حكومة دبي
GOVERNMENT OF DUBAI

سلطة دبي للمجمعات الإبداعية
DUBAI CREATIVE CLUSTERS AUTHORITY

DUBAI CREATIVE CLUSTERS

PRIVATE COMPANIES REGULATIONS 2016

PO Box 478844
Dubai, UAE
T +971 800-4-DCCA (3222)
F +971 4 4272 449
dcca.gov.ae

TABLE OF CONTENTS

Regulation No. Page

SECTION 1 GENERAL 1
1. Short Title 1
2. Legislative authority 1
3. Commencement 1
4. Application of the Law 1
5. Interpretation 1
SECTION 2 APPOINTMENT OF REGISTRAR 1
6. Appointment of Registrar 1
7. The powers and functions of the Registrar 2
SECTION 3 INCORPORATION OF COMPANIES 3
8. Mode of Forming a Company 3
9. Registration of Companies 3
10. Certificate of Incorporation to be Conclusive Evidence 4
11. Restrictions on Commencement of Business 4
12. Articles of Association 4
13. Amendment of the Articles of Association 6
14. Effect of Articles of Association 6
15. Copies of Articles for Members 6
16. Company Name 6
17. Change of Company Name 7
18. Register of Companies 8
19. Power of the Registrar to Rectify Register 9
20. Definition of Member 10
21. Form of Contracts 10
22. Bills of Exchange and Promissory Notes 10
23. Execution of Instruments Abroad 11
24. Authentication of Documents 11
SECTION 4 SHARE CAPITAL, SHARE TRANSFER AND DIVIDENDS 11
25. Company Share Capital Requirements 11
26. Nature of Shares 11
27. Classes of Shares 12

28. Issue at a Premium and a Discount 12
29. Application of Premiums Received on Issue of Shares 13
30. Power to Issue Shares 13
31. Power of Company to Purchase own Shares 14
32. Increase of Share capital 14
33. Reduction of Share Capital 15
34. Creditors entitled to object to reduction 15
35. Solvency Statement 16
36. Transfer of Shares 16
37. Transfer by Member's Representative 17
38. Register of Members 17
39. Evidence of Title 18
40. Share Certificates 18
41. Dividends and Distributions 19
42. Consequences of Unlawful Distribution 19
SECTION 5 SECURITY OVER SHARES 20
43. Pledge of Shares 20
44. Extent of Pledge 20
45. Effectiveness and Priority Pledge 21
46. Registration 21
47. Transfer of a Pledge of Shares 21
48. Enforcement 22
49. Release 22
50. Security Register 23
SECTION 6 MANAGEMENT AND ADMINISTRATION 24
51. Registered Office of a Company 24
52. Service of Documents 24
53. Publication of Name and Registered Office of Company 24
54. General Meetings 24
55. Notice of Meetings 25
56. Participation in Meetings by Conference Call 25
57. Power of the Registrar to Order Meeting 26
58. Voting at Meetings 26
59. Demand for Poll 27

60. Resolutions in Writing 27
61. Minutes of Proceedings 28
62. Inspection of Minute Books 28
63. Maintenance of Accounting Records 28
64. Duty to Prepare Company Financial Statements 29
65. Financial Statements to be Laid Before General Meeting 29
66. Right to Receive Copies of Financial Statements 30
67. Appointment of Auditor 30
68. Audit 31
69. Members' Reserve Power and Effect of Altering Articles 31
70. Election of Directors 31
71. Removal of Directors 32
72. Alternate Director 33
73. Decision-Making by the Directors 33
74. Company General Manager 34
75. Appointment of Secretary 34
76. Direction requiring company to make appointment 35
77. Register of Directors and Officers 35
78. Duties of directors and Officers 36
79. Declaration of Interest in Existing Transactions or Arrangements 36
80. Prohibitions of Financial Assistance to Directors 37
81. Exemption, Indemnification and Liability of Officers and Auditors 38
82. Provision of Professional Indemnity Insurance 39

SECTION 7 AMALGAMATIONS 39

83. Amalgamation of Companies 39
84. Survival of Company on Amalgamation of one or more Companies and one or more Foreign Corporations 39
85. Survival of Foreign Corporation on Amalgamation of one or more Companies and one or more Foreign Corporations 39
86. Registrar's Refusal to Grant Consent under Regulations 83, 84 or 85 40
87. Implementing Regulations 40

SECTION 8 THE INVESTIGATION OF THE AFFAIRS OF A COMPANY AND THE PROTECTION OF MINORITIES 41

88. Investigation of the Affairs of a Company 41
89. Alternative Remedy to Winding up in Event of Unfair Prejudice 41

SECTION 9 COMPANIES INCORPORATED OUTSIDE OF THE ZONE 42
90. Overseas Companies and Companies Incorporated outside of the Zone 42
91. Registration of Branches 42
92. Prohibition of Registration of Branch with Undesirable Name 43
93. Requirements of a Branch 43
94. Register of Branches 44
95. Records to be Kept by Branches 44
96. Letterheads and Service of Process: Branches 45
SECTION 10 CONTINUATION OF INCORPORATION 45
97. Continuation Inside the Zone 45
98. Continuation Outside the Zone 46
99. General Provisions relating to Continuation 47
SECTION 11 DEREGISTRATION 47
100. Deregistration of a company 47
SECTION 12 WINDING UP 47
101. Voluntary Winding Up 47
102. Compulsory Winding Up 48
SECTION 13 MISCELLANEOUS 48
103. Form of Registers 48
104. Authority and Other Officers may Inspect Books without Charge 48
105. Production and Inspection of Books when Offence Suspected 49
106. Legal Actions against the Authority 49
107. The Authority to be Indemnified in respect of Foreign Legal Claims 49
108. Applications to Court 49
109. Power to Enforce 50
110. Rules and Implementing Regulations 50
Appendix 1 Interpretation and Definitions 51

SECTION 1
GENERAL

1. **SHORT TITLE**

These Regulations are to be cited as the "DCC Private Companies Regulations 2016".

2. **LEGISLATIVE AUTHORITY**

These Regulations are made by the Authority.

3. **COMMENCEMENT**

These Regulations come into force on the day they are published on the Authority's website.

4. **APPLICATION OF THE LAW**

4.1 These Regulations apply in the jurisdiction of the zone to:

4.1.1 all companies incorporated and registered under it; and

4.1.2 any branch of any such company so far as any provision of these Regulations requires it to apply.

4.2 These Regulations repeal and substitute the Dubai Technology and Media Free Zone Private Companies Regulations issued on 9 April 2003 in their entirety.

4.3 Except as provided in these Regulations or directed by the Authority, companies incorporated under and branches to which the Repealed Regulations applied must within 12 months from the Effective Date correct its legal status and documentation including but not limited to its Articles (to the extent necessary) and come into compliance with these Regulations.

5. **INTERPRETATION**

5.1 Appendix 1 contains:

5.1.1 interpretative provisions which apply to these Regulations; and

5.1.2 a list of defined terms used in these Regulations.

SECTION 2
APPOINTMENT OF REGISTRAR

6. **APPOINTMENT OF REGISTRAR**

The Authority may appoint or remove a registrar, who shall be an officer and shall have the powers and duties conferred, or expressed to be conferred, on him by these Regulations (as amended from time to time) or any implementing regulations or in such manner as the Authority may direct.

7. **THE POWERS AND FUNCTIONS OF THE REGISTRAR**

7.1 Without limiting the generality of Regulation 6, the powers and duties of the Registrar shall include, so far as is reasonably practicable:

7.1.1 administering and maintaining the Security Register in accordance with Regulation 50;

7.1.2 preparing or causing to be prepared circulars reasonably required to enable the Registrar to perform his duties;

7.1.3 prescribing forms to be used for any of the purposes of these Regulations or any implementing regulations;

7.1.4 collecting fees as may be prescribed by the Authority from time to time in respect of the performance by the Registrar of such duties under these Regulations or any implementing regulations and depositing such fees in a bank account designated by the Authority;

7.1.5 keeping proper accounts of his financial activities;

7.1.6 maintaining the register of companies in accordance with Regulation 18; and

7.1.7 exercising and performing such other powers and duties as may be delegated to the Registrar by the Authority pursuant to the provisions of these Regulations or any other implementing regulation or as otherwise directed by the Authority.

7.2 The Registrar may, where he considers it appropriate to do so, delegate his powers and duties to any officer or employee of the Authority and, with the approval of the Authority either generally or in relation to any particular matter, to any other person.

7.3 The Registrar may, and shall where directed by the Authority, disclose confidential information received by the Registrar in the course of the performance of a duty under these Regulations, under any implementing regulations or otherwise where such disclosure is:

7.3.1 permitted or required under these Regulations or under implementing regulations or as directed by the Authority;

7.3.2 permitted or required by any other law; or

7.3.3 made in good faith for the purposes of performance and exercise of the functions and powers of the Registrar.

7.4 The Registrar shall make suitable arrangements for keeping appropriate records in relation to the exercise of his powers and the performance of his duties. If eight years have elapsed since the receipt by the Registrar of any document which is required to be delivered to him under these Regulations or other material has been held by him under these Regulations for at least eight years, the Registrar shall have the authority to destroy such documents or material.

SECTION 3
INCORPORATION OF COMPANIES

8. MODE OF FORMING A COMPANY

8.1 Any one or more persons and no more than 75 (or such lesser number as the Registrar may, in its discretion, determine) may apply to form a company with limited liability.

8.2 A company registered by the Registrar shall have a separate legal personality from that of its members. The liabilities of the members of the company are limited to the amount to be paid up on the shares held by each of them.

8.3 The Authority may in its absolute discretion:

8.3.1 Prescribe:

(a) a type of company where such a type of company is desirable in the interests of the zone;

(b) any requirements, amendments or restrictions in relation to a company's articles; and

(c) forms, fees and procedures for the incorporation and administration of companies.

8.3.2 Extend, exclude, waive or modify the application of provisions of these Regulations or other legislation issued by the Authority where considered necessary or desirable to facilitate the incorporation of, conversion to, and management and functions of, a type of company.

9. REGISTRATION OF COMPANIES

9.1 No company shall be registered without the consent of the Registrar which, subject to these Regulations, shall be granted in its absolute discretion.

9.2 Subject to such other implementing regulations as may be adopted from time to time and to any waiver which the Registrar may exercise or grant in its absolute discretion, any application for consent under Regulation 9.1 shall:

9.2.1 be made to the Registrar in such form and manner as the Registrar may require from time to time;

9.2.2 include details of the first directors and, if applicable, the company secretary;

9.2.3 include the articles of the company;

9.2.4 include payment of the relevant registration fee as determined by the Registrar from time to time; and

9.2.5 include such other documents or information as the Registrar may in its absolute discretion require from time to time.

9.3 The Registrar may refuse to grant its consent for the registration or continuation of a company, as the case may be, and where it does so refuse, the Registrar shall not be bound to provide any reason for its refusal.

9.4 Where the Registrar registers a company he shall register the company's articles under Regulation 9.2.3.

9.5 On the registration of a company and its articles the Registrar shall issue a certificate of incorporation, registration or continuation, as the case may be, and a trade licence as provided for in the Licensing Regulations.

9.6 A registered company has the capacity, rights and privileges of a natural person.

10. **CERTIFICATE OF INCORPORATION TO BE CONCLUSIVE EVIDENCE**

10.1 A certificate of incorporation is conclusive evidence of the following matters:

10.1.1 the incorporation of the company; and

10.1.2 that the requirements of these Regulations have been complied with in respect of the registration of the company.

10.2 No defect in the formalities leading up to the incorporation of a company shall affect the validity of its incorporation and the certificate of incorporation shall be conclusive evidence of the due incorporation of the company and the date of its incorporation.

11. **RESTRICTIONS ON COMMENCEMENT OF BUSINESS**

11.1 No person or company shall conduct or attempt to conduct business operations in or from the zone unless and until such person or company has been duly permitted to do so by the Registrar. Due permission by the Registrar for these purposes shall be conclusively evidenced by the issuance to such person by the Registrar of a certificate of incorporation or registration, as the case may be, and a valid trade licence as provided for in the Licensing Regulations.

12. **ARTICLES OF ASSOCIATION**

12.1 A company may, for its articles, adopt the model articles "**Standard Articles**" as may be prescribed by the Authority from time to time.

12.2 A company's articles shall be in the English language and shall be printed and be divided into paragraphs numbered consecutively.

12.3 If the Standard Articles are not adopted, then the articles filed by the company with the application for registration shall, at least, provide for:

12.3.1 the name of the company which shall be followed by the word "FZ-LLC" as the last word of the name;

12.3.2 that the liability of its members is limited;

12.3.3 the objects of the company set out with such degree of specificity as the Registrar may require from time to time;

12.3.4 the period, if any, fixed for the duration of the company, or the event, if any, on the occurrence of which the company is to be dissolved;

12.3.5 the amount of share capital with which the company proposes to be registered, shall be in AED, and the division thereof into shares as set out in Regulation 25.3;

12.3.6 the creation of classes of shares, where the company considers that it may seek to create classes of shares;

12.3.7 alteration of share capital;

12.3.8 the rights attaching to shares or classes of shares;

12.3.9 the transfer of shares;

12.3.10 a general meeting of the members of the company at least once in every calendar year;

12.3.11 the number of members required to constitute a quorum at any general meeting of the members of the company;

12.3.12 the appointment of a chairman for any general meetings.

12.3.13 the requisition, by members, of general meetings;

12.3.14 the proceedings, including voting, at general meetings;

12.3.15 accounts and other information to be provided to members before every annual general meeting;

12.3.16 the maximum number of directors (if any);

12.3.17 the appointment, retirement, disqualification and removal of directors and other officers, including alternate directors;

12.3.18 the remuneration of directors;

12.3.19 the powers of directors;

12.3.20 proceedings of directors;

12.3.21 the quorum at meetings of directors;

12.3.22 appointment of the secretary (if applicable);

12.3.23 the keeping of minutes;

12.3.24 any other matters contemplated by these Regulations for inclusion in the articles of a company; and

12.3.25 such other matters as the members wish to include in the articles,

provided that the articles must not contain a provision which is contrary to or inconsistent with these Regulations.

12.4 The articles of the company shall be signed by each subscriber in the presence of such witnesses as the Registrar shall from time to time require.

12.5 A company may not alter the provisions of its articles except in a manner provided for in these Regulations.

13. **AMENDMENT OF THE ARTICLES OF ASSOCIATION**

13.1 A company may amend the provisions of its articles by special resolution. Such amendment shall take effect only when the same has been accepted for registration by the Registrar.

13.2 If the articles of a company are amended, the rights and obligations of the members and/or the company which have arisen under the articles prior to the date of such amendment shall not be affected unless the amendment provides otherwise.

13.3 Regulations 9.1 and 9.3 shall apply to a company wishing to change its articles as if the company was applying to be registered in accordance with these Regulations.

14. **EFFECT OF ARTICLES OF ASSOCIATION**

14.1 Subject to these Regulations, the articles when registered shall bind the company and the members thereof to the same extent as if they respectively had been signed by each member and contained covenants on the part of each member to observe all the provisions of the articles.

14.2 All money payable by any member to the company under the articles shall be a debt due from such member to the company.

15. **COPIES OF ARTICLES FOR MEMBERS**

A company shall, on being so required by a member, send to such member a copy of the articles subject to payment of such reasonable fee as the company may require.

16. **COMPANY NAME**

16.1 No company shall be registered with a name which in the opinion of the Authority is considered undesirable.

16.2 Without prejudice to the generality of Regulation 16.1 no company shall, except with the express approval of the Registrar, be permitted to be registered with a name which:

16.2.1 is identical to the name by which another company is registered or incorporated under these Regulations or so nearly resembles that name as to be likely to deceive unless that company signifies its consent in such manner as the Registrar may require;

16.2.2 contains words which in the opinion of the Registrar suggests or is likely to suggest the patronage of prominent persons with no real connection, or connection with any government or authority whether in the zone, the UAE or elsewhere;

16.2.3 contains, without limitation, the word "Dubai", "Emirates", "UAE", “Dubai Creative Clusters”, “DCCA”, "Internet City", "Media City", "Knowledge Village", "TECOM", "DMC", "DIC", "KV", “D3”, “Dubai Design District”, "IMPZ", "Dubai Studio City", "Enpark", "Dubiotech", “Dubai Science Park”, "municipal", "chartered", "district", "corporation", "association", “authority”or the name of any cluster or subsidiary established by the Authority (or otherwise) either now existing or created in the future in accordance with Law No. 15 of 2014 (and its amendments) or any other applicable law or regulation;

16.2.4 any other name which the Authority shall from time to time prescribe as "sensitive";

16.2.5 does not end with the word "FZ-LLC";

16.2.6 the use of which would constitute a violation of applicable laws of the UAE relating to intellectual property rights; or

16.2.7 contains words or expressions for which approval is required from the Registrar or any other relevant government authority for use by a licensee in the zone.

16.3 If, through inadvertence or otherwise, a company on its first registration with a new name or on a subsequent change of name is registered with a name which in the opinion of the Registrar too closely resembles the name by which a company in existence is already registered or a name in respect of which the law applicable to intellectual property rights affords prior protection, the first mentioned company shall, with the approval of the Registrar, change its name.

17. CHANGE OF COMPANY NAME

17.1 Subject to Regulation 16, a company may by special resolution change its name if the Registrar has, on application, approved in writing the proposed new name.

17.2 Following approval by the Registrar of the proposed new name, a company shall thereafter amend its articles and cause to be published in two daily newspapers circulating in Dubai, one Arabic and one English, a notice in a form prescribed by the Registrar.

17.3 Following a period of not less than 14 days from the date of publication of the Change of Name Notice, the Registrar shall, on receipt of a certified copy of the special resolution referred to in Regulation 17.1 and each Change of Name Notice and any such fees as may be prescribed:

17.3.1 enter the new name on the register in place of the former name; and

17.3.2 enter on the register the effective date of the change of name which shall be the date of entry of the new name on the register; and

17.3.3 issue a certificate of change of name evidencing the change of name.

17.4 In the event the Registrar receives from any interested third party a written objection to the Change of Name Notice, the Registrar may in his absolute discretion suspend the processing of the change of name of the company as set out in Regulation 17.3 until such time as he has investigated the concerns raised in the objection.

17.5 The change of name of a company shall not affect any rights or obligations of the company, or render defective any legal proceedings by or against it, and any legal proceedings that might have been continued or commenced against it in its former name may be continued or commenced against it in its new name.

17.6 Regulation 16.3 shall apply to any name adopted by a company under this Regulation 17.

18. **REGISTER OF COMPANIES**

18.1 The Registrar shall maintain the register of companies in such form as it may determine by recording the following details, insofar as they may be relevant, in respect of each company that is, or has been, registered in the zone:

18.1.1 current name;

18.1.2 registered number;

18.1.3 date of registration;

18.1.4 type of company (i.e. limited liability company, branch or any other prescribed form of a company (as applicable));

18.1.5 former names;

18.1.6 date of registration of every change of name;

18.1.7 former and current registered office;

18.1.8 date of registration of former registered offices;

18.1.9 current directors;

18.1.10 date of registration of current directors;

18.1.11 former directors;

18.1.12 dates of registration and cessation of former directors;

18.1.13 current general manager;

18.1.14 date of registration of current general manager;

18.1.15 current secretary and date of registration of current secretary (if applicable);

18.1.16 former secretaries and dates of registration and cessation of former secretaries (as applicable);

18.1.17 number and class of issued shares, nominal value of shares, if any, and amount of paid up share capital;

18.1.18 in the case of a branch of a company, the country in which the parent company is incorporated;

18.1.19 names of the members and any changes in the particulars of the members and relevant shareholdings;

18.1.20 the company's financial year end and any changes to the company's financial year end;

18.1.21 date of commencement and cessation of schemes of arrangement, receiverships, or liquidations, if any; and

18.1.22 date of dissolution of the company, if any.

18.2 The Registrar shall issue, and may amend from time to time, directions with respect to making the register of companies (or extracts therefrom) available for viewing during normal business hours at the offices of the Authority. The Registrar may also provide, within such directions, for the payment of a fee for the viewing of the register of companies (or extracts therefrom).

18.3 The Registrar may, in its discretion, create an online client directory and make certain information maintained in the register of companies available through a website or other electronic means.

18.4 The Registrar may, in its discretion, upon application and payment of the prescribed fee, produce an extract of the information maintained in the register in relation to any particular company. An extract of information produced pursuant to this Regulation 18.4 is *prima facie* evidence of the matters stated in it.

18.5 Whenever there is any change in the details set out in Regulation 18.1, the company shall file with the Registrar within 14 days of the change a notice of change of such details using the applicable form prescribed by the Registrar.

19. POWER OF THE REGISTRAR TO RECTIFY REGISTER

19.1 The Registrar shall have the power to rectify the register of companies if:

19.1.1 the name of any person is, without sufficient cause, entered in or removed from the register of companies maintained by the Registrar;

19.1.2 default is made or unnecessary delay takes place in entering on the register the fact of any person having ceased to be a member; or

19.1.3 any other error or mistake concerning a company is apparent on the register,

and the person aggrieved, or any member of the company, applied to the Registrar for rectification of the register of companies.

19.2 Where an application is made under this Regulation 19 the Registrar may, in its discretion, either refuse the application or may rectify the register of companies.

19.3 On an application under this Regulation 19 the Registrar may decide any question relating to the title of any person who is a party to the application to have his name entered in or removed from the register of companies, whether the question arises between members or alleged members, or between members or alleged members on the one hand and the company on the other hand, and generally may decide any question necessary or expedient to be decided for rectification of the register of companies.

20. **DEFINITION OF MEMBER**

20.1 The incorporators of a company are deemed to have agreed to become members of the company, and on its registration shall be entered as such in its register of members.

20.2 A member of the company may be any body corporate, partnership or a natural person, in each case, whether a UAE or non-UAE national.

20.3 Every other person who agrees to become a member in the company, has acquired any number of shares in the company and whose name is entered in its register of members, is a member of the company.

21. **FORM OF CONTRACTS**

21.1 A person acting under the express authority of a company may, subject to the articles, make, vary, discharge or sign a contract on behalf of a company in written or other form.

21.2 A contract made according to this Regulation 21 shall be effective in law and shall bind the company and its successors and all other parties thereto.

21.3 A contract made according to this Regulation 21 may be varied or discharged in the same manner in which it is authorised by this Regulation to be made.

21.4 Where a contract purports to be made by a company or by a person as agent for a company, at a time when the company has not yet been registered, then subject to any agreement to the contrary, the contract shall have effect as a contract entered into by the person purporting to act for the company or as agent for it and such person shall be personally liable on the contract accordingly.

21.5 Any contract purported to be made in the manner set out in Regulation 21.4 may subsequently be unilaterally adopted by the company and the company shall thereupon become a party thereto to the same extent as if the contract had been made after the incorporation and in substitution for and discharge of the agent or person purporting to act on its behalf.

22. **BILLS OF EXCHANGE AND PROMISSORY NOTES**

A bill of exchange or promissory note shall be deemed to have been made, accepted or endorsed on behalf of a company if made, accepted or endorsed in the name of, or by or on behalf or on account of the company by any person acting under its authority and if so endorsed the person signing the endorsement shall not be liable thereon.

23. **EXECUTION OF INSTRUMENTS ABROAD**

23.1 A company may empower any person, either generally or in respect of any specified matters, as its agent, to execute documents, agreements, deeds or other similar instruments on its behalf in any place whether within or outside the zone.

23.2 A document, agreement, deed or other similar instrument signed by such an agent on behalf of the company shall bind the company and have the same effect as if it had been executed by the company itself.

24. **AUTHENTICATION OF DOCUMENTS**

A document or proceeding requiring authentication by a company may be signed by a director, secretary or other authorised officer of the company.

SECTION 4
SHARE CAPITAL, SHARE TRANSFER AND DIVIDENDS

25. **COMPANY SHARE CAPITAL REQUIREMENTS**

25.1 The minimum issued fully paid up share capital of a company shall be such amount as the Registrar specifies from time to time.

25.2 A company may not without the consent of the Registrar create or issue shares denominated in a currency other than AED.

25.3 Subject to Regulation 27, the share capital of a company shall consist of one class of shares, with all shares being of an equal nominal value, and all shares holding the same rights as to voting, dividends, redemptions and distributions.

25.4 Unless the Registrar shall otherwise approve, the initial share capital of a company shall be subscribed in cash. The Registrar has the power to prescribe, from time to time, such requirements in respect to the evidence of the payment of the initial share capital as it may determine.

25.5 For the purposes of this Regulation 25, the Registrar shall have the right to request details of all members in a company including confirmation of the name and identity of a member, a bank reference or similar professional reference for a member and such other information as the Registrar may in his discretion determine to ensure that the capital or other monies to be paid in by a member into a company are from a verifiable and legal source and otherwise comply with the requirements of applicable law, including Federal Law No. 10 of 1980 concerning the Central Bank, the Monetary System and the Regulation of the Banking Profession (as amended) and regulations issued thereunder.

26. **NATURE OF SHARES**

26.1 Subject to these Regulations, the rights attached to shares (or to any class of shares) shall be determined by the articles.

26.2 Subject to the articles, each share shall:

26.2.1 carry the right to vote at a meeting of the company;

26.2.2 represent a proportionate interest in the company; and

26.2.3 rank in all respects equally with each other share of the same class in the company.

26.3 The shares of a member of a company are, subject to Regulation 36, transferable in the manner provided by the company's articles.

26.4 All shares must be fully paid when issued.

26.5 No company shall issue bearer shares.

27. **CLASSES OF SHARES**

27.1 The Registrar may, on application by a company, consent to a company dividing its share capital into different classes of shares or to a company issuing new shares of a different class to its existing share capital in accordance with Regulation 30. The consent of the Registrar may be granted in its absolute discretion and the Registrar shall not be bound to provide any reason for its refusal to grant consent.

27.2 Subject to Regulation 27.1, rights attached to a class of a company's shares may only be varied:

27.2.1 in accordance with the provisions of the company's articles for the variation of those rights; or

27.2.2 where the company's articles contain no such provision, if the holders of shares of that class consent to the variation in accordance with this Regulation.

27.3 The consent required for the purposes of Regulation 27.2.2:

27.3.1 consent in writing from the holders of at least three-quarters in nominal value of the issued shares of that class (excluding any shares held as treasury shares); or

27.3.2 a special resolution passed at a separate meeting of the holders of that class approving the variation.

27.4 Any amendment of a provision contained in a company's articles for the variation of the rights attached to a class of shares, or the insertion of any such provision into the articles, is itself to be treated as a variation of those rights.

27.5 In this Regulation 27, and (except where the context otherwise requires) in any provision in a company's articles for the variation of the rights attached to a class of shares, references to the variation of those rights include references to their abrogation.

27.6 The Authority may, in its discretion, issue additional regulations from time to time pertaining to special classes of shares.

28. **ISSUE AT A PREMIUM AND A DISCOUNT**

28.1 Shares may be issued at a premium (i.e. for a price greater than their nominal value).

28.2 Shares may not be issued at a discount (i.e. for a price less than their nominal value).

29. **APPLICATION OF PREMIUMS RECEIVED ON ISSUE OF SHARES**

29.1 Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account, to be called the "share premium account" and the provisions of these Regulations relating to the reduction of the issued share capital of a company shall, except as provided in this Regulation 29, apply as if the share premium account were part of the share capital of the company, provided that in the case of an issue of shares in the company in exchange for shares in another company the excess value of the shares acquired over the nominal value of the shares being issued may be credited to a contributed surplus account of the company.

29.2 The share premium account may, notwithstanding anything in Regulation 29.1, be applied by the company:

29.2.1 in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares; or

29.2.2 in writing off:

(a) the preliminary expenses of the company; or

(b) the expenses of, or the commission paid on, any issue of shares of the company; or

29.2.3 in providing for the premiums payable on redemption of any shares of the company in accordance with their terms.

30. **POWER TO ISSUE SHARES**

30.1 Subject to the Registrar's approval and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as provided for in a company's articles or the special resolution authorising the issue of such shares.

30.2 Where a company issues shares the consideration for which will be other than cash, the directors must:

30.2.1 determine the present cash value of the non-cash consideration, using reasonable evidence (including reports from appropriate experts if the directors see fit); and

30.2.2 pass a resolution confirming that the shares are not being issued in breach of these Regulations and that, in the reasonable opinion of the directors, the value of the non-cash consideration will not, within 12 months from the date of issue, reduce such that the issue of shares at that value would be in breach of Regulation 30.4.

30.3 The company must issue the shares within two weeks of the resolution of the directors passed pursuant to Regulation 30.2.2.

30.4 A company shall be entitled, if authorised to do so by its articles, to issue shares which are capable of being redeemed. The terms of redemption must be set out at the time of issue in the company's articles or in the special resolution authorising the issue of such shares.

30.5 Notwithstanding Regulation 28, shares may only be redeemed from net profits and/or surplus of the company, as shown in the accounts of the company prepared as at the end of the last financial year in accordance with Regulation 65. Where, but only where, the terms of redemption allow for redemption at a value less than the nominal value and share premium (if any) at which the shares were issued, any such redemption shall be deemed to be a reduction of capital to which Regulation 33 applies. In all other circumstances, the redemption shall not be considered a reduction of capital for the purposes of Regulation 33 and the shares shall be cancelled upon redemption.

30.6 A company may not under this Regulation 30 redeem its shares if as a result of the redemption there would no longer be a member of the company holding shares.

31. **POWER OF COMPANY TO PURCHASE OWN SHARES**

31.1 A company may purchase its own shares (including any redeemable shares).

31.2 The shares to be purchased:

31.2.1 may only be purchased if such purchase is approved in advance by an ordinary resolution of the company, unless the Company is a wholly owned subsidiary; and

31.2.2 shall not carry the right to vote on the ordinary resolution authorising the purchase.

31.3 Where shares are held by the company, the company must be entered in its register of members as the member holding the shares.

31.4 In these Regulations, references to "treasury shares" are to shares held by the company that:

31.4.1 were (or are treated as having been) purchased by it in circumstances in which this Regulation applies; and

31.4.2 have been held by the company continuously since they were so purchased (or treated as purchased).

31.5 The company must not exercise any of the rights attached to the shares in respect of the treasury shares, and any purported exercise of such a right is void. This applies, in particular, to any right to attend or vote at general meetings.

31.6 No dividend may be paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of the treasury shares.

31.7 A company may not under this Regulation 31 purchase its shares if as a result of the purchase there would no longer be a member of the company holding shares other than the company itself.

32. **INCREASE OF SHARE CAPITAL**

Subject to provisions in its articles, a company may by a special resolution increase its issued share capital by issuing new shares of such amount (and, subject to Regulation 27.1, class) as it thinks fit.

33. **REDUCTION OF SHARE CAPITAL**

33.1 Subject to any provision of the company's articles restricting or prohibiting the reduction of the company's share capital, a company may reduce its share capital by special resolution supported by a solvency statement prepared in accordance with Regulation 35 not more than 15 days before the date on which the special resolution is passed. The reduction shall take effect on the date specified in the order made by the Registrar confirming the reduction pursuant to Regulation 34.6.

33.2 A company may not reduce its capital under Regulation 33.1 if as a result of the reduction there would no longer be any member of the company holding shares other than redeemable shares.

33.3 Subject to Regulation 33.1 and Regulation 33.2, a company may reduce its share capital in any way, and in particular, a company may, either with or without extinguishing or reducing liability on any of its shares:

33.3.1 cancel any paid-up share capital that is lost or unrepresented by available assets; or

33.3.2 repay any paid-up share capital that is in excess of the company's requirements.

33.4 No company shall reduce the amount of its share capital pursuant to Regulation 33.1 unless:

33.4.1 at a date not more than 15 days after the date on which the special resolution is passed, the company shall cause a notice to be published in two daily newspapers circulating in Dubai, one Arabic and one English stating:

(a) the amount of the share capital prior to the reduction; and

(b) the amount to which the share capital is to be reduced.

33.4.2 The company has filed with the Registrar within 30 days after the special resolution has passed:

(a) the special resolution, the solvency statement and copies of the notice published pursuant to Regulation 33.4.1; and

(b) the Registrar has made an order confirming the reduction.

34. **CREDITORS ENTITLED TO OBJECT TO REDUCTION**

34.1 Every creditor of the company who can show that there is a real likelihood that the reduction would result in the company being unable to discharge his debt, or claim, when it fell due is entitled to object to the reduction of capital by submitting a notice of objection to the Registrar during the period of 15 days from the date on which the notice is published pursuant to Regulation 33.4.1.

34.2 The Registrar shall settle a list of the names of creditors entitled to object and the nature and amount of their debts or claims.

34.3 The Registrar must not confirm the reduction unless he is satisfied, with respect to every creditor of the company who is entitled to object to the reduction of capital that either:

34.3.1 his consent to the reduction has been obtained; or

34.3.2 his debt or claim has been discharged, or has determined or has been secured.

34.4 If a creditor entered on the list whose debt or claim is not discharged or has not determined does not consent to the reduction, the Registrar may, if he thinks fit, dispense with the consent of that creditor on the company securing payment of his debt or claim.

34.5 Subject to Regulation 13, a company shall within fourteen days after the date from which the reduction has effect file an amendment to the articles with the Registrar.

34.6 The Registrar may make an order confirming the reduction of capital on such terms and conditions as he thinks fit.

35. SOLVENCY STATEMENT

35.1 A solvency statement is a statement that each of the director(s):

35.1.1 has formed the opinion, using reasonable evidence (including reports from appropriate experts if the directors see fit), as regards the company's situation at the date of the statement, that there is no ground on which the company could then be found to be unable to pay (or otherwise discharge) its debts; and

35.1.2 has also formed the opinion, in any other case, that the company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the date of the statement.

35.2 In forming those opinions, the directors must take into account all of the company's liabilities (including any contingent or prospective liabilities).

35.3 The solvency statement must be in the form prescribed by the Registrar and must:

35.3.1 state the date on which it is made; and

35.3.2 be signed by each director of the company.

36. TRANSFER OF SHARES

36.1 Subject to such other regulations as may be made by the Authority, the shares or other interests of any member in a company shall be personal estate, transferable in a manner provided by the articles of the company and subject only to the restrictions provided therein.

36.2 Notwithstanding anything in the articles of a company, it shall not be lawful for the company to register a transfer of shares in the company unless an instrument of transfer signed by or on behalf of the transferor and transferee has been delivered to the company and the share transfer shall have been accepted by the Registrar and entered into the register of companies maintained by the Registrar.

36.3 Nothing in this Regulation 36 shall prejudice any power of the company to update its register of members and register as member any person to whom the right to any shares of the company has been transmitted by operation of law

36.4 For the purposes of Regulation 36.2, the provisions of Regulation 25.5 shall also apply to transfers of shares in a company.

37. **TRANSFER BY MEMBER'S REPRESENTATIVE**

37.1 The legal representative, guardian or heirs, as the case may be, of a deceased, incompetent or bankrupt member (the "**Member's Representative**") shall be the only persons recognised by the company as having any title to the members' shares following the death, incapacity or bankruptcy of the member.

37.2 Any person becoming entitled by operation of law or otherwise to shares in consequence of the death, incompetence or bankruptcy of a member may be registered as the member upon such evidence being produced as may reasonably be required by the board. An application made by a Member's Representative to be registered as the member for all purposes, shall be deemed to be a transfer of the shares of the deceased, incompetent or bankrupt member and the board shall treat it as such. For the avoidance of doubt, a Member's Representative may be an existing member of the company.

38. **REGISTER OF MEMBERS**

38.1 A company shall maintain an up to date register of members in which:

38.1.1 names;

38.1.2 date of birth or incorporation (if a corporate body);

38.1.3 nationality;

38.1.4 addresses;

38.1.5 number and value of shares held and, where the company has more than one class of issued shares, divided by class;

38.1.6 percentage of shareholding;

38.1.7 details of pledges of shares (if any);

38.1.8 the date on which a member became and, where relevant, ceased to be a member; and

38.1.9 the date on which the number of shares held by any member increased or decreased,

shall be recorded in respect of each member.

38.2 A company may use the register of members template in the form prescribed by the Registrar from time to time.

38.3 The particulars of a transfer of shares shall be recorded in the register of members. A company shall not register a transfer of shares in the company unless the transfer is filed with the Registrar in accordance with Regulation 18.5 and evidence of registration of the transfer is obtained from the Registrar.

38.4 Whenever there is any change in the details set out in Regulation 38.1, the company shall file with the Registrar within 14 days of the change a notice of change of such details using the applicable form prescribed by the Registrar from time to time.

38.5 The register of members shall, during business hours, be open to the inspection of any member of the company without charge, and of any other person on payment of such reasonable sum as the company may require, at the registered office of the company, or if kept at the offices of an agent that maintains the register of members, then the company shall require that the register be open for inspection during business hours at such location.

38.6 In the case of a refusal of inspection of the register of members, the Authority may issue a direction requiring the company to provide immediate inspection of the register by a member or any other person.

39. **EVIDENCE OF TITLE**

Entry in the register of members of the company shall be *prima facie* evidence of the title of the member to the shares.

40. **SHARE CERTIFICATES**

40.1 Except where otherwise specified in the articles, the company must issue free of charge to each member, one or more certificates in respect of the shares which that member holds.

40.2 Every company shall within 14 days:

40.2.1 after the issue of any shares; and

40.2.2 after the date of transfer of any of its shares,

complete and have ready for delivery the certificates of all shares issued or transferred.

40.3 Every certificate must specify:

40.3.1 in respect of how many shares, of what class, it is issued;

40.3.2 the nominal value of those shares;

40.3.3 that those shares are fully paid; and

40.3.4 any distinguishing numbers assigned to them.

40.4 Regulation 40.1 does not apply to an issue or transfer of shares which the Registrar or the company is for any reason entitled to refuse to register and does not register.

41. **DIVIDENDS AND DISTRIBUTIONS**

41.1 A company may only make a distribution out of profits available for the purpose.

41.2 A company's profits available for distribution are its accumulated, realised profits, so far as not previously utilised by distribution or capitalisation, less its accumulated, realised losses, so far as not previously written off in a reduction or reorganisation of capital duly made.

41.3 No dividend shall be declared, or paid, and no distribution made unless the directors have resolved, on reasonable grounds, that the company will, immediately after the dividend is paid or the distribution is made, be able to pay its debts as they become due in the normal course of business.

41.4 Subject to this Regulation 41 and the provisions of the company's articles, the directors may declare and pay a dividend or make a distribution at any time, whether interim or final, in cash or otherwise, either:

41.4.1 subject to the approval of the members in a general meeting by ordinary resolution; or

41.4.2 provided that a dividend or distribution shall not become a debt payable by the company unless and until it has been approved by the members.

41.5 In these Regulations "distribution" means every description of distribution of a company's assets to its members, whether in cash or otherwise, except a distribution by way of an issue of bonus shares, redemption or repurchase of shares, a reduction and return of capital or a return of assets on a winding-up, in each case undertaken in accordance with these Regulations and applicable law.

42. **CONSEQUENCES OF UNLAWFUL DISTRIBUTION**

42.1 This Regulation applies where a distribution, or part of one, made by a company to one or more of its members is made in contravention of Regulation 41 and is without prejudice to any obligation imposed apart from this Regulation on a member of a company to repay a distribution unlawfully made to him.

42.2 If at the time of the distribution the member knows or has reasonable grounds for believing that it is so made, he is liable:

42.2.1 to repay the distribution (or the relevant part of it, as the case may be) to the company; or

42.2.2 in the case of a distribution made otherwise than in cash, to pay the company a sum equal to the value of the distribution (or the relevant part of it) at that time.

SECTION 5
SECURITY OVER SHARES

43. PLEDGE OF SHARES

43.1 A member of a company may pledge some or all of his shares.

43.2 A pledge will be created over a company's shares when the following conditions are satisfied:

43.2.1 the pledgor and pledgee have entered into a written agreement to pledge the shares which adequately identifies the shares;

43.2.2 value has been given by the pledgee;

43.2.3 the pledgor has delivered possession of the share certificates representing the shares to the pledgee;

43.2.4 the fact of the pledge is endorsed on each share certificate representing the shares;

43.2.5 the fact of the pledge is entered on the register of members of the company whose shares are being pledged; and

43.2.6 the pledge is registered in the Security Register in accordance with Regulation 46 within 14 days of the execution of the pledge agreement.

43.3 A pledge of shares will be void if the required details are not filed for registration in the Security Register in accordance with Regulation 50, within 14 days of the execution of the pledge agreement.

43.4 A Company shall not be permitted to refuse to register on its register of members the fact of a share pledge notified to it by a member (or the pledgee on its behalf).

43.5 Unless otherwise specified in these Regulations the rights of the pledgor and pledgee in respect of the pledged shares and the consequences and effects of the pledge shall be as provided in the applicable laws of the UAE.

43.6 The Regulations of this Section 5 (Security over Shares) may not be disapplied, amended or varied by agreement between the pledgee and pledgor.

43.7 Subject to such other regulations as may be made by the Authority, a pledge over other interests of any member in a company may be created pursuant to the provisions of the applicable laws of the UAE.

44. EXTENT OF PLEDGE

44.1 The pledge shall extend to the pledged shares and, unless otherwise provided in the pledge agreement, any stocks, shares or other securities, right, money or property accruing, offered or issued at any time during the existence of the pledge by way of redemption, substitution, exchange, bonus or preference for or by reference to the pledged shares.

44.2 Unless otherwise provided in the pledge agreement the pledgor shall have the right to receive dividends and other distributions paid or payable in cash on the pledged shares.

44.3 Unless otherwise provided in the pledge agreement the pledgor shall continue to have the unfettered right to exercise all voting rights pertaining to the pledged shares.

45. **EFFECTIVENESS AND PRIORITY PLEDGE**

45.1 Once the pledge has been created in accordance with Regulation 43 the pledge shall attach to the shares described as being pledged in the pledge agreement and:

45.1.1 the pledge shall be enforceable against the pledgor and all third parties; and

45.1.2 unless otherwise agreed in the pledge agreement the pledgor shall have no right to sell or otherwise dispose of the pledged shares.

45.2 It shall not be lawful for the company whose shares have been pledged to:

45.2.1 file with the Registrar, or register in its register of members, any transfer of any of the pledged shares or subsequent pledge thereof; or

45.2.2 issue replacement share certificates in respect of shares which are the subject of a pledge.

45.3 Otherwise (including in any insolvency or bankruptcy proceedings or the death of a pledgor) a pledge of shares shall have the priority given to a properly created pledge under UAE law.

46. **REGISTRATION**

46.1 The pledgee (or its agent) shall register a pledge of shares by filing in the Security Register in accordance with Regulation 50.

46.2 The filing shall be in a form to be prescribed by the Registrar, in accordance with Regulation 50.1, to be signed by or on behalf of the pledgee (or its agent).

46.3 A filing will be ineffective if at the time of filing it contains seriously misleading errors in the details of the pledgor or pledgee, the amount or nature of the secured obligation or the identification of the shares. The pledgor shall be entitled to require the pledgee to amend or withdraw a filing if it is, or becomes, false, inaccurate or misleading in any material respect.

46.4 Whenever there is a change in the details filed in respect of a pledge of shares, the pledgee shall file with the Registrar within 14 days of the change, a notice of the change, in the form prescribed by the Registrar.

46.5 The Registrar will notify the pledgee and pledgor, at the relevant address specified in the filing, within ten days of a filing having been made.

46.6 Entry into a pledge agreement by the pledgor shall constitute consent by the pledgor to a filing being made by the pledgee.

47. **TRANSFER OF A PLEDGE OF SHARES**

47.1 A pledge of shares may be assigned or transferred (in whole, but not in part) by the pledgee to any person to whom the secured obligations (or any part thereof) have been assigned or transferred.

47.2 An assignment or transfer of a pledge of shares, together with the name and address of the transferee shall be notified to the Registrar as an amendment to the filing of the pledge of shares within 14 days of the date of execution of the assignment or transfer agreement.

47.3 The assignment or transfer of a pledge of shares will be void if such assignment or transfer is not filed for registration in the Security Register within 14 days of the execution of the assignment or transfer agreement.

48. **ENFORCEMENT**

48.1 If the pledgee does not receive payment in full of the amount secured by the pledge when due and payable, it may apply to the court for authorisation to sell any or all of the pledged shares at public auction.

48.2 The relevant court for an application under Regulation 48.1 and to resolve any other dispute arising out of or in connection with the pledge (including a dispute regarding the existence, validity or termination of the pledge and the consequences of its nullity) shall be the Dubai Courts or, if the pledgor and pledgee have so agreed in the pledge agreement, the DIFC Courts.

48.3 The proceeds of such sale of the pledged shares shall be applied in the following order:

48.3.1 to pay the costs reasonably incurred by the pledgee in the enforcement of the pledge, including, to the extent not prohibited by UAE law, legal expenses;

48.3.2 in satisfaction of the claims of any person having a priority interest in the pledged shares;

48.3.3 in satisfaction of the amount secured by the pledge;

48.3.4 to any person having a claim in respect of the pledged shares subordinate in priority to the pledgee's interest but in priority to that of the pledgor; and lastly

48.3.5 to the pledgor.

49. **RELEASE**

49.1 The pledgee shall be obliged to file for termination of the filing of a pledge of shares in the form prescribed by the Registrar within ten days of the release of the pledge in accordance with the terms of the pledge agreement or as provided by law.

49.2 The pledgor shall be entitled to require the pledgee to remove a registration within 20 days of notice to do so if the pledge has been released and the pledgee has not filed for termination of the filing in accordance with Regulation 49.1 within ten days of such release.

49.3 In the event the pledgee has not filed for termination of the filing as set out in Regulations 49.1 and 49.2, the pledgor may apply to the Registrar to request the removal of the registration.

50. **SECURITY REGISTER**

50.1 The Registrar shall establish and maintain the Security Register in such form as he may determine by recording the following details in respect of each pledge of shares the details of which have been filed with him pursuant to Regulation 46:

50.1.1 name and address of the pledgor;

50.1.2 name and address of the pledgee;

50.1.3 name and registered number of the company whose shares are being pledged;

50.1.4 details of the pledged shares; and

50.1.5 details of the obligation secured by the pledge.

50.2 Filing of a pledge of shares, and any amendment or termination of a filing, is to be effected by submitting the relevant form prescribed by the Registrar from time to time.

50.3 Filings shall be made in paper format provided that the Registrar may, in his discretion, and subject to such conditions as he may think fit, allow filings to be made by electronically.

50.4 A filing fee, prescribed by the Registrar from time to time, shall be payable, in such manner as may be approved from time to time by the Registrar, for each filing and each amendment or termination thereof.

50.5 The Registrar shall record the date and time of filing, being the date and time of actual receipt by the Registrar of the required particulars of the relevant pledge of shares in the prescribed form.

50.6 The Registrar shall not be required to verify any of the filed particulars of a pledge of shares, including the spelling of any party's name, and shall not be responsible for any defects or errors in such particulars.

50.7 The Registrar may refuse to enter a filing on the Security Register if he believes that the filed particulars, or any of them, are incomplete or incorrect, the prescribed form has not been filed or the prescribed fee has not been paid. If the pledgee demonstrates within ten days of such refusal to the satisfaction of the Registrar that the filing should not have been refused then the Registrar shall record the required details of the relevant share pledge on the Security Register and record as the date of the filing the date on which the request for a review of the decision was actually received by him. A pledge of shares shall not be ineffective by reason of such recorded date being more than ten days after the date of the relevant share pledge agreement.

50.8 The Registrar may correct any error he or any of his officers, employees or agents may have made in respect of a filing of a pledge of shares and shall promptly thereafter notify the pledgee and pledgor of any rectification.

50.9 The Registrar shall not be liable for any loss suffered or incurred by any person as a result of any act or omission by him or any of his officers, employees or agents in the performance or non-performance of his functions in respect of the Security Registry, so far as such acts or omissions are not proven to have been in bad faith.

50.10 The identity of the pledgor, the pledgee or the company whose shares are pledged, the date of filing and the amount and nature of the secured obligation may be disclosed to an interested person who submits a search request to the Registrar.

50.11 Any interested person may submit to the Registrar a search request in respect of a pledge of shares in the form and in the manner prescribed by the Registrar from time to time. The Registrar shall supply the details requested in a duly completed search request within seven days of actual receipt of such request.

SECTION 6
MANAGEMENT AND ADMINISTRATION

51. REGISTERED OFFICE OF A COMPANY

51.1 The address of the registered office of the company shall consist of a location and a postal address.

51.2 A company shall at all times have a registered office in the zone to which all communications and notices may be addressed. The first registered office shall be that notified to the Authority at the time of application to incorporate the company. Thereafter, the company may change its registered office by board resolution, and in accordance with Regulation 51.3.

51.3 Notice of every change to the registered office shall be given to the Registrar using the applicable form prescribed by the Registrar within 14 days of the board resolution making such change but the change shall only be effective as of the date of registration by the Registrar.

52. SERVICE OF DOCUMENTS

A document served in relation to any matter under these Regulations may be served on a company by delivering it at the registered office of the company in the zone.

53. PUBLICATION OF NAME AND REGISTERED OFFICE OF COMPANY

Every company shall have its name and registered office mentioned in legible characters in all business letters of the company and in all notices and other official publications of the company, and in all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the company, and in all invoices, receipts and letters of credit of the company.

54. GENERAL MEETINGS

54.1 A meeting of the members of a company shall be convened at least once in every calendar year (the "**annual general meeting**"). The exception to this is where the company only has one member, in which case a resolution signed by or on behalf of such member by his duly appointed representative shall serve in place of any requirement to hold or determine any matter at a general meeting.

54.2 The directors may, whenever they think fit, convene a general meeting. All meetings other than annual general meetings shall be called general meetings.

54.3 Members holding not less than 5 per cent. of the share capital represented by the shares carrying the right to attend and vote may request that the directors convene a general meeting. The directors or secretary of a company shall, notwithstanding anything in the company's articles, forthwith proceed to call a general meeting or, as the case may be, a meeting of members holding any class of shares, to be held as soon as practicable but in any case not later than two months after the date of the request.

54.4 The request shall state the objectives of the meeting, and shall be made by or on behalf of each member making the request and deposited at the registered office of the company.

54.5 If within 21 days from the date of the deposit of the request the directors or secretary do not proceed duly to call a meeting to be held within two months of the date of the deposit of the request, the members making the request, or any of them representing more than one half of the total voting rights of all of them, may themselves call a meeting, but a meeting so called shall not be held after three months from that date.

54.6 Subject to Regulation 55, notice of every meeting shall be given to every member entitled to receive it by delivering or posting it to his registered address.

55. **NOTICE OF MEETINGS**

55.1 All general meetings (other than an adjourned meeting) may be called by not less than 21 days' notice in writing.

55.2 If a general meeting is called by shorter notice than that specified in Regulation 55.1, it is deemed to have been duly called if it is so agreed by one or more members having a right to attend and vote at the general meeting, holding not less than 95 per cent. of the share capital represented by the shares carrying a right to attend and vote at the general meeting.

55.3 A notice of a general meeting of a company shall:

55.3.1 set out the time, place and date for the general meeting;

55.3.2 state the general nature of the general meeting's business;

55.3.3 set out the intention to propose any ordinary or special resolution and state such resolution; and

55.3.4 include a copy of any accounts and auditors report that are to be laid before the general meeting, as applicable.

55.4 The accidental omission to give notice of a general meeting or to send, supply or make available any document or information relating to a meeting to, or the non-receipt of any such notice, document or information by, a person entitled to receive any such notice, document or information shall not invalidate the proceedings at such general meeting.

56. **PARTICIPATION IN MEETINGS BY CONFERENCE CALL**

56.1 Subject to the articles of a company, a member (holding any class of shares) or a director of the company may participate in a meeting by phone or video conference or by other similar means of communication where each member or director present at the meeting can hear what is said by any other member or director present at the meeting and each member or

director so participating at the meeting is deemed to be present at that meeting with the other members or directors so participating.

56.2 Participation in such meeting, which shall be considered to have been held where the chairman is located, shall constitute attendance and presence in person at the meeting with the other members or directors so participating.

57. **POWER OF THE REGISTRAR TO ORDER MEETING**

57.1 If default is made in holding a meeting in accordance with the articles or these Regulations, the Registrar may, on the application of any officer or member of the company, call, or direct the calling of, a general meeting of the company.

57.2 Any meeting called in accordance with Regulation 57.1 shall for all purposes be deemed to be a duly held meeting of the company.

58. **VOTING AT MEETINGS**

58.1 The following provisions apply to any general meeting of the company or to any meeting of the holders of any class of shares in the company unless the articles provide otherwise:

58.1.1 on a poll taken at a meeting, each member present in person, and entitled to vote, or represented by proxy, shall be entitled to one vote for each share held by him;

58.1.2 a member of a company entitled to attend and vote at a general meeting or at a meeting of any class of shares is entitled to appoint, by notice to the company in writing, another person (whether a member of the company or not) as his proxy to attend and vote instead of him. A member who is the holder of two or more class of shares may appoint more than one proxy to represent him and vote on his behalf (whether on a show of hands or on a poll) provided that each proxy is appointed to exercise the rights attached to a different class of share or shares held by the member;

58.1.3 any question proposed for consideration shall be decided by simple majority of votes or by such majority as the articles of the company may prescribe in accordance with these Regulations;

58.1.4 any member elected by other members present at any such meeting may be a chairman. A chairman is entitled to a second or casting vote;

58.1.5 at any general meeting, including an adjourned meeting, the quorum shall be one or more members, present in person or by proxy, holding at least 75 per cent. of the issued share capital of the company; and

58.1.6 subject to Regulation 59, it shall be lawful for any question proposed for consideration at a general meeting of a company to be decided on a show of hands and in any such case, and subject to any rights or restrictions being lawfully attached to any different classes of shares (if any), every member present in person or by proxy shall be entitled to one vote and shall cast such vote by raising his hand.

59. **DEMAND FOR POLL**

59.1 It shall be lawful for any question proposed for consideration at a general meeting of a company to be decided (whether before or on the declaration of the result of a show of hands as provided for in Regulation 58.1.6) by a poll, which may be demanded by any of the following persons:

59.1.1 the chairman of the meeting;

59.1.2 at least two members present in person, or represented by proxy and entitled to vote; or

59.1.3 members present in person or represented by proxy holding not less than 5 per cent. of the share capital represented by the shares carrying a right to attend and vote at the meeting.

59.2 On a poll taken at a general meeting, a member entitled to more than one vote need not, if he votes (in person or by proxy), use all his votes in the same way.

59.3 The result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands.

60. **RESOLUTIONS IN WRITING**

60.1 Subject to a company's articles, anything that may be done by an ordinary resolution or special resolution (excluding a resolution removing an auditor (Regulation 67.3) or a director (Regulation 71)) passed at a general meeting may be done by an ordinary resolution or special resolution in writing signed by each member who, at the date when the ordinary resolution or special resolution is deemed to be passed, would be entitled to vote.

60.2 An ordinary resolution or special resolution in writing may consist of several instruments in the same form each signed by or on behalf of one or more members.

60.3 An ordinary resolution or special resolution in writing made in accordance with this Regulation 60 is as valid as if it had been passed by the company in general meeting or by a meeting of the relevant class of members of the company, as the case may be and any reference in any enactment to a meeting at which a resolution is passed or to members voting in favour of a resolution shall be construed accordingly.

60.4 Any document attached to a resolution or special resolution in writing under this Regulation shall be deemed to have been laid before a meeting of the members signing the resolution or special resolution.

60.5 Subject to the company's articles, a resolution in writing signed by all the directors entitled to receive notice of a meeting of the directors or signed by all members of a committee of directors entitled to receive notice of a meeting of a committee is as valid as if it had been passed at a meeting of directors duly convened and held. Any reference in any enactment to a meeting of the directors at which a resolution is passed shall be construed accordingly. Such resolution may be passed in several instruments in the same form each signed by one or more directors.

60.6 For the purposes of this Regulation 60, a resolution in writing shall be deemed to be passed when the instrument, or the last of several instruments, is last signed or on such later date as is specified in the resolution in writing.

60.7 A resolution in writing made in accordance with this Regulation 60 shall constitute minutes for the purposes of Regulations 61 and 62.

61. **MINUTES OF PROCEEDINGS**

61.1 Every company shall cause minutes of all proceedings of general meetings, meetings of any class of shares and of all meetings of its directors to be entered in books kept for that purpose, and the names of the directors and any other person present at each such meetings shall be recorded in the minutes.

61.2 Any such minutes shall be signed by the person presiding over the proceedings of the meeting.

61.3 Minutes prepared in accordance with Regulation 61.1 shall be kept by the secretary or any other officer of the company at the registered office of the company as evidence of the proceedings and, until the contrary is proved, the proceedings are deemed to have been duly held.

62. **INSPECTION OF MINUTE BOOKS**

62.1 The books containing the minutes of a general meetings of a company or of a meeting of the holders of any class of shares shall during the business hours be open for inspection by any member or director of the company without charge, subject to such reasonable limitations as the company may impose.

62.2 Any member or director may require, on submission to the company of a written request and on payment of such reasonable sum as the company may require to meet the company's expenses in giving effect thereto, a copy of any such minutes (provided that the holders of a class of shares shall not be entitled to require a copy of minutes of a meeting of the holders of any other class of shares) and the company shall, within seven days after the receipt of the written request and payment, deliver or post a copy of any such minutes to his registered address.

62.3 In the case of any such refusal or default, the Registrar may by order, compel an immediate inspection of the minutes or direct that the copies required shall be sent to the persons properly requiring them.

63. **MAINTENANCE OF ACCOUNTING RECORDS**

63.1 Every company shall cause to be kept proper accounting records with respect to:

63.1.1 all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;

63.1.2 all sales and purchases of goods by the company; and

63.1.3 the assets and liabilities of the company.

63.2 The company's accounting records shall be kept at the registered office of the company and shall at all times be open to inspection by a member, officer or an auditor of the company.

63.3 In case of accounting records not being made available for inspection, the Registrar may compel immediate inspection or request to be furnished with copies of such accounting records.

63.4 A company's accounting records shall be preserved by the company for at least eight years from the date to which they relate, or for such other period as may be prescribed by the Registrar.

63.5 The accounts shall be prepared in accordance with generally accepted accounting principles or standards approved by the Registrar or prescribed from time to time.

64. **DUTY TO PREPARE COMPANY FINANCIAL STATEMENTS**

64.1 The directors of every company shall cause financial statements to be prepared in relation to each financial year of the company.

65. **FINANCIAL STATEMENTS TO BE LAID BEFORE GENERAL MEETING**

65.1 Within six months after the end of the financial year, the directors of every company shall lay before the company in the annual general meeting:

65.1.1 the financial statements for each financial year which shall include:

(a) a statement of the results of operations for such period (i.e. a profit and loss account);

(b) a statement of retained earnings or deficit;

(c) a balance sheet at the end of such period;

(d) a statement of changes in financial position for such period;

(e) notes to the financial statements and the notes thereto shall be in accordance with Regulation 65.2; and

(f) such further information as required by these Regulations, any appropriate implementing regulations and the company's articles.

65.1.2 the report of the auditors as set out in Regulation 68.1 in respect of the financial statements described in Regulation 65.1.1.

65.2 The notes mentioned in Regulation 65.1.1(e) shall include a description of the accounting principles used in the preparation of the financial statements, which principles shall be such generally accepted accounting principles or as may be approved by the Registrar or prescribed in implementing regulations under Regulation 63.5.

65.3 Subject to Regulation 73.3, a company's financial statements shall be approved by the directors and signed on their behalf by at least one of them.

65.4 Notwithstanding Regulation 65.1, if at a general meeting at which financial statements should be laid, the statements have not been so laid, the chairman may adjourn the meeting for a period of up to 90 days or such longer period as the members may agree by ordinary resolution.

65.5 A company shall file with the Registrar within seven days after the annual general meeting, a copy of the financial statements and auditor's report (or in any other period or any other manner the Authority may decide in its absolute discretion).

66. **RIGHT TO RECEIVE COPIES OF FINANCIAL STATEMENTS**

66.1 A copy of the financial statements of a company, including every document required by these Regulations or the articles of the company shall be made available to every member of the company and, if such financial statements and other documents are not sent to each member at least seven days before the general meeting, any member may move for a resolution at the general meeting that it be adjourned for seven days provided that this Regulation 66.1 shall not require the making available of the financial statements and other documents to:

66.1.1 any person not entitled to receive notices of general meetings;

66.1.2 more than one of the joint holders of any shares; and

66.1.3 any person whose address is not known to the company.

67. **APPOINTMENT OF AUDITOR**

67.1 The members of a company shall by ordinary resolution at each annual general meeting appoint an auditor to hold office from the conclusion of that meeting to the conclusion of the next annual general meeting.

67.2 The directors may, at any time before the first annual general meeting, appoint an auditor who shall hold office to the conclusion of the first annual general meeting.

67.3 The members of a company may by ordinary resolution at a general meeting remove an auditor before the expiration of his term of office.

67.4 The directors of a company may fill any casual vacancy in the office of auditor on such terms as they see fit, who shall hold office to the conclusion of the next annual general meeting.

67.5 Subject to Regulation 67.4, the company in a general meeting may fix an auditor's remuneration.

67.6 No person shall be appointed as auditor of a company who is an officer or employee of that company or of an affiliated company or who is a partner, employer or employee of any such officer or employee.

67.7 The auditor has a right of access, at all reasonable times, to the company’s records, and is entitled to require from the company’s officers such information and explanations as the auditor considers necessary for the performance of the duties of the auditor.

67.8 Every auditor is entitled to receive notice of, and attend, any meeting of the members of the company and to be heard on any part of the business of the meeting which concerns the auditor.

67.9 A company shall file a notice of appointment of auditor with the Registrar immediately upon appointment of an auditor using the applicable form prescribed by the Registrar.

67.10 A company shall file a notice of cessation of auditor with the Registrar immediately upon the resignation or removal of an auditor using the applicable form prescribed by the Registrar.

68. **AUDIT**

68.1 A company's auditor shall examine the financial statements laid pursuant to Regulation 65 and, accordingly, make a report to the company's members in accordance with the generally accepted auditing principles as set out in Regulation 63.5.

68.2 The auditor's report shall state:

68.2.1 the generally accepted auditing principles used and the auditor's opinion of the appropriateness of the applicable accounting principles;

68.2.2 whether in the auditor's opinion the accounts have been properly prepared in accordance with these Regulations;

68.2.3 in particular, whether the accounts give a true and fair view of the profit or loss of the company for the financial year and of the state of the company’s affairs at the end of the financial year; and

68.2.4 any other matter or opinion required under these Regulations.

68.3 If the auditor fails to obtain all the information and explanations which, to the best of the auditor’s knowledge and belief are necessary for the purposes of the audit, the auditor shall state that fact in the report.

69. **MEMBERS' RESERVE POWER AND EFFECT OF ALTERING ARTICLES**

69.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

69.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

69.3 No alteration of the articles invalidates anything which the directors have done prior to the alteration.

70. **ELECTION OF DIRECTORS**

70.1 The affairs of the company shall be managed by one or more directors who shall be individuals elected in the first place in the articles of the company or in the absence thereof, in the official completed application forms for incorporation of the company with the Registrar and thereafter by ordinary resolution at a general meeting of the company.

70.2 If the annual general meeting or the election of any directors does not take place at the proper time, it shall be lawful for the company to continue its business and for the existing directors to continue in office.

70.3 The directors may delegate any of their powers to any one of them, the general manager or any other person, as they may think fit, and withdraw any such delegation at any time.

70.4 The number of directors shall be determined by the articles.

70.5 No person shall be a director who:

70.5.1 is under the age of 21 years;

70.5.2 is disqualified from being a director by virtue of:

(a) having been convicted of a criminal offence, involving dishonesty or moral turpitude, in any jurisdiction in the past 10 years;

(b) having been found guilty of insider trading or the equivalent in any jurisdiction at any time;

(c) having been judged disqualified by a court;

(d) disqualification under the articles;

70.5.3 is an undischarged bankrupt; or

70.5.4 is not a natural person.

70.6 The acts of a director are valid notwithstanding any defect that may be afterwards found in his appointment or qualification.

70.7 Subject to Regulation 71, each director holds office until his earlier death, resignation or removal by ordinary resolution.

70.8 A director may resign his office by depositing a notice in writing to that effect at the company's registered office. An effective notice of resignation operates to bring the director's term of office to an end as of the date on which the notice is deposited or on such later date as may be specified in it.

70.9 Where a director resigns, the general manager must within 14 days of the deposit of a notice of resignation:

70.9.1 update the register of directors and officers; and

70.9.2 send a copy of the notice to the Registrar.

71. **REMOVAL OF DIRECTORS**

71.1 The members of a company may by ordinary resolution at a general meeting remove a director before the expiration of his period of office, notwithstanding any agreement to the contrary.

71.2 Notice is required of a resolution to remove a director under Regulation 71.1 or to appoint somebody instead of a director so removed at the general meeting at which he is removed. The company must send a copy of the notice to the director concerned who is entitled to be heard on the resolution at the general meeting.

71.3 This Regulation 71 is not to be taken as depriving a person removed under it of compensation or damages payable to him in respect of the termination of his appointment as director or of any other appointment with the company terminating with that as director.

71.4 A vacancy created by the death, resignation or removal of a director may be filled by an ordinary resolution or in the absence of such resolution by the remaining directors, provided that any director appointed by the remaining directors shall be subject to reappointment by an ordinary resolution at the next general meeting and shall cease to be a director at the conclusion of that general meeting if such a resolution is not passed.

72. **ALTERNATE DIRECTOR**

72.1 Subject to the company's articles, any director (other than an alternate director) may appoint an alternate who need not be a director, without the approval of the directors, to be an alternate director and may remove from office an alternate director so appointed by him.

72.2 An alternate director appointed under Regulation 72.1 shall only be entitled to attend and vote in meetings in the absence of the director who appointed him.

72.3 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of directors or a committee of directors, either prospectively or retrospectively.

72.4 An alternate director shall cease to be an alternate director if his appointor ceases to be a director.

72.5 Any appointment or removal of an alternate director shall be by notice in writing to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.

72.6 An alternate director shall not be entitled to vote at any such meetings on behalf of the director who appointed him if the director who appointed him is present at that meeting.

72.7 Subject to Regulation 72.6, an alternate director who is a director of the company may, vote at any such meeting on his own behalf as well as on behalf of the director who appointed him.

73. **DECISION-MAKING BY THE DIRECTORS**

73.1 Subject to the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. A director may waive the requirement that notice be given to him of a meeting of directors or a committee of directors, either prospectively or retrospectively.

73.2 Subject to Regulation 73.3, decisions of the directors must be taken:

73.2.1 at a directors' meeting; or

73.2.2 in the form of a directors' written resolution in accordance with Regulation 60.5.

73.3 If the company only has one director for the time being, the director may (for so long as he remains the sole director) exercise all the powers conferred on the directors by the articles by any means permitted under these Regulations.

74. **COMPANY GENERAL MANAGER**

74.1 Every company shall have a general manager, who shall be a natural person, and whose name appears on the trade licence.

74.2 Subject to the company's articles, a general manager may be appointed (or removed) by board resolution for such term, at such remuneration, and upon such conditions, as the directors may think fit.

74.3 The powers of the general manager and limitations on the powers of the general manager (including the right to delegate any of his powers) will be as determined by the board, whether by power of attorney or otherwise.

74.4 The first general manager of the company will be nominated as such in the articles or in the absence thereof, in the official completed application form for incorporation of the company with the Registrar and shall hold such appointment until such time as the board shall otherwise determine.

74.5 A general manager holds office until his earlier death, resignation or removal by the directors.

74.6 A general manager may resign his office by depositing a notice in writing to that effect at the company's registered office. An effective notice of resignation operates to bring the general manager's term of office to an end as of the date on which the notice is deposited or on such later date as may be specified in it.

74.7 Where a general manager resigns, the directors or secretary of a company must send a copy of the notice to the Registrar in accordance with Regulations 18.5 and Regulation 77.3.

74.8 The general manager shall be liable for maintaining the register of members and register of directors and officers for the accuracy of their contents unless the articles provide otherwise.

75. **APPOINTMENT OF SECRETARY**

75.1 Every company may have a secretary who may also be a director of the company. The offices of director and secretary may be held jointly by a single person.

75.2 The duties of the secretary shall be set out in the articles (as applicable).

75.3 Subject to the company's articles, a secretary may be appointed (and removed) by the directors for such term, at such remuneration, and upon such conditions, as the directors may think fit.

76. **DIRECTION REQUIRING COMPANY TO MAKE APPOINTMENT**

76.1 If it appears to the Registrar that a company is in breach of:

76.1.1 Regulation 70.1 (requirement to have at least one director); or

76.1.2 Regulation 74.1 (requirement to have a general manager),

the Registrar may give the company a direction under this Regulation 76.

76.2 The direction must specify:

76.2.1 the legal requirement the company appears to be in breach of;

76.2.2 what the company must do in order to comply with the direction; and

76.2.3 the period within which it must do so. Such period must be not less than one month or more than three months after the date on which the direction is given.

76.3 The direction must also inform the company of the consequences of failing to comply.

76.4 Where the company is in breach of Regulations 70.1 and 74.1 it must comply with the direction by:

76.4.1 making the necessary appointment or appointments; and

76.4.2 giving notice of them under Regulation 18.5,

before the end of the period specified in the direction.

76.5 If a company fails to comply with a direction under this Regulation 76, a breach of the Regulations is committed by:

76.5.1 the company, and

76.5.2 every member and/or officer of the company who is in default.

The Authority shall, in its absolute discretion, be entitled to take any action in accordance with its powers under Regulations 102, 108 and 110.3.

77. **REGISTER OF DIRECTORS AND OFFICERS**

77.1 Every company shall keep at its registered office a register of directors and officers in which:

77.1.1 the name;

77.1.2 date of birth;

77.1.3 nationality; and

77.1.4 address,

of each director and officer shall be recorded.

77.2 A company may use the register of directors and officers template (the "Register of Directors and Officers") prescribed by the Registrar.

77.3 Whenever there is any change in the details set out in Regulation 77.1, the company shall file with the Registrar within 14 days of the change a notice of change of such details using the applicable form prescribed by the Registrar.

77.4 The register of directors and officers shall, during business hours, be open to the inspection of any member of the company without charge, and of any other person on payment of such reasonable sum as the company may require, at the registered office of the company, or if kept at the offices of an agent that maintains the registers, then the company shall require that the register be open for inspection during business hours at such location.

77.5 In the case of a refusal of inspection of the register of directors and officers, the Authority may issue a direction requiring the company to provide immediate inspection of the register by a member or any other person.

78. DUTIES OF DIRECTORS AND OFFICERS

78.1 A director or other officer of a company, in exercising his powers and discharging his duties, shall:

(a) act honestly, in good faith and lawfully, with a view to the best interests of the company;

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;

(c) act in accordance with these Regulations, the company's articles and the terms of any service contract entered into between the company and any officer (if any); and

(d) only exercise powers for the purposes for which they are conferred.

79. DECLARATION OF INTEREST IN EXISTING TRANSACTIONS OR ARRANGEMENTS

79.1 Where a director of a company is in any way, directly or indirectly, interested in a transaction or Arrangement that has been entered into by the company or proposed to be entered into by the company or by a subsidiary of the company which to a material extent conflicts or may conflict with the interests of the company and of which he is aware, he shall declare the nature and extent of the interest to the other directors in accordance with this Regulation 79.

79.2 The declaration required by Regulation 79.1 shall be made as soon as practicable after the director becomes aware of the circumstances which gave rise to his duty to make it. Failure to comply with this requirement does not affect the underlying duty to make the declaration.

79.3 The declaration must be made:

79.3.1 at a meeting of the directors; or

79.3.2 by notice in writing.

79.4 Where a director declares an interest at a directors meeting, the provisions of Regulation 61 apply and the minutes of meetings of directors is a sufficient declaration of his interest in relation to the matters to which it relates.

79.5 Where a director declares an interest by notice in writing, the making of the declaration is deemed to form part of the proceedings at the next meeting of the directors after the notice is given and the provisions of Regulation 61 apply as if the declaration had been made at that meeting.

79.6 Subject to Regulations 79.7 and 79.8, where a director fails to declare an interest under this Regulation 79, the company or a member of the company or the Authority may apply to the court for an order setting aside the transaction concerned and directing that the director account to the company for any profit, gain or benefit realised.

79.7 A transaction is not voidable, and a director is not accountable, under Regulation 79.6 where, notwithstanding a failure to comply with this Regulation:

79.7.1 the transaction is confirmed by ordinary resolution; and

79.7.2 the nature and extent of the director's interest in the transaction were disclosed in reasonable detail in the notice calling the general meeting at which the ordinary resolution is passed.

79.8 Nothing in this Regulation 79 shall be taken to prejudice any provision of the articles of a company restricting officers of a company from having any interest in a transaction or Arrangement with the company.

79.9 A director shall not vote on any resolution concerning a matter in which he has direct or indirect interest and it has been declared in accordance with this Regulation 79. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

80. **PROHIBITIONS OF FINANCIAL ASSISTANCE TO DIRECTORS**

80.1 Subject to Regulation 80.4, a company shall not provide the following financial assistance to a director:

80.1.1 a loan, debenture, credit facility or other similar form of financial assistance;

80.1.2 a guarantee or security or indemnity in connection with a loan, debenture, credit facility or other similar form of financial assistance, whether such financial assistance is provided by the company or another person; or

80.1.3 any other form of financial assistance as may be prescribed by the Registrar from time to time;

unless:

80.1.4 consent is given by members who together hold not less than 90 per cent of the total voting rights of all the members having the right to vote at any meeting; and

80.1.5 all of the directors of the company resolve that the giving of the financial assistance does not materially prejudice both of the following:

(a) the interests of the company and its members; and

(b) the company's ability to discharge its liabilities as they fall due.

80.2 Any such financial assistance provided pursuant to Regulation 80.1 shall be:

80.2.1 documented in writing; and

80.2.2 prior to its provision, recorded in the minutes of the meeting of the directors of the company, under signature of all directors, as being provided in compliance with the requirements of Regulation 80.1.

80.3 Financial assistance shall be deemed to be financial assistance to a director if it is made to:

80.3.1 a spouse or child of a director; or

80.3.2 to a company of which a director, his spouse or child owns or controls directly or indirectly more than 20 per cent of the share capital.

80.4 Regulation 80.1 does not apply to financial assistance where:

80.4.1 it consists of remuneration in the ordinary course paid to a director for his services as a director;

80.4.2 it is liability indemnity insurance related to the discharge of his duties to the company;

80.4.3 the company's ordinary business includes providing finance and the financial assistance is given in the ordinary course of that business and on ordinary commercial terms; or

80.4.4 it is of a kind prescribed by the Registrar as exempted from this Regulation 80.

81. EXEMPTION, INDEMNIFICATION AND LIABILITY OF OFFICERS AND AUDITORS

81.1 Any provision that purports to exempt a director of a company (to any extent) from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void.

81.2 A company shall indemnify each director or officer or auditor of the company in respect of any liability incurred in defending any proceedings to the extent permitted by the law.

81.3 An officer or auditor may be liable jointly and severally only if it is proved that he knowingly engaged in fraud or dishonesty.

81.4 This Regulation 81 applies to any provision, whether contained in a company's articles or in any contract with the company or otherwise.

82. **PROVISION OF PROFESSIONAL INDEMNITY INSURANCE**

A company may purchase and maintain insurance for the benefit of any director or other officer or auditor of the company against any liabilities arising out of the officers performing its duties under these Regulations which may lawfully be insured against.

SECTION 7
AMALGAMATIONS

83. **AMALGAMATION OF COMPANIES**

Two or more companies which are incorporated in the zone, may, subject to the consent of the Registrar (given in its absolute discretion and pursuant to the provisions of these Regulations) amalgamate and continue as one company and, if a licence to carry on a trade or business activity in the zone has been granted to one or more of these companies, the Regulations governing such licence shall continue in effect for the surviving company, subject to the Registrar's consent.

84. **SURVIVAL OF COMPANY ON AMALGAMATION OF ONE OR MORE COMPANIES AND ONE OR MORE FOREIGN CORPORATIONS**

84.1 One or more companies and one or more bodies incorporated outside of the zone (each such body incorporated outside of the zone referred to in this Regulation 84 and Regulation 85 as a "**foreign corporation**") may apply to the Registrar for consent to amalgamate and continue as a company registered in the zone to which the provisions of these Regulations shall apply.

84.2 An application for consent under Regulation 84.1 shall be in such form, and be accompanied by any prescribed fee and such documents, as the Registrar may determine, including documentary proof, satisfactory to the Registrar, that the foreign corporation has obtained all necessary authorisations required under the laws of the country in which it was incorporated to enable it to make the application.

85. **SURVIVAL OF FOREIGN CORPORATION ON AMALGAMATION OF ONE OR MORE COMPANIES AND ONE OR MORE FOREIGN CORPORATIONS**

85.1 One or more companies and one or more foreign corporations may apply to the Registrar for consent to amalgamate and continue as a foreign corporation (in this Regulation 85 referred to as the "**surviving corporation**") to which the provisions of the laws of the jurisdiction of incorporation of the surviving corporation shall apply.

85.2 An application to obtain the Registrar's consent under this Regulation 85 shall:

85.2.1 be submitted to the Registrar using the applicable form prescribed by the Registrar;

85.2.2 include payment of the relevant application fee as determined by the Registrar from time to time;

85.2.3 include a certified copy of a resolution of the members of each amalgamating company (in this Regulation 85 and in Regulations 86 and 87 referred to as an "**amalgamating company**") passed in a general meeting provided that in the case of

a company having only one member, one member present in person or by proxy constitutes the necessary quorum or, if so authorised by the constitutional documents of each amalgamating company, a certified copy of a resolution of the board of directors of each amalgamating company approving the amalgamation and naming the country or jurisdiction outside the zone of the surviving corporation;

85.2.4 include a declaration signed by an officer of each amalgamating company declaring that there are reasonable grounds for believing that:

(a) the amalgamating company is, and the surviving corporation will be, able to pay its liabilities as they become due; and

(b) the realisable value of the surviving corporation's assets will not be less than the aggregate of its liabilities and issued capital of all classes; and

(c) either no creditor will be prejudiced by the amalgamation or adequate notice has been given to all known creditors of such company and no creditor objects to the amalgamation otherwise than on grounds that are frivolous or vexatious;

85.2.5 include documentary proof, satisfactory to the Registrar, that each amalgamating company being a foreign corporation (in this Regulation 85 referred to as an "**amalgamating foreign corporation**") has obtained all necessary authorisations required under the laws of the country or jurisdiction in which it was incorporated to enable it to make the application; and

85.2.6 include such other documents or information as the Registrar may in its absolute discretion require from time to time.

86. **REGISTRAR'S REFUSAL TO GRANT CONSENT UNDER REGULATIONS 83, 84 OR 85**

Where the Registrar refuses to grant its consent under Regulation 83, 84 or 85, the Registrar shall inform the applicant of its refusal in writing. The Registrar shall not be bound to provide any reason for its refusal.

87. **IMPLEMENTING REGULATIONS**

The Authority represented by the Director General may make implementing regulations for carrying out the purposes of this Section 7 (Amalgamations).

SECTION 8
THE INVESTIGATION OF THE AFFAIRS OF A COMPANY AND THE PROTECTION OF MINORITIES

88. **INVESTIGATION OF THE AFFAIRS OF A COMPANY**

88.1 The Registrar may, should it consider it necessary or desirable, appoint one or more inspectors to investigate the affairs of a company and to submit such written report as the Registrar may direct.

88.2 Subject to the Regulation 88.1, any member or director may require, on submission to the Registrar of a written request and on payment of such reasonable sum as the Registrar may direct to meet the expenses in giving effect thereto, an investigation of the affairs of the company.

88.3 If inspectors appointed under Regulation 88.1 suspect that any person, including a director or other officer or auditor or agent of the company, may be in possession of books, records or information relevant to the investigation, they may require such person:

88.3.1 to produce any books and records in his custody or power relating to the affairs of the company;

88.3.2 to attend before them at reasonable times and on reasonable notice and answer all questions put to them relevant to the affairs of the company; and

88.3.3 to give reasonable assistance to them in connection with the investigation.

88.4 The inspectors shall make a written report to the Registrar at the conclusion of their investigation.

88.5 The inspectors shall make such interim reports, if any, to the Registrar that the Registrar may require.

88.6 The Registrar may, upon receipt of a report by an inspector, do any one or more of the following:

88.6.1 provide a copy to the company to which the report relates with or without a direction that it be disclosed to the members;

88.6.2 provide a copy of the report to any person whose financial interests may have been affected by the matters dealt with in the report;

88.6.3 cause the report to be published; or

88.6.4 at the request of the applicant(s) of the investigation and on payment of such reasonable sum as the Registrar may direct, be delivered to them at their registered address.

89. **ALTERNATIVE REMEDY TO WINDING UP IN EVENT OF UNFAIR PREJUDICE**

89.1 Where a company'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 company (including an act or omission on its behalf) is or would be so prejudicial, the Authority may, on application of one or more members of the company, make one or more of the following orders:

89.1.1 an order regulating the conduct of the company's affairs in the future;

89.1.2 an order requiring a person to do, or refrain from doing, any act or thing;

89.1.3 authorise proceedings to be brought in the name of and on behalf of the company by such person or persons and on such terms as the Authority may direct;

89.1.4 an order providing for the purchase of the rights of any members of the company by other members or by the company itself and, in the case of a purchase by the company itself, the reduction of the company's capital accounts accordingly; or

89.1.5 any other order as the Authority sees fit.

89.2 An alteration in the company's articles made by virtue of an order under this Regulation 89 is of the same effect as if duly made by special resolution of the company, and the provisions of these Regulations apply to the articles as so altered accordingly.

SECTION 9
COMPANIES INCORPORATED OUTSIDE OF THE ZONE

90. OVERSEAS COMPANIES AND COMPANIES INCORPORATED OUTSIDE OF THE ZONE

90.1 An overseas company or a company incorporated outside of the zone shall not engage in or carry on or purport to carry on any trade or business activity in the zone unless it is registered as a branch or issued a certificate of continuation as company in accordance with these Regulations, the relevant Licensing Regulations or other legislation administered by the Registrar.

90.2 For the purposes of this Regulation 90 "engage in or carry on or purport to carry on any trade or business activity in the zone" includes the engaging in or carrying on any trade or business outside the zone from a place of business in the zone.

90.3 The Authority may make regulations:

90.3.1 prescribing procedures and applicable fees in relation to requirements under this Section 9 (Companies Incorporated Outside of the Zone); and

90.3.2 waiving or modifying any requirements under this Section 9 (Companies Incorporated Outside of the Zone).

90.4 A person who contravenes this Regulation shall be subject to such sanctions as may be specified in the relevant Licensing Regulations.

91. REGISTRATION OF BRANCHES

91.1 Subject to the provisions of any relevant Licensing Regulations, an overseas company wishing to establish a branch in the zone must:

91.1.1 submit an application to the Registrar in such form and manner as the Registrar may require from time to time; and

91.1.2 include payment of any prescribed registration fee,

in addition to the following supporting documentation, verified in such manner as the Registrar may require:

91.1.3 a copy of the constitutional documents of the overseas company;

91.1.4 a copy of the audited accounts of the overseas company for the preceding two years, save where the applicant overseas company has been in existence for less than two years in which case a copy of the most recent audited accounts;

91.1.5 a copy of a resolution of the members of the overseas company or a resolution of the board of directors (as the case may be) to establish a branch in the zone;

91.1.6 a power of attorney from the overseas company in favour of the principal representative of the branch; and

91.1.7 such other documents or information as the Registrar may in its absolute discretion require from time to time.

91.2 The Registrar may refuse to register a branch of an overseas company for such reason as the Registrar believes to be proper grounds for refusing such registration. Where the Registrar refuses to register a company, the Registrar shall inform the applicant of its refusal in writing. The Registrar shall not be bound to provide any reason for its refusal.

91.3 On the registration of a branch, the Registrar shall issue a certificate of registration and a trade licence as may be specified in the relevant Licensing Regulations. The certificate of registration shall be conclusive evidence of the due registration of the branch and the date of its registration.

91.4 A branch is not a separate legal entity from its parent overseas company.

92. **PROHIBITION OF REGISTRATION OF BRANCH WITH UNDESIRABLE NAME**

No branch shall be registered with a name which in the opinion of the Authority is considered undesirable.

93. **REQUIREMENTS OF A BRANCH**

93.1 A branch shall:

93.1.1 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 branch and to undertake any other function as may be prescribed in these Regulations or the relevant Licensing Regulations;

93.1.2 have a place of business in the zone to which all communications and notices may be addressed;

93.1.3 submit to the Registrar on annual basis a copy of its annual return filed in its jurisdiction of incorporation; and

93.1.4 comply with any other requirement as may be prescribed by the Authority.

94. REGISTER OF BRANCHES

94.1 The Registrar shall maintain the register of branches in such form as it may determine by recording the following details, insofar as they may be relevant, in respect of each branch that is, or has been, registered in the zone:

94.1.1 the name of the branch;

94.1.2 address of the principal place of business in the zone;

94.1.3 the date and place of incorporation of its parent overseas company;

94.1.4 address of the overseas registered office;

94.1.5 details of persons authorised to accept service and the address of its principal place of business in the zone; and

94.1.6 a copy of its certificate of registration.

94.2 The Registrar shall make the register of branches available for viewing during normal business hours at the offices of the Registrar.

94.3 The Registrar may, upon application and payment of the prescribed fee, produce an extract of the information maintained in the register in relation to any particular branch. An extract of information produced pursuant to this Regulation 94.3 is *prima facie* evidence of the matters stated in it.

94.4 Whenever there is any change in the details set out in Regulation 94.1, the branch shall file with the Registrar within 14 days of the change a notice of change of such details using the applicable form prescribed by the Registrar.

94.5 Failure to comply with Regulation 94.4 in relation to filing does not affect the validity of the changes.

95. RECORDS TO BE KEPT BY BRANCHES

95.1 Every branch shall keep at the principal place in the zone from which the overseas company engages in or carries on any trade or business in the zone such records of its acts and financial affairs as will show adequately the trade or business it is engaging in or carrying on or has engaged in or carried on in the zone.

95.2 The Registrar shall have the same power to appoint an inspector to investigate the affairs of a branch and to empower such an inspection and require the cooperation of third parties with such an inspector, and to require the production of documents and records and the taking of copies thereof.

96. **LETTERHEADS AND SERVICE OF PROCESS: BRANCHES**

96.1 Every branch shall have the following particulars on all letters sent from a place of business in the zone in connection with its business:

96.1.1 its full name as appears on the licence obtained from the Registrar to operate in the zone; and

96.1.2 the registered office and place of incorporation of its parent overseas company; and

96.1.3 the principal place and address in the zone from which the branch engages in or carries on any trade or business in the zone.

96.2 For the purposes of these Regulations, any process or notice required to be served on an overseas company shall be sufficiently served if served on any person named in the list of persons delivered to the Registrar or if left at the place of business notified to the Registrar.

SECTION 10
CONTINUATION OF INCORPORATION

97. **CONTINUATION INSIDE THE ZONE**

97.1 An overseas company may, if authorised by the laws of the jurisdiction in which it is incorporated, apply to the Registrar for the continuation as a company.

97.2 The overseas company shall apply to the Registrar using the application form prescribed by the Registrar. The application for continuation inside the zone shall include all information and documents required by the Registrar and the prescribed fee.

97.3 If the Registrar approves the application for continuation, the Registrar shall issue a provisional certificate of continuation on such terms and conditions as the Registrar may see fit. The company shall, within three months of the date of issue of the provisional certificate of continuation, file with the Registrar a certificate evidencing that the overseas company has ceased to be incorporated under the laws of the jurisdiction of the overseas company's incorporation (for the purposes of such continuation) (a "**Certificate of Cessation**") and return the provisional certificate of continuation to the Authority. Subject to providing a Certificate of Cessation, the Authority shall issue a final certificate of continuation on such terms and conditions as the Registrar sees fit. The final certificate of continuation shall be effective from the date of continuation stated in the provisional certificate of continuation.

97.4 From the date of continuation stated in the provisional certificate of continuation or final certificate of continuation (as the case may be):

97.4.1 the certificate of continuation shall be treated as the certificate of incorporation of the company;

97.4.2 the articles of continuation shall become the articles of the company; and

97.4.3 the overseas company shall become a company to which these Regulations shall apply.

97.5 In the event the company does not provide the Registrar with the Certificate of Cessation in accordance with Regulation 97.3, the Registrar may, in its absolute discretion, grant an extension of up to three months to the company to provide such certificate and inform the competent authority in the overseas company's jurisdiction of incorporation thereof.

97.6 Without prejudice to these Regulations or any other applicable laws, where an overseas company is continued as a company, the company shall:

97.6.1 continue to have all the property and rights and be subject to all the liabilities and debts that it had before the continuation;

97.6.2 remain a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation; and

97.6.3 have the same name of the overseas company.

98. CONTINUATION OUTSIDE THE ZONE

98.1 A company may, if authorised by the Authority, apply to the relevant competent authority outside the zone to seek continuation of the company outside the zone as an overseas company.

98.2 The company shall apply to the Registrar using the application form prescribed by the Registrar. The application for continuation outside the zone shall include all information and documents required by the Registrar and the prescribed fee.

98.3 A company shall not apply for continuation as an overseas company outside the zone unless:

98.3.1 the laws of the jurisdiction in which continuation is sought provides that the company shall, after continuation as an overseas company in that jurisdiction:

(a) continue to have all the property and rights and be subject to all the liabilities and debts that it had before the continuation; and

(b) remain a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation; and

98.3.2 at a date not less than 45 days prior to making the application for continuation outside the zone, the company shall cause a notice to be published, for at least three consecutive days, in two daily newspapers circulating in Dubai, one Arabic and one English.

98.4 Provided that the Registrar has:

98.4.1 approved the continuation outside the zone; and

98.4.2 received the instrument of continuation issued by the competent authority of the jurisdiction of continuation,

the Registrar shall, subject to the satisfaction of any conditions, deregister the company (and strike the name of the company) from the register of companies, upon which the company shall cease to be a company within the meaning of these Regulations.

98.5 The provisions of Regulation 101 relating to winding-up shall not apply with respect to the cessation of a company by the Registrar pursuant to this Regulation 98.

99. **GENERAL PROVISIONS RELATING TO CONTINUATION**

99.1 All documents provided to the Authority must be in English. Documents issued in any other language must be accompanied by an English translation certified by a registered translator.

99.2 The Registrar may refuse to grant its consent for the continuation of a company whether inside or outside of the zone, and where it does so refuse, the Registrar shall not be bound to provide any reason for its refusal.

SECTION 11
DEREGISTRATION

100. **DEREGISTRATION OF A COMPANY**

100.1 In the event a company is acting or has acted in contravention of these Regulations or other legislation administered by the Authority, including ceasing to conduct its business in the zone, the Authority shall notify the company in writing that it shall deregister the company within three months from the date of such notice, unless the company provides a reasonable justification and the Authority, in its discretion, decides not to deregister the company.

100.2 If the company fails to provide a reasonable justification on or before the day of expiration of the three month notice period set out in Regulation 100.1, the Authority shall have the power to deregister the company and strike the name of the company from the register of companies, upon which the company shall cease to be a company within the meaning of these Regulations.

100.3 Deregistration of a company in accordance with the provisions of this Regulation 100 shall be without prejudice to the liabilities of the members, directors and general manager of such company that may have accrued as at the date of such deregistration.

SECTION 12
WINDING UP

101. **VOLUNTARY WINDING UP**

101.1 A company's members may agree through a special resolution to voluntarily wind up the company in accordance with the process set out in the Commercial Companies Law as it relates to the dissolution of a limited liability company incorporated pursuant to the provisions of the Commercial Companies Law. All rights and responsibilities vested in the competent authority under the Commercial Companies Law shall instead be vested in the Authority and all references to the commercial register shall be to the register of companies maintained by the Registrar.

101.2 For the avoidance of doubt, no company shall be considered a limited liability company with regard to any other provisions of the Commercial Companies Law.

102. **COMPULSORY WINDING UP**

102.1 Notwithstanding Regulation 100, the Authority may, in its discretion, apply to the court for the winding up of a company if:

102.1.1 either:

(a) a company is acting or has acted in contravention of these Regulations or regulations or other legislation administered by the Authority; or

(b) it is in the interests of the members of the company, or of the creditors, for a company to be wound up; and

102.1.2 it is just and equitable and in the interests of the Authority for a company to be wound up.

102.2 Nothing in this Regulation 102 affects the powers that any person or the court may have apart from this Regulation 102.

SECTION 13
MISCELLANEOUS

103. **FORM OF REGISTERS**

103.1 Any book or paper required by these or any other regulations, whether public or private, to be kept and maintained by the Registrar or a company may be kept by recording the matters in question in bound books, held in electronic form or in any other legible manner.

103.2 The Registrar may, in its discretion and in the manner prescribed by it, provide a copy of any entry in the register (and may certify the same) to any person who asks for it on payment of the fee prescribed by the Registrar.

103.3 Adequate precautions shall be taken for guarding against falsification and facilitating its discovery and where the book or paper is kept in a form otherwise than legible it shall be capable of being reproduced in a legible form.

103.4 Where in these Regulations, or such other regulations as may be made by the Authority, provision is made for the inspection or reproduction of any book or paper then it shall be treated as a provision to allow inspection or reproduction in a legible form.

103.5 Copies of minutes referred to in Regulation 61 and financial statements referred to in Regulation 65 shall be preserved in the registered office of the company for a period of not less than eight years from the date when they were first required.

104. **AUTHORITY AND OTHER OFFICERS MAY INSPECT BOOKS WITHOUT CHARGE**

The Authority or any other person acting on its behalf shall be exempt from the payment of any fee or charges for inspecting or copying the register or any books or accounting records or any books or papers of a company when lawfully entitled so to do.

105. **PRODUCTION AND INSPECTION OF BOOKS WHEN OFFENCE SUSPECTED**

105.1 Where, on an application to the Authority, it appears to the Authority that a breach under these Regulations may have been committed, and that evidence relating to the commission of such breach may be found in any books or papers of or under the control of the company, a direction in writing may be made by the Registrar requiring the secretary to the company or such other officer or person as may be named in the direction to produce the said books or papers or any of them to a person named in the direction at a place and time so named.

105.2 When a direction has been made under Regulation 105.1, the person named in the direction to whom the said books or papers are to be produced, shall inspect and may take copies thereof for the purpose of investigating and obtaining evidence of any breach of these Regulations.

105.3 A person to whom books and papers are produced pursuant to Regulation 105.1 shall on completion of his investigation forward a report of the results thereof to the Registrar together with all copies of documents made by him pursuant to Regulation 105.2.

106. **LEGAL ACTIONS AGAINST THE AUTHORITY**

No legal action shall be brought against the Authority or any person acting on its behalf in respect of an actual or proposed act or omission of the Authority (including an act or omission on its behalf) unless such legal action has been caused as a result of any gross negligence, fraud or wilful default by the Authority or any person acting on its behalf under and in accordance with these Regulations.

107. **THE AUTHORITY TO BE INDEMNIFIED IN RESPECT OF FOREIGN LEGAL CLAIMS**

The Authority shall not be required to prosecute, defend or take part in any proceedings outside the jurisdiction of the zone unless it is indemnified by or on behalf of the person who wishes the Authority to act against any judgment, order or costs that may be awarded against him by deed guarantee or deposit, as it may require.

108. **APPLICATIONS TO COURT**

108.1 Where a person intentionally, recklessly or negligently commits a breach of any requirement, duty, prohibition, responsibility or obligation which is imposed by or under these Regulations, other implementing regulation or legislation, the Authority shall be entitled to refer any such matter or question or dispute that it deems appropriate to the Dubai Courts or, if all parties to a dispute have so agreed in writing to an arbitral body.

108.2 Any application to such a court or body under these Regulations (and, if required, service of that application) shall be made in the manner prescribed by the relevant court or body (as the case may be).

108.3 Without prejudice to Regulation 108.1, an application may in the first place be heard when the relevant court may direct that the proceedings shall be served on such persons, if any, as it shall think fit and that the application shall be supported by such evidence as the court shall require.

108.4 Nothing in this Regulation 108 affects the powers that any person or the relevant court may have apart from this Regulation 108.

109. **POWER TO ENFORCE**

Orders made by any court or arbitral body under these Regulations may be enforced as orders made in an action pending therein.

110. **RULES AND IMPLEMENTING REGULATIONS**

110.1 Without in any way limiting the powers and functions conferred elsewhere under these Regulations or under any other law (or the absence of such powers), the Authority (for the purposes of this regulation 110.1, represented by the Director General of the Authority) has powers and functions to make (and amend) implementing regulations from time to time for carrying out the purposes of these Regulations.

110.2 These Regulations and any implementing regulations made thereunder may be amended by the Authority, in its discretion, from time to time.

110.3 The Authority (for the purposes of this regulation 110.3, represented by the Director General of the Authority) may prescribe in regulations procedures relating to the imposition and recovery of fines under these Regulations.

110.4 The provisions of the Commercial Companies Law are disapplied in their entirety except as expressly referenced in Regulation 101.

APPENDIX 1
INTERPRETATION AND DEFINITIONS

1. **INTERPRETATION**

1.1 In these Regulations, a reference to:

(a) Regulation includes a reference to the Regulation as amended or reenacted from time to time;

(b) a person includes any natural person or body corporate, including a company, partnership, government entity or state;

(c) an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in these Regulations, 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 United Arab Emirates;

(e) a calendar year shall mean a year of the Gregorian calendar;

(f) a reference to the masculine gender includes the feminine and vice versa; and

(g) where relevant the singular shall include the plural and vice versa.

1.2 Wherever in these Regulations an obligation or duty is placed on a company or a company is authorised to do any act, then unless it is otherwise provided such obligation, duty or act may be carried out by the directors of the company.

1.3 The Regulation headings herein are included for convenience of reference only and shall be ignored in the construction or interpretation of these Regulations.

1.4 References in these Regulations to any requirement for any document to be written, in writing, to be presented in writing or for the giving of any notice are to be construed as satisfied by an electronic record.

1.5 References in these Regulations to any requirement for a signature on any document or notice are to be construed as satisfied by an electronic signature which may be proved in any manner.

1.6 In the event of any discrepancy between the English version of these Regulations and any other version this English version shall prevail.

2. **DEFINITIONS**

The following defined terms have the meaning given below unless the context implies otherwise:

Term	Definition
"**accounting records**"	includes but is not limited to, books, records, ledgers, journals, bank statements, contracts and agreements, receipts, verification statements, invoices, vouchers, whether in physical or electronic format.
"**AED**"	the lawful currency of the UAE.
"**alternate director**"	a director appointed pursuant to Regulation 72.
"**annual general meeting**"	has the meaning given in Regulation 54.1.
"**Appendix**"	the appendix to these Regulations.
"**Arrangement**"	includes a reorganisation of the share capital of a company by the consolidation of shares of different classes or by the division of shares into shares of different classes or by both these methods.
"**articles**"	the articles of association of a company as amended from time to time.
"**Authority**"	the Dubai Creative Clusters Authority and the relevant subdivision(s) thereof.
"**board**"	the board of directors of the company from time to time.
"**branch**"	the branch of an overseas company or a branch of any other entity formed outside the zone pursuant to the laws and regulations applicable in its place of incorporation.
"**Change of Name Notice**"	the notice, in a form prescribed by the Registrar, published by a company, following approval by the Registrar of the new name of the company, published in two daily newspapers issued in Dubai, one Arabic and one English.
"**circular**"	an indicative guidance made and issued by the Registrar or the Authority which has not been incorporated into these Regulations.
"**Commercial Companies Law**"	the Federal Commercial Companies Law (Federal Law No. 2 of 2015) (as may be amended from time to time).
"**company**"	a company incorporated under these Regulations.
"**court**"	any court of competent jurisdiction.
"**debenture**"	includes debenture stock, bonds and any other securities of a company whether constituting a charge on the assets

Term	Definition
	of the company or not.
"**DIFC Courts**"	the courts of the Dubai International Financial Centre in the Emirate of Dubai.
"**director**"	a natural person, who could be a UAE or a non-UAE national, a resident or non-resident of the UAE, occupying the position of director of a company.
"**Director General**"	the Director General of the Authority appointed pursuant to Law No. 15 of 2014 concerning the Creative Clusters in the Emirate of Dubai.
"**Dubai Courts**"	the courts of the Emirate of Dubai established pursuant to Law Courts Formation No. (3) of 1992 in the Emirate of Dubai and its amendments.
"**document**"	information stored in any form of writing, code or visual depiction and the manner in which such information is stored is irrelevant for the purpose of deeming the information to constitute a "document" for the purpose of this definition and a "document" includes summons, notice, order or other legal process and registers.
"**Effective Date**"	the date on which these Regulations come into force.
"**electronic record**"	a record generated, communicated, received or stored by electronic, magnetic, optical or other means in an information system or for transmission from one information system to another.
"**electronic signature**"	any letters, characters, numbers or other symbols in digital form attached to or logically associated with an electronic record, and executed or adopted with the intention of authenticating or approving the electronic record.
"**financial year**"	in respect of a company, each successive period of twelve months commencing immediately after the end of the previous financial year provided that: (a) the first financial year of a company starts on the day on which it is incorporated and lasts for a period not less than six months and not exceeding 18 months as may be determined by the company and as notified to the Authority in the form prescribed within three months of the date of incorporation of the company; and

Term	Definition
	(b) a company may, by notice to the Authority in the form prescribed, specify a new financial year provided that in no circumstance may the financial year of a company be shorter than six months or exceed eighteen months.
"**general manager**"	the person appointed from time to time in accordance with Regulation 74 to manage the day to day activities of the company.
"**implementing regulations**"	those regulations promulgated by the Authority for the purpose of giving effect to or for the better carrying out of these Regulations and includes forms and such other regulations as may be made by the Authority from time to time.
"**law**"	the applicable laws of the UAE from time to time.
"**Law No. 15 of 2014**"	Emirate of Dubai Law No. 15 of 2014 issued on 27 October 2014 in relation to the Creative Clusters in the Emirate of Dubai (as amended from time to time).
"**licence**"	a licence issued pursuant to the Licensing Regulations.
"**licensee**"	has the meaning given to it in the Licensing Regulations.
"**Licensing Regulations**"	the Dubai Technology and Media Free Zone Licensing Regulations issued on 25 September 2003, and its amendments.
"**member**"	has the meaning given in Regulation 20.
"**officer**"	in relation to a body corporate, means: (i) a director or secretary of a company; (ii) a general manager of a company or any other appointed executive manager; or (iii) a liquidator.
"**ordinary resolution**"	a resolution passed by a simple majority of the votes of members, entitled to vote, present in person or by proxy, at a duly convened general meeting
"**overseas company**"	any body corporate duly incorporated outside the zone pursuant to the laws and regulations applicable in the jurisdiction of incorporation.
"**register of companies**"	the register of companies maintained by the Registrar under Regulation 18.

Term	Definition
"**Registrar**"	the Registrar of Companies appointed pursuant to Regulation 6.
"**Regulations**"	the DCC Private Companies Regulations (as may be amended from time to time).
"**Repealed Regulations**"	the Dubai Technology and Media Free Zone Private Companies Regulations issued on 9 April 2003; Decision No. 3 of 2004 Concerning the Dubai Technology and Media Free Zone Private Companies Regulations 2003; Decision No. 1 of 2005 Concerning the Dubai Technology and Media Free Zone Private Companies Regulations 2003; and Decision No. 2 of 2010 Concerning Continuation of Companies.
"**Security Register**"	the register of security maintained by the Registrar under Regulation 50.
"**share**"	a share in the issued share capital of a company.
"**share premium account**"	has the meaning given to it in Regulation 29.1.
"**special resolution**"	a resolution passed by at least 75 per cent. of the votes of members, entitled to vote, present in person or by proxy, at a duly convened general meeting.
"**Standard Articles**"	A model set of articles prescribed by the Registrar under Regulation 12.1.
"**UAE**"	the United Arab Emirates.
"**zone**"	the Dubai Creative Clusters zone established in the Emirate of Dubai pursuant to Law No. 15 of 2014 (as may be amended form time to time).