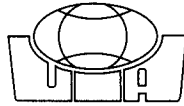


UNION INTERNATIONALE DES AVOCATS

INTERNATIONAL ASSOCIATION OF LAWYERS
INTERNATIONALE ANWALTS-UNION



UNION INTERNACIONAL DE ABOGADOS
UNIONE INTERNAZIONALE DEGLI AVVOCATI

الاتحاد الدولي للمحامين

CORPORATE GOVERNANCE

AND

AUDITORS INDEPENDENCE

THE UNION INTERNATIONALE DES AVOCATS

CONSIDERING that as the modern world develops the reliability of company accounts is of more and more importance

CONSCIOUS of the effects which loss of confidence of investors in the procedures for the certification of accounts could have for their support for a free market economy

NOTING that nobody denies the necessity for auditors to be independent of the companies they audit, from their directors and controlling shareholders

UNWILLING TO ACCEPT, in relation to such an important question, that it is possible to be satisfied with a purely formal independence obtained from the simple separation, within a distinct legal body of activities of control entrusted by the client in fact to a group operating under a common image

DEMANDS that the public authorities take the measures necessary to ensure that nobody can be in any doubt of the independence of the auditors, the true «Judges of Accounts»

DEMANDS that the laws and rules established in order to preserve this independence be applied with the same rigour as those for arbitrators and judges and taking into account the totality of the interests which concern auditors

MANDATES its President to take all possible steps to ensure that this fundamental principle of law prevails, in particular by addressing a note to the Commission of the European Union within the framework of the examination of the Green Paper on Auditors recently published by it.