

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



## DIFC LAWS AMENDMENT LAW

DIFC LAW NO. 8 of 2018

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**PART 1: GENERAL**

1. **Title**

This Law may be cited as the “DIFC Laws Amendment Law, DIFC Law No. 8 of 2018”.

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 THE GENERAL PARTNERSHIP LAW 2004**

5. The General Partnership Law 2004 is amended as prescribed in this Part.
6. The following Articles of the General Partnership Law 2004 are to be amended by inserting the underlined text and deleting the struck through text as shown below:

**PART 2: FORMATION AND REGISTRATION**

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**143A. Maintenance of Accounting Records**

- (1) A Recognised Partnership shall keep Accounting Records which are sufficient to show and explain its transactions so as to:
  - (a) disclose with reasonable accuracy the financial position of the Recognised Partnership at any time; and
  - (b) enable the Partners to ensure that any accounts prepared by the Recognised Partnership under this Part comply with the requirements of this Law.
- (2) A Recognised Partnership’s Accounting Records shall be:

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**~~14. Notification of change in registered details of General or Recognised Partnership~~**

~~If there is a change in:~~

- ~~(c) the constitution of a General Partnership or Recognised Partnership, by the incoming or outgoing of any Partner;~~
- ~~(d) the name of a General Partnership, Recognised Partnership, or the person authorised to accept service of any Document on behalf of the Recognised Partnership; or~~
- ~~(e) any other particulars relating to the registered details of the General Partnership, Recognised Partnership, or the person authorised to accept service of any Document on behalf of the Recognised Partnership including a change of address for service,~~

~~the General Partnership or the Recognised Partnership shall notify the Registrar in writing within 14 days of any such change taking place.~~

**~~15. Power to refuse registration of change of name and require change of name~~**

- ~~(1) The Registrar may refuse to register a change of name of a General Partnership or Recognised Partnership if the proposed name is misleading, undesirable or otherwise not in the interests of the DIFC.~~
- ~~(2) If, in the opinion of the Registrar, the name by which a General Partnership or a Recognised Partnership is registered is misleading, undesirable or otherwise not in the interests of the DIFC, he may direct the General Partnership or Recognised Partnership to change it.~~
- ~~(3) The direction shall be complied with within 14 days from the date of the direction or within such longer period as the Registrar may allow.~~

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**PART 3: ADMINISTRATION OF AFFAIRS OF A GENERAL PARTNERSHIP**

**15. Licence**

A General Partnership or Recognised Partnership shall hold a Licence pursuant to Article 9 of the Operating Law.

**16. ~~Registered office and~~ Conduct of business in the DIFC**

- (1) ~~A General Partnership that carries on business in the DIFC shall at all times have a registered office in the DIFC to which all communications and notices may be addressed.~~
- (2) ~~A General Partnership must carry on its principal business activity in the DIFC, unless the Registrar otherwise permits.~~
- (3) ~~A document may be served on a General Partnership by leaving it at, or sending it by post to, the registered office of the General Partnership.~~
- (4) ~~A Recognised Partnership shall at all times have an address for service in the DIFC and a person authorised to accept service.~~
- (5) ~~Documents may be served on a Recognised Partnership or on the person authorised to accept service of any document on its behalf by:
 
  - (a) ~~sending them by post to the address for service of the Recognised Partnership; or~~
  - (b) ~~the person authorised to accept service on behalf of the Recognised Partnership.~~~~

A General Partnership and a Recognised Partnership shall comply with the requirements of this Law and Part 3 of the Operating Law in respect to the conduct of its business in the DIFC.

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**18. ~~Particulars in correspondence communications~~**

- (1) ~~The name of a General Partnership and the address of the registered office shall appear in legible characters in all its business letters and order forms.~~
- (2) ~~The name of the Recognised Partnership and the address for service shall appear in legible characters in all its business letters and order forms in respect of communications originating or terminating in the DIFC.~~

**18~~19~~. Maintenance of Accounting Records**

- (1) The General Partnership shall keep ~~such~~ Accounting Records which are sufficient to show and explain its transactions so as to:
  - (a) disclose with reasonable accuracy the financial position of the General Partnership at any time; and
  - (b) enable the Partners to ensure that any accounts prepared by the General Partnership under this Part comply with the requirements of this Law.
- (2) A General Partnership's Accounting Records shall be:

- (a) kept at such place as the Partners think fit unless specifically prescribed in the Regulations;
- (b) preserved by the General Partnership for at least 6 years from the date upon which they were created, or for some other period as may be prescribed in the Regulations;
- (c) open to inspection by a Partner or auditor of the General Partnership at all reasonable times; and
- (d) otherwise kept and maintained in such manner as may be prescribed in the Regulations.

19A~~2~~ **Accounts**

- (1) The Partners of a General Partnership shall cause accounts to be prepared in relation to each financial year of the General Partnership;
- (2) The accounts shall:
  - (a) be prepared in accordance with accounting principles or standards approved by the Registrar or prescribed in the Regulations;
  - (b) show a true and fair view of the profit or loss of the General Partnership for the period and of the state of the General Partnership’s affairs at the end of the period; and
  - (c) comply with any other requirements of this Law.
- (3) A General Partnership’s accounts shall be approved by the Partners and signed on their behalf by at least one of them.
- (4) Within 6 months after the end of the financial year, the accounts for that year shall be prepared and approved by the Partners.
- (5) A General Partnership shall file the accounts with the Registrar within ~~7~~30 days of the accounts being approved by the Partners.
- (6) In this Part, references to “accounts” are to those prepared in accordance with this Article.
- (7) Unless the Regulations or the Partnership Agreement otherwise provide, it shall not be necessary for a General Partnership to appoint an auditor or have its accounts audited.

20. **Records**

Unless otherwise agreed by all the partners:

- ~~(a) the General Partnership records are to be kept at the registered place of business of the General Partnership in the DIFC; and~~
- ~~(b) every partner is entitled to access to any Records or other information of the General Partnership.~~

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**PART 7: STRIKE OFF, DISSOLUTION AND CONTINUANCE**

**CHAPTER 1 – STRIKE OFF, RESTORATION AND DISSOLUTION**

**39. Strike off and Restoration**

The provisions of Articles 32 and 33 of the Operating Law apply to a General Partnership and, so far as the law allows, a Recognised Partnership.

**39A. Dissolution by expiration or notice**

- (1) Subject to Article 42 and any agreement between the Partners, a General Partnership, if entered into for an undefined time and for no fixed adventure or undertaking may be dissolved by any Partner giving written notice to the others of his intention to dissolve the Partnership.
- (2) In the circumstances of Article 39(1), the General Partnership is dissolved as from the date mentioned in the notice as the date of dissolution, or, if that date is not so mentioned, as from the date of the communication of the notice.

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**42. Protection of creditors**

- (1) A Partner or Partners who wishes or wish to dissolve a General Partnership by agreement or other voluntary means, other than by an application to the Court under Article 43, must give notice to the Registrar and request his written consent to the dissolution of the General Partnership.
- (2) The Registrar shall give his consent to the dissolution of the General Partnership where the Partners satisfy the Registrar that there are no outstanding liabilities to creditors, guarantees or other legal obligations on the General Partnership after its intended dissolution.
- (3) The Registrar may in his absolute discretion refuse to give his consent to the dissolution of a General Partnership.
- (4) Upon refusing to give his consent, the Registrar shall, without undue delay, inform the applicant Partner or Partners in writing of such refusal and where requested by the applicant, the reasons for such refusal.
- (5) Where the Registrar refuses to give his consent to the dissolution of the General Partnership, an aggrieved Partner may apply to the Court for an order under Article ~~63~~43.

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**PART 8: GENERAL CONTRAVENTIONS POWERS AND REMEDIES**

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**57. Application of Operating Law**

Part 5 of the DIFC Operating Law applies to a General Partnership or Registered Partnership in respect of the powers and remedies of the Registrar.

**57. General Contraventions Provision**

(1) — A person who:

- (a) — does an act or thing that the person is prohibited from doing by or under an Article of this Law referred to in Schedule 2;
  - (b) — does not do an act or thing that the person is required or directed to do under an Article of this Law referred to in Schedule 2; or
  - (c) — otherwise contravenes an Article of this Law referred to in Schedule 2;
- commits a contravention of this Law.

(2) — In Article 57(1), ‘person’ does not include the DIFCA, Registrar or President.

(3) — Where this Law requires or directs a General Partnership to do, or not to do, an act or thing, such a requirement or direction shall be taken to apply in relation to each Partner.

**58. Administrative Imposition of Fine**

(1) — The Board of Directors of the DIFCA shall prescribe in Regulations procedures in relation to the imposition and recovery of fines under this Article.

(2) — Where the Registrar considers that a person has contravened a provision of the Law referred to in Schedule 2, the Registrar may impose by written notice given to the person a fine, in respect of the contravention, of such amount as it considers appropriate but not exceeding the amount of the maximum fine specified in Schedule 2 in respect of each contravention.

(3) — If, within the period specified in the notice:

- (a) — the person pays the prescribed fine to the Registrar, then no Court proceedings may be commenced by the Registrar against the person in respect of the relevant contravention; or
- (b) — the person takes action in Court to object to the imposition of the fine or has not paid the prescribed fine to the Registrar, then the Registrar may apply to the Court for, and the Court may so order, the payment of the fine or so much of the fine as is not paid and make any further order as the Court sees fit for recovery of the fine.

(4) — A certificate that purports to be signed by the Registrar and states that a written notice was given to a person pursuant to Article 58(2) imposing a fine on the basis of specific facts is:

- (a) — conclusive evidence of the giving of the notice to the person; and
- (b) — prima facie evidence of the facts contained in the notice;

in any proceedings commenced under Article 58(3).

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**PART 9: MISCELLANEOUS**

**5859. Powers to make Regulations**

- (1) The Board of Directors of the DIFCA may make Regulations for the purposes of this Law ~~pursuant to the power conferred upon it under Article 116 of the Companies Law 2009.~~ to facilitate the administration of, or further the objects of, this Law.
- (2) Without limiting the generality of ~~Article 58(1)~~Article 116 of the Companies Law 2009, such Regulations may be made in relation to:
  - (a) the objectives, powers or functions of the Registrar under this Law;
  - (b) forms, procedures, notice and requirements under this Law;
  - (c) the filing of certain material;
  - (d) the manner in which such material shall be filed;
  - (e) which material, or parts of the material, shall be made available for viewing by the public ~~during the normal business hours~~;
  - (f) the use of an electronic or computer-based systems for the filing, delivery or deposit of, ~~and~~Documents or information required under or governed by the Law and Regulations;
  - (g) the circumstances in which persons shall be deemed to have signed or certified ~~and~~Documents on an electronic or computer-based system for any purpose under the Law; and
  - (h) the payment of fees to the Registrar.
- (3) Where any legislation made for the purpose of this Law purports to be made in exercise of a particular power or powers, it shall be taken also to be made in the exercise of all powers under which it may be made.
- ~~(4) The Board of Directors of the DIFC shall publish draft Regulations in the manner prescribed under Article 141 of the Companies Law 2009.~~
- ~~(4) Articles 46 and 47 of the Operating Law apply to the making of Regulations under this Law.~~
- ~~(5) Without limiting the generality of Article 58(1), the Regulations under this Article may:~~
  - ~~(a) make different provision for different cases or circumstances;~~
  - ~~(b) include supplementary, incidental and consequential provisions;~~
  - ~~(c) be made to facilitate the administration of, or further the purposes of this Law and another Law, or other Laws; and~~
  - ~~(d) require the doing of an act or thing, the default of which may result in a fine payable under that Law.~~

**5960. Waivers and Modification of the Regulations**

The powers to waive and modify the Operating Law and Regulations ~~made pursuant to the Law~~ are contained in Article 15460 of the Companies Operating Law 2009, shall apply to this Law and Regulations made thereunder.

**61. ~~False or misleading information~~**

A person shall not:

- (a) ~~provide information to the Registrar which is false, misleading or deceptive; or~~
- (b) ~~conceal information from the Registrar where the concealment of such information is likely to mislead or deceive him.~~

**62. ~~Directions or requirements made by the Registrar~~**

- (1) ~~The Registrar may make directions to comply with this Law or Regulations.~~
- (2) ~~A person shall comply with any direction made by the Registrar under this Article or any other provision of the Law.~~

**63. ~~Court order in relation to the decision of the Registrar~~**

~~The Court may on application of a person aggrieved by a decision of the Registrar, make one or more of the following orders:~~

- (a) ~~an order affirming all or part of a decision of the Registrar;~~
- (b) ~~an order modifying or substituting all or part of a decision of the Registrar;~~
- (c) ~~an order as to the manner in which a decision of the Registrar or an order of the court is to be effected;~~
- (d) ~~an order remitting a decision to the Registrar with directions;~~
- (e) ~~an order as to costs; or~~
- (f) ~~any other order that the Court may deem appropriate in the circumstances.~~

**64.60. Public ~~r~~Register**

- (1) The Registrar shall publish and maintain a register of current and past registrations of General Partnerships in such a manner as may be prescribed in the Regulations.
- (2) The Registrar shall publish and maintain a register of current and past registrations of Recognised Partnerships in such a manner as may be prescribed in the Regulations.
- (3) The Registrar shall make a reasonably current version of any register, maintained under this Article freely ~~and~~ available for viewing by the public ~~during the normal business hours of the Registrar on the website of the DIFC.~~

**65.61. Fees**

- (1) The Board of Directors of the DIFCA may make Regulations requiring the payment to the Registrar of such fees as may be prescribed in respect of:
  - (a) the performance by the Registrar of such functions under this law as may be specified in the Regulations, including the receipt by him of any document under this Law which is required to be delivered to him; and
  - (b) the inspection of ~~D~~documents or other material held by him under this Law.

- (2) The Registrar may charge a fee for any services provided by him otherwise than in pursuance of an obligation imposed on him by this Law.
  
- (3) Where a fee is provided for or charged under this Article for the performance of an act or duty by the Registrar, no action need be taken by him until the fee is paid, and where the fee is payable on the receipt by him of a document required to be delivered to him he shall be deemed not to have received it until the fee is paid.

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**SCHEDULE 1**  
**INTERPRETATION**

**1. Rules of interpretation**

- (1) In this Law, a reference to:
- (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, Partnership, unincorporated association, government or state;
  - (c) an obligation to publish or cause to be published a particular Document shall, unless expressly provided otherwise in the Law, include publishing or causing to be published in printed or electronic form;
  - (d) a “day” shall refer to a business day, being a normal working day in the DIFC means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday, or an official public holiday, the obligation shall take place on the next calendar day which is a business day;
  - (e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a “month” shall mean a period of thirty (30) days;
  - (eg) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar; and
  - (fh) a reference to the masculine gender includes the feminine;
  - (i) the singular shall, include the plural and vice versa; and
  - (gj) any reference to “dollars” or “\$” is a reference to United States Dollars unless the contrary intention appears.
- (2) The headings in the Law shall not affect its interpretation.
- (3) A reference in this Law to a Part, Chapter, Article or Schedule by number only, and without further identification, is a reference to the Part, Chapter, Article or Schedule of that number in this Law.
- (4) A reference in an Article or other division of this Law to an Article by number or letter only, and without further identification, is a reference to the Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (5) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
- (6) References in this Law to writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

**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;
- (c) DIFC Law is law made by the Ruler (including, by way of example, the Law), as applicable in the DIFC;
- (d) the Law is The General Partnership Law, DIFC Law No.11 of 2004 made by the Ruler;
- (e) the Regulations are legislation made by the Board of Directors of the DIFCA for the purpose the Law and are binding in nature;
- (f) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Registrar under the Law; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations; and
- (g) references to “Legislation administered by the Registrar” are references to DIFC Law and Regulations conferring functions and powers on the Registrar.

**3. Defined Terms**

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

Term	Definition
Accounting Records	Records and underlying Documents comprising initial and other accounting entries and associated supporting Documents such as: <ul style="list-style-type: none"> <li>(a) cheques;</li> <li>(b) Records of electronic funds transfers;</li> <li>(c) invoices;</li> <li>(d) contracts;</li> <li>(e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; and</li> <li>(f) work sheets and spread sheets supporting costs allocations, computations, reconciliations and disclosures.</li> </ul>
Board of Directors of the DIFCA	the governing body of the DIFCA.
Court	the DIFC Court as established under Dubai Law.
DIFCA	the DIFC Authority.
DIFC	the Dubai International Financial Centre.
DIFC Law	has the meaning given in Article 2 of Schedule 1 to the Law.
<u>Document</u>	<u>includes summons, notice, statement, return, account, order and other legal process, and registers.</u>
General Partnership	<del>means</del> a general partnership which is formed in the DIFC.

<b>Term</b>	<b>Definition</b>
General Partnership <del>P</del> property	<del>means</del> all property real, personal, tangible and intangible, or any interests therein acquired by the General Partnership, whether by purchase or otherwise.
Law	the General Partnership Law 2004.
<u>L</u> iable	jointly and severally <u>liable</u> .
<u>L</u> icence	has the meaning given to the term in the <u>Operating Law</u> .
<u>O</u> perating Law	the <u>Operating Law DIFC Law No. 7 of 2018</u> .
<del>P</del> artner	includes all partners of a General Partnership who have entered into an agreement and are registered as partners in accordance with the provisions of this Law.
Person	has the meaning given in <u>Article 1 of this Schedule</u> <del>of the Law</del> .
President	the president of the DIFC, appointed by a decree of the Ruler pursuant to Dubai Law.
Recognised Partnership	<del>Means</del> a general partnership which is formed outside of the DIFC and is registered in accordance with Article 13.
<u>R</u> ecords	<u>D</u> ocuments and other records however stored.
Registrar	the Registrar appointed under the <u>Operating Companies Law 2009</u> .
Regulations	has the meaning given in Article 2 of Schedule 1 to the Law.
Regulatory Law	the Regulatory Law No. 1 of 2004.
Ruler	the <u>R</u> uler of the Emirate of Dubai.
Schedule	a Schedule to the Law.

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SCHEDULE 2

CONTRAVENTIONS WITH FINES STIPULATED

<i>Article of Law creating contravention</i>	<i>General nature of <u>e</u>Contravention</i>	<i>Maximum Fine (USD)</i>
9	Carrying on a business as a partnership without registration	\$20,000
13A(1)	Failure of Recognised Partnership to keep Accounting Records	\$15,000
13A(2)(a) or (b)	Non-compliant maintenance of Accounting Records by Recognised Partnership	\$2,000
13A(2)(c)	Failure of Recognised Partnership to keep Accounting Records open to inspection	\$1,000
<del>14</del>	<del>General Partnership or Recognised Partnership failing to notify the Registrar of any change in registered details</del>	<del>\$2,000</del>
<del>189(1)</del>	<del>Failure of General Partnership to keep Accounting Records <u>as required</u></del>	<del>\$15,000</del>
<del>189(2)(a) or (b)</del>	<del>Non-compliant maintenance of Accounting Records by General Partnership</del>	<del>\$2,000</del>
<del>189(2)(c)</del>	<del>Failure of General Partnership to keep Accounting Records open to inspection</del>	<del>\$1,000</del>
<del>19(A)</del>	<del>Failure of General Partnership to prepare approve or file accounts as required</del>	<del>\$15,000</del>
<del>61</del>	<del>Providing false or misleading information to the Registrar</del>	<del>\$15,000</del>
<del>63</del>	<del>Failure to comply with the direction of the Registrar</del>	<del>\$15,000</del>

**PART 3: AMENDMENTS TO THE LIMITED LIABILITY PARTNERSHIPS LAW 2004**

7. The Limited Liability Partnerships Law 2004 is amended as prescribed in this Part.
8. The following Articles of the Limited Liability Partnerships Law 2004 are amended by inserting the underlined text and deleting the struck through text as shown below:

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**PART 3: NAMES AND CHANGE OF NAMES**

**12. Power to require change of name**

- (1) If, in the opinion of the Registrar, the name by which a Limited Liability Partnership is registered is misleading or otherwise undesirable, he may direct the Limited Liability Partnership to change it
- (2) The direction shall be complied with within 14 days from the date of the direction or within such longer period as the Registrar may allow.

**13. Change of name**

- (1) A Limited Liability Partnership may, by Resolution, change its name, to a name which is acceptable to the Registrar.
- (2) Where a Limited Liability Partnership changes its name under this Article, the Registrar shall enter the new name on the register in place of the former name, and shall alter the register and issue a certificate to meet the circumstances of the case; and the change of name has effect from the date on which the altered certificate is issued.
- (3) A change of name by a Limited Liability Partnership under this Law does not affect any rights or obligations of the Limited Liability Partnership or render defective any legal proceedings by or against it; and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it by its new name.

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**PART 43: ADMINISTRATION OF AFFAIRS OF A LIMITED LIABILITY PARTNERSHIP**

**12. Licence**

A Limited Liability Partnership shall hold a Licence pursuant to Article 9 of the Operating Law.

**13.14. Registered office and eConduct of Bbusiness in the DIFC**

- (1) A Limited Liability Partnership shall at all times have a registered office in the DIFC to which all communications and notices may be addressed.
- (2) A Limited Liability Partnership must carry on its principal business activity in the DIFC, unless the Registrar otherwise permits.
- (3) A document may be served on a Limited Liability Partnership by leaving it at, or sending it by post to, the registered office of the Limited Liability Partnership.

A Limited Liability Partnership shall comply with the requirements of this Law and Part 3 of the Operating Law in respect to the conduct of its business in the DIFC.

~~15.~~ **Particulars in correspondence**

- ~~(1) Subject to Article 15 (2) the name of a Limited Liability Partnership and the address of the registered office of a Limited Liability Partnership shall appear in legible characters in all its business letters and order forms.~~
- ~~(2) Wherever its name appears, a Limited Liability Partnership may abbreviate the words “Limited Liability Partnership” to “LLP”.~~

**14. Names, records and registers**

- (1) A Limited Liability Partnership may, by Resolution, change its name, to a name which is acceptable to the Registrar.
- (2) Unless otherwise agreed by the Members of the Limited Liability Partnership, all Members are entitled to access any Records, registers or other information of the Limited Liability Partnership.

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**PART 54: CORPORATE CAPACITY AND TRANSACTIONS**

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**PART 65: MEMBERS**

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**24. Registration of Membership changes**

- (1) A Limited Liability Partnership must ensure that:
  - (a) when a person becomes or ceases to be a Member or Designated Member, notice is delivered to the Registrar within ~~14~~30 days; and
  - (b) where there is any change in the name or address of a Member, notice is delivered to the Registrar within ~~28~~30 days.
- (2) Where all the Members from time to time of a Limited Liability Partnership are Designated Members, Article ~~254~~(1)(a) does not require notice that a person has become or ceased to be a Designated Member as well as a Member.
- (3) A notice delivered under Article ~~254~~(1):
  - (a) shall be in a form approved by the Registrar; and
  - (b) shall be signed by a Designated Member of the Limited Liability Partnership or authenticated in a manner approved by the Registrar;

and, if it relates to a person becoming a Member or Designated Member, shall contain a statement that he consents to becoming a Member or designated Member signed by him or authenticated in a manner approved by the Registrar.
- (4) If a Limited Liability Partnership fails to comply with Article ~~254~~ (1), the partnership and every Designated Member commits an offence.
- (5) It is a defence for a Designated Member who commits a contravention under Article ~~254~~(4) to prove that he took all reasonable steps for securing that Article ~~254~~ (1) was complied with.

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**PART 67: ACCOUNTS AND AUDIT**

**CHAPTER 1 - ACCOUNTS**

**25. Maintenance of Accounting Records**

- (1) This Part does not apply in relation to any ~~Company~~ Limited Liability Partnership which is an Authorised Person or a Recognised Person ~~Firm, Authorised Market Institution, Recognised Body or Recognised Member~~ under the Regulatory Law 2004 or the Markets Law 2012.
- (2) Every Limited Liability Partnership shall keep Accounting Records which are sufficient to show and explain its transactions ~~and are such~~ so as to:
  - (a) disclose with reasonable accuracy the financial position of the Limited Liability Partnership at any time; and
  - (b) enable the Members to ensure that any accounts prepared by the Limited Liability Partnership under this Part comply with the requirements of this Law.
- (3) A Limited Liability Partnership's Accounting Records shall be:
  - (a) kept at such a place within the DIFC as the Members think fit unless specifically Prescribed in the Regulations;
  - (b) preserved by the Limited Liability Partnership for at least 6 years from the date upon which they were created, or for some other period as may be Prescribed in the Regulations ;
  - (c) open to inspection by any Member or auditor of the Limited Liability Partnership at all reasonable times; and
  - (d) otherwise kept and maintained in such manner as may be Prescribed in the Regulations.

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**27. Accounts**

- (1) The Members of every Limited Liability Partnership shall cause accounts to be prepared in relation to each financial year of the Limited Liability Partnership.
- (2) The accounts shall be prepared in accordance with accounting principles or standards approved by the Registrar or Prescribed in Regulations and shall show a true and fair view of the profit or loss of the Limited Liability Partnership for the period and of the state of the Limited Liability Partnership's affairs at the end of the period and comply with any other requirements of this Law.
- (3) A Limited Liability Partnership's accounts shall be approved by the Members and signed on their behalf by at least one of them.
- (4) Within 6 months after the end of the financial year, the accounts for that year shall be:
  - (a) prepared and approved by all the Members; and
  - (b) examined and reported upon by an auditor.
- (5) A Limited Liability Partnership shall file with the Registrar within 730 days after the accounts have been approved by the Members, a copy of the accounts and auditors report.
- (6) In this Part, references to "accounts" are to those prepared in accordance with this Article.

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**PART 78: RECOGNISED LIMITED LIABILITY PARTNERSHIPS**

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**3736. Requirements of a Recognised Limited Liability Partnership**

- (1) A Recognised Limited Liability Partnership shall:
- (a) appoint and retain at all times at least one person who is authorised to accept service of any document or notice on behalf of the Recognised Limited Liability Partnership and to undertake any other function as may be Prescribed in the Regulations;
  - (b) have a principal place of business in the DIFC to which all communications and notices may be addressed;
  - (c) hold a Licence pursuant to Article 9 of the Operating Law, unless exempted by the Registrar; and
  - (c) file with the Registrar notice of:
    - (i) appointment of persons authorised to accept service;
    - (ii) address of the principal place of business in the DIFC;
    - (iii) any change in the name of a Recognised Limited Liability Partnership or details of persons authorised to accept service of any document on behalf of the Recognised Limited Liability Partnership and the address of its principal place of business in the DIFC; and
    - (iv) any change in the constitution of a Recognised Limited Liability Partnership, by the incoming or outgoing of any partner;

in the form and manner required in the Regulations.
- (2) The Board of Directors of the DIFCA may make Regulations:
- (a) prescribing procedures in relation to requirements under this Part; and
  - (b) waiving or modifying any requirements under this Part in relation to different cases or classes of cases.

**37A. ~~Notification of change in registered details of a Recognised Limited Liability Partnership~~  
Conduct of business in the DIFC**

~~If there is a change in the registered details of a Recognised Limited Liability Partnership prescribed in the Law or the Regulations, the Recognised Limited Liability Partnership shall notify the Registrar in writing within 14 ~~thirty (30)~~ days of any such change taking place.~~  
A Recognised Limited Liability Partnership shall comply with the requirements of this Law and where applicable, Part 3 of the Operating Law, in respect to the conduct of its business in the DIFC.

**37B38. Maintenance of Accounting Records**

- (1) A Recognised Limited Liability Partnership shall keep Accounting Records which are sufficient to show and explain its transactions so as to:
- (a) disclose with reasonable accuracy the financial position of the Recognised Limited Liability Partnership at any time; and
  - (b) enable the partners to ensure that any accounts prepared by the Recognised Limited Liability Partnership under this Part comply with the requirements of this Law.

- (2) A Recognised Limited Liability Partnership's Accounting Records shall be:
- (a) kept at such place as the partners think fit unless specifically ~~P~~rescribed in the Regulations;
  - (b) preserved by the Recognised Limited Liability Partnership for at least 6 years from the date upon which they were created, or for some other period as may be ~~P~~rescribed in the Regulations;
  - (c) open to inspection by a partner or auditor of the Recognised Limited Liability Partnership at all reasonable times; and
  - (d) otherwise kept and maintained in such manner as may be ~~P~~rescribed in the Regulations

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## **PART ~~89~~: POWERS OF INSPECTION AND REMEDIES**

### **CHAPTER 1 ~~POWERS OF INSPECTION~~**

#### **~~38.~~ Appointment of Inspectors**

- ~~(1) The Registrar may appoint one or more Inspectors to investigate the affairs of a Limited Liability Partnership and to submit such written report as the Registrar may direct.~~
- ~~(2) The Registrar shall inform the DFSA prior to appointing Inspectors under 38(1) to investigate the affairs of a Limited Liability Partnership licensed, registered or recognised by the DFSA.~~

#### **~~39.~~ Production of books, records and assistance**

- ~~(1) If Inspectors appointed under Article 38 suspect that any person may be in possession of book, records or information relevant to the investigation, they may require such person:
 
  - ~~(a) to produce any books and records in his custody or power relating to the affairs of the Limited Liability Partnership;~~
  - ~~(b) to attend before them at reasonable times and on reasonable notice and answer all questions put to them relevant to the affairs of the Limited Liability Partnership; and~~
  - ~~(c) to give reasonable assistance to them in connection with the investigation.~~~~
- ~~(2) If Inspectors appointed under Article 38 have reasonable grounds for suspecting that a Member or past Member of a Limited Liability Partnership maintains or has maintained a bank account of any description, whether alone or jointly with another person, into or out of which has been paid money which is in any way related to the affairs of the Limited Liability Partnership which are the subject of investigation, the Inspectors may require the Member to obtain and produce all books and records in his custody or power relating to the bank account.~~
- ~~(3) A person in respect of whom a requirement is made by an Inspector pursuant to Article 38 shall comply with that requirement.~~

#### **~~40.~~ Inspectors' Reports**

- ~~(1) The Inspectors shall make a written report to the Registrar at the conclusion of their investigation.~~
- ~~(2) The Inspectors shall make such interim reports, if any, to the Registrar that the Registrar~~

may require:

- (3) — The Registrar may, upon receipt of a report by an Inspector, do any one or more of the following:
  - (e) — cause the report to be published; or
  - (d) — in the case of a Limited Liability Partnership licensed, registered or recognised by the DFSA, provide a copy of the report to the DFSA.

**CHAPTER 2 — POWERS OF THE REGISTRAR**

**41. — Direction to Limited Liability Partnership to comply with the Law**

- (1) — If a Limited Liability Partnership or any Member of it fails to comply with:
  - (a) — a provision of this Law or of the Regulations or of any legislation administered by the Registrar; or
  - (b) — a requirement made by the Registrar pursuant to any power under such Law, Regulations, or other legislation;

— which requires any of them to deliver to or file with the Registrar any document, or to give notice to him of any matter, the Registrar may issue a direction that the Limited Liability Partnership or any Member to make good the failure within a time specified in the direction.
- (2) — If the Registrar considers that the Limited Liability Partnership or any Member of it has failed to comply with the direction, he may apply to the Court for one or more of the following orders:
  - (a) — an order directing the Limited Liability Partnership or Members to comply with the direction or with any provision of the Law or of the Regulations or of any legislation administered by the Registrar relevant to the issue of the direction;
  - (b) — an order directing the Limited Liability Partnership or Members to pay any costs incurred by the Registrar or other person relating to the issue of the direction by the Registrar or the breach of such Law, Regulations or legislation relevant to the issue of the direction; or
  - (c) — any other order that the Court considers appropriate.
- (3) — Nothing in this Article prejudices the operation of any Article imposing penalties on a Limited Liability Partnership or its Members in respect of a failure mentioned above, nor any powers that the Registrar or other person or the Court may have under any other provision of the Law.

42. — Compliance with an order or direction of the Registrar Where the Registrar makes an order, issues a direction or makes a requirement in relation to a person pursuant to a provision of this Law or Regulations, such person must comply with such order, direction or requirement.

**43. — Dissolution of Limited Liability Partnerships**

- (1) — If the Registrar has reason to believe that:
  - (a) — a Limited Liability Partnership is not carrying on business or is not in operation;
  - (b) — a Limited Liability Partnership is acting in contravention of this Law; or
  - (c) — it is prejudicial to the interests of the DIFC for a Limited Liability Partnership to remain on the register, he may give notice to the Limited Liability Partnership that at the conclusion of three months from the date of the notice, the Limited Liability Partnership shall be struck off the register unless reason is shown to the contrary.
- (2) — If the Limited Liability Partnership to whom notice under 43(1) is to be given is licensed, registered or recognised by the DFSA, the Registrar shall first obtain the consent of the DFSA prior to giving such notice.
- (3) — If by the end of the three month period the Registrar:

- (a) ~~has received confirmation that the Limited Liability Partnership is no longer carrying on business or is not in operation; or~~
- (b) ~~has not received from the Limited Liability Partnership sufficient reasons as to why the Limited Liability Partnership should not be struck off the register;~~

~~the Registrar shall strike the name of the Limited Liability Partnership off the register and the Limited Liability Partnership shall be dissolved. (4) If, where a Limited Liability Partnership is being wound up in a creditors' winding up, the Registrar has reason to believe either that no liquidator is acting, or that the affairs of the Limited Liability Partnership are fully wound up, and the returns required to be made by the liquidator have not been made for a period of six consecutive months, the Registrar may give notice to the Limited Liability Partnership or the liquidator (if any) similar to that provided for in Article 43 (1).~~

- (5) ~~At the end of the period mentioned in the notice the Registrar shall, unless reason to the contrary is shown by the Limited Liability Partnership, creditor or liquidator, strike the name of the Limited Liability Partnership off the register and the Limited Liability Partnership will be dissolved.~~
- (6) ~~Where a Limited Liability Partnership is struck off the register under this Article, the liability of every Member of the Limited Liability Partnership continues and may be enforced as if the Limited Liability Partnership had not been dissolved.~~

### **CHAPTER 3 — GENERAL CONTRAVENTIONS**

#### **44. — Administrative Imposition of Fine**

- (1) ~~The Board of Directors of the DIFCA shall prescribe in Regulations procedures in relation to the imposition and recovery of fines under this Article.~~
- (2) ~~Where the Registrar considers that a person has contravened a provision of the Law referred to in Schedule 2 which has a fine stipulated, the Registrar may impose by written notice given to the person a fine, in respect of the contravention, of such amount as it considers appropriate but not exceeding the amount of the maximum fine specified in Schedule 2 in respect of each contravention.~~
- (3) ~~If, within the period specified in the notice:~~
  - (a) ~~the person pays the prescribed fine to the Registrar, then no proceedings may be commenced by the Registrar against the person in respect of the relevant contravention;~~  
~~or~~
  - (b) ~~the person takes such action as is prescribed in the Regulations to object to the imposition of the fine or has not paid the prescribed fine to the Registrar, then the Registrar may apply to the Court for, and the Court may so order, the payment of the fine or so much of the fine as is not paid and make any further order as the Court sees fit for recovery of the fine.~~
- (4) ~~A certificate that purports to be signed by the Registrar and states that a written notice was given to a person pursuant to Article 45 (2) imposing a fine on the basis of specific facts is:~~
  - (a) ~~conclusive evidence of the giving of the notice to the person; and~~
  - (b) ~~prima facie evidence of the facts contained in the notice; in any proceedings commenced under Article 45 (3).~~

### **CHAPTER 4 — APPLICATIONS TO COURT**

#### **46. — Orders for compensation**

~~The power of the Court to make orders for compensation is contained in Article 133 of the Companies Law 2009.~~

**47. Orders in event of unfair prejudice**

(1) ~~Where a Limited Liability Partnership's affairs are being or have been conducted in a manner whereby the conduct is unfairly prejudicial to the interests of its Members generally or of one or more Members; or an actual or proposed act or omission of the Limited Liability Partnership is or would be so prejudicial, the Court may, on application of one or more Members of the Limited Liability Partnership, make one or more of the following orders:-~~

- (a) ~~an order regulating the conduct of the Limited Liability Partnership's affairs in the future;~~
- (b) ~~an order requiring a person to do, or refrain from doing, any act or thing;~~
- (c) ~~authorise proceedings to be brought in the name of and on behalf of the Limited Liability Partnership by such person or persons and on such terms as the Court may direct; or~~
- (d) ~~other order as the Court sees fit.~~

(2) ~~Nothing in this Article affects the powers that any person or the Court may have apart from this Article.~~

**48. Power of Court to grant relief in certain cases**

~~The power of the Court to grant relief under this Law is contained in Article 137 of the Companies Law 2009.~~

**49. Effect of Provisions**

~~For the avoidance of doubt, nothing in any Article in this Part limits the generality of any other Article in this Part, or the generality of any other provision in the Law or Regulations or other legislation administered by the Registrar, which may provide for administrative remedies or the commencement of proceedings in the Court.~~

**39. Application of Operating Law**

Part 5 of the Operating Law applies to a Limited Liability Partnership and a Recognised Limited Liability Partnership in respect of the powers and remedies of the Registrar.

**40. Strike off and Restoration**

The provisions of Articles 32 and 33 of the Operating Law apply to a Limited Liability Partnership and, so far as the law allows, a Recognised Limited Liability Partnership.

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**PART 240: MISCELLANEOUS**

**50. Irregularities**

(1) In this Article:

- (a) “procedure” is a reference to any procedure including but not limited to the making of a decision, the conduct of a hearing, the giving of a notice, and any proceeding whether a legal proceeding or not; and
- (b) “procedural irregularity” includes a reference to a defect, irregularity or deficiency of notice or time.

(2) A procedure under the Law or the Regulations or any other legislation administered by the Registrar is not invalidated because of any procedural irregularity unless the Court declares the procedure to be invalid.

(3) A person may apply to the Court for an order:

- (a) declaring that:
  - (i) any act or thing purporting to have been done; or
  - (ii) any procedure purporting to have been commenced or undertaken;
 under the Law or the Regulations administered by the Registrar is not invalid by reason of any contravention of a provision of such Law, Regulations or other legislation; or
- (b) extending or abridging the period for doing any act, matter or thing or commencing or undertaking any procedure under the Law or the Regulations or any other legislation administered by the Registrar;

where any such act or thing, or procedure, is essentially of a procedural nature.

**51. False or Misleading Information**

A person shall not:

- (a) provide information which is false, misleading or deceptive to the Registrar; or
- (b) conceal information where the concealment of such information is likely to mislead or deceive the Registrar.

**52. Forms and Filing of Material with the Registrar**

The Board of Directors of the DIFCA may by means of Regulations:

- (a) require the filing or delivery of certain material with the Registrar, including without limitation in relation to applications for registration of a Limited Liability Partnership;
- (b) provide for the manner in which any document to be filed with the Registrar is to be, or to be deemed, signed, including authentication by electronic means, and by whom;
- (c) prescribe the manner in which such material shall be filed;
- (d) prescribe which material, or parts of the material, shall be made available for viewing by the public during the normal business hours of the Registrar;
- (e) permit or require the use of an electronic or computer based system for the filing, delivery or depositing of, documents or information required under or governed by the

~~Law or Regulations or other legislation administered by the Registrar, and any ancillary documents; and~~

- ~~(f) prescribe the circumstances in which persons or Limited Liability Partnerships shall be deemed to have signed or certified documents on an electronic or computer based system for any purpose under the Law.~~

**5341. Public Registers**

- (1) The Registrar shall publish and maintain a register of current and past registrations of Limited Liability Partnerships in such manner as may be ~~P~~prescribed in the Regulations.
- (2) The Registrar shall make a reasonably current version of any register maintained under this Article freely available for viewing by the public ~~during the normal business hours of the Registrar on the website of the DIFC.~~

**5442. Power to make Regulations**

- (1) The Board of Directors of the DIFCA may make Regulations for the purposes of this Law ~~pursuant to the power conferred upon it under Article 116 of the Companies Law 2009. to facilitate the administration of, or further the objects of, this Law.~~
- (2) Without limiting the generality of ~~Article 116 of the Companies Law 2009~~ 42(1), such Regulations may be made in respect of:
  - (a) the operation of the Law;
  - (b) forms, procedures and requirements under the Law;
  - (c) the keeping of public registers and databases; and
  - (d) the conduct of the Registrar and his officers, employees and agents in relation to the exercise of powers and performance of functions, including the exercise of discretionary powers and powers to conduct investigations and hearings.
- (3) The Board of Directors of the DIFCA may, without limiting powers conferred upon it elsewhere under the Law, make Regulations extending, waiving or modifying the application of the provisions of Part 7 of this Law in relation to different cases or classes of cases.
- (4) Where the Board of Directors of the DIFCA issues a standard or code of practice, the Board of Directors of the DIFCA may incorporate such a standard or code into the Regulations by reference and in such circumstances, except to the extent that the Regulations otherwise provide, a person who is subject to the provisions of any such standard or code must comply with such provisions as if they were provisions of the Regulations.
- (5) Where any legislation made for the purpose of this Law purports to be made in exercise of a particular power or powers, it shall be taken also to be made in the exercise of all powers under which it may be made.
- ~~(6) The Board of Directors of the DIFCA shall publish draft Regulations in the manner prescribed under Article 141 of the Companies Law 2009.~~
- ~~(6) Articles 46 and 47 of the Operating Law apply to the making of Regulations under this Law.~~
- ~~(7) Without limiting the generality of Article 42(1), the Regulations under this Article may:~~
  - ~~(a) make different provision for different cases or circumstances;~~
  - ~~(b) include supplementary, incidental and consequential provision;~~

(c) be made to facilitate the administration of, or further the purposes of this Law and another Law, or other Laws; and

(d) where made to facilitate the administration of, or further the purposes of another Law, require the doing of an act or thing in default of which a fine is payable under that Law.

**55.43. Waivers and Modification of Law or Regulations**

The powers to waive and modify the Operating Law and ~~any~~ Regulations ~~made pursuant to the Law~~ are contained in Article 130-60 of the ~~Companies~~ Operating Law 2009, shall apply to this Law or Regulations made thereunder.

**56.44. Fees**

- (1) The Board of Directors of the DIFCA may make Regulations requiring the payment to the Registrar of such fees as may be Prescribed in respect of:
  - (a) the performance by the Registrar of such functions under this Law as may be specified in the Regulations, including the receipt by him of any document under this Law which is required to be delivered to him; and
  - (b) the inspection of documents or other material held by him under this Law.
- (2) The Registrar may charge a fee for any services provided by him otherwise than in pursuance of an obligation imposed on him by this Law.
- (3) Where a fee is provided for or charged under this Article for the performance of an act or duty by the Registrar, no action need be taken by him until the fee is paid, and where the fee is payable on the receipt by him of a document required to be delivered to him he shall be deemed not to have received it until the fee is paid.

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**SCHEDULE 1**

**INTERPRETATION**

**1. Rules of interpretation**

- (1) In the Law, a reference to:
  - (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (c) an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in the Law, include publishing or causing to be published in printed or electronic form;
  - (d) a “day” means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday, or an official public holiday, the obligation shall take place on the next calendar day which is a business day; shall refer to a business day, being a normal working day in the DIFC;
  - (e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a “month” shall mean a period of thirty (30) days
  - (eg) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar; ~~and~~
  - (fh) a reference to the masculine gender includes the feminine ~~and vice versa;~~ ~~and~~
  - (i) the singular shall include the plural and vice versa; and
  - (j) “dollar” or “\$” is a reference to United States Dollars unless the contrary intention appears.
- (2) The headings in the Law shall not affect its interpretation.
- (3) References in this Law to a body corporate include a body corporate incorporated outside DIFC.
- (4) A reference in this Law to a Part, Article or Schedule by number only, and without further identification, is a reference to the Part, Article or Schedule of that number in this Law.
- (5) A reference in an Article or other division of this Law to a paragraph, sub-paragraph or Article by number or letter only, and without further identification, is a reference to the paragraph, sub-paragraph or Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (6) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
- (7) References to this Law to ~~a~~-writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

**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;
- (c) DIFC Law is law made by the Ruler (including, by way of example, the Law), as applicable in the DIFC;
- (d) the Law is ~~the~~ the Limited Liability Partnership Law, DIFC Law No.5 of 2004, made by the Ruler;
- ~~(e) the Companies Law is the Companies Law, DIFC Law No.2 of 2009, made by the Ruler;~~
- (~~e~~f) the Regulations are legislation made by the Board of Directors of the DIFCA for the purpose of the Law and are binding in nature;
- (~~f~~g) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Registrar under the Law; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations; and
- (~~g~~h) references to "~~the~~Legislation administered by the Registrar" are references to DIFC Law and Regulations conferring functions and powers on the Registrar.

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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:

Terms	Definitions
Accounting Records	Records and underlying Documents comprising initial and other accounting entries and associated supporting Documents such as: <ul style="list-style-type: none"> <li>(a) cheques;</li> <li>(b) Records of electronic funds transfers;</li> <li>(c) invoices;</li> <li>(d) contracts;</li> <li>(e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; and</li> <li>(f) work sheets and spread sheets supporting costs allocations, computations, reconciliations and disclosures.</li> </ul>
Board of Directors of the DIFCA	the governing body of the DIFCA.
Company	<del>a Company incorporated under the Companies Law 2009.</del>
Court	the DIFC Court as established under Dubai Law.
Creditors	includes present, future and contingent creditors.
Designated Member	the Member responsible for fulfilling specified requirements under this Law.
DFSA	DIFC Financial Services Authority.
DIFC	the Dubai International Financial Centre.
DIFCA	the DIFC Authority established under Dubai Law.
Document	includes summons, notice, statement, return, account, order and other legal process, and registers.

**DIFC LAWS AMENDMENT LAW**

<b>Terms</b>	<b>Definitions</b>
Financial Services Regulator	a regulator of financial services activities established in a jurisdiction other than the DIFC.
Foreign Limited Liability Partnership	a limited liability partnership incorporated in any jurisdiction other than the DIFC.
Law	the Limited Liability Partnership Law 2004.
<u>L</u> liabilities	includes any amount reasonably necessary to be retained for the purpose of providing for any liability or loss which is either likely to be incurred or certain to be incurred but uncertain as to amount or as to the date on which it will arise.
<u>L</u> icence	<u>has the meaning given to the term in the Operating Law.</u>
Limited Liability Partnership	a limited liability partnership incorporated in the DIFC.
Limited Liability Partnership Agreement	<u>an agreement containings</u> the elements set out in Article 9.
Member	a person named as a Member in the Limited Liability Partnership Agreement and has the duties under Part 6 of the Law.
<u>O</u> perating Law	<u>the Operating Law DIFC Law No. 7 of 2018.</u>
person	has the meaning given in Article 1 of <u>this Schedule 1 to the Law.</u>
<u>P</u> rescribed	prescribed by Regulation made by the Registrar.
President	the president of the DIFC, appointed by a decree of the Ruler pursuant to Dubai Law.
<u>P</u> rinted	includes typewritten and a photocopying of a printed or typewritten Document.
<u>R</u> ecords	Documents and other records however stored.
Recognised Limited Liability Partnership	a Limited Liability Partnership registered under Article 36 of the Law.
Registrar of Companies	the Registrar of <del>Companies</del> appointed under the <del>Companies Law 2009</del> <u>Operating Law.</u>
Regulations	has the meaning given in Article 2 of Schedule 1 to the Law.
Ruler	the ruler of the Emirate of Dubai.
Schedule	a schedule to the Law.
year	a calendar year having the meaning given in Article 1 of Schedule 1 to the Law.

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## SCHEDULE 2

## CONTRAVENTIONS WITH FINES STIPULATED

<i>Article of Law creating contravention</i>	<i>General nature of e_Contravention</i>	<i>Maximum Fine (USD)</i>
<del>12</del> (2)	<del>Limited Liability Partnership failing to change name on direction of Registrar.</del>	\$2,000
<del>14</del> (1)	<del>Limited Liability Partnership failing to have a registered office.</del>	\$2,000
<del>15</del> (1)	<del>Limited Liability Partnership failing to have name on certain documents.</del>	\$1,000
<del>25</del> (2)	<del>Limited Liability Partnership failing to take reasonable precautions to prevent loss or falsification of Limited Liability Partnership records.</del>	\$2,000
<del>256</del> (2)	Failure of Limited Liability Partnership to keep Accounting Records	\$15,000
<del>256</del> (3)(a) or (b)	Non-compliant maintenance of Accounting Records	\$2,000
<del>256</del> (3)(c)	Failure to keep Accounting Records. open to inspection	\$10,000
<del>278</del> (1) or (2)	Failure of Limited Liability Partnership to <u>meet requirements relating to prepare</u> accounts as required	\$15,000
<del>278</del> (3)	Failure of Members to approve and sign accounts	\$10,000
<del>278</del> (4)	Failure to comply with requirements within 6 months	\$5,000
<del>278</del> (5)	Failure to file accounts as required	\$5,000
<del>289</del> (1)	Limited Liability Partnership failing to supply copy of accounts to Member	\$2,000
<del>293</del> 0	Limited Liability Partnership failing to appoint auditors	\$10,000
<del>301</del> (1)	Failure of auditor to make a report as required	\$5,000
<del>312</del> (1)	Auditor failing to fulfil duties	\$5,000
<del>323</del> (2)	Failure of auditor to comply with resignation requirements	\$5,000
<del>323</del> (3)	Limited Liability Partnership failing to send auditor's statement to Members as required	\$1,000
<del>334</del> (1)	Limited Liability Partnership not co-operating with auditor	\$5,000
<del>345</del> (1)	Limited Liability Partnership or auditor failing to disclose	\$5,000
<del>345</del> (2)	Limited Liability Partnership, Member or person obstructing the auditor	\$5,000
<del>37A</del>	<del>Failure of Recognised Limited Liability Partnership to notify the Registrar of any change in registered details.</del>	\$2,000
<del>37(B)38</del> (1)	Failure of Recognised Limited Liability Partnership to keep Accounting Records.	\$15,000
<del>37(B)38</del> (2)(a) or (b)	Non-compliant maintenance of Accounting Records by Recognised Limited Liability Partnership.	\$2,000
<del>37(B)38</del> (2)(c)	Failure of Recognised Limited Liability Partnership to keep Accounting Records open to inspection.	\$1,000
<del>42</del>	<del>Failure to comply with a direction or order of the Registrar.</del>	\$15,000

51	Provision of false or misleading information to the Registrar.	\$15,000
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**CONTRAVENTIONS WITH NO FINES STIPULATED**

(2)

*Article of Law  
creating  
contraventi  
on*

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28(2)

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*General nature of contravention*

Failure of a Member to comply with duties.  
Failure to prepare true and fair accounts.

**PART 4: AMENDMENTS TO THE LIMITED PARTNERSHIPS LAW 2006**

9. The Limited Partnerships Law 2006 is amended as prescribed in this Part.
10. The following Articles of the Limited Partnerships Law 2006 are amended by inserting the underlined text and deleting the struck through text as shown below:

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**PART 2: ESTABLISHMENTS OF LIMITED PARTNERSHIPS**

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**11. General Partners and Limited Partners**

- (1) A person may not be a General Partner and a Limited Partner at the same time in the same Limited Partnership.
- (2) A body corporate may be a General Partner or a Limited Partner.

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**~~13. Notification of change in registered details of Limited Partnership~~**

~~If there is a change in the registered details of a Limited Partnership prescribed in the Regulations, the Limited Partnership shall notify the Registrar in writing within 14 days of any such change taking place.~~

**~~14. Power to refuse registration of change of name and require change of name~~**

- ~~(1) The Registrar may refuse to register a change of name of a Limited Partnership if the proposed name is misleading, conflicts with an existing name, is undesirable or otherwise not in the interests of the DIFC.~~
- ~~(2) If, in the opinion of the Registrar, the name by which a Limited Partnership is registered is misleading, conflicts with an existing name, is undesirable or otherwise not in the interests of the DIFC, he may direct the Limited Partnership to change it.~~
- ~~(3) The direction shall be complied with within 14 days from the date of the direction or within such longer period as the Registrar may allow.~~

**PART 3: ADMINISTRATION OF AFFAIRS OF A LIMITED PARTNERSHIP**

**13. Licence**

A Limited Partnership shall hold a Commercial Licence pursuant to Article 9 of the Operating Law.

**~~145. Registered office and eConduct of business in the DIFC~~**

- ~~(1) A Limited Partnership that carries on business in the DIFC shall at all times have a registered office in the DIFC to which all communications and notices may be addressed.~~
- ~~(2) A Limited Partnership shall carry on its principal business activity in the DIFC, unless the Registrar otherwise permits.~~
- ~~(3) A document may be served on a Limited Partnership by leaving it at, or sending it by post to, the registered office of the Limited Partnership.~~

A Limited Partnership shall comply with the requirements of this Law and Part 3 of the Operating Law, in respect to the conduct of its business in the DIFC.

**15. Records**

~~(4)~~(1) The General Partner shall keep at the registered office of the Limited Partnership:

- (a) a register showing in alphabetical order for each partner:
  - (i) the full name and address of each partner who is an individual, or in the case of a body corporate its full name, the place where it is incorporated and its registered or principal office;
  - (ii) the date on which each person was registered as a partner; and
  - (iii) the date on which each person ceased to be a partner;
  - (iv) whether a partner is a General Partner or a Limited Partner;
- (b) a copy of the Limited Partnership's Certificate of Registration;
- (c) a copy of the Partnership Agreement and each amendment made to it;
- (d) a statement of the amount of any contributions agreed to be made by partners and the time at which, or events on the happening of which, the contributions are to be made;
- (e) a statement of the amount of money and nature and value of any other property contributed by each partner and the dates thereof; and
- (f) such other particulars as may be prescribed in the Regulations.

~~(5)~~(2) The General Partner shall ensure that the records kept under Article 15(4~~1~~) shall be:

- (a) amended within 14 days of any change in the particulars contained therein;
- (b) available for inspection and copying without charge during ordinary business hours at the request of a partner.

~~(6)~~(3) The information contained in the register and Documents referred to in Article 15(4~~1~~) shall be deemed to be accurate, unless proven otherwise.

~~(4)~~ All partners are entitled to access to any records or other information of the Limited Partnership.

**16 Particulars in correspondence**

~~The name of a Limited Partnership and the address of the registered office shall appear in legible characters in all its business letters and order forms.~~

**17 Management of the Limited Partnership**

- (1) Subject to Article 334, a Limited Partner shall not take part in the conduct or management of the business of the Limited Partnership, and shall not transact the business of, sign or execute Documents for, or otherwise bind the Limited Partnership.
- (2) Notwithstanding the above, a Limited Partner may subject to the provisions of the partnership agreement:
  - (a) inspect the books of the Limited Partnership; and
  - (b) with such assistance as may reasonably be required of the General Partner, examine and inquire into the state and prospects of the partnership business.

**18 Maintenance of Accounting Records**

- (1) The Limited Partnership shall keep Accounting Records which are sufficient to show and explain its transactions so as to:
  - (a) disclose with reasonable accuracy the financial position of the Limited Partnership at any time; and

- (b) enable the partners to ensure that any accounts prepared by the Limited Partnership under this Part comply with the requirements of this Law.
- (2) A Limited Partnership’s Accounting Records shall be:
- (a) kept at such place as the General Partners think fit unless specifically prescribed in the Regulations;
  - (b) preserved by the Limited Partnership for at least 6 years from the date upon which they were created, or for some other period as may be prescribed in the Regulations;
  - (c) open to inspection by a partner or auditor of the Limited Partnership at all reasonable times; and
  - (d) otherwise kept and maintained in such manner as may be prescribed in the Regulations.

**18A. Accounts**

- (1) The General Partners of a Limited Partnership shall cause accounts to be prepared in relation to each financial year of the Limited Partnership;
- (2) The accounts shall:
  - (a) be prepared in accordance with accounting principles or standards approved by the Registrar or prescribed in the Regulations;
  - (b) show a true and fair view of the profit or loss of the Limited Partnership for the period and of the state of the Limited Partnership’s affairs at the end of the period; and
  - (c) comply with any other requirements of this Law.
- (3) A Limited Partnership’s accounts shall be approved by the General Partners and signed on their behalf by at least one of them.
- (4) Within 6 months after the end of the financial year, the accounts for that year shall be prepared and approved by the General Partner.
- (5) A Limited Partnership shall file the accounts with the Registrar within 730 days of the accounts being approved by the General Partners.
- (6) In this Part, references to “accounts” are to those prepared in accordance with this Article.
- (7) Unless the Regulations or the Partnership Agreement otherwise provide, it shall not be necessary for a Limited Partnership to appoint an auditor or have its accounts audited.

~~19. Records~~

- ~~(1) The general partners shall ensure that the records and registers of a Limited Partnership are kept at the registered office of the Limited Partnership in the DIFC.~~
- ~~(2) All partners are entitled to access any records or other information of the Limited Partnership.~~

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## **PART 6: DISSOLUTION**

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### **3938. Power of Court to order dissolution**

- (1) The Court may, on the application of a partner, the Registrar or the DFSA, order the dissolution of a Limited Partnership if it is satisfied that:
  - (a) the Limited Partnership is being conducted in a manner calculated or likely to affect prejudicially the carrying out of the activities of the Limited Partnership;
  - (b) the Limited Partnership is being conducted in a manner oppressive to one or more of the Limited Partners; or
  - (c) circumstances have arisen which render it just and equitable that the Limited Partnership be dissolved.
- (2) Where an order is made under Article 398(1) the Court may give such directions as it thinks fit as to the winding up of the Limited Partnership.
- (3) When a Limited Partnership has been dissolved under this Article the partner making the application shall cause the relevant order of the Court to be delivered to the Registrar within ~~24~~30 days after the making of the order and the Registrar shall thereupon cancel the registration of the Limited Partnership.

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## **PART 7: LEGAL PROCEEDINGS AND APPLICATIONS TO THE COURT**

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### ~~44. Orders for compensation~~

- ~~(1) A person is liable to pay compensation for loss or damage caused to another person in accordance with Article 129 of the Companies Law 2009.~~
- ~~(2) The power of the Court to make orders for compensation contained in Article 133 of the Companies Law 2009.~~

## **PART 8: RECOGNISED LIMITED PARTNERSHIPS**

### ~~45~~43. Foreign Limited Partnerships

- (1) A Foreign Limited Partnership shall not carry on business in the DIFC unless it is registered as a Recognised Limited Partnership under this Part.
- (2) A Foreign Limited Partnership may apply to the Registrar for registration as a Recognised Limited Partnership in such manner as shall be prescribed in the Regulations.

### ~~46~~44. Requirements of a Recognised Limited Partnership

- (1) A Recognised Limited Partnership shall:
  - (a) appoint and retain at all times at least one person who is authorised to accept service of any Document or notice on behalf of the Recognised Limited Partnership and to undertake any other function as may be prescribed in the Regulations;
  - (b) have a principal place of business in the DIFC to which all communications and notices may be addressed;

- (c) ~~hold a Licence pursuant to Article 9 of the Operating Law, unless exempted by the Registrar; and~~
- (ed) file with the Registrar notice of:
  - (i) appointment of persons authorised to accept service;
  - (ii) address of the principal place of business in the DIFC;
  - (iii) any change in the details of persons authorised to accept service and the address of its principal place of business in the DIFC; and
  - (iv) any change in the constitution of a Recognised Limited Partnership, by the incoming or outgoing of any General Partner.

in the form and manner required in the Regulations.

- (2) The Board of Directors of the DIFCA may make Regulations:
  - (a) prescribing procedures in relation to requirements under this Part; and
  - (b) waiving or modifying any requirements under this Part in relation to different cases or classes of cases.

**45A. ~~Notification of change in registered details of a Recognised Limited Partnership~~ Conduct of business in the DIFC**

~~If there is a change in the registered details of a Recognised Limited Partnership prescribed in the Law or the Regulations, the Recognised Limited Partnership shall notify the Registrar in writing within 14 days of any such change taking place.~~

A Recognised Limited Partnership shall comply with the requirements of this Law and where applicable, Part 3 of the Operating Law, in respect to the conduct of its business in the DIFC.

**46B. Maintenance of Accounting Records**

- (1) A Recognised Limited Partnership shall keep ~~such~~ Accounting Records which are sufficient to show and explain its transactions so as to:
  - (a) disclose with reasonable accuracy the financial position of the Recognised Limited Partnership at any time; and
  - (b) enable the partners to ensure that any accounts prepared by the Recognised Limited Partnership under this Part comply with the requirements of this Law.
- (2) A Recognised Limited Partnership's Accounting Records shall be:
  - (a) kept at such place as the partners think fit unless specifically prescribed in the Regulations;
  - (b) preserved by the Recognised Limited Partnership for at least 6 years from the date upon which they were created, or for some other period as may be prescribed in the Regulations;
  - (c) open to inspection by a partner or auditor of the Recognised Limited Partnership at all reasonable times; and
  - (d) otherwise kept and maintained in such manner as may be prescribed in the Regulations.

**PART 9: GENERAL CONTRAVENTIONS****47. General Contravention Provision**

- (1) A person who:
- (a) does an act or thing that the person is prohibited from doing by or under an Article of this Law referred to in Schedule 2;
  - (b) does not do an act or thing that the person is required or directed to do under an Article of this Law referred to in Schedule 2; or
  - (c) otherwise contravenes an Article of this Law referred to in Schedule 2; commits a contravention of this Law.
- (2) In Article 47(1), 'person' does not include the DIFCA, Registrar or President.

**48. ~~Administrative Imposition of Fine~~**

- ~~(1) The Board of Directors of the DIFCA shall prescribe in Regulations procedures in relation to the imposition and recovery of fines under this Article.~~
- ~~(2) Where the Registrar considers that a person has contravened a provision of the Law referred to in Schedule 2, the Registrar may impose by written notice given to the person a fine, in respect of the contravention, of such amount as it considers appropriate but not exceeding the amount of the maximum fine specified in Schedule 2 in respect of each contravention.~~
- ~~(3) If, within the period specified in the notice:~~
- ~~(a) the person pays the prescribed fine to the Registrar, then no Court proceedings may be commenced by the Registrar against the person in respect of the relevant contravention; or~~
  - ~~(b) the person takes action in Court to object to the imposition of the fine or has not paid the prescribed fine to the Registrar, then the Registrar may apply to the Court for, and the Court may so order, the payment of the fine or so much of the fine as is not paid and make any further order as the Court sees fit for recovery of the fine.~~
- ~~(4) A certificate that purports to be signed by the Registrar and states that a written notice was given to a person pursuant to Article 48(2) imposing a fine on the basis of specific facts is:~~
- ~~(a) conclusive evidence of the giving of the notice to the person; and~~
  - ~~(b) prima facie evidence of the facts contained in the notice;~~
- ~~in any proceedings commenced under Article 48(3).~~

**PART 10: THE REGISTRAR POWERS AND REMEDIES****49. ~~Appointment of Inspectors~~**

- ~~(1) The Registrar may appoint one or more Inspectors to investigate the affairs of a Limited Partnership or a Recognised Limited Partnership and to submit such written report as the Registrar may direct.~~
- ~~(2) The Registrar shall inform the DFSA prior to appointing Inspectors under 49(1) to investigate the affairs of a Limited Partnership licensed, registered or recognised by the DFSA.~~

**48. Application of Operating Law**

Part 5 of the Operating Law applies to a Limited Partnership or Recognised Limited Partnership in respect of the powers and remedies of the Registrar.

**50. — Production of books, records and assistance**

- (1) — If Inspectors appointed under Article 49 suspect that any person may be in possession of books, records or information relevant to an investigation, they may require such person:
  - (a) — to produce any books and records in his custody or power relating to the affairs of a Limited Partnership or Recognised Limited Partnership;
  - (b) — to attend before them at reasonable times and on reasonable notice and answer all questions put to them relevant to the affairs of a Limited Partnership or Recognised Limited Partnership; and
  - (c) — to give reasonable assistance to them in connection with the investigation.
- (2) — If Inspectors appointed under Article 49 have reasonable grounds for suspecting that a partner of a Limited Partnership or Recognised Limited Partnership maintains or has maintained a bank account of any description, whether alone or jointly with another person, into or out of which has been paid money which is in any way related to the affairs of the Limited Partnership which are the subject of investigation, the Inspectors may require the partner to obtain and produce all books and records in his custody or power relating to the bank account.
- (3) — A person in respect of whom a requirement is made by an Inspector pursuant to Article 50(2) shall comply with that requirement.

**49. — Strike off and Restoration**

The provisions of Articles 32 and 33 of the Operating Law apply to a Limited Partnership and, so far as the law allows, a Recognised Limited Partnership.

**51. — Inspectors' Reports**

- (1) — The Inspectors shall make a written report to the Registrar at the conclusion of their investigation.
- (2) — The Inspectors shall make such interim reports, if any, to the Registrar that the Registrar may require.
- (3) — The Registrar may, upon receipt of a report by an Inspector, do any one or more of the following:
  - (a) — provide a copy to the Limited Partnership or Recognised Limited Partnership to which the report relates;
  - (b) — provide a copy of the report to any person whose financial interests may have been affected by the matters dealt with in the report; or
  - (c) — cause the report to be published; or
  - (d) — in the case of a Limited Partnership or Recognised Limited Partnership licensed, registered or recognised by the DFSA, provide a copy of the report to the DFSA.

**52. — False or misleading information**

A person shall not:

- (a) — provide information to the Registrar which is false, misleading or deceptive; or
- (b) — conceal information from the Registrar where the concealment of such information is likely to mislead or deceive him.

**53. — Direction to a Limited Partnership to comply with the Law**

- (1) — If a Limited Partnership, Recognised Limited Partnership or any of their partners fail to comply with:

- ~~—(a) — a provision of this Law or of the Regulations or of any legislation administered by the Registrar; or~~
- ~~—(b) — a requirement made by the Registrar pursuant to any power under such Law, Regulations, or other legislation;~~

~~which requires any of them to deliver to or file with the Registrar any document, or to give notice to him of any matter, the Registrar may issue a direction that the Limited Partnership or any partner make good the failure within a time specified in the direction.~~

~~(2) — If the Registrar considers that the Limited Partnership or any partner has failed to comply with the direction, he may apply to the Court for one or more of the following orders:~~

- ~~—(a) — an order directing the Limited Partnership or partners to comply with the direction or with any provision of the Law or of the Regulations or of any legislation administered by the Registrar relevant to the issue of the direction;~~
- ~~—(b) — an order directing the Limited Partnership or partners to pay any costs incurred by the Registrar or other person relating to the issue of the direction by the Registrar or the breach of such Law, Regulations or legislation relevant to the issue of the direction; or~~
- ~~—(c) — any other order that the Court considers appropriate.~~

~~(3) — Nothing in this Article prejudices the operation of any Article imposing penalties on a Limited Partnership or its partners in respect of a failure mentioned above, or any powers that the Registrar or other person or the Court may have under any other provision of the Law.~~

#### ~~54. — Compliance with an order or direction of the Registrar~~

~~Where the Registrar makes an order, issues a direction or makes a requirement in relation to a person pursuant to a provision of this Law or Regulations, such person shall comply with such order, direction or requirement.~~

#### ~~55. — Dissolution of Limited Partnerships by the Registrar~~

~~(1) — If the Registrar has reason to believe that:~~

- ~~—(a) — a Limited Partnership is not carrying on business or is not in operation;~~
- ~~—(b) — a Limited Partnership is acting in contravention of this Law; or~~
- ~~—(c) — it is prejudicial to the interests of the DIFC for a Limited Partnership to remain on the register;~~

~~he may give notice to the Limited Partnership that at the conclusion of three months from the date of the notice, the Limited Partnership shall be struck off the register unless reason is shown to the contrary.~~

~~(2) — If the Limited Partnership to whom notice under Article 55(1) is to be given is licensed, registered or recognised by the DFSA, the Registrar shall obtain the consent of the DFSA prior to giving such notice.~~

~~(3) — If by the end of the three month period the Registrar:~~

- ~~(a) — has received confirmation that the Limited Partnership is no longer carrying on business or is not in operation; or~~
- ~~(b) — has not received from the Limited Partnership sufficient reasons as to why the Limited Partnership should not be struck off the register,~~

~~the Registrar shall strike the name of the Limited Partnership off the register and the Limited Partnership shall be dissolved.~~

- (4) ~~If, where a Limited Partnership is being wound up in a creditors' winding up, the Registrar has reason to believe either that no liquidator is acting, or that the affairs of the Limited Partnership are fully wound up, and the returns required to be made by the liquidator have not been made for a period of six consecutive months, the Registrar may give notice to the Limited Partnership or the liquidator (if any) similar to that provided for in Article 55 (1).~~
- (5) ~~At the end of the period mentioned in the notice the Registrar shall, unless reason to the contrary is shown by the Limited Partnership, creditor or liquidator, strike the name of the Limited Partnership off the register and the Limited Partnership will be dissolved.~~
- (6) ~~Where a Limited Partnership is struck off the register under this Article, the liability of every partner of the Limited Partnership continues and may be enforced as if the Limited Partnership had not been dissolved.~~

**56. ~~Court order in relation to the decision of the Registrar~~**

~~The Court may on application of a person aggrieved by a decision of the Registrar, make one or more of the following orders:~~

- (a) ~~an order affirming all or part of a decision of the Registrar;~~
- (b) ~~an order modifying or substituting all or part of a decision of the Registrar;~~
- (c) ~~an order as to the manner in which a decision of the Registrar or an order of the Court is to be effected;~~
- (d) ~~an order remitting a decision to the Registrar with directions;~~
- (e) ~~an order as to costs; or~~
- (f) ~~any other order that the Court may deem appropriate in the circumstances.~~

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**PART 11: TRANSFER OF LIMITED PARTNERSHIPS**

**5750. Transfer of Foreign Limited Partnership to DIFC**

- (1) Subject to the Partnership Agreement, a Foreign Limited Partnership may if authorised by the laws of the jurisdiction in which it was formed apply to the Registrar for the continuation of the Foreign Limited Partnership as a Limited Partnership.
- (2) An application for continuation shall be made to the Registrar in the manner prescribed in the Regulations and shall be:
  - (a) executed under seal and signed by a General Partner of the Foreign Limited Partnership and verified by an affidavit of the person signing the application;
  - (b) accompanied by the Partnership Agreement that complies with Article 10; and
  - (c) accompanied by any other Document prescribed by the Registrar.
- (3) On application, the Foreign Limited Partnership shall amend the Partnership Agreement to conform to this Law and any other relevant law applicable in the DIFC.

**5851. Certificate of continuation**

- (1) Once the Registrar approves the application, the Registrar shall:
  - (a) issue a certificate of continuation on the terms and conditions the Registrar considers appropriate;

- (b) register the Limited Partnership as a Limited Partnership; and
  - (c) allocate to the Limited Partnership a number, which shall be the Limited Partnership's registered number.
- (2) The Registrar may refuse to issue a certificate of continuation if he considers it appropriate to do so. This decision is final and not subject to appeal or review by the Court.
- (3) The Registrar is not required to provide reasons for refusing to issue a certificate of continuation.

**5952. Effect of certificate**

From the date of continuation stated in the certificate of continuation:

- (a) the Foreign Limited Partnership becomes a Limited Partnership to which this Law applies as if it has been formed or established under this Law; and
- (b) the certificate of continuation is treated as the certificate of registration of the Limited Partnership.

**6053. Copy of certificate of continuation**

The Registrar shall send a copy of the certificate of continuation to the appropriate official or public body in the jurisdiction in which the application for continuation was authorised.

**6454. Rights and liabilities**

Where a Foreign Limited Partnership is continued as a Limited Partnership under this Law, the Limited Partnership:

- (a) continues to have all the property, rights and privileges and is subject to all the liabilities and restrictions that it had before the continuation; and
- (b) remains a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.

**6255. Transfer of Limited Partnership from DIFC to another jurisdiction**

(1) A Limited Partnership may, if it is authorised:

- (a) under the laws of the jurisdiction in which it is to be continued; and
- (b) by the Partnership Agreement; or if the agreement is silent,
- (c) by approval of all the general and Limited Partners; and
- (d) by the Registrar in the manner prescribed in the Regulations;

apply to the appropriate official or public body of a foreign jurisdiction to transfer the Limited Partnership to the foreign jurisdiction and request that the Limited Partnership be continued as a Foreign Limited Partnership.

(2) A Limited Partnership shall not apply under Article ~~6255~~(1) unless the laws of the foreign jurisdiction provide that the Foreign Limited Partnership:

- (a) will continue to have all the property, rights and privileges and is subject to all the liabilities, disabilities and debts that it had before the continuation; and
- (b) will remain a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.

(3) A Limited Partnership ceases to be a Limited Partnership within the meaning of this Law when

the Limited Partnership is continued as a Foreign Limited Partnership and when the Foreign Limited Partnership files with the Registrar a copy of the certificate or instrument of continuation certified by the appropriate official of the foreign jurisdiction.

- (4) When the Registrar receives the foreign jurisdiction's certificate or instrument of continuation, the Registrar shall strike the name of the Limited Partnership off the Register.

**6356. Refusal to grant authorisation to transfer a Limited Partnership**

- (1) The Registrar may refuse to authorise a Limited Partnership to apply to be continued under Article ~~6255~~(1).
- (2) The Limited Partnership may appeal to the Court from a decision of the Registrar under Article ~~6256~~(1).

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## PART 12: MISCELLANEOUS

### 6457. Powers to make Regulations

- (1) The Board of Directors of the DIFCA may make Regulations ~~for the purposes of this Law pursuant to the power conferred upon it under Article 140 of the Companies Law 2009 to facilitate the administration of, or further the objects of, this Law.~~
- (2) Without limiting the generality of ~~Article 140 of the Companies Law 2009~~ Article 57(1), such Regulations may be made in relation to:
  - (a) the objectives, powers or functions of the Registrar under this Law;
  - (b) forms, procedures, notice and requirements under this Law;
  - (c) the filing of certain material;
  - (d) the manner in which such material shall be filed;
  - (e) which material, or parts of the material, shall be made available for viewing by the public ~~during the normal business hours~~;
  - (f) the use of an electronic or computer-based system for the filing, delivery or deposit of, ~~D~~documents or information required under or governed by the Law and Regulations;
  - (g) the circumstances in which persons shall be deemed to have signed or certified ~~D~~documents on an electronic or computer-based system for any purpose under the Law; and
  - (h) the payment of fees to the Registrar.
- ~~(3) The Board of Directors of the DIFC shall publish draft Regulations in the manner prescribed under Article 141 of the Companies Law 2009.~~
- ~~(3) Articles 46 and 47 of the Operating Law apply to the making of Regulations under this Law.~~
- ~~(4) Where any Regulation made under this Law purports to be made in the exercise of a particular power or powers, it shall be taken also to be made in the exercise of all the powers under which it may be made.~~
- ~~(5) Without limiting the generality of Article 57(1), the Regulations under this Article may:~~
  - ~~(a) make different provision for different cases or circumstances;~~
  - ~~(b) include supplementary, incidental and consequential provision;~~
  - ~~(c) be made to facilitate the administration of, or further the purposes of this Law and another law, or other laws; and~~
  - ~~(d) where made to facilitate the administration of, or further the purposes of another law, require the doing of an act or thing in default of which a fine is payable under that law.~~

### 6558. Waivers and Modification of the Regulations

~~The powers to waive and modify the Law or Regulations made pursuant to the Law are contained in Article 154 of the Companies Law 2009.~~

The powers to waive and modify the Operating Law and Regulations contained in Article 60 of the Operating Law, shall apply to this Law and Regulations made thereunder.

**6659. Public Register**

- (1) The Registrar shall publish and maintain a register of current and past registrations of Limited Partnerships in such a manner as may be prescribed in the Regulations.
- (2) The Registrar shall publish and maintain a register of current and past registrations of Recognised Limited Partnerships in such a manner as may be prescribed in the Regulations.
- (3) The Registrar shall make a reasonably current version of any register, maintained under this Article freely available for viewing by the public ~~during the normal business hours of the Registrar~~ on the website of the DIFC.

**6760. Inspection**

Any person may require a certified copy of the certificate of registration, a certificate of good standing or a copy of or extract from any registered statement filed in relation to a Limited Partnership or Recognised Limited Partnership to be certified as a true copy by the Registrar on payment of such fees as may be prescribed in the Regulations.

**6861. Evidence in legal proceedings**

A certificate of registration, a certificate of good standing or a copy of or an extract from a registered statement filed with the Registrar issued under this Law, if certified by the Registrar to be a true copy, shall be received in evidence in all legal proceedings.

**6962. Fees**

- (1) The Board of Directors of the DIFCA may make Regulations requiring the payment to the Registrar of such fees as may be prescribed in respect of:
  - (a) the performance by the Registrar of such functions under this law as may be specified in the Regulations, including the receipt by him of any Document under this Law which is required to be delivered to him; and
  - (b) the inspection of ~~D~~documents or other material held by him under this Law.
- (2) The Registrar may charge a fee for any services provided by him otherwise than in pursuance of an obligation imposed on him by this Law.
- (3) Where a fee is provided for or charged under this Article for the performance of an act or duty by the Registrar, no action need be taken by him until the fee is paid, and where the fee is payable on the receipt by him of a Document required to be delivered to him he shall be deemed not to have received it until the fee is paid.

**7063. Advertisement in an Appointed Publication ~~newspaper~~**

Notice of any arrangement or transaction under which any person will cease to be a General Partner in a Limited Partnership and become a Limited Partner in that partnership, shall be forthwith advertised in an Appointed Publication ~~newspaper~~ in the manner prescribed in the Regulations and until notice of the arrangement or transaction is so advertised, the arrangement or transaction shall, for the purposes of the Law, be deemed to be of no effect.

## SCHEDULE 1

## INTERPRETATION

## 1. Rules of interpretation

- (1) In this Law, unless the context requires otherwise, a reference to:
  - (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government, an agency of the government or state;
  - (c) an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in the Law, include publishing or causing to be published in printed or electronic form;
  - (d) a “day” means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday, or an official public holiday, the obligation shall take place on the next calendar day which is a business day; shall refer to a business day, being a normal working day in the DIFC;
  - (e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a “month” shall mean a period of thirty (30) days;
  - (eg) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar;
  - ~~(e) a partnership agreement includes any amendments thereto;~~
  - ~~(f) a general partner means a person appointed and acting in that capacity;~~
  - ~~(g) a partner includes both a general and limited partner of a Limited Partnership who are registered as partners in accordance with the provisions of this Law; and~~
  - ~~(fh) a reference to the masculine gender includes the feminine;-~~
  - ~~(i) the singular shall include the plural and vice versa; and~~
  - ~~(j) “dollar” or “\$” is a reference to United States Dollars unless the contrary intention appears.~~
- (2) The headings in the Law shall not affect its interpretation.
- (3) References in this Law to a body corporate include a company incorporated outside the DIFC.
- (4) A reference in this Law to a Part, Chapter, Article or Schedule by number only, and without further identification, is a reference to the Part, Chapter, Article or Schedule of that number in this Law.
- (5) A reference in an Article or other division of this Law to an Article by number or letter only, and without further identification, is a reference to the Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (6) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.

- (7) References in this Law to writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

**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;
- (c) DIFC Law is law made by the Ruler (including, by way of example, the Law), as applicable in the DIFC;
- (d) the Law is the Limited Partnership Law, DIFC Law No. 1 of 2006 made by the Ruler;
- (e) the Regulations are legislation made by the Board of Directors of the DIFCA for the purpose of the Law and are binding in nature;
- (f) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Registrar under the Law; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations; and
- (g) references to “Legislation administered by the Registrar” are references to DIFC Law and Regulations conferring functions and powers on the Registrar.

**3. Defined Terms**

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

<b>Term</b>	<b>Definition</b>
Accounting Records	Records and underlying Documents comprising initial and other accounting entries and associated supporting Documents such as: <ul style="list-style-type: none"> <li>(a) cheques;</li> <li>(b) Records of electronic funds transfers;</li> <li>(c) invoices;</li> <li>(d) contracts;</li> <li>(e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; and</li> <li>(f) work sheets and spread sheets supporting costs allocations, computations, reconciliations and disclosures.</li> </ul>
<u>Appointed Publication</u>	<u>has the meaning given to the term in the Operating Law.</u>
Board of Directors of the DIFCA	the governing body of the DIFCA.
Court	the DIFC Court as established under Dubai Law.
DFSA	the Dubai Financial Services Authority.
DIFC	the Dubai International Financial Centre.
DIFC Law	has the meaning given in Article 2 of Schedule 1 to the Law.

DIFCA	the DIFC Authority.
<u>Document</u>	<u>includes summons, notice, statement, return, account, order and other legal process, and registers.</u>
Foreign Limited Partnership	a limited partnership formed in any jurisdiction other than the DIFC.
<u>General Partner</u>	<u>a person appointed and acting in the capacity of a general partner in a Limited Partnership.</u>
<u>Licence</u>	<u>has the meaning given to the term in the Operating Law.</u>
<u>Limited Partner</u>	<u>a person appointed and acting in the capacity of a limited partner in a Limited Partnership.</u>
Limited Partnership	a limited partnership which is formed in the DIFC.
Law	the Limited Partnership Law 2006.
<u>Operating Law</u>	<u>the Operating Law DIFC Law No. 7 of 2018.</u>
Partner	<del>has the meaning given in Schedule 1 of the Law</del> includes both a General Partner and a Limited Partner of a Limited Partnership who are registered as partners in accordance with the provisions of this Law.
<u>Partnership Agreement</u>	<u>an agreement containing the elements set out in Article 10.</u>
<del>P</del> erson	has the meaning given in <u>Article 1 of this Schedule 1 to the Law.</u>
President	the president of the DIFC, appointed by a decree of the Ruler pursuant to Dubai Law.
Recognised Limited Partnership	a <del>L</del> imited <del>P</del> artnership which is formed outside of the DIFC and is registered in accordance with Article 45 <u>44(2)</u> .
Registrar	The Registrar appointed under the <del>Companies Law 2009</del> <u>Operating Law.</u>
Regulations	has the meaning given in Article 2 of <u>this Schedule 1 to the Law.</u>
Ruler	the ruler of the Emirate of Dubai.
Schedule	a Schedule to the Law.

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## SCHEDULE 2

## CONTRAVENTIONS WITH FINES STIPULATED

<i>Article of Law creating contravention</i>	<i>General nature of eContravention</i>	<i>Maximum Fine (USD)</i>
12	Carrying on a business as a partnership without registration	\$20,000
13	Limited Partnership failing to notify the Registrar of any changes in registered details	\$2,000
178(1)	Failure of Limited Partnership to keep Accounting Records	\$15,000
178(2)(a) or (b)	Non-compliant maintenance of Accounting Records by Limited Partnership	\$2,000
178(2)(c)	Failure of Limited Partnership to keep Accounting Records open to inspection	\$1,000
18(A)	Failure of Limited Partnership to keep accounts or prepare accounts as required	\$15,000
36	Failure to deliver a statement of dissolution to the Registrar	\$15,000
46A	Recognised Limited Partnership failing to notify the Registrar of any change in registered details	\$2,000
476(B)(1)	Failure of Recognised Limited Partnership to keep Accounting Records	\$15,000
476(B)(2)(a) or (b)	Non-compliant maintenance of accounting records by Recognised Limited Partnership	\$2,000
476(B)(2)(c)	Failure of Recognised Limited Partnership to keep Accounting Records open to inspection	\$1,000
52	Providing false or misleading information to the Registrar	\$15,000
54	Failure to comply with the direction of the Registrar	\$15,000

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**PART 5: AMENDMENTS TO NON PROFIT INCORPORATED ORGANISATIONS LAW 2012**

- 11. The Non Profit Incorporated Organisations Law 2012 is amended as prescribed in this Part.
- 12. The following Articles of the Non Profit Incorporated Organisations Law 2012 are amended by inserting the underlined text and deleting the struck through text as shown below:

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**PART 1: GENERAL**

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**8. ~~Conflict of laws~~**

~~To the extent any provision in this Law conflicts with a provision of a DIFC law administered by DFSA, the latter provision shall prevail.~~

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**PART 2: PURPOSE AND ACTIVITIES**

**98. Purpose and activities of an Incorporated Organisation**

- (1) An Incorporated Organisation is prohibited from carrying on any activities other than the Authorised Purposes which shall not be contrary to the UAE public interest and public morals.
- (2) For the purpose of this Law, an Incorporated Organisation shall not undertake any Financial Services prescribed in the General Module of the DFSA Rulebook.
- (3) If an Incorporated Organisation undertakes any activities outside of those contained in the definition of Authorised Purposes, the Registrar shall, ~~after the giving of notice to the Incorporated Organisation and the lapse of a reasonable period as determined by the Registrar,~~ be entitled to revoke the status of the Organisation as an Incorporated Organisation and may strike off the Incorporated Organisation in accordance with Article 26.

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**109. Restrictions**

- (1) For the purposes of this Law, an Incorporated Organisation shall not be formed to carry on activities for the purpose of commercial or financial gain for its Founding Members or Members or former Founding Members or Members.
- (2) An Incorporated Organisation shall not distribute profits or revenues from its activities to its Founding Members or Members or former Founding Members or Members.
- (3) The revenues generated from the activities of the Incorporated Organisation shall be used for the following purposes:
  - (a) to fund the operations of the Incorporated Organisation in relation to its Authorised Purposes; and
  - (b) other purposes which are in compliance with this Law and are approved by the Registrar ~~of Companies~~.

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**PART 3: FORMATION AND REGISTRATION**

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**4413. Registration**

- (1) The Registrar may refuse to register an Incorporated Organisation for such reason as he believes to be proper grounds for refusing such registration.
- (2) Where the Registrar refuses to register an Incorporated Organisation he shall not be bound to provide any reason for his refusal and his decision shall not be subject to appeal or review in court.
- (3) No person shall carry on activities as an Incorporated Organisation in or from the DIFC unless and until such person has been duly permitted to do so by the Registrar. Due permission by the Registrar for these purposes shall be conclusive evidenced by the issuance to such person by the Registrar of a certificate of incorporation ~~along with a Licence as provided for in the Regulations.~~

**4514. Effects of registration**

On the registration of an Incorporated Organisation and the Charter of Organisation, the Registrar shall:

- (a) issue a certificate that the Incorporated Organisation is incorporated and such certificate shall expressly set out the status of the Incorporated Organisation as a “Non Profit Incorporated Organisation”;
- (b) assign to the Incorporated Organisation a number, which shall be the Incorporated Organisation’s registered number; and
- (c) issue a Licence.

**15. Licence**

An Incorporated Organisation shall hold a Licence pursuant to Article 9 of the Operating Law.

**16. Registered office and eConduct of business in the DIFC**

- ~~(1) An Incorporated Organisation shall at all times have a registered office in the DIFC to which all communications and notices may be delivered.~~
- ~~(2) An Incorporated Organisation shall carry on its activities in the DIFC.~~
- ~~(3) A document may be served on the Incorporated Organisation by leaving it at, or sending it by post to, the registered office of the Incorporated Organisation.~~

An Incorporated Organisation shall, comply with the requirements of this Law and Part 3 of the Operating Law in respect to the conduct of its business in the DIFC.

**17. Particulars in correspondence communications**

~~The name of the Incorporated Organisation and the address of the registered office shall appear in legible characters in all its correspondence.~~

178. **Name**

- (1) Subject to the Law and the Operating Law, the name of an Incorporated Organisation, as approved by the Registrar shall:
  - (a) appear in legible characters on the common seal of the Incorporated Organisation, and on every business letter, statement of account, invoice, official notice, publication or any other instrument issued by the Incorporated Organisation, including communications through electronic means; and
  - (b) have the phrase “Non-Profit Organisation” as part of or at the end of its name or any visible part of the instruments referenced in Article 178(1)(a).
- (2) The Founding Members of an Incorporated Organisation may, by Special Resolution, change its name in accordance with the Operating Law ~~provided the new name is acceptable to the Registrar.~~
- ~~(3) Where an Incorporated Organisation changes its name under this Article, the Registrar shall enter the new name on the register in place of the former name, and shall issue a certificate of name change showing the previous name and the new name of the Incorporated Organisation.~~
- ~~(4) The name change will take effect from the date on which the Registrar issues the certificate of name change.~~
- (5) In the event that an Incorporated Organisation changes its name under this Article, it shall amend its Charter of Organisation in order to reflect such change any time within 30 days from the date the Registrar issues the certificate of name change or within such longer period as the Registrar may allow.
- ~~(6) A change of name by an Incorporated Organisation under this Law does not affect any rights or obligations of the Incorporated Organisation or render defective any legal proceedings by or against it and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced under its new name.~~
- ~~(7) If in the opinion of the Registrar, the name by which an Incorporated Organisation is registered is misleading, conflicting or otherwise undesirable, he may direct the Incorporated Organisation to change it and the Incorporated Organisation shall comply with such direction within 30 days.~~

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**PART 4: FINANCIAL RESOURCES, ACCOUNTS AND AUDIT**

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**2019. Accounts**

- (1) The Founding Members of an Incorporated Organisation shall cause accounts to be prepared in relation to each financial year of the Incorporated Organisation within six (6) months after the end of the financial year.
- (2) The accounts shall be prepared in accordance with accounting principles or standards approved by the Registrar or prescribed in the Regulations and shall show a true and fair view of the financial position of the Incorporated Organisation.
- (3) The accounts shall be approved by the Founding Members and signed on their behalf by at least two Founding Members.
- (4) The accounts shall be examined and reported upon by an auditor registered under the ~~Companies Law 2009~~ Operating Law.
- (5) An Incorporated Organisation shall file its annual audited accounts with the Registrar within ~~seven-thirty (30)~~ thirty (30) days after the accounts have been approved by the Founding Members and reported upon by an auditor.

**2420. Accounting Records**

- (1) An Incorporated Organisation shall keep Accounting Records which are sufficient to show and explain its transactions and are such as:
  - (a) to disclose with reasonable accuracy the financial position of the Incorporated Organisation at any time; and
  - (b) to enable the Founding Members and the Board to ensure that any accounts prepared by the Incorporated Organisation under this Part comply with the requirements of the Law and the Regulations.
- (2) The Accounting Records of an Incorporated Organisation shall be:
  - (a) kept at such a place within the DIFC as the Founding Members think fit unless specifically prescribed in the Regulations;
  - (b) preserved by the Incorporated Organisation for at least ten years from the date to which they relate, or for some other period as prescribed in the Regulations; and
  - (c) at all reasonable times, open to inspection by the Founding Members of the Incorporated Organisation.

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**PART 6: REPORTING**

**26. Notices**

The Incorporated Organisation shall file a notice of any of the following changes within one month days of the relevant change using the applicable form as prescribed by the Registrar:

- (a) any change to its registered office or office details (address, telephone number, fax number etc);
- (b) any change to its Founding Members;
- (c) any change to its name; or
- (d) any change in its Authorised Purposes.

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**PART 7: DISSOLUTION**

**2527. Voluntary dissolution**

The Founding Members may agree through a Special Resolution for the voluntary dissolution of an Incorporated Organisation provided there are no outstanding liabilities owed by the Incorporated Organisation.

**28. Dissolution by the Registrar**

(1) If the Registrar has reason to believe that:

- (a) an Incorporated Organisation is acting in contravention of this Law and the Regulations;  
or
- (b) it is prejudicial to the interest of the DIFC for an Incorporated Organisation to remain on the register,

he may give notice to the Incorporated Organisation that at the conclusion of three months from the date of the notice, the Incorporated Organisation shall be struck off the register unless reason is shown to the contrary.

(1) If by the end of the three months period, the Registrar has not received from the Incorporated Organisation or any other third party sufficient reason as to why the Incorporated Organisation should not be struck off the register, the Registrar may strike the name of the Incorporated Organisation off the register and the Incorporated Organisation shall be dissolved.

**29. Publication of dissolution**

The Registrar of Companies shall publish the dissolution of an Incorporated Organisation on the website of the DIFC.

**26. Strike off and Restoration**

The provisions of Articles 32 and 33 of the Operating Law apply to an Incorporated Organisation.

**2730. Distribution of surplus assets**

- (1) Subject to the Insolvency Law ~~2009~~, an Incorporated Organisation shall not distribute any surplus assets available for distribution at the completion of the dissolution of the Incorporated Organisation under this Part to any:
  - (a) Founding Member or Member or former Founding Member or Member of the Incorporated Organisation; or
  - (b) person to be held on trust for any Founding Member or Member or former Founding Member or Member of the Incorporated Organisation.
- (2) The distribution of surplus assets ~~will~~ be determined by a liquidator and approved by the Registrar after consultation with the Board of the Incorporated Organisation and liquidator.
- (3) Notwithstanding Article ~~2730~~(2), surplus assets or any part of those surplus assets that consist of assets supplied by a government department or public authority, including any unexpended portion of a grant, shall be returned to that department or authority or to a body nominated by that department or authority.

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**PART 87: GENERAL CONTRAVENTION POWERS AND REMEDIES**

**2831. General contraventions provision**

- (1) A person who:
  - (a) does an act or thing that the person is prohibited from doing by or under an Article of this Law referred to in Schedule 2;
  - (b) does not do an act or thing that the person is required or directed to do under an Article of this Law referred to in Schedule 2; or
  - (c) otherwise contravenes an Article of this Law referred to in Schedule 2;
 commits a contravention of this Law.
- (2) Under this Article, ‘person’ does not include the DIFCA, Registrar, DFSA or President.

**~~32.~~ Involvement in contraventions**

- ~~(1) If a person is knowingly concerned in a contravention of the Law or Regulations or other legislation administered by the Registrar committed by another person, the aforementioned person as well as the other person commits a contravention and is liable to be proceeded against and dealt with accordingly.~~
- ~~(2) Without limiting the generality of Article 32(1), if an officer of an Incorporated Organisation is knowingly concerned in a contravention of the Law or Regulations or other legislation administered by the Registrar committed by an Incorporated Organisation, the officer as well as the Incorporated Organisation commits a contravention and is liable to be proceeded against and dealt with accordingly.~~
- ~~(3) For the purposes of this Article, “officer” means a Founding Member, agent, secretary or other similar officer of the Incorporated Organisation, or a person purporting to act in such capacity.~~
- ~~(4) For the purposes of this Article, a person is ‘knowingly concerned’ in a contravention if, and only if, the person:~~

- ~~(a) — has aided, abetted, counselled or procured the contravention;~~
  - ~~(b) — has induced, whether by threats or promises or otherwise, the contravention;~~
  - ~~(c) — has in any way, by act or omission, directly or indirectly, been knowingly involved in or been party to, the contravention; or~~
  - ~~(d) — has conspired with another or others to effect the contravention.~~
  - ~~(e) — has, alone or in concert with others, directly or indirectly, done, attempted or planned to conceal the existence or extent or nature of a contravention; or obstruct, impede or prevent competent authorities within the DIFC from detecting, investigating or prosecuting a contravention.~~
- ~~(5) — In this Article, ‘person’ does not include the DIFCA, Registrar, DFSA or President.~~

**29. Application of Operating Law**

Part 5 of the Operating Law applies to an Incorporated Organisation in respect to the powers and remedies of the Registrar.

**33. Administrative imposition of fines**

- ~~(1) — The Board of Directors of the DIFC Authority shall prescribe in Regulations procedures in relation to the imposition and recovery of fines under this Article.~~
- ~~(2) — Where the Registrar considers that a person has contravened a provision of the Law referred to in Schedule 2 and in relation to which a fine is stipulated in that Schedule, it may impose by written notice given to the person a fine, in respect of the contravention, of such amount as it considers appropriate but not exceeding the amount of the maximum fine specified in Schedule 2 in respect of each contravention.~~
- ~~(3) — If, within the period specified in the notice:
 
  - ~~(a) the person pays the prescribed fine to the Registrar, then no proceedings may be commenced by the Registrar against the person in respect of the relevant contravention; or~~
  - ~~(b) the person takes such action as is prescribed in the Regulations to object to the imposition of the fine or has not paid the prescribed fine to the Registrar, then the Registrar may apply to the Court for, and the Court may so order, the payment of the fine or so much of the fine as is not paid and make any further order as the Court sees fit for recovery of the fine.~~~~
- ~~(4) — A certificate that purports to be signed by the Registrar and states that a written notice was given to a person pursuant to Paragraph (2) imposing a fine on the basis of specific facts is:
 
  - ~~(a) conclusive evidence of the giving of the notice to the person; and~~
  - ~~(b) prima facie evidence of the facts contained in the notice;~~
 in any proceedings commenced under Article 33(3).~~

**34. Applications to the Court**

The powers of the Court in relation to applications are contained in Articles 133 and 134 of the Companies Law 2009.

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**~~PART 9: INSPECTIONS AND REMEDIES [Deleted in its entirety]~~**

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**PART 408: MISCELLANEOUS**

**~~39~~30. The power to make Regulations**

- (1) ~~The Board of the DIFC Authority may make Regulations for the purposes of this Law pursuant to the powers conferred upon it under Article 140 of the Companies Law 2009 to facilitate the administration of, or further the objects of, this Law.~~
- (2) ~~Without limiting the generality of Article 30(1), such Regulations may be made in relation to:~~
  - (a) ~~the objectives, powers or functions of the Registrar under this Law;~~
  - (b) ~~forms, procedures, notice and requirements under this Law;~~
  - (c) ~~the filing of certain material;~~
  - (d) ~~the manner in which such material shall be filed;~~
  - (e) ~~which material, or parts of the material, shall be made available for viewing by the public during the normal business hours;~~
  - (f) ~~the use of an electronic or computer-based system for the filing, delivery or deposit of documents or information required under or governed by the Law and Regulations;~~
  - (g) ~~the circumstances in which persons shall be deemed to have signed or certified documents on an electronic or computer-based system for any purpose under the Law; and~~
  - (h) ~~the payment of fees to the Registrar.~~
- (3) ~~Articles 46 and 47 of the Operating Law apply to the making of Regulations under this Law.~~
- (4) ~~Where any Regulation made under this Law purports to be made in the exercise of a particular power or powers, it shall be taken also to be made in the exercise of all the powers under which it may be made.~~
- (5) ~~Without limiting the generality of Article 30(1), the Regulations under this Article may:~~
  - (a) ~~make different provision for different cases or circumstances;~~
  - (b) ~~include supplementary, incidental and consequential provision;~~
  - (c) ~~be made to facilitate the administration of, or further the purposes of this Law and another law, or other laws; and~~
  - (d) ~~where made to facilitate the administration of, or further the purposes of another law, require the doing of an act or thing in default of which a fine is payable under that law.~~

**~~40. Publication by the Registrar~~**

- (1) ~~The Registrar shall make available to the public without undue delay after their making or issuing:~~

- (a) Regulations made by the Board of Directors of the DIFCA; and
- (b) Guidance in the form of:
  - (i) guidance made and issued by the Registrar under the Law; and
  - (ii) a standard or code of practice issued by the Registrar under the Law which has not been incorporated into the Regulations.
- (2) The Registrar may publish in such form and manner as it regards appropriate information and statements relating to the practices and procedures of the Registrar, decisions of the Court, and any other matters which the Registrar considers relevant to the conduct of affairs in the DIFC.
- (3) Publications made under this Article may be provided with or without charge as the Board of Directors of the DIFC Authority may determine.

#### 4131. **Waivers and modification of Law or Regulations**

The powers to waive and modify the Operating Law and Regulations contained in Article 60 of the Operating Law, shall apply to this Law and any Regulations made thereunder.

- (1) In this Article, a reference to a “relevant provision” is a reference to:
  - (a) any provision of the Law which is expressed to be subject to this Article; or
  - (b) any provision of the Regulations.
- (2) The Registrar may:
  - (a) on the application of a person; or
  - (b) with the consent of a person;
 by means of a written notice provide that one or more relevant provision either:
  - (c) shall not apply in relation to such person; or
  - (d) shall apply to such person with such modifications as are set out in the written notice.
- (3) A written notice may be given subject to conditions.
- (4) A person to whom a condition specified in a written notice applies must comply with the condition. In the event of failure to comply with a condition, the Registrar may, without limiting any other powers that he may have, apply to the Court for an order, including an order that the person must comply with the condition in a specified way.
- (5) Unless the Registrar is satisfied that it is inappropriate or unnecessary to do so, he must publish a written notice in such a way as he considers appropriate for bringing the notice to the attention of:
  - (a) those likely to be affected by it; and
  - (b) others who may be likely to become subject to a similar notice.
- (6) The Registrar may:
  - (a) on his own initiative or on the application of the person to whom it applies, withdraw a written notice; or

~~(b) on the application of, or with the consent of, the person to whom it applies, vary a written notice.~~

~~(7) The Board of Directors of the DIFCA may make Regulations in connection with the provision of a written notice under this Article, including Regulations prescribing procedures for the making of applications and providing of consents.~~

**4232. Application of the Insolvency Law**

The Insolvency Law shall apply to an Incorporated Organisation, except where the context otherwise requires, with the following modifications:

- (a) reference to a Company shall include references to an Incorporated Organisation;
- (b) references to a director or an officer of a Company shall include references to a Founding Member;
- (c) references to other provisions of the Companies Law shall include references to those provisions as they apply to an Incorporated Organisation in accordance with this Law;
- (d) references to the articles of a Company shall include references to the Charter of Organisation of an Incorporated Organisation;
- (e) references to a meeting of a Company shall include references to a meeting of the Founding Members of an Incorporated Organisation; and
- (f) such further modifications as the context requires for the purpose of giving effect to that legislation as applied by this Law.

**43. Obligation of disclosure to the Registrar**

~~(1) Subject to Article 43(2), an Incorporated Organisation or an auditor of an Incorporated Organisation shall disclose to the Registrar any matter which reasonably tends to show one of the following:~~

- ~~(a) a contravention, or likely contravention of a provision of the Law or Regulations or other legislation administered by the Registrar;~~
- ~~(b) a failure, or likely failure, to comply with any obligation to which a person is subject under such legislation; or~~
- ~~(c) any other matter as the Board of Directors of the DIFCA may prescribe in Regulations;~~

~~which may be attributable to the conduct of the relevant Incorporated Organisation or its officers, employees or agents.~~

~~(2) Article 43(1) shall not apply to the extent that compliance with such requirement would disclose a Privileged Communication.~~

~~(3) An Incorporated Organisation shall establish and implement appropriate systems and internal procedures to enable its compliance with Article 43(1).~~

~~(4) Any provision in an agreement between an Incorporated Organisation and an officer, employee, agent or auditor is void in so far as it purports to hinder any person from causing or assisting an Incorporated Organisation to comply with an obligation under Article 43(1).~~

~~(5) No person shall be subjected to detriment or loss or damage merely by reason of undertaking any act to cause or assist an Incorporated Organisation to comply with an obligation under Article~~

43(1).

~~(6) — A Court may, on application of an aggrieved person, make any order for relief where the person has been subjected to any such detriment or loss or damage referred to in Article 43(5).~~

~~44. — **Disclosures to the Registrar**~~

~~A person is neither liable to a proceeding, nor subject to a liability, nor in breach of any duty, merely by reason of the giving of information or production of a document by the person to the Registrar:~~

~~(a) — in good faith; and~~

~~(b) — in reasonable belief that the information or document is relevant to any functions of the Registrar;~~

~~whether such information or document is given or produced pursuant to a requirement at law or otherwise.~~

~~45~~33. **Public Register**

(1) The Registrar shall publish and maintain a register of current and past registrations of Incorporated Organisations in such manner as may be prescribed in the Regulations.

(2) The Registrar shall make a reasonably current version of any register maintained under this Article freely available for viewing by the public ~~during the normal business hours of the Registrar~~ on the website of the DIFC.

~~46. — **Language**~~

~~The Registrar may require communication to which it is a party to be conducted in the English language.~~

~~47~~34. **Fees**

~~(1) — An Incorporated Organisation shall pay the fees applicable to an Incorporated Organisation, including annual licensing fees, as prescribed in the Regulations.~~

~~(2) — For the avoidance of doubt, the Operating Regulations (OR) shall not apply to Incorporated Organisations.~~

~~48~~35. **Provisions Conversion of for existing non profit Companies to Incorporated Organisations**

(1) ~~An existing non profit Company may apply to the Registrar for continuance in existence at the date of entry into force of this Law shall not be required to re-incorporate as an Incorporated Organisation under this Law provided it complies with this Law and has obtained the written approval of the Registrar.~~

(2) The Registrar may require the a-non profit Company to do any act or thing, including amending its articles of association, to ensure compliance with this Law and the Regulations.

~~(3) — The Registrar may give directions as to the manner in which the conversion is to be effected and the Company shall comply with those directions prior to it being continued as an Incorporated Organisation by the Registrar.~~

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## SCHEDULE 1

### INTERPRETATION

#### 1. Rules of Interpretation

- (1) In this Law, a reference to:
  - (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (c) an obligation to publish or cause to be published a particular Document shall, unless expressly provided otherwise in this Law, include publishing or causing it to be published in printed or electronic form;
  - (d) ~~unless stated otherwise, a “day” means a calendar day, unless stated otherwise.~~ If an obligation falls on a calendar day which is either a Friday or a Saturday, or an official ~~UAE~~ public holiday ~~in the DIFC~~, the obligation shall take place on the next calendar day which is a business day;
  - (e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a “month” shall mean a period of thirty (30) days;
  - (eg) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar;
  - (fh) a reference to the masculine gender includes the feminine;
  - (i) the singular shall include the plural and vice versa; and
  - (gj) "dollar" or "\$" is a reference to United States Dollars unless the contrary intention appears.
- (2) The headings in the Law shall not affect its interpretation.
- (3) References in this Law to a body corporate include a company incorporated outside the DIFC.
- (4) A reference in this Law to a Part, Chapter, Article or Schedule by number only, and without further identification, is a reference to the Part, Chapter, Article or Schedule of that number in this Law.
- (5) A reference in an Article or other division of this Law to an Article by number or letter only, and without further identification, is a reference to the Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (6) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
- (7) References in this Law to writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

#### 2. Legislation in the DIFC

References to legislation 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 government of the Emirate of Dubai;
- (c) DIFC Law is law made by the Ruler of Dubai;
- (d) the Law is the Non Profit Organisations Law, DIFC Law No. 6 of 2012, made by the Ruler of Dubai;
- (e) the Regulations are legislation made by the Board of Directors of the DIFC Authority and are binding in nature.
- (f) the Enactment Notice is the enactment notice pursuant to which this Law is brought into force;
- (g) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Registrar under this Law or the Regulations; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations; and
- (h) references to “Legislation administered by the Registrar” are references to any DIFC Law and regulations conferring functions and powers on the Registrar.

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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

<b>Terms</b>	<b>Definition</b>
Accounting Records	Records and underlying Documents comprising initial and other accounting entries and associated supporting Documents such as: <ul style="list-style-type: none"> <li>(a) cheques;</li> <li>(b) Records of electronic funds transfers;</li> <li>(c) invoices;</li> <li>(d) contracts;</li> <li>(e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; and</li> <li>(f) work sheets and spread sheets supporting costs allocations, computations, reconciliations and disclosures.</li> </ul>
Authorised Purposes	<del>Means</del> the purposes for which an Incorporated Organisation can, subject to DIFC laws and regulations, carry out activities under this Law. The purpose shall be limited to the following: <ul style="list-style-type: none"> <li>(a) professional and financial services organisations to the extent that their scope is not considered as providing Financial Services as prescribed in the General Module of the DFSA Rulebook; and</li> <li>(b) any other ancillary purposes related to promotion and development of <del>F</del>financial <del>S</del>services and related activities subject to the approval and discretion of the Registrar.</li> </ul>
Board	<del>Means</del> the governing body of the Incorporated Organisation composed of Founding Members.
Charter of Organisation	<del>Means</del> the Charter of Organisation of an Incorporated Organisation as filed with the Registrar.
Companies Law	<del>Means</del> the Companies Law <del>2009</del> DIFC Law No. 5 of 2018.

Company	<del>H</del> has the same meanings given to it under the Companies Law.
Court	<del>T</del> he DIFC Courts as established under Dubai Law.
DFSA	<del>M</del> eansthe Dubai Financial Services Authority established under Dubai Law.
DIFC	<del>M</del> eansthe Dubai International Financial Centre.
DIFC Authority	<del>T</del> he Dubai International Financial Centre Authority established under Dubai Law.
<u>Document</u>	<u>includes summons, notice, statement, return, account, order and other legal process, and registers.</u>
Financial Services	<del>H</del> has the meaning prescribed in the General module of the DFSA Rulebook.
Founding Member	(1) <del>M</del> eansthe a person that: <ul style="list-style-type: none"> <li>(a) has signed the application to incorporate an Incorporated Organisation in the DIFC; or</li> <li>(b) has been appointed by Special Resolution of the Board as a Founding Member.</li> </ul> (2) <del>a</del> A Founding Member shall be resident in the UAE.
General Meeting	<del>a</del> A meeting of the Founding Members of an Incorporated Organisation. A General Meeting may be called by at least 21 days' notice in writing by any Founding Member.
Incorporated Organisation	<del>M</del> eansthe a non-profit organisation which is incorporated in the DIFC pursuant to this Law.
Insolvency Law	<del>M</del> eansthe Insolvency Law, DIFC Law No. 3 of 2009 as amended from time to time and it includes any regulations made under such law.
Law	the Non Profit Incorporated Organisations Law 2011.
Licence	<del>M</del> eansthe licence issued by the Registrar in accordance with the <del>Regulations</del> <u>has the meaning given to the term in the Operating Law.</u>
Member	<del>M</del> eansthe a person that has been accepted as a member in the Incorporated Organisation in accordance with the Charter of Organisation and has paid the due membership fees up to date. A Member shall not be involved in the management of the Incorporated Organisation.
<u>Operating Law</u>	<u>the Operating Law DIFC Law No. 7 of 2018.</u>
<u>Person</u>	<u>has the meaning given in Article 1 of this Schedule.</u>
<u>Records</u>	<u>Documents, information and other records however stored.</u>
Registrar	<del>M</del> eansthe Registrar of Companies as defined in <del>the Companies Law 2009</del> <u>Operating Law.</u>
Regulations	<del>M</del> eansthe Regulations made under this Law by the Board of Directors of the DIFC Authority and are binding in nature
Ruler	<del>T</del> he Ruler of the Emirate of Dubai.

Standard Charter	Means the standard charter of an Incorporated Organisation prescribed in the Regulations.
Special Resolution	Means a resolution passed by the votes of Founding Members holding membership rights representing more than 75% of the total memberships of the Organisation present at the meeting or, where proxies are allowed, by proxy, at a General Meeting for which notice specifying the intention to propose the resolution has been duly given.
UAE	Means the United Arab Emirates.

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**SCHEDULE 2**

**CONTRAVENTIONS WITH FINES STIPULATED**

<i>Article of the Law—creating contravention</i>	<i>General nature of eContravention</i>	<i>Maximum fFine (USD)</i>
<del>89</del> (1)	Incorporated Organisation carries on purposes other than Authorised Purposes	US\$ 25,000
<del>94</del> 0(1)	Incorporated Organisation carries on activities for the purposes of commercial or financial gain	US\$ 25,000
<del>94</del> 0(2)	Incorporated Organisation distributes profits or revenues from its activities to Founding Members or Members	US\$ 10,000
<del>16</del> (1)	<del>Failure to maintain a registered office in the DIFC</del>	<del>US\$ 2,000</del>
<del>17</del>	<del>Failure to have the name of the Incorporated Organisation on communications</del>	<del>US\$ 1,000</del>
<del>18(2)</del> <del>17(1)(b)</del>	Failure to have the phrase “Non-Profit Organisation” on company instruments	US\$ 1,000
<del>20</del> 19(1)	Failure to prepare accounts within the prescribed period	US\$ 10,000
<del>20</del> 19(3)	Failure to approve and sign accounts <u>as required</u>	US\$ 10,000
<del>20</del> 19(4)	Failure to have the accounts examined and reported on by an auditor	US\$ 10,000
<del>20</del> 19(5)	Failure to file annual audited accounts within the prescribed period	US\$ 5,000
<del>24</del> 20(1)	Failure to keep Accounting Records <u>as required</u>	US\$ 15,000
<del>24</del> 20(2)(a) or (b)	Non-compliant maintenance of Accounting Records	US\$ 2,000
<del>24</del> 20(2)(c)	Failure to keep Accounting Records open to inspection	US\$ 1,000
<del>24</del> 23	Failure to keep a register of Members	US\$ 2,000
<del>25</del>	<del>Failure to report</del>	<del>US\$ 5,000</del>
<del>38</del>	<del>Failure to comply with a direction of the Registrar</del>	<del>US\$25,000</del>

**PART 6: AMENDMENTS TO THE FOUNDATIONS LAW 2018**

13. The Foundations Law 2018 is amended as prescribed in this Part.
14. The following Articles of the Foundations Law 2018 are amended by inserting the underlined text and deleting the struck through text as shown below:

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**PART 1: GENERAL**

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**4. Scope of the Law**

This Law applies to:

- (a) any Foundation established in accordance with this Law;
- (b) any ~~Registered~~ Recognised Foreign Foundation to the extent stated in Article 62; or

any Foreign Foundation which is established in another jurisdiction which has transferred its registration to the DIFC in accordance with this Law.

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**8. Administration of this Law**

This Law is administered by the ~~DIFCA~~ Registrar.

**9. Regulations**

- (1) The Board of Directors of the DIFCA may make Regulations to facilitate the administration of, or further the objects of, this Law.

~~(2) Articles 182 and 183 of the Companies Law 2018 apply to the making of Regulations under this Law.~~

~~(2) Without limiting the generality of Article 9(1), such Regulations may be made in relation to:~~

- ~~(a) the objectives, powers or functions of the Registrar under this Law;~~
- ~~(b) forms, procedures, notice and requirements under this Law;~~
- ~~(c) the filing of certain material;~~
- ~~(d) the manner in which such material shall be filed;~~
- ~~(e) which material, or parts of the material, shall be made available for viewing by the public;~~
- ~~(f) the use of an electronic or computer-based system for the filing, delivery or deposit of documents or information required under or governed by the Law and Regulations;~~
- ~~(g) the circumstances in which persons shall be deemed to have signed or certified documents on an electronic or computer-based system for any purpose under the Law;~~  
~~and~~

- (h) the payment of fees to the Registrar.
- (3) Articles 46 and 47 of the Operating Law apply to the making of Regulations under this Law.
- (4) Where any Regulation made under this Law purports to be made in the exercise of a particular power or powers, it shall be taken also to be made in the exercise of all the powers under which it may be made.
- (5) Without limiting the generality of Article 9(1), the Regulations under this Article may:
  - (a) make different provision for different cases or circumstances;
  - (b) include supplementary, incidental and consequential provisions;
  - (c) be made to facilitate the administration of, or further the purposes of this Law and another Law, or other Laws; and
  - (d) where made to facilitate the administration of, or further the purposes of another Law, require the doing of an act or thing in default of which a fine is payable under that Law.

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**PART 2: NATURE OF A DIFC FOUNDATION**

**10. Nature of a Foundation**

- (1) A Foundation is a body corporate with a legal personality separate from that of its Founder(s) and any other person.
- (2) A Foundation has the capacity, rights and privileges of a natural person. The validity of an act done by a Foundation shall not be called into question on the ground of lack of capacity by reason of anything in its Charter or By-laws.
- (23) The property of a Foundation is not held by it upon trust for any other person.
- (34) A Founder has such rights (if any) in respect of a Foundation as provided for in its By-laws.
- (45) A person specified in the By-laws (other than a Founder, a member of the Council, the Registered Agent and any Guardian) has such rights (if any) in respect of a Foundation as provided for in its By-laws.
- (56) Any rights a person may have in respect of a Foundation may be assigned to some other person, if its By-laws so provide.
- (67) If rights are assigned under Article 10(56), the person assigning the rights must within a period of thirty (30) days provide a copy of the assignment to the Registered Agent or, if there is no Registered Agent, to the Registrar. A person who fails to comply with this requirement is liable to a fine, as set out in Schedule 3.

**11. Duration of a Foundation**

- (1) A Foundation may, but need not, be established for a fixed period or for a specified limited period, provided that it may be dissolved at an earlier time in accordance with the provisions of this Law.
- (2) If a Foundation is to be wound up and dissolved upon:
  - (c) the happening of some event; or

(d) the expiration of a fixed period of time,

the details of the event or period must be specified in its By-laws.

(3) If a person is to have the right to wind up and dissolve a Foundation, the details of such right must be specified in its By-laws, subject to any right arising under any applicable law.

**12. Objects and categories of Foundations**

(1) A Foundation's objects:

(a) must be certain, reasonable and possible; and

(b) must not be unlawful or contrary to public policy in the DIFC.

(2) A Foundation may be established for:

(a) objects which are exclusively charitable; ~~and-or~~

(b) one or more of the following:

(i) objects which are not exclusively charitable; ~~and-or~~

(ii) objects to benefit persons by name, category or class.

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**PART 3: ESTABLISHMENT OF A DIFC FOUNDATION**

**17. Creation**

(1) The Founder(s) may apply for the establishment of a Foundation by signing and filing with the Registrar an application for its establishment in the manner prescribed by the Registrar.

(2) The application filed with the Registrar under Article 17(1) shall be signed by each Founder and shall include:

(a) the name of the proposed Foundation;

(b) the address of the proposed Foundation's registered office in the DIFC;

(c) the full name, nationality and address of each Founder;

(d) the full name, nationality and address of each of the proposed members of the Council of the proposed Foundation;

(e) if applicable, the name and business address of the proposed Registered Agent in the DIFC;

(f) the Charter of the proposed Foundation;

(g) unless a Registered Agent is proposed to be appointed, the By-laws of the proposed Foundation; and

(h) such other particulars as the Registrar may require.

~~(3) The provisions of Article 21 of the Companies Law shall apply to a Foundation in respect of the use of misleading, deceptive or conflicting names.~~

(3) A Foundation shall not use a name which does not comply with the requirements prescribed in the Operating Law.

- (4) A person may not be named as a Registered Agent unless that person is a Qualified Person.
- (5) Upon lodgment of the application and payment of the prescribed fee, the Registrar shall either:
  - (a) register the Foundation;
  - (b) seek further information in respect of the proposed Foundation; or
  - (c) refuse the application.
- (6) On the registration of a Foundation, the Registrar shall:
  - (a) issue a certificate that the Foundation is established and such certificate shall expressly set out its status as a Foundation;
  - (b) assign to the Foundation a number, which shall be the Foundation's registered number; and
  - (c) issue a Licence in its favour.
- (7) ~~The provisions of Article 17 of the Companies Law apply to a Licence issued to a Foundation. A Foundation which fails to maintain a valid Licence is liable to a fine, as set out in Schedule 3. A~~ Foundation shall hold a Licence pursuant to Article 9 of the Operating Law.

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#### 19. **Charter**

- (1) A Foundation must have a Charter which shall be in the English language.
- (2) The Charter must contain the following:
  - (a) its name;
  - (b) the object(s);
  - (c) a description of the initial capital;
  - (d) the duration of the Foundation (if it is to subsist for a limited period only); and
  - (e) a declaration by each Founder requesting the Council to comply with the terms of the Charter.
- (3) The Charter may contain any matter:
  - (a) that is otherwise required or permitted to be in the By-laws in accordance with Article 20; or
  - (b) that the Founder(s) think fit,

provided that there is no provision which is contrary to or inconsistent with this Law or the Regulations.
- (4) The Charter may be amended only if:
  - (a) the Charter so provides; or
  - (b) the Court so orders under Article ~~44~~41.
- (5) Where a Charter specifies an exclusively charitable object, it may not provide for the amendment of the Charter so as to specify a non-charitable object in place of the charitable object.

- (6) Each Founder must subscribe to the Charter, if a Founder is:
  - (a) an individual, by signing the Charter in his own name; or
  - (b) a body corporate, by an authorised signatory signing the Charter.
- (7) The Board of Directors of the DIFCA may prescribe in the Regulations model provisions to be known as the “Standard Charter”, and a Foundation may, for its Charter, adopt the whole or any part thereof as are applicable to that Foundation.
- (8) If a Foundation proposes to amend its Charter, it must after completing its internal processes necessary to amend the Charter, lodge the amended Charter with the Registrar within a period of thirty (30) days after such amendment.
- (9) The amended Charter shall come into force upon it being registered by the Registrar, and, if the change involves a change of name, upon the issue of a certificate of name change by the Registrar ~~pursuant to Article 34(1)~~.
- (10) The Charter may provide that if at any time the property of the Foundation includes any property which by reason of the law of the United Arab Emirates or any other specified jurisdiction may be held only by a national of that country the only persons who may be officers of the Foundation or Qualified Recipients under the Foundation are nationals of that jurisdiction at that time, and may further provide that such provision may not be amended or revoked.
- (11) If the Charter contains an irrevocable provision of the type referred to in Article 19(10) then notwithstanding any other provision of this Law, that provision may not be amended or revoked.

**20. By-laws**

- (1) The By-laws must:
  - (a) prescribe the functions of the Council;
  - (b) detail the procedures for the appointment, resignation and removal of members of the Council and any Guardian;
  - (c) if the members of the Council or any Guardian are to be remunerated, the details in respect thereof;
  - (d) set out how the decisions of the Council are to be made and, if any decision requires the approval of any other person, specify the decisions and that person;
  - (e) if the functions of the Council must or may be delegated or exercised in conjunction with any other person, the extent to which this must or may be done; and
  - (f) specify what is to happen to any property of the Foundation that remains should the Foundation be wound up and dissolved.

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**24. The Registered Agent**

- (1) A Foundation may, but need not, have a Registered Agent.
- (2) The Registered Agent of a Foundation:
  - (a) must be appointed in accordance with this Law; and
  - (b) has, in respect of the Foundation, the functions specified in this Law and the By-laws.

- (3) On the establishment of a Foundation, the proposed Registered Agent named under Article 17(2)(~~fe~~) becomes the Registered Agent of the Foundation.
  
- (4) Details of any change of the Registered Agent must be provided to the Registrar within thirty (30) days of the occurrence of the change. A Foundation which fails to comply with this requirement is liable to a fine, as set out in Schedule 3.
  
- (5) A Foundation may not have more than one Registered Agent at any time.  
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**PART 5: ADMINISTRATION OF DIFC FOUNDATIONS**

**32. ~~Registered office and e~~Conduct of business in the DIFC**

- (1) ~~A Foundation shall at all times have a registered office in the DIFC to which all communications and notices may be delivered.~~
- (2) ~~Subject to the provisions of Article 12(5), a Foundation shall carry on its activities in the DIFC and elsewhere as permitted by law.~~
- (3) ~~A Document may be served on a Foundation by leaving it at, or sending it by post to, the registered office of the Foundation or by other means agreed by the Foundation.~~

A Foundation shall, comply with the requirements of this Law and Part 3 of the Operating Law in respect to the conduct of its business in the DIFC.

**33. ~~Particulars in correspondence and other communications~~**

~~Subject to the Law, the name of a Foundation and its registered number shall appear in legible characters on the common seal of the Foundation (if applicable), and on every business letter, statement of account, invoice, official notice, publication or any other instrument issued by the Foundation, including communications through electronic means.~~

**34. ~~Change of name~~**

- (1) ~~Where a Foundation changes its name under Article 19(4), the Registrar shall enter the new name on the Register in place of the former name, and shall issue a certificate of name change showing the previous name and the new name of the Foundation, provided that any such name change shall also be subject to Article 17(3).~~
- (2) ~~The name change will take effect from the date on which the Registrar issues the certificate of name change.~~
- (3) ~~A change of name by a Foundation under this Law does not affect any rights or obligations of the Foundation or render defective any legal proceedings by or against it and any legal proceedings that might have been continued or commenced by or against it under its former name may be continued or commenced under its new name.~~

**335. Accounts and Accounting Records**

- (1) Unless inconsistent with this Article 335, ~~Articles 128-124 to 132-128~~ of the Companies Law shall apply to a Foundation, as if it were a private company and any reference to “Director(s)” or “Officer(s)” in relevant Articles in the Companies Law shall be interpreted to refer to member(s) of the Council. A Foundation which fails to keep and maintain accounts or make them available as required under this Law is liable to a fine, as set out in Schedule 3.
- (2) A Foundation’s accounts shall be approved by the Council and signed on their behalf by at least two members of the Council. A Foundation which fails to comply with this requirement is liable to a fine, as set out in Schedule 3.
- (3) A Foundation shall within thirty (30) days ~~(30)~~ after the accounts have been approved by the Council:
  - (a) if it has not appointed a Registered Agent, file a copy of its annual accounts with the Registrar; or

- (b) if it has appointed a Registered Agent, provide a copy of its annual accounts to its Registered Agent.
- (4) A Foundation which fails to comply with the requirements in Article 33~~5~~(3) is liable to a fine, as set out in Schedule 3.
- (5) A person who makes a statement that is false, misleading or deceptive in a material way to the Registrar or the Registered Agent in respect of accounts, is liable to a fine as set out in Schedule 3.

**PART 6: REGISTRAR**

**3634. Exercise of functions of the Registrar**

- ~~(1) The Registrar shall administer this Law on behalf of the DIFCA.~~
- (2) In the exercise of his functions under this Law, the Registrar has all the powers and duties conferred upon him by:
  - ~~(a) Articles 8 and 9 of the Companies Law; and~~
  - ~~(b) Articles 159 to 169 of the Companies Law,~~
  - (a) Articles 6 and 7 of the Operating Law; and
  - (b) Articles 22 to 33 of the Operating Law
 including the power of delegation.
- ~~(3) In exercising any powers and duties conferred upon the Registrar in Article 36(2), any reference to "Director(s)" or "Officer(s)" shall be interpreted as referring to member(s) of the Council.~~

**3735. Register to be kept and made available for public inspection**

- (1) The Registrar must keep a Register for the purposes of this Law.
- (2) The Register must include the information contained in Articles 17(2)(a) to (e), inclusive of the details of any changes filed with the Registrar (other than the nationality and address of any natural person, which information may be retained by the Registrar but shall not be included in the Register).
- (3) The Registrar must, on payment of any prescribed fee, make the Register available for public inspection at any reasonable time.
- (4) On payment of any prescribed fee, the Registrar must supply a person with a certificate stating whether or not a named body is a Foundation and, if it is, the following details as they appear in the Register:
  - (a) the date of its establishment;
  - (b) its registration number;
  - (c) if applicable, the name and business address of the Registered Agent in the DIFC; and
  - (d) the registered office of the Foundation in the DIFC.
- (5) On payment of any prescribed fee, the Registrar must supply a Person with Sufficient Interest with

a certified copy of the Charter as filed with the Register.

- (6) The following Documents are admissible in evidence in legal proceedings:
  - (a) a certificate supplied by the Registrar under Article 375(4); or
  - (b) a certified copy of the Charter supplied under Article 375(5).

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**40. ~~Foundation to make annual return~~**

- ~~(1) A Foundation must file an annual return with the Registrar.~~
- ~~(2) The annual return must be filed in the form and manner prescribed by the Registrar and must contain the information required by the Registrar.~~
- ~~(3) The annual return must be made up to the Foundation's return date, which shall be each anniversary of the date it received its Licence, or such other date the Registrar considers appropriate, and must be submitted to the Registrar together with the renewal of its Licence but in any event not later than thirty (30) days after the return date.~~
- ~~(4) A Foundation which fails to file an annual return by the date specified in Article 40(3) is liable to a fine, as set out in Schedule 3.~~
- ~~(5) A Foundation must pay the prescribed Licence fees to the Registrar as prescribed in Regulations.~~

**3841. Power of the Registrar to refuse Documents**

- (1) The Registrar may refuse to accept any Document delivered under this Law if:
  - (a) it does not comply with this Law or the Regulations;
  - (b) it has not been duly completed;
  - (c) it contains any material error;
  - (d) it is not legible; or
  - (e) is not accompanied by the prescribed fee.
- (2) If the Registrar refuses to accept a Document, the Registrar must return it to the person who submitted it together with a notice specifying the grounds upon which the Document was refused.
- (3) Subject to Article 4138(5), a Document refused by the Registrar is deemed not to have been delivered.
- (4) A person who is aggrieved by the refusal of a Document by the Registrar may appeal to the Court within thirty (30) days after the date of refusal or such further time as the Court may allow.
- (5) On hearing an appeal under Article 4138(4), the Court may confirm the refusal or make such determination in the matter as it sees fit.

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**PART 7: JUDICIAL AND NON JUDICIAL PROCEEDINGS**

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**541. Arbitration of Foundation disputes**

- (1) Where the Charter or By-laws of a Foundation provide that any dispute or Administration~~ve~~ Question arising between any of the parties in relation to the Foundation shall be submitted to arbitration, that provision shall, for all purposes under the Arbitration Law have effect as between those parties as if were an arbitration agreement and as if those parties were parties to that agreement.
- (2) Where the Charter or By-laws of a Foundation do not provide that any dispute or Administration Question arising in relation to the Foundation shall be submitted to arbitration but the parties to that dispute agree in writing to have it resolved by arbitration, that agreement shall, for all purposes under the Arbitration Law, have effect as between those parties as if it were an arbitration agreement.
- (3) The Arbitration Law shall apply to an arbitration under this Law in accordance with the provisions of Schedule 2.
- (4) The Court may make such orders in relation to an arbitration or possible arbitration which supplement or vary the application of Schedule 2 as the Court deems appropriate in the circumstances.

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**PART 8: CONTINUATION OF FOUNDATIONS AND COMPANIES AND RECOGNISED FOREIGN FOUNDATIONS**

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**6562. Recognised Foreign Foundations**

- (1) A Foreign Foundation which wishes to conduct operations within the DIFC may apply for a Licence to be a Recognised Foreign Foundation in the DIFC for the purposes of this Law, in accordance with Article 9 of the Operating Law.
- (2) An application made under Article 652(1) shall be in such form as may be prescribed by the Registrar and accompanied by the prescribed fee.
- (3) A Recognised Foreign Foundation must appoint a Registered Agent, ~~and~~ have a registered office in the DIFC, and comply with the requirements of this Law and where applicable, Part 3 of the Operating Law, in respect to the conduct of its business in the DIFC. ~~comply with any conditions in its.~~
- (4) A Recognised Foreign Foundation may not carry out any commercial activities, except those necessary for, and ancillary or incidental to, its objects.
- (5) Article 24 and Part 5 of this Law and Articles ~~145 to 151~~ 133 to 139 of the Companies Law shall apply with all necessary modifications to a Recognised Foreign Foundation.

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**PART 10: FINES AND FEES**

**7673. Fines**

- (1) A Foundation which contravenes a requirement of this Law to provide information to ~~the Registrar, or~~ its Registered Agent, is liable to a fine, as set out in Schedule 3.
- (2) A Foundation which in any document or other communication provided to ~~the Registrar, or its~~ Registered Agent, makes a statement which is false or intentionally misleading in any particular, is liable to a fine, as set out in Schedule 3.
- (3) Part 1 of Schedule 3 to this Law contains a list of fines applicable to any contravention of this Law.
- (4) ~~Articles 172 to 174 of the Companies Law~~ 36 to 38 of the Operating Law apply in relation to proceedings by the Registrar in respect of contraventions, or possible contraventions, of this Law.
- (5) ~~Article 171 of the Companies Law~~ 35 of the Operating Law applies in respect of the involvement of persons knowingly concerned in a contravention of this Law or the Regulations.

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**SCHEDULE 1**  
**INTERPRETATION**

.....

**1. Rules of interpretation**

- (1) In the Law, a reference to:
  - (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (c) an obligation to publish or cause to be ~~prescribed~~ published a particular document shall, unless expressly provided otherwise in the Law, include publishing or causing to be ~~prescribed~~ published in printed or electronic form;
  - (d) a “day” means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday or an official public holiday ~~in the DIFC~~, the obligation shall take place on the next calendar day which is a business day;
  - (e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a “month” shall mean a period of thirty (30) days;
  - (g) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar;
  - (h) a reference to the masculine gender includes the feminine;
  - (i) the singular shall include the plural and vice versa; and
  - (j) “dollar” or “\$” is a reference to United States Dollars unless the contrary intention appears.
- (2) The headings in the Law shall not affect its interpretation.
- (3) A reference in this Law to a Part, Chapter, Article or Schedule by number only, and without further identification, is a reference to the Part, Chapter, Article or Schedule of that number in this Law.
- (4) A reference in an Article or other division of this Law to an Article by number or letter only, and without further identification, is a reference to the Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (5) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
- (6) References in this Law to a writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

**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;
- (c) DIFC Law is law made by the Ruler (including, by way of example, this Law), as applicable in the DIFC;
- (d) this Law is the Foundations Law, DIFC Law No. 3 of 2018 made by the Ruler; ~~and~~
- (e) the Regulations are legislation made by the Board of Directors of the DIFCA under this Law and are binding in nature; ~~including Regulations made under this Law and, where reference is made in this Law to the Companies Law, any relevant Regulations made under the Companies Law; and~~
- (f) the Enactment Notice is the enactment notice pursuant to which this Law is brought into force; and
- ~~(g) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Registrar under this Law or the Regulations; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations.~~

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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:

Terms	Definition
Accounting Records	Records and underlying <del>D</del> documents comprising initial and other accounting entries and associated supporting Documents such as: <ul style="list-style-type: none"> <li>(a) cheques;</li> <li>(b) Records of electronic funds transfers;</li> <li>(c) invoices;</li> <li>(d) contracts;</li> <li>(e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; and</li> <li>(f) work sheets and spread sheets supporting costs allocations, computations, reconciliations and disclosures.</li> </ul>

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Charter of Continuance	the charter of continuance of a Foreign Foundation or a company required under Article 55 <u>8</u> or Article 67 <u>4</u> , whichever is applicable.
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<u>Document</u>	<u>includes summons, notice, statement, return, account, order and other legal process, and registers.</u>
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Foreign Foundation	<p>an entity that:</p> <p>(a) is organised in a jurisdiction other than the DIFC; and</p> <p>(b) has characteristics that would, if it were in the DIFC, enable it to be established as a Foundation under this Law,</p> <p>but does not include a Foreign Foundation which has become a Foundation under Part 78 of this Law.</p>
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Licence	<del>a licence issued to a Foundation under Article 17 or to a Registered Foreign Foundation under Article 65, whichever applies</del> <u>has the meaning given to the term in the Operating Law.</u>
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<u>Operating Law</u>	<u>the Operating Law DIFC Law No. 7 of 2018.</u>
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<u>Person</u>	<u>has the meaning given in Article 1 of this Schedule.</u>
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Person with Sufficient Interest	<p>in respect of a Foundation, means:</p> <p>(a) the Foundation;</p> <p>(b) a Founder;</p> <p>(c) a Contributor;</p> <p>(d) if any rights a Founder had in respect of the Foundation have been assigned to some other person, that other person;</p> <p>(e) a member of the Council;</p> <p>(f) a Guardian;</p> <p>(g) the Registered Agent;</p> <p>(h) a person appointed under the By-laws;</p> <p>(i) a Qualified Recipient in respect of an application under Article 29(4);</p> <p>(j) in respect of a specified object of the Foundation which is charitable, the DIFCA or a person designated by it;</p> <p>(k) a person who, in the view of the Court, can reasonably claim to speak on behalf of an object or object of the Foundation; or</p> <p>(l) a person who the Court determines to be a Person with Sufficient Interest under Article 4239(4).</p>
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Qualified Recipient	<p>in respect of a Foundation that has the provision of a benefit to a person or to a class of persons as one of its objects, means a person (whether or not yet born or otherwise in existence) who is or who becomes a member of a class of persons that is:</p> <p>(a) specified in the Charter; or</p> <p>(b) determined in accordance with:</p> <p>(i) the By-laws; or;</p> <p>(ii) a direction of the Court under Article 44<u>1</u>(2).</p>
<u>Records</u>	<u>Documents, information and other records however stored.</u>
Register	the register to be kept by the Registrar pursuant to Article 3 <u>5</u> 7.
Registered Agent	a Qualified Person who is the registered agent of a Foundation pursuant to Article 24.
<del>Registered</del> <u>Recognised</u> Foreign Foundation	a Foreign Foundation registered with the Registrar under Article 6 <u>2</u> 5.
Registrar	<del>he Registrar of Companies appointed under Article 8 of the Companies Law</del> the Operating Law

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**SCHEDULE 3  
FINES AND FEES**

**PART 1**

<i>Article</i>	<i>Contravention</i>	<i>Maximum Fine (USD)</i>
10(67)	Person failing to provide a copy of assignment of rights	\$1,500
<del>17(7)</del>	<del>Foundation failing to maintain a License</del>	<del>\$10,000</del>
20(6)	Foundation failing to notify Registered Agent or Registrar of changes to By-laws	\$2,000
22(11)	Foundation failing to notify Registrar of changes to Council	\$2,000
24(4)	Foundation failing to notify Registrar of changes to Registered Agent	\$2,000
353(1)	Foundation failing to keep accounts or Accounting Records, or to make them available	\$10,000
353(2)	Foundation failing to have its accounts approved by Council members	\$5,000
353(4)	Foundation failing to file accounts	\$10,000
3535(5)	Person making a statement that is misleading, false or deceptive in a material way in respect of accounts	\$10,000
<del>40(4)</del>	<del>Foundation failing to file an annual return</del>	<del>\$5,000</del>
<del>474(2)</del>	<del>Foundation failing to give notice of changes in Registered Agent</del>	<del>\$2,000</del>
<del>6158(1)</del>	<del>Foundation failing to notify the Registrar of cancellation of registration</del>	<del>\$2,000</del>
763(1)	Foundation failing to provide information to <del>the Registrar or its</del> Registered Agent as applicable	\$10,000
763(2)	Foundation making a false or misleading statement to <del>the Registrar its</del> <u>Registered Agent</u>	\$10,000

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**SCHEDULE 3  
FINES AND FEES**

**PART 1 - FINES**

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**PART 2**

The following fees are payable in respect of applications and notifications made in accordance with the Regulations

<b>Application or notification</b>	<b>Fee Payable</b>
Application for registration of a Foundation	<del>\$200</del> NIL
<del>Application for renewal of a Foundation (Annual Fee)</del>	<del>\$200</del>
<del>Notification of a change in registered office address</del>	<del>\$100</del>
Notification of appointment and cessation of a Registered Agent (if appointed)	\$100
Notification of change of particulars of the appointed Registered Agent	\$100
Notification of an appointment and cessation of a Councillor	\$100
Notification of change of particulars of a Councillor	\$100
Notification of an appointment and cessation of a Guardian	\$100
Notification of change of particulars of a Guardian	\$100
<del>Notification of a change of name of a Foundation</del>	<del>\$100</del>
Amendment of the Charter by the Founder(s) or in the event of Founder's death by Court Order	\$100
<del>Request for information from the Registrar</del>	<del>\$100</del>
<del>Continuation to DIFCA from another jurisdiction</del>	<del>\$500</del>
<del>Continuation from DIFCA to another jurisdiction</del>	<del>\$500</del>
Application for Registration of a Foreign Foundation	<del>\$100</del> NIL
<del>Application to strike off</del>	<del>\$100</del>
Reinstatement of a Foundation on the Register	NIL

**PART 7: AMENDMENTS TO THE TRUST LAW 2018**

- 15. The Trust Law 2018 is amended as prescribed in this Part.
- 16. The following Articles of the Trust Law 2018 are amended by inserting the underlined text and deleting the struck through text as shown below:

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**PART 8: DUTIES AND POWERS OF TRUSTEES**

**60. Duties of trustees**

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- (6) A trustee of an express trust shall:
  - (a) take reasonable steps to identify the ultimate beneficial owners of any party to the trust which is a body corporate, including the settlor, enforcer, protector, beneficiaries and any other person exercising effective ultimate control over the trust;
  - (b) keep records of the names and contact details of the agents and service providers engaged on behalf of the trust;
  - (c) disclose its status as trustee to financial institutions and DNFBPs when engaging their services on behalf of the trust;
  - (d) maintain accurate and up-to-date records of the information required under Articles 60(6)(a) and (b) for a period of six (6) years from the date on which it ceased to act or be involved with the trust; and
  - (e) upon receipt of a notice issued by the Registrar, make the information referred to in Article 60(6)(a) and (b) available to the Registrar of Companies for the purposes of Article 60(7), within three (3) days of receipt of such a request at such time and at such place as may be specified in the notice.
- (7) The Registrar ~~of Companies~~ shall:
  - (a) collect and process information obtained under Article 60(6)(e) only for the purposes of regulation in relation to money laundering and terrorism financing, unlawful organisations and sanctions compliance in the DIFC, or to comply with any other applicable laws in the DIFC; and
  - (b) disclose such information only at the request of a regulator, a law enforcement agency or other government authority prescribed by legislation.
- (8) A trustee is entitled to rely in good faith, without further enquiry, on any information provided to the trustee in response to enquiries made pursuant to Article 60(6)(a), unless the trustee has reason to believe the response is misleading, false or incomplete.
- (9) Where the trustee fails to comply with the requirements in Article 60(6), the Registrar ~~of Companies~~ may make an application to the Court for orders under Article 20(2)(a)(i) and if the trustee fails to comply with such an order, the Registrar may make an application under Article 54(1). For the avoidance of doubt, the Registrar ~~of Companies~~ shall be deemed, for the purpose of this Article, to have standing to make applications to the Court under Articles 20(2)(a)(i) and 54(1).

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**SCHEDULE 1**

**INTERPRETATION**

**1. Rules of interpretation**

- (1) In the Law, a reference to:
  - (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (c) an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in the Law, include publishing or causing to be published in printed or electronic form;
  - (d) a “day” means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday or an official ~~state~~ public holiday ~~in the DIFC~~, the obligation shall take place on the next calendar day which is a business day;
  - (e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a “month” shall mean a period of thirty (30) days;
  - (eg) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar;
  - ~~(fh)~~ a reference to the masculine gender includes the feminine; ~~and~~
  - ~~(gi)~~ the singular shall include the plural and vice versa; and
  - (j) “dollar” or “\$” is a reference to United States Dollars unless the contrary intention appears.
- (2) The headings in the Law shall not affect its interpretation.
- (3) A reference in this Law to a Part, Chapter, Article or Schedule by number only, and without further identification, is a reference to the Part, Chapter, Article or Schedule of that number in this Law.
- (4) A reference in an Article or other division of this Law to an Article by number or letter only, and without further identification, is a reference to the Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (5) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
- (6) References in this Law to a writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

**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;
- (c) DIFC Law is law made by the Ruler (including, by way of example, the Law), as applicable in the DIFC;
- (d) the Law is the Trust Law, DIFC Law No.4 of 2018 made by the Ruler;
- (e) the Regulations are Legislation made by the Board of Directors of the DIFCA under this law and are binding in nature;
- (f) the Enactment Notice is the enactment notice pursuant to which this Law is brought into force; and
- (g) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the DIFCA under this Law or the Regulations; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations.

**3. Defined terms**

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

Term	Definition
.....	
<u>Companies Law</u>	<del>The Companies Law No.5 of 2018</del>
<u>Operating Law</u>	<u>the Operating Law DIFC Law No. 7 of 2018, and where relevant, include a reference to any Regulations made thereunder.</u>
Person	has the meaning given in Article 1 of <del>this</del> the Schedule.
.....	
<del>Registrar of Companies</del>	the Registrar of <del>Companies</del> appointed under the <del>Companies Law</del> <u>Operating Law</u> .
.....	
ultimate beneficial owners	has the meaning given in Article <del>197(2)</del> <u>61(3)</u> of the <del>Companies Law</del> <u>Operating Law</u> .
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