






GOVERNING COUNCIL
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Item No. 5 on the agenda: Report on the situation regarding Correspondents

(memorandum prepared by the Secretariat)

<i>Summary</i>	<i>Radically new approach to appointing correspondents</i>
<i>Action to be taken</i>	<i>See paragraphs 3 and 4</i>
<i>Related documents</i>	<i>C.D. (84) 22</i>

Priority			
	high	medium	low

BACKGROUND

1. In light of the utterly unsatisfactory response to the Secretariat's request to submit comments on proposed items for the triennial Work Programme, the Council instructed the Secretariat to examine the situation in more detail. In particular, the Secretary-General was asked to send a letter to the "dormant" correspondents and to inquire whether they considered receiving communications from the Secretariat a burden and preferred to be deleted from the list of addressees of materials and communications.

2. The result of the review is reflected in Annex I. Of the more than 70 correspondents who received the aforementioned letter only two replied, one asking to be deleted and the other to remain on the list.

ACTION TO BE TAKEN

3. The Secretariat would suggest to remedy the situation as follows:

(a) The individuals listed in Annex I with two minuses are dropped from the list but without explicitly being deprived of their status.

(b) Following a suggestion made by *Mr Widmer*, future appointments of individuals will be made, in principle, based on actual rather than just potential merit and, secondly, preferring younger and "hungry" persons over over-burdened celebrities.

(c) Consideration should be given to create a special class of correspondents, including corporate correspondents such as law firms, industry associations, charitable organisations, etc. who contribute substantially and over a period of time by funding UNIDROIT activities, through secondments of staff to the Secretariat or in any other way.

4. The Secretariat would propose to appoint as a first member of this “Court of Benefactors” the Washington, DC law firm Jenner & Block LLP. The firm has funded Mr Brian Hauck’s service on the Secretariat in connection with the elaboration of the draft model law on leasing. A profile of the firm is attached as Annex II.

ANNEX I

CORRESPONDENTS OF THE INSTITUTE AS OF 1 MARCH 2006

	Name	Country	Replied Re Work Programme	Other material contact since 2003
1	ABASCAL ZAMORA José María	Mexico	–	+
2	ABOUL-ENEIN Mohamed	Egypt	–	+
3	AGARWAL Vinod K.	India	–	–
4	AKANLE Oluwole	Nigeria	–	–
5	AUDIT Bernard	France	–	–
6	AVILOV Gainan	Russian Federation	–	+
7	AZZIMAN Omar	Morocco	–	–
8	BEL HAJ HAMOUDA Ajmi	Tunisia	–	–
9	BERAUDO Jean-Paul	France	–	+
10	BERTHE Abdoul Wahab	Mali	–	–
11	BEY EI Mokhtar	Tunisia	+	+
12	BIENVENU Pierre	Canada	–	–
13	BOELE-WOELKI Katharina	The Netherlands	–	+
14	BOGDANOWSKY DE MAEKELT Tatiana	Venezuela	–	–
15	BOJARS Juris	Latvia	–	+
16	BOSS Amelia Helen	USA	–	+
17	BOUDAHRAIN Abdellah	Morocco	+	–
18	BOUTIN I. Gilberto	Panama	–	+
19	BROUWER George	Australia	–	+
20	BURMAN Harold S.	USA	+	+
21	CALUS Andrzej	Poland	+	+
22	CAMINOS Hugo	USA	–	–
23	CAPRIGLIONE Francesco	Italy	–	–
24	CHARFEDDINE Mohamed Kamel	Tunisia	–	+
25	CHIASSEON Edward C.	Canada	–	–
26	CHIAVARELLI Emilia	Italy	–	–
27	CHIOMENTI Filippo	Italy	–	+
28	CHURCH Joan	South Africa	–	–
29	CLETON Robert	The Netherlands	–	–
30	CRAWFORD James Richard	United Kingdom	–	+
31	CREPEAU Paul-André	Canada	+	+
32	CRESPI REGHIZZI Gabriele	Italy	–	+
33	CUMING Ronald C.C.	Canada	–	+
34	CURTI GIALDINO Carlo	Italy	–	–

	Name	Country	Replied Re Work Programme	Other material contact since 2003
35	DADACHANJI J.B.	India	–	–
36	DATE-BAH Samuel Kofi	Ghana	+	+
37	DEKOVEN Ronald	USA	+	+
38	DEL DUCA Louis	USA	–	+
39	DE NOVA Giorgio	Italy	+	+
40	DESCHAMPS Michel	Canada	–	+
41	DIAZ BRAVO Arturo	Mexico	–	+
42	DROBNIG Ulrich	Germany	–	+
43	DUCHEK Alfred	Austria	–	–
44	EL KOSHERI Ahmed S.	Egypt	–	+
45	FELICIANO Fiorentino P.	Philippines	–	–
46	FERRAND Frédérique	France	–	+
47	FERRARINI Guido	Italy	–	+
48	FINN Paul Desmond	Australia	+	+
49	FONTAINE Marcel	Belgium	+	+
50	FRESNEDO DE AGUIRRE Cecilia	Uruguay	–	+
51	FURMSTON Michael P.	United Kingdom	+	+
52	GARCÍA PUJOL Ignacio	Chile	–	+
53	GARRO Alejandro	Argentina	+	+
54	GHATTAS Iskandar	Egypt	–	+
55	GOLDRING John L.	Australia	–	+
56	GRANDINO RODAS João	Brazil	–	–
57	HARTONO Sunaryati, S.H	Indonesia	–	+
58	HAZARD Geoffrey C., Jr	USA	–	+
59	HERBER Rolf	Germany	–	–
60	HERBOTS Jacques	Belgium	–	+
61	HIROSE Hisakazu	Japan	–	+
62	HINESTROSA Fernando	Colombia	–	+
63	HJERNER Lars	Sweden	–	–
64	HONNOLD John	USA	–	–
65	HUANG Danhan	China	–	+
66	ILLESCAS ORTIZ Rafael	Spain	–	+
67	ISSA-SAYEGH Joseph	Senegal	–	+
68	IZADI Bijan	Iran	–	+
69	JAYME Erik	Germany	–	+
70	KAHN Philippe	France	–	–
71	KANG Doo Ung	Republic of Korea	–	–
72	KASIRER Nicholas	Canada	–	+

	Name	Country	Replied Re Work Programme	Other material contact since 2003
73	KEMELMAJER de CARLUCCI Aída R.	Argentina	–	+
74	KOH Kheng-Lian	Singapore	–	–
75	KONIGSBERG Alexander S.	Canada	–	+
76	KÖNKKÖLÄ Mikko	Finland	–	+
77	KOUMANTOS Georges	Greece	–	–
78	KOZOLCHYK Boris	USA	–	+
79	KOZUKA Souichirou	Japan	–	+
80	KRAMER Ernst A.	Switzerland	–	–
81	KREUZER Karl	Germany	–	+
82	KRINGS J. Ernest	Belgium	–	+
83	KULSHRESHTHA V.D.	India	–	–
84	LALIVE d'EPINAY Pierre	Switzerland	–	+
85	LANDO Ole	Denmark	+	+
86	LEANZA Umberto	Italy	–	–
87	LEFEBVRE Guy	Canada	–	+
88	LIBRANDO Vito	Italy	–	–
89	LIEBMAN Lance	USA	–	+
90	LOHOUES-OBLE Jacqueline	Ivory Coast	–	–
91	LONGO Giovanni	Italy	–	–
92	de MAGALHÃES José Carlos	Brazil	–	–
93	MARCHISIO Sergio	Italy	–	+
94	MARKESINIS Basil S.	United Kingdom	–	+
95	MARTYNOV Anatoli S.	Russian Federation	–	–
96	MASKOW Dietrich	Germany	–	–
97	McKENDRICK Ewan G.	United Kingdom	–	+
98	MEDINA Maria do Carmo	Angola	–	–
99	MENDELSON Martin	United Kingdom	–	+
100	MICALLEF Joseph A.	Malta	–	–
101	MOONEY Charles W., Jr.	USA	–	+
102	MORAN BOVIO David	Spain	–	+
103	MOURA RAMOS Rui Manuel	Portugal	–	+
104	MUTUNGI Onesimus K.	Kenya	–	–
105	NAGANO Osamu	Japan	–	–
106	NANARE Damienne	Central African Republic	–	–
107	NDIAYE Youssoupha	Senegal	–	–
108	NEGOS Peter D.	USA	–	+
109	NGOMO Angéline Florence	Cameroon	–	–
110	OKANI ABENGUE Rachel-Claire	Cameroon	–	–

	Name	Country	Replied Re Work Programme	Other material contact since 2003
111	ORLEANS G.A.	Ghana	–	–
112	ORTIZ SOBALVARRO Alfonso	Guatemala	–	+
113	OYEKUNLE Tinuade	Nigeria	–	+
114	OZSUNAY Ergun	Turkey	–	–
115	PAMBOUKIS Charalambos	Greece	–	+
116	PANEBIANCO Massimo	Italy	–	–
117	PARK Nohyoung	Republic of Korea	–	–
118	PERTICONE Giacomo	Italy	–	–
119	PETER Fritz	Switzerland	+	+
120	PFUND Peter H.	USA	–	–
121	PIAGGI VANOSSI Ana Isabel	Argentina	–	–
122	PINHEIRO FARINHA João de Deus	Portugal	–	–
123	PROTT Lyndel V.	Australia	–	+
124	RAJSKI Jerzy	Poland	–	–
125	RAKOVER Nahum	Israel	–	+
126	RAMBERG Jan	Sweden	–	+
127	RAZAFINALAMBO Edilbert	Madagascar	–	–
128	REICHELTE Gerte	Austria	–	+
129	REISMAN Albert F.	USA	–	–
130	RESCIGNO Pietro	Italy	–	–
131	RIVERA Julio César	Argentina	–	+
132	ROGNLIEN Stein	Norway	–	+
133	ROSEN Howard	United Kingdom	–	+
134	SACCO Rodolfo	Italy	–	–
135	SAFARIYAN Abbas	Iran	–	–
136	SAJKO Kresimir	Croatia	–	–
137	SALEHABADI Amélia	Canada	–	–
138	SAMSON Claude	Canada	–	–
139	SÁNCHEZ-GAMBORINO Francisco José	Spain	–	+
140	SANTOS Gonzalo T., Jr	Philippines	–	–
141	SCHIAVONI Giorgio	Italy	–	+
142	SCHIPANI Sandro	Italy	–	+
143	SCHULZ Albrecht	Germany	–	+
144	SIEHR Kurt	Germany	–	+
145	SHI Zhaoyu	China	–	–
146	SHYLLON Folarin Olawale	Nigeria	–	+
147	SIQUEIROS José Luis	Mexico	–	+

	Name	Country	Replied Re Work Programme	Other material contact since 2003
148	SOHN Kyung Han	Republic of Korea	–	–
149	SOLIMAN Mahmoud A.	Egypt	–	–
150	SOMMER Heinrich Johannes	Germany	+	–
151	SONO Kazuaki	Japan	–	–
152	STOICHEV Krassen	Bulgaria	–	–
153	STURMS W.W.	The Netherlands	–	–
154	STÜRNER Rolf	Germany	+	+
155	SUCHARITKUL Sompong	USA	–	–
156	SVIDRON Ján	Slovakia	–	+
157	SYNVET Hervé	France	–	+
158	TALLON Denis	France	–	–
159	TOLENTINO Arturo	Philippines	–	–
160	TSAMBASSY Tania	Greece	–	–
161	VAGTS Detlev F.	USA	–	–
162	VEYTIA Hernany	Mexico	–	+
163	VILLAÇA AZEVEDO Álvaro	Brazil	–	–
164	WALLACE Don, Jr.	USA	–	+
165	WALTER Gerhard	Switzerland	–	–
166	WEINBERG DE ROCA Inés M.	Argentina	–	+
167	WEITZEL Albert	Luxembourg	–	+
168	WINSHIP Peter	USA	–	+
169	WOOD Philip R.	United Kingdom	–	+
170	WOOL Jeffrey	USA	–	+
171	XERRI Alessandra	Italy	–	–
172	ZEIDMAN Philip	USA	–	+
173	ZIEGEL Jacob	Canada	–	–
174	ZOLEZZI Lorenzo	Peru	–	–
175	ZUMBO Frank	Australia	–	+

APPENDIX II**JENNER & BLOCK, LLP'S CONTRIBUTIONS**

At the encouragement of Mr Ronald DeKoven, a long-time UNIDROIT correspondent, Jenner & Block LLP agreed in the Spring of 2005 to second an associate attorney to the Institute for a nine-month period beginning 1 October 2005. During the secondment, the attorney would assist in the Institute's preparation of a model law on leasing. Working out of the seat of the Institute, the attorney would serve as the Secretary to the Advisory Board charged with overseeing the law's drafting and would provide assistance to Mr DeKoven, the Reporter.

Jenner & Block LLP's support for the preparation of the model law has been an important factor in the eventual model law's progress. In the light of the Governing Council's instruction that the model law on leasing be prepared without impinging on the Secretariat's regular budget, the project could succeed only with the support of external sources of funding. While the members of the Advisory Board overseeing the law's drafting agreed to donate their services and either bear their own expenses or secure funding from other sources, there remained the question of how the Secretariat could facilitate the process without drawing resources away from its other important projects. The seconded attorney has contributed to all aspects of the model law's preparation: preparing initial drafts of its text for the Reporter, researching issues raised by members of the Advisory Board, and coordinating preparation for the three sessions of the Advisory Board.

In part because of Jenner & Block LLP's generosity in seconding this attorney, the model law on leasing has proceeded at the exceptional pace that the Advisory Board deemed appropriate in the light of the urgent need for such a law in certain States. In fewer than six months beginning with its first session on 17 October 2005, the Advisory Board has travelled three times to Rome, considered and commented upon multiple preliminary drafts, and agreed upon a draft that it has recommended to the Governing Council. The services that Jenner & Block LLP has provided to the Institute have thus helped to promote the Institute's strategic goals while maintaining the Secretariat's commitment to its other important projects.

Jenner & Block LLP has also maintained an active international presence, assisting its clients with private law matters around the world. A representative sample of its contributions is described in the profile set out hereunder.

JENNER & BLOCK

Several of Jenner & Block's corporate clients are large companies headquartered in Europe, Japan and Latin America. Our long-standing relationships and experience with these corporations allow us to provide key insights and experience in the context of cross-border transactions. We assist our international clients with joint ventures and acquisitions in the United States as well as compliance with applicable United States regulatory requirements. We work closely with partners in our tax, intellectual property, regulatory and litigation practice to assist international clients with a wide array of disciplines.

Additionally, the transactions we engage in for our domestic clients increasingly involve significant international components, including non-U.S. securities compliance, anti-competition issues, tax structuring and planning, lien perfection matters, transfer pricing and other local law issues that arise in the context of acquisition and loan transactions. In connection with those matters, we coordinate with correspondent firms around the world. A number of our partners have been resident in Japan and the United Kingdom on multiple-year assignments. Those in Japan have been visiting members of a prominent Tokyo law firm. We have also regularly hosted visiting lawyers seconded to us from abroad.

International matters handled by our attorneys include:

Corporate Matters

- Establishing, restructuring and terminating joint ventures between Japanese multi-nationals and U.S. companies.
- Tender offer acquisitions in Australia and Ireland.
- An international (U.S., Japan and Europe) secondary securities offering of a Japanese automobile manufacturer's common stock, the acquisition of oil and gas fields in Ecuador.
- The acquisition of the protective and flexible packaging businesses of NV Koninklijke KNP TST, including negotiations and closing of the transaction in the Netherlands, Great Britain, Germany, Italy, France, Egypt, Poland and Belgium, with aggregate consideration in excess of approximately U.S. \$400 million.
- A restructuring of the existing financing of a Japanese multi-national corporation for Nippon Credit Bank.
- An international acquisition by Tenneco Inc. of Autocan, a Mexican catalytic converter and exhaust pipe assembly manufacturer.
- A U.S. \$200 million international asset acquisition by a U.S. based multi-national which had simultaneous closings in 15 countries.
- Restructurings of an automobile manufacturer's operations in Brazil, Mexico, the U.K. and Australia.

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- A joint venture between a U.S. automobile component manufacturer and a Czech company for manufacture of components in the Czech Republic.
 - A number of joint ventures between U.S. corporations and companies throughout Europe.
 - An international debt restructuring in excess of U.S. \$1 billion.
 - The recovery of assets and establishment of a distribution network in Japan for a U.S. client after its long-time, exclusive distributor in Japan filed for bankruptcy.
 - The establishment of a distribution arrangement in Mexico for a U.S. company and a U.S. subsidiary of a Netherlands multi-national corporation.
 - Structuring a series of investments in U.S. companies for Neste Oy, Finland's national oil and chemical corporation, as well as restructuring of certain of its U.S. and Canadian subsidiaries.
 - A joint venture project in Russia on behalf of a U.S. manufacturer of telecommunications equipment involving U.K. and Canadian joint venture partners.
 - Establishment of a joint venture between Mitsubishi Electric and NEC Corporation with respect to their North American computer monitor businesses.

**Cross-Border
M&A Capabilities**

We are accustomed to serving as “deal counsel” for U.S. based companies in cross-border M&A transactions.

- Several partners have practiced abroad for extended periods—London, Tokyo
- One member of the Firm is currently based in London—with extensive cross-border leasing expertise
- Relationships with local counsel throughout the EU and Asia-Pac
- Longstanding practice of hosting visiting transactional lawyers

Cross-border transactions that our partners have led include:

- Sale of American Tool Company to Newell Rubbermaid
- Exide Technologies acquisition of the GNB Battery business
- Acquisition by Motorola of the Force Computers business of Solectron Corporation
- Disposition of the pacemaker manufacturing operations of Pacific Dunlop Limited
- General Dynamics acquisition of GM Canada

**International
Arbitration
Experience**

- We represented Ticona (formerly Hoechst Celanese Corporation) in the arbitration of an insurance coverage dispute against an offshore insurer. The three-member arbitration panel, which sat in London and was chaired by a member of England's House of Lords, awarded our client in excess of \$90 million, including policy limits and an award of pre-judgment and post-judgment interest.
- We represented General Dynamics in an ICC arbitration in Geneva, Switzerland concerning a dispute over a contract to build military combat vehicles. Our client prevailed and was awarded all of its costs and attorneys' fees.
- We successfully represented Lockheed Martin in an international arbitration against Thomson CSF concerning alleged defects in an anti-aircraft missile.
- We represented the owner of a hotel in the Cayman Islands in an international arbitration before a three-member tribunal concerning insurance coverage for a property loss caused by a hurricane. We prevailed in the arbitration, in which the insurer attempted to void the policy based on a misrepresentation in the policy application process.
- We represented a Venezuelan petrochemical company against London insurers in an arbitration before the Law Society of London. Our client obtained a substantial award.

Litigation**Semiconductor Cases**

- We represented Hitachi in a patent infringement suit filed in August 2000 concerning three patents relating to DRAM and SDRAM technology.
- We represented Hitachi in patent infringement litigation concerning 8 Rambus patents on synchronous memory devices, including DDR SDRAM and memory controllers. The litigation, which was prosecuted simultaneously in 2000 in federal court, in the ITC, and in a German court, involved counterclaims asserting patent misuse, antitrust violations and unfair licensing practices.
- We represented Hitachi in 2001 and 2002 in infringement and breach of contract cases involving the parties' memory patents.
- We represented Hitachi in an action involving charges of patent infringement of a number of the parties' DRAM patents.
- We represented Hitachi in patent infringement litigation concerning microprocessor and memory technology.
- We are representing the plaintiff in a patent infringement suit filed in December 2003 concerning seven patents relating to DRAM and SDRAM technology.

Television/CRT Technology

- We represented Funai in patent infringement litigation concerning 3 patents on TV and VCR tuner technology.
- We represented Hitachi in a patent infringement case involving several Hitachi patents on cathode ray tube (CRT) displays.

Other Patent Litigation Engagements

- We represented SEL in infringement litigation involving SEL patents covering thin film transistors used in the manufacture of LCDs.
- We represent SEL in infringement litigation involving SEL patents covering the process used in manufacturing low temperature polysilicon thin film transistors used in LCD devices.
- We represented Mitsubishi Electric in a patent infringement case concerning patents covering industrial sewing machines.
- We represented Namco America Inc. in patent infringement litigation concerning 2 patents on video game technology.
- We represent Mitsubishi Electric in patent infringement litigation involving sensors used to activate air bag safety systems used in automobiles.

Other Matters

- We represent Schunk GmbH, a German electrical carbon products manufacturer, in a Sherman Act class action pending in New Jersey, which is in the process of a nationwide settlement. We are also defending claims by opt-outs from the settlement and a parallel state court antitrust suit in California.
- We represented several Japanese companies in negotiations with the U.S. Department of Justice in situations where the U.S. Government threatened to indict our clients for alleged violations of the antitrust laws.
- We represented several Japanese defendants in civil antitrust litigation in various courts in the U.S. and in Canada.
- We represented a number of U.S. subsidiaries of Japanese companies in litigation involving employment disputes, claims of patent infringement, charges of breach of contract, distributorship terminations and product liability.

**International
Bankruptcy
Experience**

- We recently advised a steering group of Hungarian banks in relation to English law intercreditor and security aspects of an \$140 million out-of-court restructuring for NABI Rt. (a Hungarian bus manufacturer) and its American subsidiary, North America Bus Industries, Inc.
- We represent TXU Europe Ltd., a British utility company that is under administration in the High Court of Justice of England and Wales. We recently obtained a permanent injunction for TXU Europe Ltd. in the U.S. Bankruptcy Court for the Southern District of New York in Manhattan that blocks U.S. creditors from taking legal action against TXU Europe Ltd.'s assets in U.S. courts. We are also assisting the administrators in their attempt to recover amounts due to TXU Europe Ltd. from U.S. entities.

Practices

Antitrust and Trade Regulation	Insurance Litigation and Counseling
Appellate and Supreme Court Practice	Intellectual Property
Arbitration: Domestic and International	Labor and Employment
Association Practice	Litigation & Dispute Resolution Practice
Bankruptcy, Workout and Corporate Reorganization	Media and First Amendment Practice
Class Action Litigation	Mergers & Acquisitions
Commercial Law and Uniform Commercial Code	Pharmaceutical, Biotech and Medical Device
Complex Business Litigation	Private Equity and Emerging Companies
Construction Law	Products Liability and Mass Tort Defense
Corporate	Professional Liability Litigation
Corporate Finance	Public Policy
Defense and Aerospace	Real Estate
Employee Benefits and Executive Compensation	Real Estate Securities Practice
Entertainment and New Media	Reinsurance Practice
Environmental, Energy and Natural Resources Law	Securities
ERISA Litigation	Securities Litigation
Estate Planning and Administration	Tax Practice
Family Law	Tax Controversy Practice
Government Contracts	Telecommunications
Health Care Law	Trade Secrets and Unfair Competition
	White Collar Criminal Defense and Counseling

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