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d'avocats d'entreprises

International News in Brief January & February 2007

Do you have development plans in France, are you considering doing business with French companies, are you thinking of establishing strategic bases in France or do you wish to modify your existing French legal entity? This legal news bulletin is designed with you in mind.

Your specialists in international projects

So that you know us better, from both a human and a technical point of view, we regularly introduce you to those lawyers of the LAMY LEXEL legal firm who are specifically involved in international projects for our clients and partners.

Since early January, **Jean-Yves FLEURANCE** has joined strength with the Labour Law department as a partner.

Aged 41, holder of a *DESS* (post graduate specialised degree) in Business Law and a *DJCE* (Master's degree), he was joint director of the Labour Law consultancy department with Magellan then with Ginestié Magellan Paley Vincent.



He is now part of the LAMY LEXEL Labour Law Department, consisting of 22 lawyers (8 partners and 14 associates) located in Paris and Lyon. This department, devoted to Labour and Social Security Law for family businesses, medium-sized and multi-national companies, is involved in the following issues in practice: individual and collective relationships, management of social aspects of restructuring operations and company reorganisations, wages management, employees' savings schemes, welfare protection, working time allocation, international mobility, etc.

Jean-Yves FLEURANCE has worked as a Labour Law advisor for 15 years: notably he has acknowledged experience in:

- Pre-acquisition labour audits,
- Post-acquisition labour management,
- Social contributions' optimisation,
- Deferred remuneration policy,
- Personnel representation organs' management,
- International mobility,
- Management of social consequences of restructurings.

He regularly takes charge of training sessions, conferences and reflection clubs in his fields of expertise, and is often asked to collaborate in various professional journals.

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Labour Law

➤ Case law concerning Article L 122.12, §2 of the French Labour Code

As a preamble, one should remember that according to article L.122-12 § 2 of the French Labour Code:

"In the event of a change in the employer's legal status, in particular by way of succession, sale, merger, change of business, incorporation, all employment contracts in force at the date of said change shall continue in force between the new employer and the company's employees".

In a first case, the application conditions of Article L 122.12 § 2 of the French labour code were not

satisfied and the two companies concerned decided on a voluntary application of this provision. Several employees saw their employment contracts transferred, on October 1st 2000, with the same remuneration and place of work conditions, and referred to the *Conseil de Prud'hommes* (Industrial Court) one and a half years later to obtain reintegration with their original employer.

The Court of Appeal of Paris held that the employees did not object to the transfer of their employment contracts in the scope of voluntary application of Article L 122-12 and that therefore their application for reintegration with their original employer was not admissible.

This position was censured by the Supreme Court: *“Whereas however, when the application conditions of Article L 122-12 paragraph 2 of the Labour Code are not satisfied, the transfer of an employee’s employment contract from one company to another constitutes a modification of said contract which may not occur without the employee’s express approval, which approval cannot result from the sole continuation of work”*.

In a second case, Article L 122-12 application conditions were satisfied: the concession company refused the transfer of employees’ employment contracts on the grounds that these latter had themselves supposedly refused said transfer, by taking part in several operations objecting to the concession’s takeover.

The Court of Appeal of Montpellier considered that by performing numerous objection operations, the employees had demonstrated their refusal of seeing their employment contracts transferred and that they were therefore not grounded in applying for said transfer, pursuant to this refusal.

This position was censured by the Supreme Court: *“by ruling thus, although on grounds that reveal the existence of the employees’ collective objection to the replacement of the public service operating concession by another, this does not characterise each individual employee’s refusal of the continuation of his/her employment contract with the new employer upon actual transfer of the economic entity, which refusal, if this is established, produces the effect of a resignation, the Court of Appeal deprived its decision of a legal basis”*.

➤ Case law concerning non-competition clause

As an introduction, please note that since a case law dated 10 July 2002, a non competition clause is considered as valid only if the following criteria are fulfilled:

- (i) the non competition clause must be essential to the protection of the Company’s lawful interests,
- (ii) the non competition clause must be limited in time, space and concerned activities,
- (iii) the non competition clause must take into account the specificities of the employee’s qualification,
- (iv) the non competition clause must provide for a financial counterpart.**

Please also note that the above conditions are cumulative. If a non competition clause does not fulfil the above listed criteria, it shall in principle be deemed null and void.

In the case at hand, a non-competition clause banned a technical-commercial agent from performing an activity liable to compete with his former employer during two years, in the “*department*” (French administrative division) where he worked, and in the three adjoining “*departments*”. This was compensated by an indemnity equal to 1/10th of the gross salary received in January of the last year of activity.

The Court of Appeal of Grenoble considered that this compensation, which only amounted to the equivalent of 2.4 months of salary for a clause enforcement term of twenty-four months, was “**derisory**” (i.e. **insufficient**) in view of the significant restrictions imposed on the employee, which were disproportioned compared to the compensation amount.

The Court therefore considered that, in view of the derisory amount of the financial compensation, the non-competition clause was unlawful and therefore null and void. The company was sentenced to pay the employee damages as a result of the prejudice that he had necessarily suffered by complying with the unlawful non-competition clause.

The Supreme Court confirmed this position (Supreme Court. Soc. - November 15th 2006).

➤ **Electronic mail: personal or professional documents?**

Within the scope of working relationships and due to its disciplinary powers, the employer may punish an employee's abusive use of the professional tool during working hours.

This employer / employee relationships issue is all the more present due to the growing use of computers in companies and the possibility of Internet connections, accompanied by an electronic mail system.

In its 2002 report, the *CNIL* (French data protection watchdog) recalled that a personal computer at users' disposal at their place of work did not necessarily come within the scope of the employee's private life. The computer is company property and may only subsidiarily include information coming within the scope of private life. It may be protected by a password and a login, but this security measure must be intended to prevent malevolent or abusive use by third parties: it does not aim to transform the company computer into a private use computer.

Specific identification of an e-mail's personal character

Since the famous Nikon decision (Supreme Court. Soc. - October 2nd 2001), the Supreme Court considers that the employer may not, without violating correspondence secrecy which is a fundamental liberty, read personal messages sent or received by an employee with a data-processing tool at the employee's disposal for his/her work, even in the case where non-professional use of the computer has been forbidden.

In a decision dated May 17th 2005, which this time did not concern electronic messages but the storage of personal files on the available computer, the Supreme Court mitigates the principle set down by the Nikon decision: it authorises the employer's control of said files and fixes the lawfulness conditions. Thus, the decision affirms that *"except for risk or specific event, the employer may not open files identified by the employee as being personal on the hard disk of the computer available to the latter, except if the employee is present or duly called in"*.

In both cases, the "personal" qualification of employees' files, documents or messages was not a problem as employees' took care to carefully identify these documents as being "personal".

What happens if employees lack this foresight and that the litigious documents are not identified as being "personal"? Would these documents therefore be considered as professional?

The presumption of the professional nature of an electronic message

In two decisions dated October 18th 2006, the Social Chamber of the Supreme Court decided that the employee's paper documents or computer files, save when these are identified as being personal, are presumed as having a professional character.

In one case the documents were computer files and in the other, paper files found on the employee's desk. Today, this distinction is no longer liable to entail significant system discrepancies.

However, a Court specification appears as decisive in implementing the presumption of the professional nature of these documents.

Indeed, said files must issue from a data-processing tool put at the employee's disposal by the employer for performance of his/her employment contract, or the documents must be found in the employees' office, made available by the company. Therefore, in fact, it is the location where said documents are found which enables the presumption that these are professional documents.

Thus, in application of the presumption stated in these two decisions, the employer cannot be criticised for opening a private file in good faith, by mistake, due to the employee's lack of explicit indications: *"the files and documents created by an employee with the data-processing tool [or documents held by the employee in the company office] made available by his/her employer for performance of his/her work, are presumed as having a professional nature, save if the employee has identified these as being personal, and therefore the employer may access these without the employee being present"*.

But this is a simple presumption. Indeed the employee's documents or files only need to be identified as personal for this professional character presumption to be dropped.

This faculty of accessing documents of a professional nature, without the employee being present, is justified by the existence of the employer's management powers, in which terms the supervision and control of employees' activities is acknowledged.

In fact, it is not the free consultation or access to these documents which interests the employer most, but their use as evidence in support of dismissal on disciplinary grounds. Evidence provided in support of serious or gross negligence may no longer be excluded, in view of Article 9 of the New Code of Civil Procedure, as constituting a disloyal method of evidence. Indeed, if the use of new technologies in Labour Law incurred litigation concerning evidence loyalty very early on, in actual fact, this question has only been raised quite rarely concerning extraneous evidence methods in new technologies and the Social Chamber has never really had the opportunity of studying an employer's consultation of paper documents.

To avoid any ambiguity, the employer should take care to specify data-processing tools' utilisation through a company Information System Utilisation Charter. Certain decisions (*Conseil de Prud'hommes* of Nanterre - September 15th 2005) have already referred to such charters to decide on e-mails' professional nature.

➤ **Law for the development of employee profit sharing and shareholding schemes, specifying various economic and social provisions**

The Law n° 2006-1770 dated December 30th 2006, published in the *Journal Officiel* (official bulletin giving details of laws and official announcements) dated December 31st, includes various **provisions concerning employee savings schemes**, notably (i):

- The possibility of paying supplementary shared profits or special participation reserves

This possibility is open to employers who wish to go beyond the strict application of their profit sharing or incentive schemes' agreements.

However, it is in fact restricted as follows:

- Concerning profit sharing schemes, the supplementary amount and basic payment must not exceed 20% of the beneficiaries' total gross remuneration, within the limit of an individual distribution ceiling level (75% of the Social Security ceiling level),
- Concerning participation, the special reserve, including the supplement, must not exceed the highest of the ceiling levels specified in Article L.442-6 of the Labour Code (or the ceiling level chosen by derogatory agreement, depending on the case) and this within the limit of the distribution ceiling level (50% of the Social Security ceiling level).

Of course, these supplements come under the same tax and social system as amounts paid pursuant to basic agreements. The Board of Directors, the Supervisory Board, or failing this, the Company Director, takes this decision.

- Tax reductions for issue of shares to employees

Under the condition that these are allocated to all employees, companies which issue new shares in the framework of a bonus shares attribution, the exercise of share warrants or an increase in capital reserved for company savings' scheme subscribers, may deduct the discount enjoyed by employees from their cooperate income tax amount.

Distribution criteria of these bonus shares may be as follows:

- A uniform distribution foreseeing a defined number of shares per employee,
- A proportional distribution based on employees' seniority,
- A proportional distribution to employees,
- A combination of these different criteria.

(ii) Amongst the various **social measures** are notably indicated:

- Suppression of the Contribution Delalande

This contribution, which taxed employers who dismissed employees aged 50 and over, will disappear entirely as from January 1st 2008 and shall no longer be payable for employees hired after December 31st 2006.

Creation of a transport-cheque

This will enable employees to purchase transport tickets or fuel to travel to work. In this last case, the employee must be able to demonstrate that he/she has no choice other than taking his/her car, either due to working hours, or because the place of work is located beyond urban transport zones.

In these hypotheses, the employer's contribution is exempted from social contributions and tax within the limit of:

- 50% of the public transport subscription,
- 100 € per year for fuel purchases.

However, as this device is optional, its implementation depends on the employer's decision. An implementing decree will specify the details of this new "cheque".

To be noted

The *Conseil Constitutionnel* objected to the reform desired by Parliament, which foresaw no longer taking into account employees working as sub-contractors or within the scope of providing services, either as staff of the host company (save for establishment of a Committee for Hygiene, Safety and Working Conditions) or for elections or eligibility. **Therefore, said employees are still to be considered as the host company's own employees, exactly as if these were directly bound by an employment contract.**

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Business Law

➤ **Offence procedure initiated by the European Union against France, pursuant to the Anti-Takeover Decree concerning control of foreign investments**

On December 31st 2005, through the Anti-Takeover Decree, the French State modified foreign investment regulations in certain so-called “sensitive” sectors, submitted to prior authorisation from the *Ministry for Finance and Economy* (MINEFI).

This Decree redefined the so-called sensitive sectors by separating Community investments from third countries’ investments and specified the procedure for obtaining prior authorisation from the MINEFI.

As from January 20th 2006, the European Commission (“EC”) via its Internal Market and Services Department made some observations on this Decree.

On April 4th 2006, the EC challenges the proportionality of the measures established by the above-mentioned Decree for the safeguard of public order and security, in view of the unrestricted circulation of capital and freedom of establishment, and requested explanations from France on the following points:

- Obligation of prior MINEFI’s approval solely applicable to foreign investments, excluding French investments, which constitutes a first discrimination,
- The distinct definition of foreign capital according to its origin, which constitutes a second discrimination between European investors, depending on whether these are controlled by third countries, or not.

The French State’s explanations on these two points were considered insufficient by the EC and, in the absence of European harmonisation in this issue, the EC formally requested that the French State modify its legislation.

Failing a reply within two months, France may be sanctioned by the European Court of Justice (EJC) for non-performance of Community obligations, on the grounds of Article 226 of the EC Treaty.

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Corporate Law

➤ Public Order Act and international contract law

An English company had goods delivered to its French customer by an English carrier. Due to the seller/dispatcher being placed under compulsory liquidation, the carrier's invoices were not paid.

French jurisdictions considered that the transport contract should be submitted to English law, in application of Article 4 §4 of the Rome Convention dated June 19th 1980, as the contract was most closely connected to this country, the registered offices' of both the shipper and the dispatcher were located in England and the goods were loaded in England.

However, the carrier, who had several unpaid invoices, intended putting forward French law provisions, and in particular Article L.132-8 of the Commercial Code, which foresees the possibility of the carrier undertaking action directly against the consignee, notwithstanding any contrary clause, deemed as unwritten. The carrier claimed that the aforementioned Article L.132-8 should be considered as a Public Order Act, as understood by Article 7 §2 of the Rome Convention, applicable ipso jure, despite the application of English law.

The Court of Appeal of Rennes (September 5th 2006) recalls that *“the Public Order Act is that which is required to safeguard a country's political, social or economic organisation”* and therefore holds that *“Article L. 132-8 of the Commercial Code is an internal public order protection provision having the objective of avoiding unpaid transport invoices for carriers, resulting from their contractors' bad faith or bankruptcy. It protects a specific sector of the economy. It does not comply with the definition of Public Order Act, as it does not have an “internationally mandatory” character liable to dismiss English law whose application was decided pursuant to the criteria of Articles 4.4 and 4.5 of the Rome Convention”*.

In this case, the Court of Appeal of Rennes performs a strict interpretation of the Public Order Act, which is restricted to international public provisions, required to *safeguard a country's political, social or economic organisation* and is applicable to all situations and all sectors of activity.

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Tax Law

➤ Reminder of reforms enforceable as from January 1st 2007

New income tax brackets

- The number of brackets is reduced from 7 to 5,

- The bracket scales and limits include the 20% general allowance reserved to date for wages and salaries, free life annuities, remuneration concerned by Article 62 of the General Tax Code (GTC) and members of approved management centres or associations.

The tax bracket applicable to 2006 income is as follows for a one (1) tax unit family quotient:

Fraction of taxable income (1 tax unit)	Rates
Under 5 614 €	0 %
From 5 614 € to 11 198 €	5.5 %
From 11 198 € to 24 872 €	14 %
From 24 872 € to 66 679 €	30 %
Over 66 679 €	40 %

And the bracket applicable to salaries paid by a French employer to non-residents is as follows:

Portion of taxable income after 10% costs allowance	Withholding tax rate
Under 13 408 €	0 %
From 13 408 € to 38 903 €	12 %
Over 38 903 €	20 %

Tax Shield

Pursuant to the new Article 1 of the GTC, each taxpayer is entitled to a restitution of direct taxes for the portion exceeding 60% of income received during the year preceding income tax payment.

The taxes taken into account for the definition of this right are income tax, local taxes paid for the main residence and wealth tax.

Exemption from capital gains on shareholdings completed by companies submitted to corporate income tax

Income/Capital gains	Taxable at 15%	Exemption as from 2007 (in 2006, taxed at 8 %)
Net income from transfer of patents, patentable inventions or certain industrial manufacturing processes	X	
Shareholdings representing 10% of the share capital at least		X
Shares acquired further to a takeover or a public offer of exchange by the initiating company and registered – on an accounting point of view - as “ <i>titres de participation</i> ” or in a specific subdivision of another account		X
Shares opening rights to the parent-subsidiary tax system and recorded registered – on an accounting point of view - as “ <i>titres de participation</i> ” or in a specific subdivision of another account		X
Shares in property-based companies whenever they are considered as “ <i>titres de participation</i> ” from an accounting point of view.	X	

Shares whose cost price exceeds 22.8 M € and which meet all conditions for the parent-subsidiary tax system other than that concerning the 5 % interest threshold	Taxed at the rate of 33. 1/3%
Mutual risk fund investments or venture capital company shares held for at least five years	X
Dividends received from venture capital companies	X

➤ Transfer prices: procedures adapted to SMEs

For SMEs improved information, the Administration has made a **practical guide** available, entitled “Transfer prices” on the website www.impot.gouv.fr.

To secure SMEs from a tax point of view and avoid disputes which could arise with the Tax Authorities concerning appreciation of inter-group remuneration normality, those that so wish may apply for a **previous price agreement**, in the scope of a **simplified procedure** which consists in:

- Simplifying the required documentation for filing and inquiry of the agreement applied for,
- Assistance in the operational analysis and selection of the chosen price method,
- As a study and at the company’s request, an analysis of external comparability in the usual databases,
- Reducing the contents of the annual compliance report required for agreement follow-up.

➤ Future expatriates can benefit from the export system

It is admitted that persons residing in France who are about to be posted, or who transfer their residence, to a third country as regards the European Community, may acquire a property **VAT exemption** for export (including means of transport).

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IP / IT

➤ Electronic mail: personal or professional documents?

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In fact, it is not the free consultation or access to these documents which interests the employer most, but their use as evidence in support of dismissal on disciplinary grounds. Evidence provided in support of serious or gross negligence may no longer be excluded, in view of Article 9 of the New Civil Procedure Code, as constituting a disloyal method of evidence. Indeed, if the use of new technologies in Labour Law incurred litigation concerning evidence loyalty very early on, in actual fact, this question has only been raised quite rarely concerning extraneous evidence methods in new technologies and the Social Chamber has never really had the opportunity of studying an employer's consultation of paper documents.

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Real Estate Law

➤ **Insertion by the *ENL* Law, in the Code of Construction and Housing, of a legal system applicable to sales of buildings requiring renovation**

Article 80 of the *ENL* law (Law pertaining to the National Housing Commitment) inserts in the Code of Construction and Housing (CCH), a legal system applicable to sales of buildings requiring renovation, which is the counterpart of the existing law for buildings to be constructed and whose enforcement is subordinated to the publication of a Decree by the *Conseil d'Etat* (Articles L. 262-1 to L. 262-11 of the law dated July 13th 2006).

These public order provisions are imposed on all persons who:

- Sell a constructed building or part of a constructed building for housing purposes, or for professional and housing purposes, or intended for one of said purposes after works,
- Contractually commit to directly or indirectly carrying out works on said building or part of building within a defined deadline,
- Receive payments from the purchaser before works' delivery.

When these three cumulative conditions are satisfied, the seller must then conclude a deed of sale with the purchaser for a building requiring renovation, save if the seller undertakes extension works or the building's entire restructuring, thereby assimilated to reconstruction and expressly excluded from the scope of the law's application.

Under penalty of being declared null and void, said contract must be performed by an officially recorded notary deed and include certain indications such as the description of the building sold, works

to be performed, building price, specifying whether this is revisable, or not, and according to what terms, the works' performance deadline, justification of the extrinsic completion warranty and insurance policies for liability and damages contracted by the seller.

The sale of the building to be renovated then has the effect of immediately transferring land rights to the purchaser, and ownership of existing constructions.

In practice, this shall confer on the purchasers a protection equivalent to that enjoyed by purchasers in the framework of a sale in future state of completion, whereas to date they only had a more or less informal and precise commitment to works, covered by the sole estate agent's contractual warranty beyond any insurance coverage for completion and non conformities as compared to the description.

➤ **Contribution of the decree dated August 11th 2006 on the new VAT real estate system applicable to renovation operations**

Long awaited, the implementing decree for Article 257-7, 1, C of the General Tax Code, stipulating the conditions in which finishings result in the production of a new building, submitted to the normal VAT rate, has been published in the *Journal Officiel* (*official bulletin giving details of laws and official announcements*):

This results in the fact that reduced rate VAT (5.5%) applies to works concerning all finishings listed below:

- Non-load bearing floors,
 - External windows and doorframes,
 - Internal partitions,
 - Sanitary and plumbing installations,
 - Electrical installations,
 - Heating system for installations performed in Metropolitan France,
- as long as these are less than 2/3 of the works.

In practice, these stipulations should enable to avoid significant litigation concerning major renovation works, notably due to the fact of diverging interpretations of the notion of works contributing to the production and delivery of a new building.

As the decree dated August 11th, 2006 was the object of lively discussions, an administrative directive dated last December 8th also contributed certain specifications to the new legal criteria notably enabling to define whether the sale of a building, undergoing works, does or does not come within the VAT scope of application.

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Litigation - Arbitration - Mediation

➤ **The validity limits of an international arbitration clause in China**

The Maritime Court of Guangzhou, in its decisions dated May 24th 2005, declared an arbitration clause by the International Chamber of Commerce (ICC) null and void, stipulating that *“the final judgement of all litigation shall be delivered in consideration of the International Chamber of Commerce’s arbitration regulations by one or several arbitrators appointed in compliance with the aforementioned regulations in the defendant’s country of residence”*. Indeed the Court held that as the contract was submitted to Chinese law, the ICC arbitration clause did not expressly designate the arbitration institution selected by the parties, which condition is specified by Article 16 §2 of Chinese arbitration law under penalty of the clause being declared null and void.

Reminder concerning Chinese international arbitration law

Chinese arbitration law makes a difference between foreign and domestic arbitration.

Arbitration is considered as foreign if one of the following elements exists:

- At least one of the parties holds foreign nationality: Wholly Foreign Owned Enterprises (WFOE) or certain joint-venture contracts, are not considered as foreign according to Article 126 of Chinese contract law,
- The legal facts generating the private law relationship occurred abroad,
- The object of litigation is located abroad.

The qualification of foreign arbitration enables the selection of a foreign arbitration institution (save if said selection is performed in order to avoid a mandatory Chinese provision) whereas the qualification of non-foreign arbitration entails compulsory selection of a Chinese arbitration institution.

Validity condition of an international arbitration clause in China

Article 16 §2 of Chinese arbitration law foresees that the arbitration clause must specify the parties’ agreement to submit litigation to arbitration and also the selected arbitration institution: the Maritime Court of Guangzhou interprets these conditions strictly.

Further to decision by this same Court, the ICC modified its standard clause applicable in China to take the conditions specified here above into account. The new wording is as follows: *“All disputes resulting from or concerning this contract shall be submitted to the Arbitration Court of the International Chamber of Commerce and shall be definitively settled according to the International Chamber of Commerce’s Arbitration Regulations by one or several arbitrators appointed in compliance with said Regulations”*.

Foreign companies should therefore be careful in drafting their international arbitration clause in their business relationships with China, under penalty of seeing said clause declared null and void and their litigation submitted to Chinese jurisdictions.

➤ Creation of a European enforcement order for uncontested claims

The Community regulation n°805/2004 dated April 21st 2004, concerning the creation of a European enforcement order for uncontested claims entered into force on October 21st 2006.

Said regulation foresees that decisions which constitute *res judicata* concerning financial, liquid and mature uncontested claims, whether civil or commercial, rendered by a Member State jurisdiction, which have been certified as a European enforcement order by the same jurisdiction, shall be proposed for enforcement purposes as if they had been delivered in the Member State where their enforcement is

demanded, without requiring application for authority to enforce.

However, although this regulation is directly applicable, due to Member States procedural autonomy, these latter had to define the required national application measures before October 21st 2006 for the implementation of the European enforcement order.

As concerns France, the application measures were posted on the European Union website in the judicial atlas at the address:

http://ec.europa.eu/justice_home/judicialatlascivil/html/rc_otherinfoeeo_fr_fr.htm.

Said French application measures are as follows:

- The chief registrar of the Court which has delivered the European enforcement order is solely competent to rectify this in the event of a material error, or withdraw this in the event of unwarranted issue; dismissal of a rectification or withdrawal application may be appealed against before the President of the Court,
- The re-examination procedure is the common law procedure applicable to decisions taken by the Court which delivered the original enforcement order,
- Languages accepted for European enforcement orders are French, English, German, Italian and Spanish,
- The Authority referred to in Article 25 (which may apply for an authentic instrument concerning the enforceable claim pursuant to the European order) is the President of the Notary Chamber of the notary office's district who drew up the order before certification as a European enforcement order.

Although these application measures provide practical specifications concerning the implementation of the European enforcement order in France, they have not been integrated into the Code of Civil Procedure. This may well slow down the effective application of the European enforcement order.

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