EEIG if it is in serious breach of its obligations or if it causes or threatens to cause serious troubles in the operation of the EEIG. In particular, serious breach of its obligations shall be deemed to have taken place in the following instances :
 - non-respect of the member's financial obligations,
 - breach of these articles of association and other deeds governing the EEIG EUROLAW and notably the Code of Conduct and Rules of Procedure,
 - infringement of a collective decision,
 - insolvency.

Any infringement committed by several members can be the subject of a collective exclusion.

- b) Any member which no longer matches to the required general profile as defined in the Rules of Procedure may be excluded from the EEIG. Such an exclusion must be notified in writing, indicating the shortcoming in question and the proposed exclusion, granting the member a period of six months in which to comply with these articles of association and to any deeds supplementary to these articles.
- c) Any exclusion, whether individual or collective, must be agreed by decision at a general meeting of members, passed by qualified majority, as defined in article 12 of these articles of association. The member(s) who is/are the subject of a proposal to be excluded cannot take part in the vote.
- d) A decision to exclude one or more members shall take effect immediately, with adoption of the decision by the general meeting.
- e) However, the member excluded must pay its annual subscription.

III.

MANAGEMENT AND CHAIRMANSHIP

Art. 9 Management

1. The EEIG is managed by one or more individuals, as Managing Director.
2. The Managing Director shall managed the EEIG with all requisite diligence. His or her duties are defined in EC Regulation N° 2137/85 of 25 July 1985, these articles of association, collective decisions taken by general meeting of members, and the Rules of Procedure.
3. The Managing Director shall carry out all acts necessary and helpful for the accomplishment of the EEIG's object apart from those which the Rules of Procedure and these articles of association reserve for the general meeting.
4. The Managing Director(s) is/are elected for a period of three years, renewable for one further period only.

Art. 10 Chairmanship

1. *Structure*
 - a) The EEIG appoints an individual who belongs to a legal entity which is a member as Chairman of the EEIG.
 - b) The Chairman carries out internal duties and does not represent the EEIG in a legal capacity vis-à-vis third parties.

For optimal performance of the chairmanship, the Chairman shall be surrounded by a certain number of technical committees made up of five to fifteen member firm representatives. The definition and composition of the technical committees are set out in the Rules of Procedure.

The various technical committees are entitled to present draft resolutions to the Managing Director, in line with their areas, on which the general meeting of members will vote.

2. *Election*
 - (1) *The Chairman*

The Chairman is elected by the general meeting of members, by absolute majority in a first-round vote and by simple majority in a second-round vote.

The election of Chairman shall take place on the same date as that of Managing Director.

The Chairman shall be elected for a period of three years. His/her mandate is renewable.

In the event of vacancy, the Chairman's duties shall be carried out on a temporary basis by the Managing Director until the date of the next elections to be organized to replace the Chairman, within three months. The new Chairman shall carry out his/her duties for the period until the end of the mandate of the previous Chairman.

(2) *The Technical Committees*

Technical committee members are elected by general meeting for a period of three years. Their mandate can be renewed.

In the event of a vacancy, the replacement member shall be appointed by the Managing Director and the Chairman, or, if not, by the general meeting.

3. *Organization*

The organization of the technical committees is set out in the Rules of Procedure.

The work carried out by the technical committees forms the subject of reports. These are delivered to the Chairman and constitute reference documents for draft resolutions to be submitted by the Managing Director to general meeting.

4. *Remuneration, Expenses*

The Chairman and technical committee members do not receive remuneration. Any costs and expenses incurred in their work, and duly evidenced, shall be reimbursed within the limits of the annual budget.

IV.
INTERNAL ORGANIZATION

Art. 11
General Meetings

1. *General Meetings*

- a) A general meeting comprises all members of the EEIG. It can take any decision with a view to achieving the EEIG's object.
- b) An ordinary general meeting is held once a year on a date set by the Managing Director. Its purpose is in particular to approve the annual accounts and grant discharge to the management.
- c) Extraordinary general meetings are held at the request of the management, the chairman or on written request of a majority of the members sent to the management.

2. *Calling of meetings*

- a) General meetings are called by management.
- b) Convocations to general meeting are made by normal post, fax or e-mail, sent to each member, indicating, place, date, time and agenda of the meeting. Any supporting information must be attached, notably management reports, the annual accounts and draft resolutions. Management must submit draft resolutions from the technical committees to a general meeting.

- c) Two weeks' notification must be given for general meetings. The two-week notice period starts from the day following date of sending, or of transmission. The date of the meeting is not included when calculating the notification period.

3. *Place of meeting*

General meetings shall be held in the town or city of the EEIG's registered office, except where collectively decided otherwise.

4. *Quorum and formalities*

- a) Quorum for extraordinary general meetings is 75 % of members who are entitled to vote.
- b) Quorum for ordinary general meetings is 50 % of members who are entitled to vote. If less than 50 % are present or represented, another general meeting must be called immediately, with the same agenda, and held within one month following the second convocation. This new general meeting is not subject to a quorum requirement.
- c) If the provisions in force regarding meeting convocation and notification are not respected, a resolution can only be validly taken if the members concerned are present or represented and do not oppose the adoption of the draft resolutions.

5. *Attendance and representation*

- a) Each EEIG member firm shall notify management in writing of the name of the person who shall represent it at the general meetings.
- b) A member can be represented by another member. One member cannot represent more than two other members. The power of representation must be provided in writing to management.
- c) When the general meeting is opened, a register of attendance is provided by management for signature by each member.

6. *Meeting chairman*

The Meeting is chaired by a member appointed by the meeting, by simple majority. The meeting shall also appoint a secretary and scrutineers for the meeting.

The member chosen to chair the general meeting cannot hold the chair for any draft resolution which directly concerns him/her. In such an event, the general meeting shall choose another individual as chairman for the part of the session dealing with the draft resolutions concerned.

7. *Deliberations*

- a) Meeting deliberations are subject to the terms and conditions set out in article 12 of these articles of association.
- b) Deliberations at a general meeting are by a show of hands, unless a simple majority requests a secret vote. Any vote relating to the election of individuals is carried out by secret vote unless a vote by a show of hands is unanimously requested by members present or represented.

8. *Minutes*

- a) General meetings are the subject of minutes which state the place and date of the meeting, members present and the resolutions adopted. Minutes are signed by the chairman and the secretary of the meeting. They are filed together with the attendance register and proxy forms in the EEIG's General Meetings Register. Copies and extracts shall be certified by the Managing Director. Each member shall receive a copy of the minutes.
- b) Minutes can only be contested in accordance with the provisions set out in article 12.5 below.

Art. 12
Collectives Decisions / Resolutions

1. *Procedure for deliberations and resolutions*

- a) Resolutions are passed at a general meeting. They constitute collective decisions which apply to all members.
- b) Resolutions can also be adopted at the close of a written procedure, conducted by fax or by e-mail as long as no member objects to this and as long as any such derogation complies with these Articles. Each resolution is set out in writing and sent to each member.
- c) Any decision relating to an amendment to the Articles or concerning the winding-up of the EEIG can only be taken at the end of a general meeting.

2. *Deliberations*

- a) Each member has one vote.
- b) A member cannot exercise his/her right to vote if he/she is not up to date with his/her entrance fee and subscription payments.
- c) A member cannot exercise his/her right to vote if the draft resolution in question directly concerns him/her.

3. *Majorities*

- a) Majorities are defined as follows:

- Simple majority	More than 50% of the votes cast
- Absolute majority	More than 50% of existing votes
- Qualified majority	More than 75% of existing votes

Unanimous decisions are passed by 100 % of existing votes.

- b) Every resolution is passed by simple majority, unless the Rules of Procedure or the Articles require a larger majority. Abstentions are not treated as votes cast. The same applies to blank or invalid votes.

- c) The following resolutions must be passed by unanimous vote:
- Change to the object of the EEIG,
 - Change in the number of votes allocated to each member,
 - Change to decision-making conditions,
 - Change to each member's contributory share or to the contributory share of some members to the EEIG's financing,
 - Transfer of the registered office to another European Union country,
 - Opening a loan,
 - Admission of a new member.
- d) The following resolutions require a qualified majority:
- Changes to the Articles other than those set out above,
 - An increase of more than 50% in members' annual subscription,
 - Financial contributions on specific projects outside the budget for an amount in excess of €1,000,
 - Exclusion of a member,
 - Winding-up of the EEIG.

4. *Minutes*

Every resolution passed by the EEIG is recorded in a minute indicating the result of the vote. A copy of the minutes is sent to members by electronic mail or by fax.

5. *Contestation of a resolution*

Resolutions can only be contested within one month following transmission by electronic mail or by fax. Any contestation is subject to the following conditions :

Conditions relating to form of contestation : it must be made in writing and addressed to management. It cannot be global and must specify in a detailed manner each resolution contested and the reasons for contesting the resolution.

Conditions relating to content : the contestation can only be sent out for one of the following reasons :

- Procedural irregularities in calling the meeting, resulting in the member's absence from the general meeting,
- Failure to respect the rules governing deliberations and resolutions,
- Failure to transcribe correctly the decision passed.

Any contestation judged to be valid by the Managing Director shall be communicated by the Managing Director to the other members who shall take cognizance of it. The resolution concerned shall be frozen until the new general meeting votes on the merits of the contestation.

V. FINANCES

Art. 13 Financial Year

The financial year starts on 1st January and ends on 31st December of each year.

Art. 14
Accounts

The EEIG's accounts shall be kept in accordance with French law.

Art. 15
Annual Accounts

The annual accounts and balance sheet shall be submitted by the Managing Director(s) to the General Meeting for discharge.

Art. 16
Audit of Accounts

1. The EEIG's accounts shall be audited by an independent auditor. The auditor's mandate is for three years and is renewable.
2. For the approval of the annual accounts and the balance sheet by the General Meeting, the auditor shall provide the Managing Director with a report on the accomplishment of his task. The Managing Director shall then submit the report to the General Meeting.

Art. 17
Information Rights

1. Any member, at any time, can read or request a copy of any document, such as contracts, invoices, purchase orders and accounting documents.
2. Any member, at any time, can submit questions in writing to management. The Managing Director must reply in writing within two months. The text of the question and the reply is provided to the General Meeting.

Art. 18
Financing of the EEIG

1. *Subscriptions*
 - a) Each member must pay a single entrance fee at time of joining. The amount of this entrance fee is set in advance by general meeting.
 - b) Each member must pay an annual subscription. The amount of this annual subscription is determined by the general meeting. The terms and conditions applying to these subscriptions are governed by the Rules of Procedure.
 - c) Specific financial contributions can be set by the general meeting.
2. *Profits and losses*
 - a) After approval of the annual accounts, any EEIG profit is carried forward to the following financial year.

- b) Members promise to cover EEIG losses, each bearing an equal share, in the month when the annual accounts and balance sheet are approved.

Art. 19
Members' Financial Responsibilities

1. Members are jointly and severally responsible for the EEIG's debts, indefinitely.
2. Until the EEIG's liquidation is closed, the EEIG's creditors cannot pursue a member for the EEIG's debts without having previously demanded payment from the EEIG and can only do so if payment has not been made within a reasonable amount of time.
3. Each new member is by rights exempt from EEIG debts incurred before he/she joined the EEIG.
4. Each member resigning or excluded from the EEIG is by rights exempt from EEIG debts incurred after he/she left the EEIG.

VI.
SUPPLEMENTARY PROVISIONS

Art. 20
Winding-up, Liquidation

1. The EEIG can be wound up. Winding-up must be declared in the circumstances set out in articles 31-2 and 3 of EC Regulation N° 2137/85. Winding-up must be declared by the appropriate tribunal competent in winding-up matters in the circumstances set out in articles 31-2 and 32-1 of the above regulation.
2. Winding-up of the EEIG shall result in its liquidation by the Managing Director(s) in office, unless where members prefer, by collective decision, to confer the task to one or more other liquidators.
3. The liquidator(s), acting jointly or separately, shall have the widest powers so as to be able to realize assets in block or individually and by amicable agreement and pay off liabilities. He/she/they can also, subject to authorization by collective decision by members, allocate all or part of the assets of the EEIG to another legal entity.
4. After settlement of liabilities, the net proceeds from the liquidation shall be shared pro rata between members.

If the assets are insufficient to settle the liabilities, the deficit must be met by members, in the same proportions.

Art. 21
Professional Responsibility of Members

1. Each member must check that these Articles conform to the regulations of the professional order to which he/she belongs. Each member remains subject to the professional code adopted by his/her professional order both in the practice of his/her profession and in his/her activity within the EEIG.
2. Each member must have taken out, in his/her home country, insurance covering his/her professional civil liability.

