

Disclosing before the French registry of companies the management members of a simplified joint-stock company

The shareholders of a simplified joint-stock company have freedom to fix, in the company's bylaws, the management's structure of the company and the rules of its functioning.

However, as the French law requires the representation of a simplified joint-stock company by a president, the management should include a president and it is not possible to attribute this function to several managers within the company.

The bylaws of a simplified joint-stock company may define either a sole manager, the president, or a collegial body (frequently known as management committee or board of directors), composed of a president and other managers. The bylaws shall fix its composition and its functioning: number of managers, distribution of the management roles among the different shareholders, allocation and distribution of tasks among managers and establishing specialised committees.

The bylaws define, sometimes, a board of directors to control the management of the president and to report to the shareholders.

The appointment of president and other managers is freely defined by the bylaws.

In practice, and before a recent decision of the Paris Court of Appeal dated as of May 18th, 2010, the president and any other manager, legal representatives of a simplified joint-stock company, should be disclosed before the competent French registry of companies.

Since this decision, should be disclosed not only the legal representatives of a simplified joint-stock company but also the members of the board of directors and the executive members, even if they are not legal representatives of the simplified joint-stock company.

The simplified joint-stock companies which disclosed their legal representatives before the decision mentioned above, and in case they have as well a board of directors and executive members without being legal representatives, should comply with this decision.

Therefore, they should disclose before the competent French registry of companies all their members without being legal representatives.

29th September 2010

By Camille Moussalem and Frédéric Ichay, Avocats à la Cour, Corporate Department of the law firm Ichay & Mullenex Avocats.

Ichay & Mullenex Avocats is a French law firm focusing on all legal issues related to the new technologies, the green business and the sustainable development in France and abroad. They are considered experts in intellectual property and Internet law, e-commerce, online gaming, data protection. Ichay & Mullenex Avocats also assists its clients on all issues related to financing, mergers & acquisitions, restructuring, etc. and advises them on their litigation and arbitration procedures.

5, rue de Monceau 75008 Paris - France
Tel : +33 1 42 89 19 80
Fax : + 33 1 42 89 14 99
www.ichay-mullenex.fr