

In this document, underlining indicates new text and striking through indicates deleted text



**DIFC AMENDMENT LAW
DIFC LAW NO. 1 OF 2025**

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PART 1: GENERAL

1. Title

This Law may be cited as the “DIFC Laws Amendment Law, DIFC Law No.1 of 2025”.

2. Legislative authority

This Law is made by the Ruler of Dubai.

3. Date of enactment

This Law is enacted on the date specified in the Enactment Notice in respect of this Law.

4. Commencement

This Law comes into force on the date specified in the Enactment Notice in respect of this Law.

PART 2: AMENDMENTS TO DATA PROTECTION LAW 2020

1. The Data Protection Law 2020 is amended as prescribed in this Part.
2. The following Articles of the Data Protection Law 2020 are to be amended by inserting the underlined text and deleting the struck through text as shown below:

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PART 1: INTRODUCTION AND SCOPE

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6. Application of the Law

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- (3) This Law applies ~~as follows to the Processing of Personal Data:~~
 - (a) ~~This Law applies to the Processing of Personal Data~~ by a Controller or Processor incorporated in the DIFC, regardless of whether the Processing takes place in the DIFC or not;
 - (b) ~~This Law applies to:~~ in the DIFC by a Controller or Processor (or any of their Sub-processors), regardless of its place of incorporation as part of stable arrangements, ~~other than on an occasional basis. This Law applies to such Controller or Processor in the context of its Processing activity in the DIFC (and not in a Third Country),~~ including transfers of Personal Data out of the DIFC.
 - (e) ~~For the purposes of this Article 6(3), Processing “in the DIFC” occurs when the means or personnel used to conduct the Processing activity are physically located in the DIFC, and Processing “outside the DIFC” is to be interpreted accordingly.~~
 - (c) of a Data Subject in the DIFC by a Controller or Processor, regardless of its place of incorporation, where the Processing activities are related to:
 - (i) the offering of goods or services to such Data Subjects in the DIFC, irrespective of whether a payment from the Data Subject is required; or
 - (ii) the monitoring of the behaviour of a Data Subject in the DIFC, so far as that behaviour takes place in the DIFC.

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PART 4: DATA EXPORT AND SHARING

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28. Data sharing

- (1) Subject to any other obligations under this Law and, in particular, a Controller's or Processor's obligations under Part 2 regarding accountability, transparency and compliance with general data protection principles or Part 4 regarding transfers out of the DIFC, where a Controller or Processor receives a request from any public authority over the person or any part of its Group ("a Requesting Authority") for the disclosure and transfer of any Personal Data, it should:
 - (a) exercise reasonable caution and diligence to determine the validity and proportionality of the request, including to ensure that any disclosure of Personal Data in such circumstances is made solely for the purpose of meeting the objectives identified in the request from the Requesting Authority;
 - (b) assess the impact of the proposed transfer in light of the potential risks to the rights of any affected Data Subject and, where appropriate, implement measures to minimise such risks, including by redacting or minimising the Personal Data transferred to the extent possible or utilising appropriate technical or other measures to safeguard the transfer; and
 - (c) where reasonably practicable, obtain appropriate written and binding assurances from the Requesting Authority that it will respect the rights of any affected Data Subjects and comply with the general data protection principles set out in Part 2 in relation to the Processing of Personal Data by the Requesting Authority.
- (2) A Controller or, as applicable, its Processor(s) or any Sub-processor(s), having provided (where possible under Applicable Law) reasonable notice to the Controller, may disclose or transfer Personal Data to the Requesting Authority ~~where~~ after it has taken reasonable steps to satisfy itself that:
 - (a) ~~at the~~ request by ~~at the~~ Requesting Authority referred to in Article 28(1) is valid and proportionate; ~~and~~
 - (b) the Requesting Authority will respect the rights of an affected Data Subjects under this Law in the Processing of any Personal Data transferred to it by the Controller pursuant to a request under Article 28(1); and
 - (c) an affected Data Subject has the right to seek legal, or other forms of suitable redress, in the Requesting Authority's jurisdiction for purposes of this Article 28.
- (3) A Controller or Processor may consult with the Commissioner in relation to any matter under this Article 28.

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PART 8: THE COMMISSIONER

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46.

- (1) The Commissioner has such powers, duties and functions as conferred on him under this Law and any Regulation made under this Law and shall exercise such powers and perform such functions in pursuit of the objectives of this Law ~~and the Regulations~~.
- (2) In performing his functions and exercising his powers, the Commissioner shall pursue the following objectives:
 - (b) to monitor, ensure and enforce compliance with this Law ;
 - (c) to promote good practices and observance of the requirements of this Law ~~and the Regulations~~ by a Controller or Processor; and
 - (d) to promote greater awareness and public understanding of data protection and the requirements of this Law ~~and the Regulations~~ in the DIFC.

47. Delegation of powers and establishment of advisory committee

- (1) The Commissioner, where he considers it appropriate to do so, may delegate such of his functions and powers as may more efficiently and effectively be performed by officers and employees of the Commissioner, and with the approval of the DIFCA Board of Directors, either generally or in relation to any particular matter, to any other person.
- (2) The Commissioner may establish an advisory committee. He may appoint a chairperson and a secretariat for the advisory committee.
- (3) The scope and function of the advisory committee shall be confirmed in regulations published by the Commissioner but may include:
 - (a) advising the Commissioner on any issue related to the protection of Personal Data and the application of this Law;
 - (b) assisting the Commissioner with the drafting of guidelines, recommendations, and best practices;
 - (c) assisting the Commissioner with respect to accreditation schemes, codes of conduct, mechanisms for data transfer;
 - (d) drafting Regulations;
 - (e) providing input, as requested by the Commissioner, regarding any question arising under this Law that the Commissioner is required to consider;
 - (f) preparing reports for the Commissioner; and
 - (g) liaising with other data protection committees and authorities as directed by the Commissioner.

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PART 9: REMEDIES, LIABILITY AND SANCTIONS

59. Directions

- (1) If the Commissioner is satisfied, either on the basis of a complaint under Article 60(1) or on the basis of other information within his knowledge, that a Controller or Processor has contravened or is contravening the Law ~~or Regulations~~, he may issue a direction requiring the Controller or Processor to:
 - (a) to do or refrain from doing any act or thing within such time as may be specified in the direction; or
 - (b) to refrain from Processing any Personal Data specified in the direction or to refrain from Processing Personal Data for a purpose or in a manner specified in the direction.
- (2) The Commissioner may undertake reasonable and necessary inspections or investigations for the purposes of Article 59(1).
- (3) A direction issued under Article 59(1) shall contain:
 - (a) a statement of the contravention of the Law ~~or Regulations~~ that the Commissioner is satisfied is being or has been committed; and
 - (b) a statement to the effect that the Controller or Processor may seek judicial review by the Court of:
 - (i) the decision of the Commissioner to issue the direction; or
 - (ii) the terms of the direction.
- (4) A Controller or Processor that fails to comply with a direction of the Commissioner contravenes this Law and may be:
 - (a) subject to fines; or
 - (b) liable for payment of damages and compensation to the Data Subject.
- (5) If the Commissioner considers that a Controller or Processor or any officer of either has failed to comply with a direction, he may apply to the Court for one (1) or more of the following orders:
 - (a) an order directing the Controller or Processor or officer to comply with the direction or any provision of the Law ~~or the Regulations~~ or of any Applicable Law administered by the Commissioner relevant to the issue of the direction;

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61. General Contravention

- (1) A Controller or Processor commits a contravention of this Law if it:
 - (b) does an act or thing that the Controller or Processor (as applicable) is prohibited from doing by or under this Law ~~and the Regulations~~;
 - (c) does not do an act or thing that the Controller or Processor (as applicable) is required or directed to do under this Law ~~and the Regulations~~ (including where the Commissioner has issued a direction); or
 - (d) otherwise contravenes a provision of this Law ~~and the Regulations~~.

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64. ~~Compensation~~ Principles of Liability

- (1) ~~A Data Subject who suffers material or non-material damage by reason of any contravention of this Law or the Regulations may apply to the Court for compensation from the Controller or Processor in question, in addition to, and exclusive of, any fine imposed on the same parties under Article 62. The same measure of damage shall be taken into account in any Court proceeding initiated by the Commissioner under Article 46(3)(e). No person shall be required to pay compensation twice with respect to the same damage.~~
- ~~(2)~~(1) Any Controller involved in Processing that infringes this Law shall be liable for the damage caused. A Processor shall be liable for the damage caused by Processing only where it has not complied with obligations of this Law specifically directed to Processors or where it has acted outside or contrary to the lawful instructions of the Controller.
- ~~(3)~~(2) Where more than one Controller or Processor, or both a Controller and a Processor, are involved in the same Processing and where they are responsible for any damage caused by Processing, each person shall be held jointly and severally liable for the entire damage in order to ensure effective compensation of the Data Subject.
- (3) Proceedings for exercising the right to receive compensation shall be brought before the Court, but may be settled out of Court.

64A. Private Right of Action

- (1) Without prejudice to any available administrative or non-judicial remedy, including the right to lodge a complaint with the Commissioner under Article 60(1), a Data Subject who suffers damage by reason of a contravention of a requirement of this Law or the Regulations shall have the right to apply to the Court for compensation in accordance with this Article 64A.
- (2) A person who suffers damage by reason of a contravention of a requirement of this Law or the Regulations is entitled to compensation for that damage from the Controller or the Processor, subject to Article 64A(3) and Article 64A(4).
- (3) For the purposes of establishing liability for a contravention of this Law or the Regulations, pursuant to Article 64A(2), the following provisions shall apply:
- (a) a Controller involved in processing Personal Data is liable for any damage caused by the processing;
- (b) a Joint Controller is liable for any damage caused by the processing of Personal Data only if such Joint Controller is responsible for compliance with the provision of the data protection legislation that is contravened; and
- (c) a Processor involved in processing Personal Data is liable for damage caused by the processing only if the Processor:
- (i) has not complied with any obligation under this Law or the Regulations in relation to obligations specifically dealing with the processing of Personal Data; or
- (ii) has acted outside, or contrary to, the Controller's lawful instructions.
- (4) A Controller or Processor is not liable as described in Article 64A(3) if the Controller or Processor proves that the Controller or Processor is not in any way responsible for the event giving rise to the damage.

- (5) In this Article 64A “damage” includes financial loss and damage not involving financial loss, such as distress.

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SCHEDULE 2

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Article	Contravention	Maximum Fine (USD)
9	Failing to comply with general requirements specified under Article 9 of the Law made for the purpose of this Law	\$50,000
10	Failure to comply with requirements for lawful Processing specified under Article 10 of the Law made for the purpose of this Law	\$50,000
11	Failure to comply with requirements for obtaining consent specified under Article 11 of the Law made for the purpose of this Law	\$50,000
12	Failure to comply with requirements for lawful Processing specified under Article 12 of the Law made for the purpose of this Law	\$50,000
14(1)	Failure to comply with the requirements for accountability specified under Article 14(1) of the Law made for the purpose of this Law	\$25,000
14(2)	Failing to implement and maintain technical and organisational measures to protect Personal Data in accordance with Articles 14(2) of the Law made for the purpose of this Law	\$50,000
14(3)	Failure to comply with the requirements for accountability specified under Article 14(3) of the Law made for the purpose of this Law	\$25,000
14(4)	Failure to comply with the requirements for accountability specified under Article 14(4) of the Law made for the purpose of this Law	\$25,000
14(5)	Failure to comply with the requirements for accountability specified under Article 14(5) of the Law made for the purpose of this Law	\$25,000
14(7)	Failing to register with the Commissioner in accordance with Article 14(7) <u>of the Law</u> made for the purpose of this Law	\$25,000
15	Failing to maintain records of any Personal Data Processing operations in accordance with Article 15 of the Law made for the purpose of this Law	\$25,000
16	Failing to appoint a DPO in accordance with Articles 16(2) and 16(3) of the Law made for the purpose of this Law	\$50,000
<u>19</u>	<u>Failure to complete Annual Assessment in accordance with Article 19 of the Law</u>	<u>\$25,000</u>
20	Failing to carry out a data protection impact assessment prior High Risk Processing Activities in accordance with Article 20 of the Law made for the purposes of this Law.	<u>\$50</u> 20 ,000
22	Failing to comply with the requirements specified under Article 22(1), 22(2), 22(5) or 22(6) of the Law made for the purpose of this Law	\$25,000
23	Failing to comply with the requirements specified under Article 23 of the Law made for the purpose of this Law	\$25,000
24	Failing to comply with the requirements specified under Article 24(1), 24(3) or 24(6) of the Law made for the purpose of this Law	\$25,000

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Article	Contravention	Maximum Fine (USD)
25	Failing to comply with the requirements specified under Article 25 of the Law made for the purpose of this Law	\$25,000
26	Failing to comply with the requirements specified under Article 26 of the Law made for the purpose of this Law	\$25,000
27	Failing to comply with the requirements specified under Article 27 of the Law made for the purpose of this Law	\$50,000
28	Failing to comply with the requirements specified under Article 28 of the Law made for the purpose of this Law	\$50 0,000
29	Failing to comply with the requirements specified under Article 29 of the Law made for the purpose of this Law	\$75,000
30	Failing to comply with the requirements specified under Article 30 of the Law made for the purpose of this Law	\$75,000
31	Failing to comply with the requirements specified under Article 31 of the Law made for the purpose of this Law	\$75,000
32(3)	Failing to comply with the requirements specified under Article 32(3) of the Law made for the purpose of this Law	\$75,000
33	Failing to comply with the requirements specified under Article 33 of the Law made for the purpose of this Law	\$100,000
34	Failing to comply with the requirements specified under Article 34 of the Law made for the purpose of this Law	\$100,000
35	Failing to comply with the requirements specified under Article 35 of the Law made for the purpose of this Law	\$100,000
36	Failing to comply with the requirements specified under Article 36 of the Law made for the purpose of this Law	\$100,000
37	Failing to comply with the requirements specified under Article 37 of the Law made for the purpose of this Law	\$100,000
38	Failing to comply with the requirements specified under Article 38 of the Law made for the purpose of this Law	\$100,000
39	Failing to comply with the requirements specified under Article 39 of the Law made for the purpose of this Law	\$50,000
40	Failing to comply with the requirements specified under Article 40 of the Law made for the purpose of this Law	\$25,000
41	Failing to report Personal Data Breach in accordance with Article 41 of the Law made for the purpose of this Law	\$50,000
42	Failing to report Personal Data Breach in accordance with Article 42 of the Law made for the purpose of this Law	\$50,000
59	Failing to comply with a direction in accordance with Article 59(4) of the Law	\$75,000

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Article	Contravention	Maximum Fine (USD)
65	Failing to comply with the requirements specified under Article 65 of the Law made for the purpose of this Law	\$75,000

PART 3: AMENDMENTS TO THE LAW OF SECURITY 2024

1. The Law of Security 2024 is amended as prescribed in this Part.
2. The following Articles of the Law of Security 2024 are to be amended by inserting the underlined text and deleting the struck through text as shown below:

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PART 4: PRIORITY OF A SECURITY RIGHT

CHAPTER 1 – GENERAL RULES

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39. Competing Security Rights created by different Grantors

Subject to ~~Part 9~~Part 8, Priority between competing Security Rights created by different Grantors in the same Encumbered Asset is determined according to Article 38.

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PART 8 : FINANCIAL COLLATERAL ARRANGEMENTS

104. Financial Collateral

- (1) Financial Collateral is:
 - (a) Money credited to a Bank Account or an account with an Investment Intermediary; or
 - (b) Financial Property held in an account with an Account Provider; ~~or,~~
 - (c) ~~an FCR Receivable.~~
- (2) The application of this Law in relation to Financial Collateral is modified and supplemented by this Part 8. In the event of conflict between a provision in this Part 8 and any other provision of this Law, the provision in this Part 8 shall prevail.
- (3) Other than as set out in this Part or as agreed between the collateral provider or Debtor and the ~~Secured Creditor~~Collateral Taker, no formal act shall be necessary for the creation or effectiveness against third parties of a Security Right pursuant to a Financial Collateral Arrangement.

105. Title Transfer

- (1) The terms of a Financial Collateral Arrangement may provide for the ~~Secured Creditor~~Collateral Taker to take legal title ownership of some or all of the Financial Collateral.
- (2) A Title Transfer Financial Collateral Arrangement takes effect in accordance with its terms.

106. Security Financial Collateral Arrangements

- (1) Subject to Article 106(2), a Security Right under a Security Financial Collateral Arrangement is created in relation to Financial Collateral upon ~~satisfaction of Article 13.;~~
 - (a) satisfaction of Article 13; and
 - (2b) ~~In relation to Financial Collateral, 'Possession' under Article 13(4) of the Law is to be construed as meaning Control when the Secured Creditor has Control of the Financial Collateral pursuant to the terms of that Security Financial Collateral Arrangement.~~
- (2) Article 13(4) of the Law shall not apply to Security Agreements to Security Financial Collateral Arrangements, which must be evidenced by writing and is signed by the Grantor.
- (3) A Security Right in Financial Collateral may be granted on terms such that it extends to all Financial Collateral from time to time standing to the credit of one (1) or more accounts or to a specified category, quantity, proportion or value of such Financial Collateral. Such a Security Right is effective without the need for further identification of particular Financial Collateral.
- (4) ~~Without prejudice to any other method by which a Security Right under a~~ A Security Financial Collateral Arrangement may be made is effective against third parties, ~~this shall occur if the Secured Creditor has Control of the Financial Collateral pursuant to the terms of that Security Financial Collateral Arrangement upon satisfaction of Article 106(1).~~
- (5) A Security Right under a Security Financial Collateral Arrangement remains effective against third parties until the earliest of the following events:
 - (a) ~~all Secured Obligations are discharged and there are no outstanding commitments to extend credit secured by the Security Financial Collateral Agreement;~~

- (~~ba~~) termination of the Security Financial Collateral Arrangement;
- (~~eb~~) the Secured Creditor ceasing to have Control over the Financial Collateral ~~in circumstances in which the Secured Creditor had not also, by the time the Secured Creditor ceases to have such Control, registered a notice with respect to the Security Right;~~ or
- (~~ec~~) the conclusion of any enforcement process contemplated by Article 110.

(6) Subject to Article 107, a Secured Creditor taking a Security Financial Collateral Arrangement over Financial Collateral takes free of a pre-existing Security Right in the same collateral assets, even if the pre-existing Security Right were made effective against third parties in accordance with Part 3 of the Law and the Secured Creditor to the Security Financial Collateral Arrangement has Knowledge of its existence.

(7) Article 106(6) is without prejudice to any rights of the Secured Creditor under the pre-existing Security Rights against the Debtor (including, without limitation, in the proceeds of the Financial Collateral received by the Debtor).

107. **Priority of interests in the same ~~FCR Receivable~~ Financial Collateral**

(1) The following rules determine Priority between conflicting Security Rights in the same Financial Collateral:

- (a) a Title Transfer Collateral Arrangement in Financial Collateral has Priority over a conflicting Security Right in the Financial Collateral.
- (b) subject to Article 107(1)(a), a Security Financial Collateral Arrangement has Priority over a conflicting Security Right in the same Financial Collateral (other than a Title Transfer Collateral Arrangement) according to ~~the priority rules below~~ priority in time of the date on which the Security Right had been made effective against third parties in accordance with Articles 106(4) and 106(5).

(2) Notwithstanding Article 107(1), a Security Financial Collateral Arrangement pursuant to which the Secured Creditor has obtained Control over Financial Collateral by entry into a Control Agreement has priority over a subsequent Security Right in the same Financial Collateral in favour of the same Account Provider.

- (~~e~~) ~~in respect of Security Rights in Financial Property:~~
 - (~~i~~) ~~if competing Security Rights have been made effective against third parties by registration of a notice in the Security Registry, Priority is determined by the order of registration, without regard to the order of creation of the Security Rights.~~
 - (~~ii~~) ~~if competing Security Rights have been made effective against third parties by entry into Control Agreements, Priority is determined by the order of conclusion of the Control Agreements.~~
 - (~~iii~~) ~~as between a Security Right made effective against third parties by Control and a Security Right made effective against third parties by registration of a notice in the Registry, the Security Right made effective against third parties by Control has Priority, unless the Secured Creditor with Control obtained Control with Knowledge that the taking of its Security Right violates the rights of a pre-existing Secured Creditor whose Security Right was made effective against third parties by registration of a notice in the Registry, in which case that pre-existing Security Right has Priority.~~

- (iv) ~~a Security Right of a Secured Creditor who is the Account Provider has Priority over a competing Security Right unless the competing Security Right is made effective against third parties by the non Account Provider Secured Creditor being the Account Provider's customer in respect of the relevant Financial Property in the Financial Property Account, or the non Account Provider Secured Creditor's entry into a Control Agreement in respect of the relevant Financial Property.~~
- (v) ~~a Security Right made effective against third parties by a Secured Creditor being the Account Provider's customer in respect of the relevant Financial Property in the Financial Property Account has Priority over a Security Right made effective against third parties by a Secured Creditor entering a Control Agreement.~~
- (d) ~~in respect of Security Rights in a right to payment of Money credited to a Bank Account, Priority is determined by Article 107(1)(e) except that references to "Financial Property" are to be read as "Money credited to a Bank Account", and references to "Financial Property Account" are to be read as "Bank Account".~~
- (e) ~~in respect of Security Rights in a FCR Receivable, Priority is determined by Article 107(1)(e)(i) (iii), subject to the following:~~
 - (i) ~~a Security Right of a Secured Creditor who is the Account Provider has Priority over a competing Security Right unless the competing Security Right is made effective against third parties by a non Account Provider Secured Creditor obtaining legal title in respect of the relevant FCR Receivable, or the non Account Provider Secured Creditor's entry into a Control Agreement in respect of the relevant FCR Receivable.~~
 - (ii) ~~a Security Right made effective against third parties by a Secured Creditor obtaining legal title in respect of the relevant FCR Receivable has Priority over a Security Right made effective against third parties by a Secured Creditor entering a Control Agreement.~~

108. **Security Rights competing with rights of transferees of Financial Collateral~~[not used]~~**

~~Subject to Article 59(2), a transferee of encumbered Financial Collateral acquires its rights free of the Security Right provided that the transferee gives value and does not have Knowledge that the transfer is in violation of the rights of the Secured Creditor under the Security Agreement.~~

109. **Rights of Use, release of excess and substitution of Financial Collateral**

- (1) A Security Agreement may provide for the Secured Creditor to have a Right of Use in respect of Financial Collateral.
- (2) ~~A Secured Creditor~~Collateral Taker has Control of Financial Collateral notwithstanding its exercise of a Right of Use.
- (3) The exercise of a Right of Use shall not render invalid or unenforceable any right of the ~~Secured Creditor~~Collateral Taker under the relevant Financial Collateral Arrangement.
- (4) Subject to the terms of the relevant Financial Collateral Arrangement, where a ~~Secured Creditor~~Collateral Taker:
 - (a) has obtained title to Financial Collateral under a Title Transfer Financial Collateral Arrangement; or
 - (b) exercises a Right of Use in respect of Financial Collateral pursuant to a Security Financial Collateral Arrangement,

it thereby incurs an obligation to replace the collateral originally transferred by transferring Equivalent Collateral to the Debtor no later than the discharge of the Secured Obligations.

- (5) An obligation to transfer Equivalent Collateral under Article 109(4) is a “Redelivery Obligation”.
- (6) A ~~Secured Creditor~~Collateral Taker has Control of Financial Collateral notwithstanding any provision in the terms of the Financial Collateral Arrangement which allows the Debtor to withdraw excess Financial Collateral or substitute Financial Collateral in accordance with the terms of such Financial Collateral Arrangement.

110. **Enforcement of Financial Collateral Arrangements**

- (1) On the occurrence of an enforcement event specified under the terms of a Financial Collateral Arrangement, the ~~Secured Creditor~~Collateral Taker may collect, enforce, dispose of or accept Financial Collateral:
 - (a) in the case of Financial Property, by selling it and applying the net proceeds of sale in or towards the discharge of the Secured Obligations;
 - (b) by appropriating the Financial Collateral as the ~~Secured Creditor's~~Collateral Taker's own property and setting off its value against, or applying its value in or towards the discharge of, the Secured Obligations, provided in the case of Financial Property that the terms of the Financial Collateral Arrangement provides for realisation in this manner and specifies the basis on which such collateral is to be valued for this purpose; or
 - (c) in the case of Money by setting off the amount against, or applying it in discharge of, the Secured Obligations,

and Part 6 of the Law shall not apply to the ~~Secured Creditor~~Collateral Taker in relation to the Financial Collateral.

- (2) Financial Collateral may be realised under Article 110(1):
 - (~~a~~) subject to any contrary provision of the terms in a Financial Collateral Arrangement, without any requirement that:
 - (i) prior notice of the intention to enforce or realise the Financial Collateral being given;
 - (ii) the terms of the enforcement or realisation be approved by the DIFC Court or any other person; or
 - (iii) any realisation of the Financial Property be conducted by public auction or in any other prescribed manner; and
 - (~~b~~) notwithstanding the commencement or continuation of an Insolvency Proceeding in respect of the collateral provider, the Debtor or the ~~Secured Creditor~~Collateral Taker.
- (3) The terms of a Financial Collateral Arrangement may provide that, if a Default occurs before the Secured Obligations have been fully discharged, either or both of the following shall occur (or may at the election of the Collateral Taker occur), whether through the operation of netting, set-off or otherwise:
 - (a) the respective obligations of the parties are accelerated so as to be immediately due and expressed as an obligation to pay an amount representing their estimated current value or are terminated and replaced by an obligation to pay such an amount; or

- (b) an account is taken of what is due from each party to the other in respect of such obligations, and a net sum equal to the balance of the account is payable by the party from whom the larger amount is due to the other party.

PART 9: CONFLICT OF LAWS

CHAPTER 1 – GENERAL RULES

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127. Security Rights in Non-intermediated Financial Property

In the event of a conflict between a provision in this Article 127 and Article 16 (*Securities and investment entitlements*) of the Law Relating to the Application of DIFC Laws 2004, the provisions of this Article 127 shall prevail.

- (1) The law applicable to the creation, effectiveness against third parties, Priority and enforcement of a Security Right in Non-intermediated Equity Securities, as well as to its effectiveness against the issuer, is the law under which the issuer is constituted.
- (2) The law applicable to the creation, effectiveness against third parties, Priority and enforcement of a Security Right in Non-intermediated Financial Property other than Non-intermediated Equity Securities, as well as to its effectiveness against the issuer, is the law governing the Financial Property.

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129. Digital Assets and Electronic Trade Documents

- (1) This Article 129 applies to:
 - (a) Security Rights in Electronic Trade Documents or Digital Assets; and
 - (b) Security Rights in assets other than Electronic Trade Documents or Digital Assets but which are conferred by or embodied in Digital Assets; ~~and~~
 - (c) ~~Security Rights in Financial Collateral that are not rights to payment of Money credited to a Bank Account.~~
- (2) In the event of conflict between this Article 129 and any of other Article in this Part 9, this Article 129 shall prevail.
- (3) ~~The Law~~ applicable to the creation, effectiveness against third parties, Priority and enforcement of the Security Rights referred to in Article 129(1) shall be determined by the Laws of England and Wales, save insofar as the Board of Directors of the DIFCA makes Laws or Regulations in relation to such matters (pursuant to its powers under Part 12 or otherwise).

129A. Security Rights in Intermediated Financial Property

The law applicable to the creation, effectiveness against third parties, Priority and enforcement of a Security Right in Intermediated Financial Property and any Money credited to an account with the same Investment Intermediary in respect of the same Intermediated Financial Property is the law of the relevant Investment Intermediary's jurisdiction determined pursuant to Article 16(5) (*Securities and investment entitlements*) of the Law Relating to the Application of DIFC Laws 2004.

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SCHEDULE 2
INTERPRETATION

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3. Defined terms

In this Law, unless the context indicates otherwise, the defined terms listed in the table below shall have the corresponding meanings:

Term	Definition
Account Provider	<p>with respect to Financial Property, or Money credited to a Bank Account, or an FCR Receivable account with an Investment Intermediary in connection with Financial Property, means a Bank or an Investment Intermediary who maintains a Bank Account or Financial Property Account:</p> <p><u>(as applicable)</u></p> <ul style="list-style-type: none"> (a) to which such Financial Property or Money is credited for the benefit of the Debtor; or (b) from which the relevant FCR Receivable<u>(c) arises.</u>
<p>Close Out Netting Arrangement<u>Collateral Taker</u></p>	<p>means an arrangement to which an Investment Intermediary or a Bank is a party, and which comprises the termination of obligations under a contract with a defaulting party and subsequent combining of positive and negative replacement values into a single net payable value<u>a transferee of, or a Secured Creditor to, the Financial Collateral which is the subject of a Financial Collateral Arrangement.</u></p>
<u>Control</u>	<p>(a) with respect to Financial Property and Money in respect of such Financial Property credited to an account with the Investment Intermediary, means</p> <ul style="list-style-type: none"> (i) the Secured Creditor is the Account Provider with which the account containing the relevant Financial Property is maintained; (ii) a Control Agreement is entered into in respect of the relevant Financial Property and Money, or (iii) the Secured Creditor is the Account Provider's customer with respect to becomes the Entitlement Holder of the relevant Financial Property in the Financial Property Account; <p>(b) with respect to Money credited to a Bank Account, means:</p> <ul style="list-style-type: none"> (i) the Secured Creditor is the Account Provider with which the Bank Account is maintained, (ii) a Control Agreement is entered into in respect of the relevant Money credited to the Bank Account, or (iii) the Secured Creditor is the Bank's customer with respect to the Bank Account; <p>(c) with respect to an FCR Receivable, means:</p> <ul style="list-style-type: none"> (i) the Secured Creditor is the Account Provider who is the Debtor under the FCR Receivable, (ii) a Control Agreement is entered into in respect of the relevant FCR Receivable, or

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	<p>(iii) the Secured Creditor has legal title to the FCR Receivable, whether pursuant to an assignment by way of security or other means;</p> <p>(dc) with respect to a Digital Asset, has the meaning given in the Digital Assets Law;</p> <p>(ed) with respect to a right to receive the proceeds under an Independent Undertaking, exists:</p> <p style="padding-left: 40px;">(i) automatically upon the creation of a Security Right in the right to receive those proceeds if the Guarantor/Issuer, Confirmer or Nominated Person is the Secured Creditor; or</p> <p style="padding-left: 40px;">(ii) if the Guarantor/Issuer, Confirmer or Nominated Person has made an Acknowledgement in favour of the Secured Creditor</p>
Control Agreement	<p>(a) with respect to Uncertificated Non-intermediated Financial Property, means an agreement in writing between the issuer, the Grantor and the Secured Creditor, according to which the issuer agrees to follow instructions from the Secured Creditor with respect to the Financial Property, without further consent from the Grantor;</p> <p>(b) with respect to Financial Property <u>and Money in respect of such Financial Property credited to an account with the Investment Intermediary</u>, means an agreement in writing between the Account Provider, the Debtor and the Secured Creditor, according to which the Account Provider agrees to follow instructions from the Secured Creditor with respect to the Financial Property <u>and Money</u>, without further consent from the Debtor; <u>or</u></p> <p>(c) with respect to rights to payment of Money credited to a Bank Account, means an agreement in writing between the deposit-taking institution<u>Bank</u>, the Grantor and the Secured Creditor, according to which the Bank agrees to follow instructions from the Secured Creditor with respect to the payment of Money credited to the Bank Account without further consent from the Grantor; or.</p> <p>(d) with respect to an FCR Receivable that involves a claim against the Account Provider, means an agreement in writing between the Account Provider, the Debtor and the Secured Creditor, according to which the Account Provider agrees to follow instructions from the Secured Creditor with respect to the FCR Receivable, without further consent from the Debtor.</p>
Equivalent Collateral	<p>with respect to:</p> <p>(a) Money credited to a Bank Account <u>or an account with an Investment Intermediary</u>, means Money credited to the Bank<u>same Account</u> of the same amount and in the same currency; and</p> <p>(b) Financial Property:</p> <p style="padding-left: 40px;">(i) means Financial Property of the same issuer or Debtor<u>debtor</u> forming part of the same issue or class and description, and of the same nominal amount and currency, as the relevant Financial Collateral, or</p> <p style="padding-left: 40px;">(ii) where a Financial Collateral Arrangement provides for the occurrence of any event relating to or affecting any Financial</p>

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	Property provided as Financial Collateral, means those other assets specified in the Financial Collateral Arrangement
FCR Receivable	means a Receivable that is also: (a) a Money claim by the Account Provider against its customer; or (b) a Money claim that is due or payable and arises in connection with a Close Out Netting Arrangement.
.....	
Right of Use	the right of the Secured Creditor <u>Collateral Taker</u> to use or dispose of Financial Collateral or interests in Financial Collateral as owner of it in accordance with the terms of the Financial Collateral Arrangement.
.....	
Secured Obligation	means an obligation secured by a Security Right <u>Security Right</u> or collateralised by a Financial Collateral Arrangement.
.....	
Title Transfer Financial Collateral Arrangement	an arrangement pursuant to which legal title ownership of Financial Collateral is transferred to the Secured Creditor <u>Collateral Taker</u> for the purpose of securing or otherwise covering the performance of the relevant financial obligations owed to the Secured Creditor <u>Collateral Taker</u> .
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PART 4: AMENDMENTS TO INSOLVENCY LAW 2019

1. The Insolvency Law 2019 is amended as prescribed in this Part.
2. The following Articles of the Insolvency Law 2019 are to be amended by inserting the underlined text and deleting the struck through text as shown below:

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SCHEDULE 1 INTERPRETATION

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3. Defined terms

In the Law, unless the context indicates otherwise, the defined terms listed below shall have the corresponding meanings:

Term	Definition
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Security Right	has the meaning set out in the Security Law, <u>save that the term 'Movable Asset' is replaced by 'an asset'.</u>
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PART 5: AMENDMENTS TO EMPLOYMENT LAW 2019

1. The Employment Law 2019 is amended as prescribed in this Part.
2. The following Articles of the Employment Law 2019 are to be amended by inserting the underlined text and deleting the struck through text as shown below:

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PART 10: TERMINATION OF EMPLOYMENT

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66. Gratuity Payment and Qualifying Scheme Benefits

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- (7) From the Qualifying Scheme Commencement Date an Employer shall, on a monthly basis, pay to a Qualifying Scheme, for the benefit of each Employee who is not an Exempted Employee, an amount equal to at least the Core Benefits, which shall be calculated as follows:
 - (a) five point eight three percent (5.83%) of an Employee's Monthly Basic Wage for the first five (5) years of an Employee's service, inclusive of any period of employment served prior to the Qualifying Scheme Commencement Date; and
 - (b) eight point three three percent (8.33%) of an Employee's Monthly Basic Wage for each additional year of service; or
 - (c) in respect of a UAE or a GCC national Employee that is entitled to a top-up contribution under Article 65(3), the positive difference between:
 - (i) the Core Benefits that would have been payable to the Employee under Article 66(7)(a) or Article 66(7)(b), whichever is applicable, had the Employee not been registered with the GPSSA under Article 65(1); and
 - (ii) the Employere's GPSSA pension contribution for that Employee for the month in question pursuant to Article 65(1),

provided that where an Employee's Termination Date occurs part-way through a month, the Core Benefits payable by an Employer in respect of an Employee shall be calculated on a pro rata basis in respect of the part of the month served in employment, and which may be paid directly to the Employee pursuant to Article 19(1)(d).

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