

# ISPRS Registration and Applicable Law

## Registration of ISPRS

ISPRS is registered as a non-stock, not-for-profit corporation in the State of Maryland, USA. Reasons for registering ISPRS are:

1. Advice given by the legal counsel of ICSU who stated to ISPRS in 1998 that:

*“For purposes of incorporation, a non-governmental organisation (NGO) must submit to the legal regime of one specific nation state. No supra-national legal system exists which can provide a structure for establishing a legal body outside the realm of a national legal territory. An NGO, which has not been thus incorporated, does, to put it bluntly, legally not exist.”*

2. The positive consequence of the registration:

- a. ISPRS will be recognised in a court of law as a legal entity, entitled to legally conduct business, and hence sign legally binding contracts with, for example, publishing houses
- b. The rights of ISPRS are protected. Hence, ISPRS has the right to sue for infringements on its assets, be they real or copyright, logo, etc
- c. ISPRS assets, such as bank accounts, are legally protected.
- d. ISPRS can claim copyright of its publications
- e. Registration enables ISPRS to purchase liability insurance for its officers and indemnity insurance for its actions
- f. ISPRS has received tax exempt status in USA and hence apart from filing a tax statement each year, will not be required to pay taxes
- g. The official address of ISPRS, at the office of its appointed lawyer in Maryland, is independent of any body with which ISPRS associates.
- h. Registration is permanent, and hence does not require renewal.
- i. ISPRS is enabled to establish The ISPRS Foundation and to legally accept grant funds from it.

## What registration means to parties that contract with ISPRS.

Now that ISPRS is registered in Maryland, all contracts that ISPRS signs with another party for the conduct of ISPRS business must include the following statement:

This agreement and its construction, validity and effect is entered into in the State of Maryland, USA and is subject to the laws thereof with the exception of its conflict of laws provisions.

Any unresolved dispute arising between the Parties to the present Agreement/Contract shall be submitted, at the request of either Party, to arbitration for final resolution in accordance with the American Arbitration Association Rules of Conciliation and Arbitration. The tribunal appointed under the said Rules of Conciliation and Arbitration shall sit in USA and, unless otherwise specified in the Rules, shall apply the law of the State of Maryland, USA applicable to arbitration proceedings and the execution of arbitration awards.

All costs of arbitration shall be borne equally by the Parties.

Any arbitration award shall be conclusive and binding on all parties and shall be enrolled as a final judgment against the non-prevailing party in a court of competent jurisdiction.

In order to clarify what this means, ISPRS Council has sought advice from its officially appointed lawyer Richard I. Kovelant, Esq. on how this affects legal transactions with ISPRS. In particular the question was raised concerning the reference to Maryland law and its relationship to laws governing other countries and regions around the world. The following advice was provided by Richard I. Kovelant, Esq.:

*“Contract law in Maryland has evolved from essentially two sources, statutes or laws passed by the legislature and case law developed from the common law of England, wherein courts have applied this body of law to various factual scenarios. Judicial interpretation of how contracts are made, the formalities required, the capacity of the parties to contract, the enforceability of agreements, the requirements of part performance, and oral and written agreements, etc., are the basis for voluminous court decisions.*

*By referencing documents to Maryland law, the parties are merely agreeing that the laws of the State of Maryland, as discussed above, will be the legal basis applied when and if contract issues arise or disputes occur. There is nothing particularly unique about this approach. It merely limits the use of law concerning this subject to a designated jurisdiction rather than having courts decide which state law is applied.*

*As we are using a Maryland entity, it is highly recommended that the reference to Maryland law as stated be utilized. “This agreement is entered into in the State of Maryland and is subject to the laws thereof with the exception of its conflict of laws provisions.”*

Prepared by ISPRS Council, May 2004.