



DIFC

NON PROFIT INCORPORATED ORGANISATIONS REGULATIONS

(NPIOR)

CONTENTS

The contents of this module are divided into the following chapters, sections and appendices:

1.	INTRODUCTION	1
1.1	Application and interpretation.....	1
1.2	References to writing	1
2.	INCORPORATION	2
2.1	Application for certificate of incorporation.....	2
2.2	Incorporated Organisations names	2
2.3	Charter of Organisation.....	4
2.4	Certificate of incorporation	4
3.	REGISTERED OFFICE	7
3.1	Registered office.....	7
4.	FOUNDING MEMBERS AND MEMBERS	8
4.1	Register of Founding Members and Members	8
4.2	Change of Founding Members and Members	8
5.	INCORPORATED ORGANISATION REGISTRY AND FORMS	10
5.1	Forms	10
5.2	Time for filing notices	10
5.3	Fees	10
5.4	Public Register.....	11
6.	ACCOUNTS	13
6.1	Accounting standards	13
7.	MISCELLANEOUS.....	14
7.1	Registers and records.....	14
8.	IMPOSITION OF FINES	15
8.1	Notice of administrative fines	15



DIFC

NON PROFIT INCORPORATED ORGANISATION REGULATIONS (NPIOR)

App1	FEES	17
A1.1	Table of fees.....	17
App2	STANDARD CHARTER	18
App3	FORMS.....	18

DRAFT



NON PROFIT INCORPORATED ORGANISATION REGULATIONS (NPIOR)

These Regulations are made by the Board of Directors of the DIFC Authority pursuant to its powers under Article 39 of the Law on (insert date of making).

1. INTRODUCTION

1.1 Application and interpretation

- 1.1.1** These Regulations apply to any person to whom the Law applies.
- 1.1.2** In these Regulations a reference to the Law is a reference to the Non-Profit Incorporated Organisations Law 2011.
- 1.1.3** In these Regulations a reference to a person includes any natural person, body corporate or body unincorporated, including a company, partnership, unincorporated association, government or state.
- 1.1.4** Defined terms are identified throughout these Regulations by the capitalisation of the initial letter of a word or phrase and have the same meaning they have under the Law. Where capitalisation of the initial letter is not used, an expression has its natural meaning.

1.2 References to writing

- 1.2.1** If a provision in these Regulations refers to a communication, notice, agreement or other document 'in writing' then, unless the contrary intention appears, it means in legible form and capable of being reproduced on paper, irrespective of the medium used. Expressions related to writing must be interpreted accordingly.
- 1.2.2** This does not affect any other legal requirements which may apply in relation to the form or manner of executing a document or agreement.

2. INCORPORATION

2.1 Application for certificate of incorporation

2.1.1 Three or more Founding Members applying for the incorporation of an Incorporated Organisation shall use the forms prescribed by the Registrar and shall include the following particulars:

- (a) the full name and address, the date and place of birth and all former given or family names of the proposed Founding Members;
- (b) any other matter that the Registrar considers appropriate.

2.1.2 Where an incorporator is a body corporate, the application for a certificate of incorporation shall be accompanied by a copy of the incorporator's current certificate of incorporation or registration in its place of origin, or a document of similar effect, certified by the relevant authority in the jurisdiction in which it is incorporated or otherwise to the satisfaction of the Registrar.

2.1.3 Once an Incorporated Organisation's application has been approved by the Registrar, within thirty (30) days of such approval, the Incorporated Organisation must take substantive steps to establish its operations in the DIFC, subject to any applicable legal exemptions as to physical presence in the DIFC, otherwise, the application shall be considered inactive for a further thirty (30) day period, during which the Registrar shall take no further steps. Following the aforementioned sixty (60) day period, if the Incorporated Organisation has still not taken substantive steps to establish its operations in the DIFC, the application shall be considered cancelled.

2.2 Incorporated Organisations names

2.2.1 A Person may apply to the Registrar for the reservation of a name for an Incorporated Organisation using the form prescribed by the Registrar.

2.2.2 The Registrar shall reserve such name for a period of thirty (90) days if the name is acceptable to the Registrar.

2.2.3 A Person shall ensure before submitting to the Registrar a name or a new name for registration or reservation that it:

- (a) does not so nearly resemble the name of:

- (i) a Incorporated Organisation currently incorporated or registered in the DIFC or any other relevant jurisdiction;
- (ii) a company currently incorporated or registered in the DIFC or any other relevant jurisdiction;
- (iii) a limited liability partnership currently registered in the DIFC or any other relevant jurisdiction; or
- (iv) a partnership currently registered in the DIFC or any other relevant jurisdiction;

as to be likely to mislead;

(b) does not contain words that may suggest a relationship with the DIFCA, DFSA or any other governmental authority in the DIFC, Dubai or the United Arab Emirates, unless the relevant body has consented in writing to the use of the name;

(c) does not contain:

(i) the word 'bank', 'insurance' or 'trust';

(ii) words which suggest that it is a bank, an insurance company or trust company; or

(iii) words which suggest in some other way that it is authorised to carry on a Financial Service within the DIFC;

unless the DFSA consents in writing to the use of such words; and

(d) does not contain words that may suggest a connection with, or the patronage of, any prominent person or organisation, unless that prominent person or organisation consents in writing.

2.2.4 When an Incorporated Organisation changes its name, it shall file a notice of change of name with the Registrar, using the form prescribed by the Registrar and submitting all relevant documentation required by the Registrar.

2.2.5 If the proposed new name of the Incorporated Organisation is in the opinion of the Registrar likely to offend the public or is likely to mislead or is for any other reason undesirable he shall inform the Incorporated Organisation in writing that the name is not acceptable.

2.3 Charter of Organisation

- 2.3.1** An Incorporated Organisation may adopt the Standard Charter set out in App2.
- 2.3.2** Should the Incorporated Organisation adopt the Standard Charter with modifications, the application for incorporation shall set out in what respect the Standard Charter has been modified.
- 2.3.3** The Charter of Organisation filed by the Incorporated Organisation with the application for a certificate of incorporation shall, at least, provide for:
- (a) the Authorised Purpose for which the Incorporated Organisation is being formed;
 - (b) the requisition, by Founding Members, of General Meetings;
 - (c) the proceedings of General Meetings, including voting;
 - (d) accounts and other information to be provided to Founding Members before a General Meeting;
 - (e) the maximum number of Founding Managers;
 - (f) the appointment, retirement, disqualification and removal of Founding Members;
 - (g) the powers of Founding Members;
 - (h) appointment of the secretary, if applicable; and
 - (i) the keeping of minutes.
- 2.3.4** A board resolution must be submitted to the Registrar along with all application forms stating that the Charter of Organisation has been duly adopted by the Founding Members of the Incorporated Organisation.

2.4 Certificate of incorporation

- 2.4.1** The certificate of incorporation issued by the Registrar upon incorporation of an Incorporated Organisation or upon registration of a change of name of the Incorporated Organisation shall set out:

- (a) the name of the Incorporated Organisation;
- (b) the Incorporated Organisation's registered number;
- (c) a statement that the Incorporated Organisation is incorporated; and
- (d) the date of incorporation and, if applicable, the date on which the new name of the Incorporated Organisation was registered.

2.5 Licence

- 2.5.1** Simultaneously with the issuance of a certificate of incorporation, the Registrar must a Licence for the Incorporated Organisation, provided the Incorporated Organisation has paid the prescribed fee in App1..
- 2.5.2** The purpose of the Licence is to expedite contracting for municipal and commercial services essential to the establishment and operation of the Incorporated Organisation.
- 2.5.3** The application for a certificate of incorporation submitted in compliance with the relevant DIFC laws and regulations by an Incorporated Organisation is considered to be also as an application for a Licence.
- 2.5.4** The Licence must set out:
 - (a) the Licence number;
 - (b) the name of the licensee;
 - (c) the operating name of the licensee;
 - (d) the legal status of the licensee;
 - (e) the address of the licensee;
 - (f) the permitted activities of the licensee;
 - (g) the authorised signatories of the licensee;
 - (h) the issue date of the Licence;
 - (i) the expiry date of the Licence.
- 2.5.6** The fee for the Licence, as set out in App1, must be paid to the Registrar in the same manner and at the same time that the fee for incorporation is paid.

- 2.5.7** An Incorporated Organisation must renew its Licence annually by paying the relevant fee prescribed in App1 to the Registrar no later than thirty (30) days after the expiry date of the Licence.

DRAFT

3. REGISTERED OFFICE

3.1 Registered office

3.1.1 Should an Incorporated Organisation change its registered office, it shall file with the Registrar, at the time of the change, a notice of change of registered office using the applicable form prescribed by the Registrar.

3.1.2 The address of the registered office of a Incorporated Organisation as set out in the application for a certificate of incorporation or notice of change of registered office shall include where applicable:

- (a) the floor or level; and
- (b) the name of the building in which,

the registered office is situated or is to be situated.

3.1.3 The address of the registered office of the Incorporated Organisation shall consist of a location and a postal address.

4. FOUNDING MEMBERS AND MEMBERS

4.1 Register of Founding Members and Members

4.1.1 The register of Founding Members and Members shall set out, in respect of each Founding Member or Member:

- (a) full name;
- (b) any former names;
- (c) capacity as a Founding Member or Member;
- (d) date and place of birth or incorporation or registration, as the case may be;
- (e) address;
- (f) any former addresses within the last 5 years;
- (g) date of admission; and
- (h) date of cessation (if relevant).

4.2 Change of Founding Members and Members

4.2.1 Whenever:

- (a) a Founding Member is appointed to the Incorporated Organisation after the incorporation of the Incorporated Organisation;
- (b) a Founding Member retires or for any other reason ceases to act;
- (c) a Founding Member becomes a Member or a Member becomes a Founding Member;
- (d) there is a change to other particulars relating to the registered details of an Incorporated Organisation'

the Incorporated Organisation shall file with the Registrar a notice of change of Founding Member or Member, within 14 days of the change, using the form prescribed by the Registrar.

- 4.2.2** Whenever there is any change in the name or address of a Founding Member or Member, the Incorporated Organisation shall file with the Registrar a notice of change of name or address using the form prescribed by the Registrar.

DRAFT

5. INCORPORATED ORGANISATION REGISTRY AND FORMS

5.1 Forms

5.1.1 The Registrar shall prescribe the forms required under the Law and the Regulations.

5.1.2 The forms shall be completed in accordance with any directions, instructions or requirements contained in the form itself.

5.1.3 An annexure to a form shall be endorsed with the words:

This is the annexure to the *(insert description of form)* relating to *(insert name of Incorporated Organisation)* dated *(insert date of form)*.

5.1.4 Any form, annexure or other document filed with the Registrar shall:

- (a) be on white paper of international A4 size;
- (b) be clearly printed or written in black in a manner that is permanent and is able to be reproduced or copied by photographic or electronic means;
- (c) contain, where applicable, original signatures of the person or persons indicated on the form and the date on which they signed;
- (d) set out the name and registered number (where applicable) of the Incorporated Organisation to which the form relates; and
- (e) be completed in the English language.

5.2 Time for filing notices

5.2.1 Where the Law requires a notice to be filed with the Registrar, the notice shall be filed, in the absence of a time limit being stated in the Law or these Regulations, within 14 days of the date of the happening of the event to which the notice relates.

5.3 Fees

5.3.1 For the purposes of Article 39 of the Law, the fees in respect of matters set out in App1 shall be paid to the Registrar by the relevant person.

5.4 Public Register

5.4.1 The Registrar shall maintain the register of Incorporated Organisations by recording the following details, insofar as they may be relevant, in respect of each Incorporated Organisation and Recognised Incorporated Organisation that is, or has been, incorporated or registered in the DIFC:

- (a) current name;
- (b) registered number;
- (c) date of registration;
- (d) type of Incorporated Organisation;
- (e) former names;
- (f) date of registration of every change of name;
- (g) current registered office;
- (h) former registered offices;
- (i) date of registration of former registered offices;
- (j) current Founding Members or Members;
- (k) date of registration of current Founding Members or Members;
- (l) former Founding Members or Members;
- (m) dates of registration and cessation of former Founding Members or Members;
- (n) current secretary, if applicable;
- (o) date of registration of current secretary;
- (p) former secretaries, if applicable;
- (q) dates of registration and cessation of former secretaries;
- (r) the Incorporated Organisation's financial year end;

- (s) date of commencement and cessation of schemes of arrangement, receiverships, or liquidations;
- (t) name and address and date of appointment and date of cessation or vacation of office of:
 - (i) each nominee or supervisor of a voluntary arrangement, within the meaning of the Insolvency Law 2009; and
 - (ii) each office-holder within the meaning of the Insolvency Law 2009; and
- (u) date of dissolution of the Incorporated Organisation, if any.

5.4.2 The Registrar shall make the register available for viewing during normal business hours at the offices of the Registrar, and otherwise at all times on the website of the DIFC.

- 5.4.3** (1) The Registrar shall, upon application and payment of the prescribed fee, produce an extract of the information maintained in the register in relation to any particular Incorporated Organisation.
- (2) An extract of information produced pursuant to 5.4.3(1) is prima facie evidence of the matters stated in it.

- 5.4.4** (1) The Registrar shall, upon application and payment of the prescribed fee, produce a certified copy of a certificate of incorporation of an Incorporated Organisation, or any document filed with the Registrar.
- (2) A certified copy of a certificate of incorporation produced pursuant to 5.4.4(1) is conclusive evidence of the incorporation of the Incorporated Organisation.

6. ACCOUNTS AND AUDITORS

6.1 Accounting standards

6.1.1 Subject to Regulation 6.2.2, accounts and financial statements prepared by an Incorporated Organisation shall be prepared in accordance with and comply with the International Financial Reporting Standards.

6.1.2 Should an Incorporated Organisation consider that it is necessary to deviate from the standard it has adopted so as to be able to present a true and fair set of financial statements, the Registrar may, on application of the Incorporated Organisation, consent to the deviation, subject to any conditions that he may impose.

6.2 Appointment of auditor

6.2.1 An Incorporated Organisation must file a notice of appointment of an auditor with the Registrar immediately upon appointment of such auditor.

6.2.2 An Incorporated Organisation must file a notice of cessation of an auditor with the Registrar immediately upon the resignation or removal of such auditor.

6.2.3 An Incorporated Organisation filing a notice of appointment of an auditor or notice of cessation of an auditor must use the applicable form prescribed by the Registrar.

7. MISCELLANEOUS

7.1 Registers and records

7.1.1 Subject to any specific requirement of the Law, any register or record that an Incorporated Organisation is required to keep or maintain by operation of the Law or these Regulations, shall be kept at the registered office of the Incorporated Organisation or at such other place determined by the Founding Members.

7.1.2 A decision of the Founding Members to keep any register or record referred to in Regulation 7.1.1 at a place other than the registered office of the Incorporated Organisation shall only be made by the Founding Members at a general meeting and minutes shall be kept of the decision, including the decision as to the place at which the registers or records shall be maintained.

DRAFT

8. IMPOSITION OF FINES

8.1 Notice of administrative fines

8.1.1 Where the Registrar considers that a person has committed a contravention of any provision referred to in Schedule 2 of the Law in relation to which a fine is stipulated in that Schedule, and decides to impose a fine pursuant to Article 33 of the Law, the Registrar will give the person a Notice of Administrative Fine as prescribed in App3:

- (a) alleging that the person has committed the contravention and giving particulars of the facts alleged by the Registrar to constitute a contravention;
- (b) setting out the fine imposed by the Registrar in respect of the contravention;
- (c) specifying the period during which the fine may be paid; and
- (d) providing an address for filing a Notice of Objection.

8.1.2 Where a fine is imposed under Article 33 of the Law on a person and the person pays the fine within the period specified, no proceedings may be commenced by the Registrar in respect of the relevant contravention, but the Registrar may take action in relation to any continuing obligation that remains outstanding.

8.1.3 Where a fine is imposed under Article 33 of the Law and the person files a Notice of Objection as prescribed in App3 with the Registrar within the period specified, the Registrar may not recover the fine as a debt due, but may commence proceedings in the Court for payment of the fine.

8.1.4 A Notice of Objection must be in accordance with the relevant form and must set out every matter which the person believes ought to be taken into account by the Registrar in determining whether to commence proceedings in Court for payment of the fine.

8.1.5 If at the end of the period for payment specified in the notice imposing the fine, the person has not paid the full amount of the fine and has not filed a Notice of Objection, the Registrar may apply to the Court for payment of the fine, or so much of the fine as is not paid, and any further orders the Court sees fit for recovery of the fine.



DIFC

NON PROFIT INCORPORATED ORGANISATIONS REGULATIONS (NPIOR)

8.1.6 The Registrar may withdraw a notice imposing a fine whenever he considers it appropriate.

DRAFT

App1 FEES
A1.1 Table of fees

Upon receipt by the Registrar of:	
Application for reserving a name	\$100
Application for incorporation of an Incorporated Organisation	\$100
Application for a Licence	\$1000
Annual renewal of a Licence	\$1000
Application for registering a change of name	\$100
Notice of change of registered address of Company	nil
Notice of change of Founding Member or Member	nil
Notice of change in details of Founding Member or Member	nil
Notice of appointment of auditor	nil
Notice of cessation of auditor	nil
Notice of change in details of person authorised to accept service of any document or notice	nil
Notice of change of principal place of business	nil
Upon performing the following functions:	
Providing an extract of information from the register of Incorporated Organisations	\$200
Providing a certified copy of any document	\$200

App2 STANDARD CHARTER

[insert name] Incorporated Organisation

1. INTERPRETATION

In this Charter,

- a) the following terms shall have the meanings set opposite, if not consistent with the subject or context;

'Charter' means this Charter of the Incorporated Organisation.

'Board' means the governing body of the Incorporated Organisation composed of Founding Members.

'Founding Member' is a person who has signed the application for incorporation of an Incorporated Organisation or has been appointed by the Board as a Founding Member.

'Member' means a person or body corporate that has been accepted as a member in the Incorporated Organisation and paid the due membership fees.

'Members Register' means the register of Founding Members and Members of the Incorporated Organisation.

'Office' means the registered office of the Incorporated Organisation.

'Ordinary Resolution' means a resolution of a duly constituted general meeting of the Incorporated Organisation's Founding Members passed by the votes of the Founding Members entitled to vote and representing a simple

majority of the memberships of the Incorporated Organisation, cast in person or by proxy and voting at the meeting. It includes any unanimous written resolution of the Founding Members entitled to vote, expressed to be an ordinary resolution.

'Special Resolution'

means a resolution in respect of which notice of intention to propose the resolution has been given, and that has been passed by the positive vote of Founding Members holding at least 75% of the memberships entitled to vote on the resolution.

'the Law'

means the Non Profit Incorporated Organisations Law, DIFC Law No. [Insert number and year], as amended from time to time.

'the seal'

means the common seal of the Incorporated Organisation, including every duplicate seal.

'Secretary'

means the Secretary of the Incorporated Organisation or any other person appointed to perform the duties of the Secretary of the Incorporated Organisation, 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 Incorporated Organisation;
- c) unless the context otherwise requires:
 - words in the singular shall include the plural and vice-versa;
 - words in the masculine shall include the feminine; and
 - 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 these Charter;

- 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; and
- g) where an Ordinary Resolution is expressed to be required for any purpose, a Special Resolution is also effective for that purpose.

2. INCORPORATED ORGANISATION NAME

The Incorporated Organisation's name is [insert name]; and it shall always be followed by the words "Non-Profit Incorporated Organisation" or its acronym "NPIO".

3. INCORPORATED ORGANISATION REGISTERED OFFICE

The registered office of the Incorporated Organisation shall be situated in the Dubai International Financial Centre.

4. INCORPORATED ORGANISATION PURPOSES

The Authorised Purposes of the Incorporated Organisation are:

- a) [insert purposes].
- b) [insert purposes]; and
- c) In general to engage in any lawful act or activity for which an Incorporated Organisation may be organised under the Law.

5. INCORPORATED ORGANISATION'S MEMBERSHIP

- A. Subject to the provisions of the Law and without prejudice to any rights, entitlements or restrictions attached to any existing membership, any membership may be issued with such rights, entitlements or restrictions as the Board may by Ordinary Resolution determine.

- B. Subject to the provisions of the Law and Regulations, an Incorporated Organisation shall not have more than (insert the maximum number) of Founding Members at any time during its existence.
- C. No person shall be recognised by the Incorporated Organisation as a Founding Member or Member unless such person's name is entered in the Members Register.

6. ADMISSION OF NEW FOUNDING MEMBERS

- A. The admission of new Founding Members, except those who have signed the application for incorporation, shall require a Special Resolution of the Board.
- B. The Incorporated Organisation may charge a reasonable fee for the registration of Members into the Members Register.
- C. The Board shall determine the form of membership certificates, and if any are to be issued to a Founding Member or Member, through an Ordinary Resolution.

7. GENERAL MEETINGS

Any Founding Member may call a general meeting, including an annual general meeting.

8. REQUISITION AND NOTICE OF GENERAL MEETINGS

- A. Subject to the Law, a general meeting shall be called by at least 21 days' notice to all the Founding Members.
- B. Such notice of general meeting shall specify the time and place of the meeting and the general nature of the matters to be considered.
- C. A notice of meeting in respect of an annual general meeting shall in addition specify that it is in respect of an annual general meeting.

- D. The proceedings of a meeting are not invalid solely because of the inadvertent failure to give notice of the meeting to, or the failure to receive notice of a meeting by any person entitled to receive such notice.

9. PROCEEDINGS AT GENERAL MEETINGS

- A. No meeting shall take place unless a quorum is present. The majority of persons entitled to vote shall constitute a quorum.
- B. If a quorum is not present within half an hour from the time stated for the meeting, the meeting shall be adjourned to a place and time determined by the Founding Members. If during the meeting a quorum ceases to be present the meeting shall be adjourned to a place and time determined by the Founding Members.
- C. The chairman of the Board shall chair the meeting. If the chairman of the Board is not present or willing to act within fifteen minutes of the stated time for commencement of the meeting, and in the absence of a nominee, another Founding Members elected by the rest of the Founding Members present shall chair the meeting. If no Founding Members are present or willing to chair the meeting, then the Founding Members shall elect one of their numbers to chair the meeting.
- D. The chairman may adjourn the meeting with the consent of the majority of the votes at the meeting. No matters shall be considered at an adjourned meeting other than matters that might have been considered at the meeting had the adjournment not taken place. It is not necessary to give notice of the adjourned meeting unless the meeting was adjourned for fourteen days or more, in which case at least seven days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the matters to be considered.
- E. Unless a poll is demanded, a resolution put to the vote shall be decided on a show of hands. A poll may be demanded before or on the declaration of the result of a vote by show of hands:
- i) by the chairman; or
 - ii) by at least two Founding Members having the right to vote at the meeting.

- F. Unless a poll is demanded the chairman may declare that a resolution has been carried or lost by a particular majority. The entry in the minutes of the meeting of that declaration shall be conclusive evidence of the result of the resolution.
- G. A poll shall be taken in the manner the chairman directs and the result shall be the resolution of the meeting at which the poll was demanded.
- H. A poll demanded on the election of a chairman or on an adjournment shall be taken immediately. A poll demanded on any other question shall be taken as the chairman directs but not more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll is demanded.
- I. Seven days' notice shall be given specifying the time and place at which a poll shall be taken unless the time and place is announced at the meeting at which the poll is demanded.
- J. A resolution may be passed in writing in accordance with the Law.

10. VOTES OF FOUNDING MEMBERS

- A. No objection may be raised to the right of any voter except at the meeting at which the voter is to vote. The decision of the chairman in respect of any objection or the right of any voter shall be final.
 - B. A Founding Member may vote on a poll by proxy.
 - C. An instrument appointing a proxy shall be in writing in a form approved by the Founding Members and distributed with the notice of a meeting. The form approved and distributed by the Incorporated Organisation must include a section allowing the Founding Member to direct the proxy on how the proxy shall act.
 - D. The instrument appointing a proxy must be deposited at the registered office of the Incorporated Organisation at least 48 hours before the time at which the meeting at which the proxy is to be exercised is to be held. In the case of a poll not being taken immediately but sometime after it is demanded, the
-

instrument appointing a proxy may be deposited at the poll with the chairman, secretary or any Founding Members or at any time before the poll at the registered office of the Incorporated Organisation.

- E. A vote given or poll demanded by proxy is valid notwithstanding the determination of the Founding Member who appointed the proxy unless the Incorporated Organisation receives notice from the Founding Member in writing prior to the vote being taken or the poll being demanded.

11. NUMBER OF PERSONS IN A BOARD

The Incorporated Organisation shall have a Board consisting of the Chairman of the Board, and _____ Founding Members.

12. ALTERNATE FOUNDING MEMBERS IN THE BOARD

- A. Any Founding Members may appoint any other Founding Members or any other person approved by the Founding Members to act as his alternate and may remove the alternate Founding Members so appointed. The alternate Founding Members shall perform all the functions of his appointor as a Founding Member but is not entitled to remuneration for his services.
- B. An alternate Founding Members shall be given notice of all meetings of which his appointor is entitled to receive notice and is entitled to attend and vote at such meetings.
- C. An alternate Founding Members holds office for as long as his appointor holds office unless he is removed by written instrument by his appointor.
- D. Any appointment or removal of an alternate Founding Members shall be given to the Secretary.
- E. Unless otherwise provided, an alternate Founding Members shall not be regarded as the agent of his appointor but shall be responsible for his acts or omissions.

13. POWERS OF FOUNDING MEMBERSS

- A. Subject to the Law and this Charter, the Incorporated Organisation shall be managed by the Board. No subsequent amendment to this Charter shall invalidate any act of a Founding Member or the Board.
- B. The Board may appoint a person to be the agent of the Incorporated Organisation.
- C. The Board may delegate any of its powers to an attorney-in-fact or to a committee of Founding Members or in accordance with the Law.
- D. The Founding Members shall be in charge of the day-to-day administration of the Incorporated Organisation and shall have full powers to represent the Incorporated Organisation in the pursuit of its Authorised Purposes. Such powers include but are not limited to:
 - (i) negotiate, sign, execute all contracts, transactions, arrangements, and deals of whatever kind or nature with third parties, and any authority whatsoever, in the name of the Incorporated Organisation with right to terminate and amend such contracts and agreements as required from time to time;
 - (ii) open, close and manage all bank accounts pertaining to the Incorporated Organisation, to carry out all banking transaction on behalf of the Incorporated Organisation including without any limitation the right to issue, sign, endorse cheques, drawing voucher letters of credit, transfer, obtain loans with or without security, bank facilities, bank guarantees and bank performance bonds and to complete and sign all applications and documents necessary for the performance of the Incorporated Organisation's corporate objectives;
 - (iii) employ all persons required for the Incorporated Organisation's business, to define their salaries, benefits, remunerations and the rules and provisions related to their employment as well as the right to terminate their services;
 - (iv) sign memoranda of association in terms and conditions as it may deem fit;
 - (v) claim on behalf of the Incorporated Organisation, to attach the properties of debtors, refer cases to arbitration, to appoint lawyers

and otherwise take all legal proceeding for the protection of the Incorporated Organisation's interests as plaintiff or defendant or as party to arbitration or otherwise.

14. APPOINTMENT AND RETIREMENT OF FOUNDING MEMBERS

- A. A person shall not be appointed as a Founding Member at a general meeting unless he has been recommended by a Founding Member or a Member and details of the proposed Founding Member have been included in the notice of meeting at which the appointment is to be considered. The details shall include at least the information that would be included in the register of Founding Members if the person was appointed.
- B. Subject to the preceding clause, additional Founding Members may be appointed by the Board of an Incorporated Organisation by special resolution as long as the total number of Founding Members does not exceed any maximum number of Founding Members stipulated by the Law, Regulations or this Charter.

15. DISQUALIFICATION AND REMOVAL OF FOUNDING MEMBERSS

- A. A Founding Member's office is automatically vacated if he:
- (i) is prohibited by the Law or Regulations from being a Founding Member;
 - (ii) becomes bankrupt;
 - (iii) is, by virtue of any mental or physical disability, incapable of acting;
 - (iv) without permission, does not attend three successive meetings of the Board;
 - (v) resigns his office by notice to the Incorporated Organisation; or
 - (vi) is removed by resolution of the Founding Members.



16. REMUNERATION AND EXPENSES OF FOUNDING MEMBERS

The Founding Members shall receive such remuneration as the Incorporated Organisation determines by resolution and shall receive payment of all expenses incurred in association with the carrying out of their duties as Founding Members.

17. PROCEEDINGS

- A. Subject to the provisions of this Charter, Founding Members may regulate their proceedings as they think fit.
- B. Any matters arising at a meeting shall be decided by a majority of votes with the Chairman having a second or casting vote in the case of equality of votes.
- C. The quorum for the transaction of the business of the Board shall be two or any other number fixed by the Founding Members.
- D. If the number of Founding Members is less than the number fixed as the quorum, the continuing Founding Members or Founding Members may act only for the purpose of filling vacancies or of calling a general Founding Members' meeting.
- E. The Chairman shall preside at all meetings. If there is no Founding Member holding that office, or if the Founding Members holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Founding Members present may appoint one of their number to be chairman of the meeting.
- F. All acts done by a meeting of the Board, or of a committee of Founding Members, or by a person acting as a Founding Member shall be valid, notwithstanding any defect in his appointment or his disqualification from holding office, or that he was not entitled to vote, being discovered afterwards.
- G. A resolution in writing signed by all the Founding Members entitled to receive notice of the meeting shall be as valid and effectual as if it had been passed at a meeting of the Board. The resolution may consist of several documents in the like form each signed by one or more Founding Members.

- H. A Founding Member shall not vote at a meeting of Founding Members on any resolution concerning a matter in which he has a direct or indirect conflict of interest. For the purposes of this clause, an interest of a Founding Member includes an interest of any person who is connected to a Founding Member.
- I. A Founding Member shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- J. The Incorporated Organisation may by resolution suspend or relax any provision of this Charter prohibiting a Founding Member from voting at a meeting.
- K. The chairman of the meeting shall rule on any question arising at a meeting on the right of a Founding Member, other than himself, to vote and his ruling shall be final and conclusive.

20. SECRETARY

Subject to the Law, the Board may appoint and remove a secretary and shall decide on the terms, remuneration and conditions of appointment.

21. MINUTES

The Founding Members shall cause minutes to be kept for recording:

- (i) all appointments of officers made by the Founding Members; and
- (ii) all proceedings at general meetings of the Incorporated Organisation; of the Board, and of committees of Founding Members, including the names of the Founding Members present at each such meeting.

22. NOTICES

- A. Any notice required to be given under this Charter shall be in writing.
- B. The Incorporated Organisation may give any notice to a Founding Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address.



- C. A person present, either in person or by proxy, at any meeting shall be deemed to have received notice of the meeting.
- D. Proof that an envelope containing a notice was properly addressed, prepaid and posted is conclusive evidence that the notice was given 48 hours after it was posted. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
- E. A notice may be given by the Incorporated Organisation to a persons entitled to become a Member in consequence of the death or bankruptcy of a Member by sending or delivering it, at the address, supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

23. INDEMNITY

The Incorporated Organisation shall indemnify each Founding Members or other officer or auditor of the Incorporated Organisation in respect of any liability incurred in defending any proceedings to the extent allowed by the Law.

25. AMENDMENT OF THIS CHARTER

This Charter may only be amended through a Special Resolution adopted at a general meeting.

App3 Forms

REGISTRAR OF COMPANIES

NOTICE OF ADMINISTRATIVE FINE PURSUANT TO ARTICLE 33 OF THE NON PROFIT INCORPORATED ORGANISATIONS LAW

To: *Full name and address of Person receiving Notice*

1. The DIFC Registrar of Companies considers that you have contravened *{provisions alleged to have been contravened}*.
2. The particulars of the facts giving rise to this contravention/these contraventions are as follows:

{statement of the facts constituting the contravention}.
3. The main purposes of the imposition of an administrative fine is to minimise or offset any benefit a person may obtain from non-compliance with the Companies Law, and to promote high standards of conduct and a culture of compliance by deterring Persons from committing contraventions. Taking into account these purposes, the facts set out in paragraph 2 of this Notice and the general circumstances of this matter, the following fine is imposed:

{statement of each contravention and fine imposed}.
4. This fine may be paid at any time before 5pm on *{date}* by forwarding payment to *{address}*.
5. Should you pay this fine prior to 5pm on *{date}*, then no proceedings will be commenced by the DIFC Registrar of Companies against you in respect of the contraventions the subject of this notice. However, should you continue to be in contravention of the Law, the DIFC Registrar of Companies may take action in respect of any obligation to do or refrain from doing any act or thing.
6. If you object to the imposition of this fine, you may file a Notice of Objection by sending or delivering such a Notice in the form attached, to the following address:

{address}
7. The Notice of Objection must contain every matter you wish the DIFC Registrar of Companies to take into account in determining whether to commence proceedings in the



NON PROFIT INCORPORATED ORGANISATIONS REGULATIONS (NPIOR)

Court. The Notice of Objection must be received by the Registrar of Companies before 5pm on *{date}*. Should you file a Notice of Objection, the Registrar of Companies will take steps with a view to immediately determining whether to commence proceedings against you for payment of the fine.

8. Should you neither pay the full amount of the fine, nor file a Notice of Objection before 5pm on *{date}*, then the Registrar of Companies must apply to the Court for payment of so much of the fine as remains unpaid, together with costs.
9. Should no Notice of Objection be filed in respect of the imposition of this fine, then the Registrar of Companies may publish details of the matter to which this Notice of Administrative Fine relates.

.....

Name: *{Registrar of Companies officer}*

.....
Date

Delegate of the DIFC Registrar of Companies

DRAFT



NOTICE OF OBJECTION

To: DIFC Registrar of Companies
PO Box 74777
Dubai
United Arab Emirates

1. I refer to the Notice of Administrative Fine, the details of which are as follows:
{Date of Notice of Administrative Fine}
{Person to whom such Notice was addressed}
{Date for lodgement of Notice of Objection as stated in Notice of Administration Fine}
2. I object to the imposition of the fine or so much of the fine that relates to *{the details of aspects disputed}*.
3. *{If the Person to whom the Notice of Administrative Fine is addressed is not a natural Person: I hold the position of {position} within {Person to whom Notice of Administrative Fine is addressed} and I am authorised on its behalf to file this Notice of Objection}*.
4. In determining whether to *{commence proceedings in the Court}* I believe that the Registrar of Companies ought to take into account the following matters:
{detailed statement of relevant matters}

.....
Name:

.....
Date