Enforceable copies issued to the parties on:

FRENCH REPUBLIC
IN THE NAME OF THE FRENCH PEOPLE

Paris Court of Appeal
Division 5 - Chamber 16
International Commercial Chamber

DECISION DATED MARCH 2, 2021

(n°/2021, 21 pages)

General directory entry number: **RG no. 19/18455 - Portalis no. 35L7-V-B7D CAXMT**

Decision deferred to the Court: Judgment of June 21, 2019 – Paris Commercial Court - RG n° 2018000476

APPELLANTS:

Mr. I
Born on X
Of Pakistani nationality
Residing at:

Mr. J
Born on X
Of Pakistani nationality
Residing at:

Mr. H
Born on X
Of Pakistani nationality
Residing at:

Represented by Me A, attorney at the PARIS Bar, Represented for the submissions by Me B, attorney at the Paris bar,

RESPONDENTS:

Mr. K
Born on X
Of French nationality
Residing at:
&
Mr. L
Born on X
Of French nationality

Residing at:
&
SAS M
Registered with the Paris Registry of Trade and Companies under the number
Having its registered office at
Represented by its legal representatives,
&
S.A.S. N
Registered with the Paris Registry of Trade and Companies under the number
Having its registered office at
Represented by its legal representatives,
&
S.A.S. O
Registered with the Paris Registry of Trade and Companies under the number
Having its registered office at
Represented by its legal representatives,

Represented by Me C, attorney at the PARIS bar

SA P
Registered with the Nanterre Registry of Trade and Companies under the number
Having its registered office at
Represented by its legal representatives,
in its own name and as successor in law to companies D and E,
&
SASU D
Registered with the Paris Registry of Trade and Companies under the number
Having its registered office at
represented by its legal representatives,
&
SASU E
Registered iwith the Paris Registry of Trade and Companies under the number
Having its registered office at
Represented by its legal representatives,

Represented by Me F, attorney at the PARIS bar, Represented for the submissions by Me G, attorney at the PARIS bar,

Mr. Y
Residing in :
Defaulting,

SASU Z
Registered in the trade and companies registry of Paris under the number
Having its registered office at
Represented by its legal representatives,
Defaulting,

COMPOSITION OF THE COURT:

The matter was heard on January 11, 2021, in open court, before the Court, composed of:

Mrs Fabienne SCHALLER, Judge

Mrs Laure ALDEBERT, Judge

Mrs Pascale SAPPEY-GUESDON, Judge called from another chamber to replace the President who was prevented from attending,

who ruled n the case and a report was presented at the hearing by Judge Fabienne SCHALLER under the conditions provided by Article 804 of the French Code of Civil Procedure.

Court clerk, during the proceedings: Mrs. Clémentine GLEMET

DECISION

- BY DEFAULT
- judgment made available at the Clerk's office, with the parties having been previously informed under the conditions provided in the second paragraph of Article 450 of the French Code of Civil Procedure
- Signed by Fabienne SCHALLER, Judge acting as President and by Clémentine GLEMET, Court clerk, to whom the minutes was delivered by the signatory judge.

I – STATEMENT OF FACTS AND PROCEEDINGS

1. Mr. H, a Pakistani businessman, was approached in 2012 by Mr. K and Mr. L to fund an internet platform project called "T" which brings together owners and tenants of holiday villas with hotel services.

2. Mr. H agreed to invest EUR 300,000 in this project in 2013 in the form of a loan. A company under English law called Q was set up by Mr. K and Mr. L, each being a 25% partner, together with Mr. H's two sons, Mr. H being appointed chairman of the company. A loan agreement for an amount of EUR 300,000 was signed on March 26, 2013 between company Q and Mr. H.

3. In March 2014, the business of company Q was transferred to company R (a company under Emirati law 50% owned by Messrs. K and L (25% each) and 50% by Messrs. I and J, sons of Mr. H (25% each), with Mr. H keeping the chairmanship.

4. On October 27, 2014, Mr. H and company R regularised a contract to formalise the transfer of the loan debt from Q to R in the sum of EUR 387,071.

5. The French company M was created on February 15, 2015 with R as sole shareholder, in order to develop R's business in France, Spain and Morocco.

6. Following discussions between the partners on the financial situation and future of the company R and on the possibility of Mr. H granting a new loan that was ultimately unsuccessful, Mr. L requested a meeting of the board of directors on June 15 and, by e-mail on June 29, 2015, confirmed the company's difficulties and stated his wish to modify the strategy adopted until then. It was agreed at the board meeting of July 13, 2015 that Mr. H, Mr. I and Mr. J would withdraw from the project T according to the terms and conditions set out in the email on July 27, 2015 and formalised in a Memorandum of Understanding ("MoU") sent by Mr. L to Mr. H, Mr. I and Mr. J at the end of August and validated in return by email on October 12, 2015, then signed by all parties on December 10, 2015.

7. This agreement provided for the transfer by company R of its entire share in company M to companies E and D, companies owned by Messrs. K and L, with payment by these companies of the sum of EUR 387,071.02, as well as an undertaking by company R to remit this sum to Mr. H in repayment of his loan. Mr. J and Mr. I also undertook to buy the shares of Mr. K and Mr. L in company R for EUR 1 and then to dissolve the two companies Q and R. The shareholders' agreements were all terminated. The share transfers were executed on December 18, 2015 for the shares in company M and on December 21, 2015 for the shares in company R.

8. The company P and the company M signed a letter of intent on December 15, 2015, by which P proposed to invest in company M through a capital increase of EUR 3 million and reserved a call option on all the shares held by the other partners by the end of 2018.

9. On January 4, 2016, Mr. Y, via company Z, acquired a 6% stake in the capital of company M through a contribution in kind of the hotel management IT platform valued at EUR 185,783 in return for a capital increase of 636 shares in company M, with a par value of EUR 1.

10. On February 4, 2016, the company P acquired a 49.2% stake in the capital of the company M through a cash contribution of EUR 2,999,969. The capital increase was implemented by issuing 10,270 new shares at EUR1 to the benefit of company P, the other shareholders being companies E and D and company Z.

11. Companies Q and R were dissolved by H, I and J on March 15 and May 12, 2016 respectively.

12. In July 2017, companies D and E transferred their M shares to companies O and N, set up by Messrs K and L, and on August 3, 2017, the company P bought all M shares for a total amount of EUR 11,280,271.60.

13. The companies D and E were liquidated by decision of their sole shareholder, company P, on October 18, 2019, resulting in the universal transfer of their assets and liabilities to the latter, which takes over the rights of these companies in the present proceedings.

14. Believing that the transfer of shares in the company M was made at a zero price at their disadvantage due to their ignorance of the ongoing negotiations between Mr. Y and the company P, Messrs. H, I and J brought proceedings before the Paris Commercial Court on November 27, December 4 and 6, 2017 against Messrs. K and L, their companies E and D, Mr. Y and the company Z, the company M and the company P, in order to obtain the nullity of the Memorandum of Understanding of December 10, 2015 and the transfer of shares of December 18 and 21, 2015 on the grounds of fraud, error and mispricing and to obtain the judicial allocation of 50% of the shares in the company M or, in the alternative damages of up to EUR 6 million.

15. On July 24, and August 1, 2018, Messrs. H, I and J filed a writ of compulsory intervention with the Commercial Court against the companies N and O. These proceedings were joined to the main proceedings on the merits.

16. By judgment of June 21, 2019, the Paris Commercial Court has:

-Reiterated the joinder of the cases enrolled under No. 201707056 and 2018047585 under No. J 2018000476 following the Court's joinder decision of October 11, 2018;

-Dismissed the pleas of inadmissibility of Messrs. K, L, SASU D, SAS E, SASU O, SASU N, the company M, the company P, Mr. Y and SAS Z,

-Dismissed Mr. H, Mr. I and Mr. J's claim that the Memorandum of Understanding of December 10, 2015 and the subsequent deeds of transfer of shares of December 18 and 21, 2015 are null for fraud;

-Dismissed Mr. H, Mr. I and Mr. J's claim that the Memorandum of Understanding of December 10, 2015 and the subsequent deeds of transfer of shares of December 18 and 21, 2015 were null on the grounds of error in the substance or inadequate consideration;

-Dismissed Mr. H, Mr. I and Mr. J's claims for damages and all their other claims;

-Dismissed Mr. Y and SAS Z's claim for damages for abuse of procedure;

-Ordered in solidum Messrs. H, I and J to pay EUR 5,000 to Messrs. K, L, SASU O, SASU N, company M, company P and Mr. Y, each, under Article 700 of the Code of Civil Procedure;

-Dismissed the other parties' claims, which were more extensive or contrary;

-Ordered in solidum Messrs. H, I and J to pay all the costs of the proceedings.

17. On October 1, 2019, H, I and J appealed against this judgment. Mr. Y and company Z did not constitute an attorney.

18. The close of the proceedings was pronounced on November 24, 2020.

II- CLAIMS OF THE PARTIES

19. According to their latest submissions filed lectronically on November 3, 2020, Mssrs H, I, J asked the Court to:

1. Overturn all of the rules of the decision of the Paris Commercial Court of June 21, 2019, except insofar as it (i) declared the claims of Messrs. H, I and J admissible on the basis of their interrest in bringing proceedings, (ii) considered that the companies R, Q and SAS M constituted 'a single economic entity' (see judgment p. 12 § 4 & 5) and (iii) dismissed Mr. Y's claim for abuse of procedure;

And ruling again :

PRIMARILY

2. Judge Messrs. H, I and J to be admissible and well-founded in their criticism of the judgment dismissing their request to reject the documents submitted in the first instance, nos. 1, 4, 5, 6, 8, 10, 11, 12, 13, 14, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 43, 47, 56, 57 (free translation), by Messrs L and K in English by application of the Order of Villers-Cotterêts on the fact of justice (August 1539), together with Law no. 94-665 of August 4, 1994 on the use of the French language; this head of criticism of the judgment being dependent on the heads expressly criticised by application of articles 562 and 901 of the Civil Procedure Code; consequently, remove the said documents from the debate;

3. Annul the Memorandum of Understanding (MoU) of December 10, 2015 and its indivisible consequences, i.e. the transfers of shares of December 18 and 21, 2015, on the ground of fraud, by application of Articles 1108, 1109, 1116 and 1169 of the Civil Code in their version prior to

October 1, 2016, together with the new Articles 1102, 1104, 1112-1 of the Civil Code, resulting from the Ordinance of February 10, 2016, relating to the public policy obligations that are the duty to provide pre-contractual information and the duty of good faith, and Articles 1112-1, 1130, 1132, 1137 and 1139 of the same code, as modified, together with Article 17 of the Charter of Fundamental Rights of the European Union, Article 1 of Protocol No. 1 and Article 6 of the ECHR, and Article 17 of the Declaration of the Rights of Man and of the Citizen of 1789 (the right to property and the right to a fair trial);

4. Annul for error the Memorandum of Understanding (MOU) of December 10, 2015 and its indivisible consequences, namely the transfers of sharers of December 18 and 21, 2015, on the grounds of consent vitiated by error as to an essential quality by application of Articles 1109, 1110 of the Civil Code in their version prior to 1 October 2016 and 1112-1, 1130, 1131, 1132, 1133, 1169 and 1179 of the same code in the version resulting from Ordinance no. 2016-131 of 10 February 2016, together with Article 17 of the Charter of Fundamental Rights of the European Union, Article 1 of Protocol No. 1 and Article 6 of the ECHR and Article 17 of the Declaration of the Rights of Man and of the Citizen of 1789 (right to property and right to a fair trial);

Accordingly,

5. Order the judicial allocation of 50% of the current shares of SAS M - R, i.e. 10,437 shares out of a total of 20,874 shares, represented by shares no. 1 to 5,218 to I, and no. 5,219 to 10,436 to J; the latter being personally responsible for the allocation of the fractional share no. 10,437 to I or J

6. Order the current chairman of SAS M-R or, failing that, any partner, pursuant to articles 20 and 21 paragraph 3 of the articles of association of this company, to convene, under a fine of EUR1,000 per day of delay, within fifteen days of the service of the decision to intervene, a general meeting to draw up a report noting the new distribution of the company's share capital and its consequences, under the same fine as indicated above by application of articles L131-1 et seq. of the CPCE ;

ALTERNATIVELY

7. Order the breach of the duty of loyalty and good faith, a public policy obligations, by L, K, SAS M, Y, Z and P, E SAS and D SASU, with P taking over the rights of the latter two according to its writings of 04/03/2020 and 29/10/2020, for having concealed from H, I and J the negotiations in progress with P, by application of the guiding principle of contract law reinforced by the new Article 1112-1 of the Civil Code, 'due to the evolution of the law of obligations' resulting from Ordinance No. 2016-131 of 10 February 2016, together with Articles 1382 of the Civil Code and 1240 of the Civil Code (Ord. No. 2016-131 of 10/02/2016), 1104 of the Civil Code (former art. 1134), Article 17 of the Charter of Fundamental Rights of the European Union, Article 1 of Protocol No. 1 and Article 6 of the ECHR and Article 17 of the Declaration of the Rights of Man and of the Citizen of 1789 (right to property and to a fair trial) and Articles 10 of the Civil Code, 3, 15 and 24 of the Code of Civil Procedure ;

8. Order, accordingly, in solidum L, K, SAS M, Y, Z and P, E SAS and D SASU, P taking over the rights of the latter two according to its writings of 04/03/2020 and 29/10/2020, to pay the principal sum of EUR11,811,013 to I and J, in addition to the legal interest capitalised from the summons of November 27, 2017, valid as formal notice, by application of articles 1343-2, 1231-6 and 1231-7 of the Civil Code;

IN ANY EVENT

9. Order in solidum L, K, M, Y, Z and P, E SAS and D SASU, P taking over the rights of the latter two according to its writings of 04/03/2020 and 29/10/2020, because of the non-pecuniary prejudice caused by their wrongful conduct to H, I and J to pay them each the sum of EUR 50 000 by application of article 1240 (1382 former) of the Civil Code;

10. Order in solidum L, K , M, Y, Z and P, E SAS and D SASU, P taking over the rights of the latter two according to its writings of 04/03/2020 and 29/10/2020 to (i) the sum of EUR 35 000 each under article 700 of the Code of Civil Procedure of the first instance and (ii) the amount of EUR 35 000 each for the irreducible costs of appeal;

11. Order in solidum L, K, M, Y, Z and P, E SAS and D SASU, P taking over the rights of the latter two according to its writings of 04/03/2020 and 29/10/2020, to pay all the costs of the first instance and of the appeal by application of the provisions of Article 699 of the Code of Civil Procedur, in addition to (i) the costs of the bailiffs in charge of the orders on request of February 1, 2017 issued pursuant to Article 145 of the Code of Civil Procedure and (ii) the costs of sworn translation required by this proceedings for the benefit of the plaintiffs who have incurred them;

20. According to its latest submissions notified electronically, on October 29, 2020, Mrs K et L, the companies M, N et O (ci-après "Mr. K et ses colitigants") requested of the court as follow:

Concerning the submission of exhibits in English:

As a principal claim: HOLD and JUDGE inadmissible the claim of H, I and J to have the judgment of June 21, 2019 overturned on their claims to exclude from the oral arguments certain of the Respondents'exhibits;

In the alternative: DISSMISS H, I and J from their claim to dismiss the exhibits not translated into French by a sworn translator;

Concerning the Respondents' cross-appeal:

OVERTURN the judgment of the Commercial Court of June 21, 2019 only insofar as it dismissed the Respondents' pleas of inadmissibility;

And ruling again,

HOLD and JUDGE that H, I and J do not have standing to bring an action for obtaining:

(i) the annulment of the transfer of the shares in company M held by company R to companies E and D on December 18, 2015

(ii) the judicial allocation of 50% of the shares in company M, i.e. 10,437 shares out of a total of 20,874 shares to them

(iii) that the current chairman of company M or, failing that, any partner, be ordered to convene, under a fine of EUR 1,000 per day of delay, a general meeting in order to draw up a record noting the new distribution of the company's share capital and its consequences;

(iv) an order for Mr K, Mr L, company M, company D SAS, company E SAS, Mr Y, company Z and company P to pay the principal sum of EUR 11,811,014.71 to H, I and J;

Accordingly

HOLD and JUDGE that Messrs. H, I and J are inadmissible in their claims for all purposes;

Concerning the appeal of H, I and J :

DISMISS I, J and H of all their claims,

In any event :

ORDER in solidum Messrs. I, J and H, to pay to each of Mr K, Mr L, company M, company O SAS and company N SAS the amount of twenty thousand (20,000) euros on appeal pursuant to Article 700 of the Code of Civil Procedure,

ORDER in solidum Messrs. I, J et H, to pay all costs and expenses of the first instance and appeal which will be recovered by Maître Loïc Henriot, in accordance with Article 699 of the French Code of Civil Procedure.

21. According to its latest submissions notified electronically, on October 20, 2020, company P taking over the rights of companies D SAS and E SAS requested of the court as follow:

ADMIT P in his cross-appeal

Accordingly,

Primarily

OVERTURN the decision of the Paris Commecial Court of June 21, 2019 insofar as it ruled that Messrs. H, I and J had standing to sue;

Ruling again :

ACKNOWLEDGE the lack of standing of I, J and H;

JUDGE inadmissible I, J et H in theirs claims ;

In the alternative

UPHOLD the judgment of the Paris Commercial Court insofar as it dismissed the claims of H, I and J to the nullity of the Memorandum of Understanding of December 10, 2015 and the subsequent deeds of transfer of December 18 and 21, 2015;

UPHOLD the judgment of the Paris Commercial Court insofar as it dismissed the claims of H, I and J to have the Memorandum of Understanding of December 10, 2015 and the subsequent deeds of transfer of shares of December 18 and 21, 2015 declared null on the grounds of error in substance or inadequate consideration;

Uphold the decision of the Paris Commercial Court insofar as it dismissed the claims of Mr H, Mr I and Mr J for damages and all their other claims;

In any event:

ORDER in solidum I, J et H to pay P the amount of EUR25.000 pursuant to Article 700 of the Code of Civil Procedure and all the costs.

22. For a full description of the facts, claims and pleas in law of the parties, the Court refers to the decision referred to and to the above-mentioned written submission, pursuant to Article 455 of the Code of Civil Procedure.

III-PLEAS OF THE PARTIES AND REASONS FOR THE DECISION

Concerning the motion to dismiss the exhibits produced in English without a sworn translation

23. H, I and J request that exhibits no. 1, 4, 5, 6, 8, 10, 11, 12, 13, 14, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 43, 47, 56 and 57 produced by Mr. L and Mr. K in first instance in English, but without a sworn translation into French, are dismissed from the proceedings. They argue that their plea is admissible insofar as it is related to the grounds of the judgment expressly disputed in the notice of appeal. They complain that the Paris Commercial Court ruled that there was no need to give a ruling on this application, holding that it was not made a formal issue either in their summons or in their pleadings, despite the fact that the disputed documents were communicated after the summons and they did submit this claim in their pleadings.

24. In reply, Mr K and his co-litigants argued principally that this claim had not been brought before the Court on the ground that Mr H, Mr I and Mr J had not complained about this ground in their notice of appeal. They also argued in the alternative that this application was artificial, as H, I and J themselves produced exhibits in English without a sworn translation and claimed not to speak French and to communicate in English.

25. The company P concluded that this application should be dismissed on the grounds that the Villers-Cotterêts Order, which is cited by H, I and J, refers only to the procedural documents and not to the exhibits, and that no provision of the Code of Civil Procedure requires the translation into French of the exhibits submitted for discussion. It added that the production of documents in English did not infringe the principle of adversarial proceedings, as H, I and J were familiar with the English language and were already acquainted with certain exhibits, some of which were supplemented by free translations, and it emphasised that they wished to apply the protocol relating to proceedings before the International Chamber, which allows the production of documents in English without translation.

Thereupon,

26. Pursuant to Article 562 of the Code of Civil Procedure, as amended by Decree No. 2017-891 of May 6, 2017, the appeal defers to the court the knowledge of the grounds of the judgment which it expressly complained of and those which depend on it, the referral taking place for the whole only when the appeal consists of the annulment of the judgment or if the subject matter of the litigation is indivisible.

27. Pursuant to Article 901 of the same code, the notice of appeal must be made by a document containing, in addition to the information prescribed by Article 58, and under penalty of nullity (4°), the grounds of the judgment expressly criticised to which the appeal is limited, unless the appeal seeks to have the judgment null or if the subject matter of the dispute is indivisible.

28 The grounds complained of in the judgment are only transferred by the notice of appeal.

29. In this case, it is stated in the reasons for the judgment that the Commercial Court declared that there was no need to rule on this request and dismissed all the claims of Mr. H, I and J.

30. In their notice of appeal notified on 1 October 2019, Mr H, Mr I and Mr J requested that the judgment be reversed on the grounds complained of, in particular insofar as the judgment dismissed Mr H, Mr I and Mr J's claims for damages and all their other claims.

31. It follows that this ground has been transferred.

32. Furthermore, Article 16 of the Code of Civil Procedure provides that the judge must, in all circumstances, observe and observe himself the principle of adversarial proceedings. In his decision, he may not accept the pleas, explanations and documents put forward or produced by the parties unless they have been able to discuss them in adversarial proceedings. It may not base its decision on the pleas in law which it has raised of its own motion without first inviting the parties to present their observations.

33. The Order of Villers-Cotterêts requires that decisions shall be delivered in French, but it does not prohibit the production of exhibits in a foreign language, as long as the court and the parties understand them and are able to discuss them in adversarial proceedings. A fortiori, it does not prohibit the production of free and unsworn translations of such exhibits, since only the procedural documents must be in French.

34. In this case, it is common ground that English is the language of business between the parties and understood by H, I and J, as evidenced by their exchanges with the respondents, conducted exclusively in English. English is a language also understood by the Court. Under these circumstances, the production of exhibits in English cannot undermine the principle of adversarial proceedings and the rights of the defence in this case, nor, a fortiori, the production of exhibits accompanied by a free but not sworn translation into French. Messrs H, I and J, who have duly filed their submissions in the present proceedings, do not justify in what way they would have been hindered by this fact in their action, nor that this absence of translation would have undermined respect for the principle of adversarial proceedings.

35. H, I and J shall therefore be dismissed from this claim and the judgment which dismissed them on this ground shall be upheld by way of substitution of grounds.

Concerning the pleas of inadmissibility raised against H, I and J, based on their lack of interest and of standing,

36. Mr. K and his co-litigants argued that only company R had standing to bring an action for annulment of the transfer of the shares in company M, which it had 100% ownership of, and to seek restitution in kind of the shares in company M. They added that the dissolution of company R on May 12, 2016 did not give Messrs H, I and J standing to act, as the legal personality remained as long as the rights and obligations of the company had not been liquidated and only an *ad hoc* agent appointed by the court could then represent company R. Lastly, they explained that, as shareholders of company R, Messrs H, I and J could only rely on a prejudice that is distinct from the prejudice suffered by company R, and that they had not provided any evidence of such a prejudice in this case. They added that the fact that companies R and M were qualified as a single economic entity by the commercial court was of no consequence, since the quality of one did not entail the quality of the other, since they were two distinct legal persons.

37. Company P essentially relies on the same pleas as Mr K and his co-litigants in order to conclude that the judgment on this ground should be reversed and that Mr H, Mr I and Mr J do not have standing to act, since the action belongs solely to company R.

38. In response, Mr H, Mr I and Mr J argue that their main claim is that the MoU of December 10,

2015, of which they are signatories, is null on the grounds of the defect of consent, so that it is irrelevant that they were not direct shareholders in company M. They added that the companies R and M formed an economic entity that they owned equally with Messrs K and L. They added that the latter were under an obligation of information and transparency towards them in their function as directors. Furthermore, they argued that the fact that Mr H was chairman of the board of directors had no bearing on their standing to sue since he had been kept in the dark about the negotiations with company P. They emphasised that according to case law, the standing to sue of partners who are victims of fraud or disloyalty is not linked to the company; it is the fraudulent or damaging act that gives the victim the right to sue.

Thereupon,

39. Pursuant to Articles 31 and 32 of the Code of Civil Procedure, the action is open to all those who have a legitimate interest in the upholding or dismissal of a claim, subject to the situations in which the law attributes the right to act only to those persons whom it qualifies to raise or defend a claim, or to defend a specific interest, any claim made by or against a person without the standing to act being inadmissible.

40. Pursuant to Article 122 of the Code of Civil Procedure, any plea which tends to declare the opponent's claim inadmissible, without examination of the merits, for lack of standing, such as the lack of entitlement, statute of limitations, fixed time limit, or *res judicata,* constitutes a plea of inadmissibility.

41. The action for relative nullity based on defects of consent is open to the contracting party whose consent has been defective, so that Mr H, Mr I and Mr J, who are parties to the MoU of 10 December 2015, of which they are seeking nullity on the basis of error and fraud, have an interest and standing to bring the action. The same is true for Messrs J and I in relation to the application for the nullity of the transfer of shares of December 21, 2015, by which Messrs K and L transferred for one euro to Messrs J and I the shares they held in R (50%).

42. In addition, Mr H, Mr I and Mr J, who claim to be victims of breaches of the duty of loyalty and good faith by Messrs K and L, which led them to sign the MoU of December 10, 2015, therefore also establish an interest and standing to bring proceedings.

43 However, Mr H, Mr I and Mr J do not have standing to seek the annulment of the transfer of shares on December 18, 2015, by which company R transferred its own shares in company M to companies E and D, since Mr H, Mr I and Mr J do not hold any shares in company M and have never been partners in company M, since only company R held 100% of the shares in M. Similarly, only company R would have been entitled to have the shares in company M returned to it if the transfer were null, as Mr H, Mr I and Mr J had never owned them. They therefore had no right to claim the shares in company M.

44 Similarly, Mr H, Mr I and Mr J do not have standing to bring an action for annulment of the deed of transfer of the shares of December 18, 2015 on the grounds that the price was worthless or derisory, since such an action is not an action for absolute nullity, as they hold, but for relative nullity, inasmuch as it seeks only to protect the private interests of the transferors.

45 It is therefore appropriate to partially reverse the judgment under appeal and to rule that Mr H, Mr I and Mr J are inadmissible for lack of standing to bring an action for the nullity of the deed of transfer of the shares in company M by company R dated December 18, 2015, as well as for their request for the judicial allocation of 50% of the shares in company M and for the convening of a general meeting for this purpose.

Concerning the nullity of the protocol of December 10, 2015 for fraud,

46. H, I and J argue essentially that they were evicted from the share capital of company M due to fraudulent manipulation that led them to sign the Memorandum of Understanding of December 10, 2015.

47. They argue that fraud is constituted on the grounds that :

-Messrs K and L lied by reporting in June 2015 that they were in a difficult financial situation, whereas the accounts closed on September 30, 2015, which were only communicated to them on December 15, 2015, after the signing of the MoU, show an increase in sales of 23.86%, and a positive result for the year of EUR152,008. They also claim that Mr K and Mr L led them to believe that they were using family financing to repay the loan debt, when in fact they were using a bank loan and, above all, that they wanted to operate the platform T in a family run small structure, when in fact they were looking for investors.

- Messrs K and L have been guilty of fraudulent concealment to have them sign the MoU of December 10, 2015 without having all the information and having been misled. They claim that Messrs K and L concealed from them the negotiations undertaken with company P as early as August 2015, even though they were required to reveal these negotiations under the pre-contractual good faith and duty of loyalty, and underlined that their agreement on the terms and conditions of their leaving resulted from the signing of the MoU and not from the exchanges of correspondence in July 2015. They argue that the intentional nature of the silence kept by Messrs K and L on the negotiations undertaken with company P is established by the fact that they said nothing for several months, both at board meetings and general meetings or in the numerous correspondence exchanged between them, while Messrs K and L insisted on the imminent risk of the company's bankruptcy.

48. They added that the information relating to these negotiations was a determining factor in their consent, stating that they would not have sold their shares at zero price, knowing that the company was valued at EUR 3,096,397.33 with the entry into the capital of Mr Y and at EUR 6,097,499.39 with the entry into the capital of company P.

49. They argue that it was because of the false belief that the company was on the verge of bankruptcy, in ignorance of the fact that it was already being approached by company P, that they agreed to sell their shares at EUR 1 and claim that their error is excusable in that it was caused by the fraudulent concealment of Messrs K and L.

50. In response, Mr K and his co-litigants contest having lied and breached their duty of loyalty and argued that fraud and error were not established.

51. They point out that the financial situation of company R was really very precarious from the end of 2014 and throughout 2015, so that without a significant input of capital, bankruptcy was inevitable and that there was no lie about the situation of the company, of which Mr H, Mr I and Mr J were always perfectly and loyally informed. They emphasised that Mr H, Mr I and Mr J could not have been unaware of the accounting situation of company R, as they had received the accounting documents and business plans and had been given online access codes to the company's French bank accounts. They added that on December 15, 2015, they had been given the company's accounts as at September 30, 2015, i.e. before the transfers of December 18 and 21, 2015.

52. They add that they did not hide from H, I and J that the company had tremendous potential. They argue that they did not have to inform H, I and J, the outgoing investors, of the terms of the

negotiation with potential new investors, especially since it was not a question of selling the shares of the outgoing investor to the new investors at a higher price. They added that the negotiations with Group P took place after the agreement reached on July 20, 2015 and by August 3, 2015 at the latest with H, I and J on the terms of their leaving of the project T and that the information on the future financing of the project was not a determining condition of their agreements.

53. They argue that they have always informed H, I and J of their need for additional investments and thus argue that the entry of company P is the direct consequence of their exit from the project and not the cause.

54. Finally, they point out that it was only in August 2017 that Group P bought back the shares in company M, after having entered into the capital in 2016 following a capital increase and not a sale of shares. They emphasise that if the shares were resold at a higher price, it was because of their investment in the development of company M between February 2016 and August 2017 and the Group's consolidation strategy to develop company M's business, which required significant capital contributions.

55. Company P points out that it is not a party to the MoU and that it did not purchase shares in company M, but participated in a capital increase of EUR 3 million and that, following a general meeting of company M on February 4, 2016 approving the capital increase, it acquired a 49.2% share in the company's capital. It contests any error or fraud and supports the pleas put forward by Messrs K and L.

56. Company P argues that there was no legal obligation to inform about the negotiations because the discussions with company P were not yet underway when the parties agreed on the terms of the leaving agreement in the summer of 2015.

57. It stresses that the capital increase of company M, which took place not one but two months after the Memorandum of Understanding of December 10, 2015, does not match with a valorisation of the R’s shares transferred by Mssrs. H, I and J.

Thereupon,

58. The MoU of December 10, 2015, the annulment of which is sought by H, I and J, is governed by French law pursuant to its Article 7.5, the application of which is not disputed by the parties.

59. According to Article 1116 of the Civil Code, as it was written before Ordinance No. 2016-131 of 10 February 2016, which entered into force on October 1, 2016, after the conclusion of the MoU of December 10, 2015, fraud (dolus) is a cause of nullity of an agreement when the schemes and devices used by one of the parties are such that it is clear that without them the other party would not have contracted.

60. A party who intentionally remains silent with the intent to mislead the other party commits a breach of the obligation of good faith under Article 1134 of the Civil Code in its version prior to the Ordinance of 10 February 2016, which may constitute fraud by concealment in the presence of a provoked error determinative of the consent.

61. Similarly, failure to comply with a pre-contractual obligation of information, if established, may amount to fraud by concealment, which is a ground for nullity of the agreement, provided that the intentional nature of the concealment is established and that the concealment has led to an error that has determined the consent of the contracting party.

62. Fraud cannot be assumed and must be proven by the party claiming to be the victim.

63. In this case, with regard to the alleged lie, H, I and J have not shown that the company's financial situation was misrepresented to them.

64. On the one hand, Mr H's position as director and Mr I's and Mr J's position as members of the board of directors of company R allowed them to have access to accounting and financial information concerning the company, and the exchanges of emails in 2014 and 2015 between the partners, concerning in particular the business plan sent on June 19, 2015, show that each of them was fully aware of the company's financial situation.

65. On the other hand, it is established that the accounts closed on January 31, 2014 were given on October 29, 2014 to Mr. S, the accountant of Mssrs. H, I and J and that the access codes to the company's French bank accounts were given to them on November 6, 2014. They also received the financial situation of company R, as at September 30, 2015, on December 15, 2015, prior to the execution of the transfer of shares on December 18 and 21, 2015. They were also provided with the business plan on the basis of which they were able to determine their strategy, which consisted of a reduction in operating costs, specifying the operating items they intended to see reduced, as shown for example in Mr I's email of January 15, 2015.

66. Finally, it is clear from the company accounts submitted to the oral arguments that company R was in a difficult financial situation throughout the period during which Mr H, Mr I and Mr J were shareholders. It thus appears that on January 31, 2014, the company showed a loss of EUR 173,696.28, and on January 31, 2015 a loss of EUR 347,784. Moreover, although the company had a positive operating result of EUR 34,700 as at September 30, 2015 and a positive variation in absolute value of EUR 351,500 compared to its situation as at January 31, 2015, this result was not so much due to a significant increase in sales (in this case, only EUR 90,000) but rather to a significant decrease in operating expenses of EUR 259,000 due to savings resulting in particular from the departure of certain employees from the structure, it being specified that Mr K and Mr L were not paid as employees. In his certificate, the chartered accountant of company R emphasises that "following the partners' request to reduce overheads and the wage bill, the operating result improved, but to the detriment of reservations for the following year".

67. Accordingly, H, I and J are not entitled to claim that there was misleading and deceptive information about the company's financial situation.

68. Nor has it been established that Messrs K and L lied to Mr H, Mr I and Mr J by informing them by email of June 29 that they had plans to reduce the company's activity to a family business, based in the south of France with funds borrowed from their families, as no information at the time of this email contradicts its content, being noted, moreover, that the transfer of the registered office from Paris to the South of France had already been discussed and decided between the parties, in particular on July 30 and November 23, 2014, with a view to reduce costs, and that there is no evidence of contacts with potential external investors, including company P, before the end of August 2015.

69. Concerning fraudulent concealment, Mssrs. H, I and J do not provide evidence of an intentional concealment by Messrs K and L of information that is decisive for their consent.

70. It is clear from the information provided and reviewed above that Mr H, Mr I and Mr J favoured a strategy of cost reduction rather than investment in project T, despite the requests of Mr K and Mr L. Thus, as early as September 2014, Mr L approached them to obtain additional

financing, which gave rise to discussions on the granting of a new loan by Mr H, which did not, however, lead to any agreement. In mid-October 2014, Mr L proposed to bring in external investors, a proposal that was not taken up by Mr H, Mr I and Mr J. In the months that followed, Mr H, Mr I and Mr J requested and monitored a cost-cutting policy, while Mr L renewed the requests for additional financing, without success.

71. It also appears that discussions relating to the withdrawal of Mr H, Mr I and Mr J from project T were finalised in mid-2015, the parties agreeing by exchange of emails on July 27 and August 3, 2015 on the practical terms of this withdrawal, providing in particular for the repayment of the loan on October 31, 2015 and the transfer of R's shareholding in M, thus establishing on this date, as the judges of first instance rightly stated in reasons that the court adopts, the agreement of the parties on this withdrawal plan. It was therefore in this context that the MoU was drafted on the basis of this agreement and sent by Messrs K and L on August 20, 2015 to Mr H, Mr I and Mr J, the latter validating it for their part on October 1, 2015 and requesting signature by October 31. However, its signature had to be postponed several times, as Messrs K and L were unable to find the necessary funding for its execution, which was scheduled for October 31, 2015, and was finally regularised on December 10, 2015.

72. The willingness of H, I and J to leave the company and the approval of all the partners were nevertheless obtained as early as August 2015, with full knowledge of the founders' plans to find a new investor, and no concealment or manipulation was established.

73. Therefore, Mr K and Mr L cannot be held responsible for having started to look for new investors, and it is not claimed that they concealed this fact, as they had contacted various investment funds and company P at the end of August 2015.

74. The signing of a Non-Disclosure Agreement on September 17, 2015 is a typical practice in this type of prospection, early in the negotiations, even if they are not successful, and it further demonstrates that no serious negotiations had been undertaken before that.

75. Under these circumstances, Mr H, Mr I and Mr J do not provide evidence that Mr K and Mr L intentionally kept silent about the negotiations with Mr Y, which are in any event not dated, and those with company P after September 17, 2015, whereas Mr H, Mr I and Mr J had already expressed their desire to leave project T under mutually agreed terms as early as August 3, 2015, urging Mr K and Mr L to repay Mr H's loan by October 31, 2015 at the latest, and while they were clearly opposed to any further investment in the company in any form whatsoever.

76. It follows that the decision of Mr H, Mr I and Mr J to leave this company at the end of June 2015 was perfectly well informed and independent of the attempts to find investors made by Mr K and Mr L, the desire of Mr H to recover the loan amounts promptly and not to invest in this project, and that of Mr I and Mr J to no longer take part in this project, being clearly expressed as early as July 2015 and confirmed in October 2015 and then reiterated at the time of the signing of the MoU.
77. Finally, concerning the price of the transfer of the shares in company M, which had been set at the amount of the full repayment, including interest, of the loan granted, its setting was totally independent of the negotiations in progress with the potential investors concerning a capital increase giving rise to the issue of new shares, and was not determined by any other element, the desire of Mr H, Mr I and Mr J being to leave the company without losing money.

78. On these reasons and those of the first judges, which the Court adopts, the judgment under appeal will be upheld on this ground.

Concerning annulment of the protocol on the ground of an error

79. H, I and J argue that they wrongly assessed the economic activity, profitability and potential of company R to achieve its corporate purpose by agreeing to a transfer at zero price in the belief that the company was on the verge of bankruptcy, whereas it was coveted by company P, which had valued it at EUR 6 000 000.

80. In response, Mr K and his co-litigants argue that Mr H, Mr I and Mr J do not establish a substantive error, pointing out that an error in the value of the shares transferred, in the actual situation of the company or in an erroneous assessment of the economic profitability of a transaction does not constitute a ground for nullity.

81. Company P argues that Mr H, Mr I and Mr J have not proven their error and stresses that the value of the company was never concealed from them, nor was the search for new investors.

Thereupon,

82. Pursuant to the provisions of Article 1110 of the Civil Code, as it was written before Ordinance No. 2016-131 of 10 February 2016, error is a cause of nullity of an agreement only where it bears on the very substance of the thing that is the object of the agreement.

83. Error in the substance may be understood as relating to the ability of the object to achieve the purpose desired by the party obligated, where that purpose is known to the other party and the representation of the purpose had determined the beneficiary's consent.

84. It is well established that an error in the value or profitability resulting from an incorrect economic assessment cannot be accepted on this basis, nor can an error made after the contract was concluded.

85. In this case, the claims of Mr H, Mr I and Mr J consist in disputing the price of the sale of the M shares, which they did not own, in other words the value of the shares in company M, on the grounds of an incorrect economic assessment of the potential of project T. They made a confusion between the value at which they bought the shares of company R and the value at which they transferred the shares of company M, in order to argue that the transfer 'of all their interests' was made at a low price, whereas the transfer of the M shares resulted in a transfer price of EUR387,071.02 and company R undertook to repay the entire loan to Mr H. Such a lack of precision on the alleged error does not meet the requirements of article 1110 of the Civil Code.

86. In any event, since the shares of company M were transferred at a price of EUR 387,071.02, they were not sold for a low price, and since the income from this sale was then used by company R to repay its loan debt to Mr H, the "interests" of Mr H, Mr I and Mr J were not sold for a zero price.

87. Nullity on the grounds of error is therefore not incurred.

88. It will also be noted that the potential for development of the project was put forward by Mr K and Mr L, as well as their desire to pursue its development by means of additional investments. The strategic vision of development of H, I and J was clearly different since it consisted of a reduction in operating costs, which indicates that they did not have the same assessment of the potential of this project. Under these circumstances, and given that they are businessmen and professional investors, there is no indication that they would have changed their approach to this investment, had they been aware of company P's interest in the project, especially since the investment made by company P in company M did not guarantee the success of its development, as shown in particular by the fact that company P had given itself a period of two years to buy out the shares of the other shareholders.

89. For these reasons and those ruled by the judges of first instance, which the Court adopts, the judgment will be upheld on this ground.

Concerning the nullity of the MoU of December 10, 2015 and of the transfers of shares of December 21, 2015 for infringement of the fundamental rights of the partners

90. Mr H, Mr I and Mr J maintain that Mr K and Mr L have infringed their right to property guaranteed by Article 17 of the Charter of Fundamental Rights of the European Union and Article 17 of the Declaration of the Rights of Man and of the Citizen of 1789 and Article 1 of Protocol No. 1 of the ECHR and their right to a fair trial guaranteed by Article 6 of the ECHR, by attempting to have it ruled that the operation they imagined and described in the MOU would deprive them of the right to act against them, which justifies the nullity claimed.

91. In response, Mr K and his co-litigants argued that Mr H, Mr I and Mr J had never owned shares in the company M, so that no infringement of their right to property had been possible. Furthermore, they asserted that defendants could not be reproached for raising justified and substantiated pleas of inadmissibility, since Article 6 of the European Convention for the Protection of Human Rights and Fundamental Freedoms on the right to a fair trial ensured that the parties to the proceedings had the right to formulate observations that they considered relevant to their case.

Thereupon,

92. H, I and J do not identify any facts that would infringe their right to property and that would justify the annulment of the MoU of December 10, 2015 and of the transfers of shares of December 21, since the transfer that they claim to have been affected by is precisely that of the shares in company M, which they have never owned. Moreover, they did not transfer their shareholding in company R, which is the only ownership they can invoke here.

93. Neither Article 17 of the Charter of Fundamental Rights of the European Union nor Article 1 of the Additional Protocol to the ECHR is likely to be applied.

94. H, I and J neither establish nor justify the complaint based on Article 6 of the European Convention on Human Rights, whereas it is well established that only company R was the owner of the shares in company M.

95. Therefore, the claims of H, I and J will be dismissed, and the judgment approved.

Concerning the tort liabilities of Messrs K and L, of their companies D and E, of Mr Y, of company Z and of company P on the basis of a breach of the duty of loyalty

96. In the alternative, Mr H, Mr I and Mr J argue, on the basis of case law relating to the transferee manager's duty of loyalty to the transferring partner, that by disregarding their duty not to enter into talks with company P without informing their co-partners, Mr L and Mr K, and their companies D and E, incurred liability in tort by application of article 1382 of the Civil Code in its version prior to October 1, 2016.

97. They added that Mr Y and his company Z were also liable in tort for having initiated the raising of funds from company P.

98. They also concluded that company P was liable in tort for having established in January 2016 a valuation of company M of more than EUR 6,000,000 with the knowledge that Mr H, Mr I and Mr

J had only received a zero price for their 50% stake in company M. They also considered that company P had acted in a collusive manner by acquiring the shares of company M on March 3, 2017, at a time when it was aware of the disputes of Mr. H, Mr. I and Mr. J over the ownership of these shares, and that its bad faith was further established by the precipitous nature of the transfer in 2017, which had initially been planned for 2018 or even 2019.

99. H, I and J consequently claim that Messrs K, L, their companies D and E, company M, Mr Y, his company Z and company P should be ordered in solidum to pay the sum of EUR 11,811,013, corresponding to half of the valuation of company M, which was set at EUR 23,622,029.42, and non-pecuniary damage of EUR 50 000.

100. In response, Mr K and his co-litigants contest any breach of loyalty on the grounds that they did not lie or conceal from Mr H, Mr I and Mr J the financial situation of company R, nor that they would look for external financing in the absence of additional financing on their part, and that they did not immediately transfer the shares in company M to company P.

101. They argue that, in any event, only the loss of chance would be compensable, which in this case would be very uncertain. They added that the assessment of their loss by H, I and J was made on the basis of unproven assumptions and from unjustified amounts. They also concluded that there was no non-pecuniary damage, maintaining that they had never discredited H, I and J, who had decided to leave the company at a time when it was in the most difficult financial situation.

102. Company P argues that the case law on the transferee manager's duty of loyalty to the transferring partner is not applicable in this case, since at the time of the exchange of consents between Messrs K and L and H, I and J in the summer of 2015 negotiations with company P had not yet begun and, moreover, the latter participated in a capital increase - and not in a repurchase of existing shares - the principle and conditions of which were not decided until early 2016.

103. She added that H, I and J had not proved that she had participated in fraudulent conduct. It states that it was not aware of the existence of H, I and J as shareholders of company R and that it was unaware of the discussions between K, L and H, I and J. It adds that it never had the intention of concealing any information, and that the acquisition of all the shares in company M was totally independent of the exit of H, I and J from the company and was not the result of any precipitation.

104. It argues that the amount of the loss claimed by H, I and J is unrealistic, as only a loss of opportunity to negotiate their shares at a better price in the event of a breach by a director of his duty of loyalty can be awarded. It argues that H, I and J chose to end their participation in the capital of R and to recover their financing by selling their shares, without having to participate in the risks, so that their loss of chance of benefiting from a more favourable situation when they wished to leave the transferred company is null. Finally, it contests the existence of non-pecuniary prejudice.

Thereupon,

105. The Court observes that the action in tort brought by H, I and J, in that it is brought by parties residing abroad (H, I and J) against parties residing in France (the respondents), has an element of foreignness that is likely to give rise to a conflict as to the law applicable to that action. However, as the parties agreed in the proceedings that French law shall be applied, the Court will apply it, as it concerns available rights.

106. French case law prior to the Ordinance of February 10, 2016, which enshrined the obligation to provide pre-contractual information in the new Article 1112-1 of the Civil Code, required the

parties, during the pre-contractual negotiation phase, to disclose any information likely to be decisive to consent. In the case of the transfer of shares, a transferring manager who does not inform the transferring partner of ongoing negotiations with a third party with a view to reselling the shares to be transferred, regardless of their progress, is in breach of his duty of loyalty. Members of the board of directors who, by virtue of their duties as directors, have access to privileged information, are individually bound by the duty of loyalty.

107. In this case, as stated above, it is clear from the evidence in the file that Mr H, Mr I and Mr J did not wish to invest more than the loan initially granted by Mr H, nor did they follow up on their partners' proposal to look for outside investors, as was suggested to them in mid-October 2014. They favoured a strategy of reducing operating costs rather than a strategy of development by bringing in external funds. Moreover, the correspondence between the parties in the summer of 2015 shows that Mr H, Mr I and Mr J sought to be repaid the loan granted by Mr H as soon as possible. They also validated the mechanism of their withdrawal from the project, in its principle at the beginning of August 2015, and then formally on October 1, 2015, as the validated MoU could not be executed on October 31, as initially agreed, due to the fact that Mr. K and Mr. L were unable to find the sums needed to repay the loan, for a reason that is not related to H, I and J. Nor do H, I and J demonstrate that they made their withdrawal contingent on the continuation of the project or on the arrival of new investors.

108. Under these circumstances, Messrs K and L were not obliged to inform Mr H, Mr I and Mr J of the fact that they were looking for investors from the end of August 2015, and even less so of the negotiations underway from mid-September 2015 with company P, since Mr H, Mr I and Mr J, the outgoing investors, had clearly indicated their intention to cease collaborating in the development of project T, without worrying about the conditions for its possible continuation.

109. In addition, and in any event, Mr H, Mr I and Mr J fail to establish their loss, which could only be a loss of opportunity, in view of, firstly, their strategy, which is totally contrary to that of Mr K and Mr L and which consists not in investing but in reducing operating costs, their lack of interest in investing more or looking for new investors to develop project T, and the uncertainty that existed on the day the MoU was signed on December 10, 2015, as to whether company P would actually take a stake in the capital of company M, while the due diligence operations had not yet been undertaken. In addition, this investment was made at the risk of company P without any guarantee of success, and there was uncertainty at that date as to whether company P would exercise its call option provided for in the MoU of December 15, 2015.

110. Therefore, the judgment under review will be approved on this ground.

111. Finally, Mssrs. H, I et J fail to establish their non-pecuniary damage, which they will be dismissed, the judgment being upheld on this point.

Concerning the claim by Mr Y and company Z for abuse of procedure

112. H, I and J claim for the upholding of the judgment which dismissed Mr Y and company Z, who were in default on the appeal, from their claim for damages for abuse of procedure.

Thereupon,

113. Pursuant to Article 472 of the Code of Civil Procedure, if the defendant does not appear, a decision shall nevertheless be taken on the merits. The court shall admit the claim only to the extent that it considers it lawful, admissible and well-founded.

114. The exercise of legal action is in principle a right and only degenerates into an abuse that may give rise to damages in the event of a fault that may engage the civil liability of its author.

115. In this case, it has not been established in what way Mr Y and company Z have suffered any damage other than that incurred as a result of the costs expended for their defence.

116. The judgment shall be uphold on this ground.

Concerning the application of Article 700 of the Code of Civil Procedure

117. The issue of costs and procedural compensation was properly ruled upon by the commercial court.

118. On appeal, equity requires that Messrs H, I and J, who have lost, be ordered in solidum to pay to companies M, N and O the sum of 2,000 euros each and to Messrs K, L and company P the sum of 5,000 euros each in respect of the irreducible costs of appeal.

V-ON THESE GROUNDS, THE COUR HEREBY:

1- Confirms the judgment of June 21, 2019 of the Paris Commercial Court except insofar as it dismissed the pleas of inadmissibility of K, L, companies D and E, O, N, M, P SA, Mr Y and company Z

Ruling again on this point,

2- Finds inadmissible the claims of H, I and J for the nullity of the deed of transfer of the shares in company M by company R on December 18, 2015, as well as their claim for the judicial allocation of 50% of the shares in company M and for the convening of a general meeting for this purpose.

Adding to that,

3- Orders H, I and J in solidum to pay to companies M, N and O the sum of EUR 2,000 each and to K and L and to company P the sum of EUR 5,000 each in application of Article 700 of the Code of Civil Procedure for the appeal;

3- Orders H, I and J in solidum to pay the costs of the first instance and of the appeal, which shall be recovered by the attorney C, pursuant to the provisions of Article 699 of the Code of Civil Procedure.

The Court clerk
Clémentine GLEMET

The President
Fabienne SCHALLER