# 

# LAW ON THE APPLICATION OF CIVIL AND COMMERCIAL LAWS IN THE DIFC AMENDMENT LAW

DIFC LAW NO. 8 OF 2024

#### LAW ON THE APPLICATION OF CIVIL AND COMMERCIAL LAWS IN THE DIFC AMENDMENT LAW

#### **CONTENTS**

PART 1: GENE	RAL
PART 2: AME	NDMENTS TO LAW ON THE APPLICATION OF CIVIL AND COMMERICAL LAWS
IN TI	HE DIFC

#### LAW ON THE APPLICATION OF CIVIL AND COMMERCIAL LAWS IN THE DIFC AMENDMENT LAW

#### **PART 1: GENERAL**

#### 1. Title

This Law may be cited as the "Law on the Application of Civil and Commercial Laws in the DIFC Amendment Law, DIFC Law No 8 of 2024."

#### 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 LAW OF APPLICATION OF CIVIL AND COMMERCIAL LAWS IN THE DIFC

- 5. The Law on the Application of Civil and Commercial Laws in the DIFC 2004 is amended as prescribed in this Part.
- 6. The following Articles of the Law on the Application of Civil and Commercial Laws in the DIFC 2004 are to be amended by inserting the underlined text and deleting the struck through text as shown below:

. . . .

#### **PART 1: GENERAL**

. . . . .

#### 7. The objectives of this Law

The objectives of this Law are to:

- (a) provide certainty as to the rights, liabilities and obligations of persons in relation to civil and commercial matters arising in the DIFC; and
- (b) assist in the development of the non-statutory law of the DIFC through decisions of the DIFC Courts; and
- (b)(c) allow persons to adopt the laws of another jurisdiction in relation to civil and commercial matters arising within the DIFC.

. . . .

#### **PART 2: APPLICATION OF LAWS**

#### 8 Choice of applicable law Application

- (1) Since by virtue of Article 3 of Federal Law No.8 of 2004, DIFC Law is able to apply in the DIFC notwithstanding any Federal Law on civil or commercial matters, the rights and liabilities between persons in any civil or commercial matter are to be determined according to the laws for the time being in force in the Jurisdiction chosen in accordance with paragraph (2).
- (2) The relevant Jurisdiction is to be the one first ascertained under the following paragraphs:
  - (a) so far as there is a regulatory content, the DIFC Law or any other law in force in the DIFC applicable DIFC Statute; failing which,
  - (b) the law of any Jurisdiction other than that of the DIFC expressly chosen by any DIFC <a href="LawStatute"><u>LawStatute</u></a>; failing which,
  - (c) the laws of a Jurisdiction as agreed between all the relevant persons concerned in the matter; failing which,
  - (d) the laws of any Jurisdiction which appears to the <u>DIFC</u> Court or Arbitrator to be the one most closely related to the facts of and the persons concerned in the matter; failing which,
  - (e) the laws of England and Wales DIFC Law.

#### 8A. Content of DIFC law

- (1) The following provisions apply where DIFC Law is the law applicable to a civil or commercial matter pursuant to Article 8 above.
- (2) The content of DIFC Law shall be determined by any applicable DIFC Statute, and any DIFC Court judgments interpreting and applying the applicable DIFC Statute in a manner consistent with this Law.
- (3) The common law (including the principles and rules of equity) supplements DIFC Statute except to the extent modified by this Law or any other DIFC Law. The DIFC Courts in determining the common law for the DIFC in any case may have regard to the common law of England and Wales and other common law jurisdictions.
- (4) The common law of the DIFC (including the principles and rules of equity), as determined by the DIFC Courts, must not be inconsistent with DIFC Statute.

#### 8B. Interpretation of DIFC Statutes

- (1) The interpretation of DIFC Statutes may be guided by:
  - (a) <u>jurisprudence from common law jurisdictions regarding the interpretation and application of analogous laws; and</u>
  - (b) the rules and principles of statutory interpretation from common law jurisdictions.
- (2) <u>Article 8B(1) applies to all DIFC Statutes, regardless of whether the relevant DIFC Statute is based on an international model law or another non-common law source.</u>
- (3) If a DIFC Statute is based on an international model law, its interpretation may also be guided by international jurisprudence interpreting and applying the international model law, as well as interpretative aids and commentary published by international bodies regarding the international model law.

#### LAW ON THE APPLICATION OF CIVIL AND COMMERCIAL LAWS IN THE DIFC AMENDMENT LAW

#### 9. Submission to jurisdiction

- (1) The Court DIFC Court shall determine any matter before it in accordance with the laws that may apply by virtue of Article 8.
- (2) An Arbitrator shall determine any matter before him them in accordance with the laws that may apply by virtue of Article 8.

## SCHEDULE 1 INTERPRETATION

•••

#### 2. Legislation in the DIFC

References to legislation and Guidance in the Law shall be construed in accordance with the following provisions:

- a. Federal Law is law made by the federal government of the United Arab Emirates;
- b. Dubai Law is law made by the Ruler, as applicable in the Emirate of Dubai; and
- (c) DIFC Law is law made by the Ruler (including, by way of example, the Law), as applicable in the DIFC; and
- (c)(d) the Law is on the Application of Civil and Commercial Law, DIFC Law No.3 of 2004 is made by the Ruler.

#### 3. Defined Terms

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

Terms	Definitions
Arbitrator	an Arbitrator appointed by the parties for the purpose of arbitrating matters between the parties.
Company	a Company incorporated under the Companies Law.
Court	the DIFC Court as established under Dubai Law.
DIFC	the Dubai International Financial Centre.
DIFC Bodies	the bodies established pursuant to Article (3) of Law No. 9 of 2004 concerning the Dubai International Financial Centre (as amended).
DIFC Court	the DIFC Court of First Instance and the DIFC Court of Appeal.
DIFC Law	the law of the DIFC as established by DIFC Statute and the decisions of the DIFC Courts.
DIFC Statute	laws enacted by the Ruler as proposed by DIFC Bodies, and any regulations or rules issued by them pursuant to such laws.
Jurisdiction	any jurisdiction in any country for the time being recognised by the UAE.
Law	the Law on the Application of Civil and Commercial Law 2004.
person	has the meaning given in Article 1 of Schedule 1 of the Law.
Ruler	the ruler of the Emirate of Dubai.
Schedule	a schedule to the Law.
<u>UAE</u>	the United Arab Emirates