Standard Charter [where the Foundation has By-laws]

(Foundations Law 2018)

**Notes:**

1. Although Article 19(7) of the Foundations Law, DIFC Law No. 3 of 2018 (the “Law”) provides for the making of Regulations which amongst other things specify the terms of a Standard Charter, this Standard Charter has not been promulgated pursuant to such Regulations. However they may be used as a basic template and guide for the standard Charter of a Foundation (where there are By-laws) and if properly completed, would be accepted as satisfactory by the Registrar of Companies for the purpose of registering the Foundation.
2. The Law provides that a Foundation must have a Charter (Article (19(1) of the Law) and may have By-laws (Article 20(4) of the Law). This Standard Charter does not include the matters required or permitted to be contained in the By-laws. The alternative version of the Standard Charter (where the Foundation has no By-laws) includes those provisions.
3. If a Foundation has a Registered Agent in the DIFC its By-laws need not be registered (Article 20(6) of the Law).
4. The Charter will be made available to a Person with Sufficient Interest pursuant to Article 35(4) of the Law.

**THE [INSERT NAME]** **FOUNDATION**

**CHARTER**

**INTERPRETATION**

1. In this Charter:

(a) the following terms shall have the meanings given, if not inconsistent with the subject or context;

 **‘By-laws’** mean the By-laws of the Foundation

**'Charter'** means this Charter of the Foundation.

**‘Council’** means the governing body of the Foundation.

 **‘Electronic Form’** means by electronic means (for example by email or facsimile transmission) or by any other means while in an electronic form (for example, sending a disk by post);

**‘Founder’** is [insert name] who has transferred the Initial Capital to the Foundation at the time of its establishment and has signed this Charter.

 **‘in writing’** means the re presentation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise

**'the Law'** means the Foundations Law, DIFC Law No.3 of 2018, as amended from time to time.

**'the seal'** means the common seal of the Foundation, including every duplicate seal.

**'Secretary'** means the Secretary of the Foundation or any other person appointed to perform the duties of the Secretary of the Foundation, including a joint, assistant or deputy Secretary.

(b)   unless the context otherwise requires, words or expressions defined in the Law shall have the same meanings herein but excluding any statutory modification thereof (not in force when this Charter becomes binding on the Foundation;

(c)   unless the context otherwise requires:

* 1. words in the singular shall include the plural and *vice versa*;
	2. words in the masculine shall include the feminine; and
	3. words relating to natural persons shall include companies, entities, associations or bodies of persons whether incorporated or not;

(d) the word “may” shall be construed as permissive and the word “shall” as imperative;

(e)   the headings herein are for convenience only and shall not affect the construction of this Charter; and

(f)   references to statutes are, unless otherwise specified, references to the laws, regulations and other statutes of the Dubai International Financial Centre and, subject to paragraph (b) above, include any modification or re- enactment thereof for the time being in force.

 **FOUNDATION NAME**

1. The name of the Foundation is the [insert name] Foundation (“the **Foundation**”).

**FOUNDATION OBJECTS[[1]](#footnote-1)**

1. The Objects of the Foundation are:

(a)   to hold the initial capital of the Foundation in accordance with the By-laws;

b)   to hold such further property as may be acquired by or contributed to the Foundation in accordance with the By-laws;

(c) to so manage the initial capital and further property of the Foundation as to [insert any objectives related to use of Foundation capital];

(d) to provide the income and capital of the Foundation to Qualified Recipients at the times and in the manner prescribed in the By-Laws; and

(e)   in general to engage in any lawful act or activity for which a Foundation may be established under the Law which is ancillary to the preceding Objects.

**INITIAL CAPITAL**

1. The initial capital of the Foundation is [insert details] which [have/has[[2]](#footnote-2)] been agreed to be transferred to the Foundation by the Founder.

**DURATION OF FOUNDATION**

1. Subject to Articles 67 and 68 of the Law, the Foundation shall continue in existence [in perpetuity or specify a specific term]

**AMENDMENT AND REVOCATION OF THIS CHARTER AND THE BY-LAWS**

1. Subject to Articles 19(11) and 26(2) of the Law, this Charter and the By-laws may be amended[[3]](#footnote-3):
2. by the Founder (where the Founder is living or in existence) at any time by notice in writing to the Foundation containing the terms of the amendment to the Charter;
3. at any time when the Founder is not living or in existence, by the Council if its members have unanimously approved the amendment and with the consent of the Guardian (if any); or
4. by the Court pursuant to Article 41 of the Law

**DECLARATION**

The Founder(s) by signing this Charter declare(s) that [it/he/she/they[[4]](#footnote-4)] request(s) the Council to comply with the terms of this Charter.

[Signature of Founder]

[Date]

1. If the Charter specifies an exclusively charitable object, it may not be amended so as to specify a non-charitable object in place of or in addition to the charitable object (Article 19(5) of the Law). [↑](#footnote-ref-1)
2. Delete as applicable. [↑](#footnote-ref-2)
3. Article 19(4) of the Law provides that the powers of amendment are to be contained in the Charter, subject to the powers of the Court under Article 41 of the Law. A more limited power of amendment is accordingly possible [↑](#footnote-ref-3)
4. Delete as applicable. [↑](#footnote-ref-4)