



**UAQ Free Trade Zone Company Regulations No 1/14**

**issued by the Umm Al Quwain Free Trade Zone Authority  
in 2014**



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## **SECTION 1. GENERALLY APPLICABLE PROVISIONS**

### **1.1 Interpretation and defined terms**

Schedule 1 contains interpretive provisions which apply to the Company Regulations and a glossary of defined terms used herein.

### **1.2 Application**

- (a) The Company Regulations shall apply to each person who wishes to carry out or carries out as relevant business in or from the Zone, or both, other than freelancers or other individuals and their business which shall be regulated by the Zone Regulations applicable to them.
- (b) In the Company Regulations a provision which provides contrary to the Federal Company Law shall prevail over a conflicting provision of such law (which shall not to that extent apply).

### **1.3 Prohibitions on carrying out business**

- (a) No person to which the Company Regulations apply shall carry out business in and or from the Zone
  - (i) other than through an FZE, FZC or a Branch,
  - (ii) other than the business which is expressly permitted by and for a term stipulated in a Licence,
  - (iii) under a name which is not approved by the Authority,
  - (iv) except as the Registrar may otherwise permit, other than from an office registered in the Zone,
  - (v) in contravention with any provision of the Applicable Law.
- (b) No person to whom the Company Regulations apply is entitled to carry out business in a jurisdiction outside of the Zone, other than in compliance with the law of that jurisdiction.

### **1.4 Prohibitions on names**

The Authority shall not approve a name:

- (a) which is, in the Authority's opinion, undesirable, or
- (b) which is, unless the Authority so permits, identical or similar to the name used by another FZE, FZC or a Branch, or
- (c) which contains a word or words which, in the Authority's opinion, suggest or may be likely to suggest any patronage, connection with or other interest held in an FZE, FZC or a Branch by a prominent person in the UAE where there is none, or proprietary or other interest in an FZE, FZC or a Branch by a government or authority of any jurisdiction, where there is none, or



- (d) which contains such a word prohibited by the Authority as it may prescribe from time to time, or
- (e) the use of which may or would be in breach of intellectual property rights of another person under the Applicable Federal Law or Applicable Local Law, or both, or
- (f) which contains a word or words, the usage of which requires the prior approval by any other competent authority in the UAE, unless such prior approval has been granted.

#### 1.5 **Registered office**

- (a) Each FZE, FZC and Branch shall at all times have a registered office in the Zone to which all communications shall be addressed and made.
- (b) Except with the prior consent of the Registrar, each registered office shall be an office or another place of business which is located in the Zone.
- (c) An FZE, FZC or Branch as relevant may apply to the Registrar for consent to change its registered office. The application shall be in the prescribed form. Any change in the registered office consented to by the Registrar shall only be effective as of the date of its registration in the FZE Register, FZC Register or Branch Register as relevant.
- (d) A notice or any other document may be served on an FZE, FZC or a Branch in relation to any matter under the Applicable Law if served on its manager or left at its registered office in the Zone.

#### 1.6 **Waivers and modifications**

- (a) The Authority may relax or waive, either in whole or in part and either unconditionally or subject to such conditions as it deems appropriate, any or all of the requirements specified in the Company Regulations, if it considers it appropriate to do so.
- (b) The Authority may amend the Company Regulations or issue Implementing Regulations, or both, from time to time.

#### 1.7 **Discretions**

- (a) The Authority's or the Registrar's consent or other form of approval in relation to any matter may be granted with or without such conditions as it or he may consider necessary, or withheld with or without assigning any reason therefor.
- (b) The Authority's or the Registrar's decision on matters within its or his powers and authorities shall be final and not appealable before any court or authority.

#### 1.8 **Disputes**

- (a) Any dispute arising out of or in connection with the interpretation or the implementation by the Registrar of the Company Regulations shall be referred to the Courts, provided that the Authority shall, at its absolute discretion, be entitled, at any time, to refer or to agree to refer any matter or question that it deems appropriate to a court or arbitral body of its choice.
- (b) No suit or action shall lie against the Authority, the Registrar or any person acting as his



delegate or on its or his behalf in respect of anything done or omitted to be done in its or his official capacity in good faith and without negligence.

- (c) The prescribed fees for services rendered, prescribed fines for contraventions and other payments to the Registrar or the Authority due from a person pursuant to or in connection with the Company Regulations shall be settled when made in full to the Authority.
- (d) All the funds and other property of the Authority shall be governmental funds and property and shall not be the subject of attachment or similar action, on enforcement or otherwise.
- (e) The Authority or the Registrar shall not be required to prosecute, defend or take part in any proceedings outside the Zone, unless, subject to any restrictions in the Applicable Local Law, they so consent and are fully indemnified in a prescribed manner by or on behalf of the person who wishes the Authority or the Registrar so to act.

## **SECTION 2. REGISTRAR**

### **2.1 Appointment of the Registrar**

The Authority shall appoint one or more natural persons to act as the Registrar under the Company Regulations.

### **2.2 Powers and functions of the Registrar**

- (a) The Registrar shall exercise and perform such functions and shall have such powers and authorities as are set out in the Company Regulations or may otherwise be necessary in connection with his exercise and performance of such functions, powers and authorities, including without limitation:
  - (i) maintain registers and issue Certificates,
  - (ii) carry out inspections,
  - (iii) direct the FZE, FZC or the Branch as relevant to take an action and notify of the relevant sanction for a contravention,
  - (iv) such functions, powers and authorities as the Authority may otherwise delegate to the Registrar from time to time.
- (b) The Registrar may delegate such of his powers and or authorities and or functions to one or more individuals employed by the Authority as the Authority may direct or permit from time to time.

### **2.3 Communications and language**

- (a) The Registrar shall direct all the communications to, and shall only accept any communication from, a manager or an individual holding a valid Power of Attorney from the FZE, FZC or the Branch's parent company as relevant.
- (b) The Registrar shall maintain its registers and issue Certificates in a prescribed form, which may require them to be in the English or Arabic languages, or both. Any other



communication from or to the Registrar may be in the English language or Arabic language, or both.

#### 2.4 **Registers maintained by the Registrar**

- (a) The Registrar shall maintain, among others, one or more of the following registers:
  - (i) FZE Register.
  - (ii) FZC Register.
  - (iii) Branch Register.
  - (iv) Shareholder register.
  - (v) Register of directors and officers.
  - (vi) Security register.
- (b) Records of a register maintained by the Registrar shall be conclusive evidence of the matters registered therein pursuant to the Company Regulations.
- (c) A manager may apply to the Registrar for consent to the examination of the relevant register maintained by the Registrar.
- (d) If any error or omission concerning a matter recorded in a register maintained by the Registrar or in a Certificate is apparent, the FZE, FZC or the Branch affected by such error or omission may apply, in the prescribed form, to the Registrar for consent to the rectification of such error or omission.
- (e) A manager may apply to the Registrar in the prescribed manner for consent to the provision of extracts from the relevant register maintained by the Registrar.

#### 2.5 **Inspections**

- (a) The Authority and or the Registrar may carry out such inspections of any person who is the subject of the Company Regulations and such of documents and records and in such a manner as they see fit.
- (b) Every person shall immediately provide all such assistance and all such documents in legible form to the Authority and or the Registrar as they may require for the purposes of inspections.

### **SECTION 3. FZES AND FZCS**

#### 3.1 **Incorporation**

- (a) A person may apply to the Registrar for consent to incorporate an FZE, and two or more persons may apply to the Registrar for consent to incorporate an FZC, in each case by submitting to the Registrar an application in the prescribed form and such documents and in such form as the Registrar may require.
- (b) On completion of the prescribed procedures and payment of prescribed fees:



- (i) the Registrar shall register the FZE in the FZE Register, assign a registration number to the FZE, and issue to the FZE a Certificate of Incorporation, whereupon the FZE shall be incorporated,
  - (ii) the Registrar shall register the FZC in the FZC Register, assign a registration number to the FZC, and issue to the FZC a Certificate of Incorporation, whereupon the FZC shall be incorporated.
- (c) From the date of incorporation mentioned in the Certificate of Incorporation a person or persons as is or are from time to time the sole shareholder of the FZE or the shareholders of the FZC shall be a body corporate having the name contained in the Certificate of Incorporation capable forthwith of exercising all the functions of an incorporated FZE or FZC as relevant.

### 3.2 **Legal personality**

- (a) FZEs and FZCs incorporated under the Company Regulations shall have a separate legal personality from that of their shareholder(s).
- (b) The liabilities of an FZE or FZC as relevant, whether arising in contract, tort or otherwise, shall be its liabilities and not the personal liabilities of any shareholder, or officer of the FZE or FZC as relevant, except as otherwise provided for in the Applicable Law.

### 3.3 **Name**

- (a) The abbreviation "FZE" shall at all times be added to the name of each FZE to indicate that it is a Free Zone establishment with limited liability incorporated by one shareholder pursuant to the Company Regulations.
- (b) The abbreviation "FZC" shall at all times be added to the name of each FZC to indicate that it is a Free Zone company with limited liability incorporated pursuant to the Company Regulations.
- (c) Any change in the FZE's or FZC's name shall come into effect on its registration in the FZE Register or FZC Register as relevant. A Certificate of a Change in Name issued by the Registrar shall be conclusive evidence of such registration.
- (d) No change in name of an FZE or FZC as relevant shall affect any of its rights or obligations, or render defective any legal proceedings by or against it. Any legal proceedings that might have been commenced by or against an FZE or FZC as relevant in its former name may be continued by or against the FZE or FZC as relevant in its new name.

### 3.4 **Memorandum and Articles of Association**

- (a) Each FZE and each FZC shall have a Memorandum and Articles of Association.
- (b) The Authority may prescribe a standard form of the Memorandum and Articles of Association. The standard form shall set out the minimum provisions required for the Memorandum and Articles of Association.
- (c) An FZE or FZC may, for its Memorandum and Articles of Association, adopt the whole or any part of such standard form of the Memorandum and Articles of Association and may





provide for additional matters agreed by the FZE shareholder or FZC shareholders as relevant, provided that

(i) any exemption from the application of any mandatory regulation of the Company Regulations or Implementing Regulations shall be subject to the prior written consent by the Registrar

and

(ii) any other deviation from the standard form of the Memorandum and Articles of Association shall be subject to the provision to the Registrar, at the cost and expense of the FZE or FZC as relevant, of an unqualified and otherwise satisfactory legal opinion which confirms that no such deviation causes a contravention, which shall be procured by a person applying for the incorporation of the relevant FZE or FZC, or by the FZE's shareholder or FZC's shareholders as relevant, and addressed to the Registrar and the Authority.

(d) The Memorandum and Articles of Association and any amendment thereto shall

(i) be signed in the English language or Arabic language, or both, by the FZE shareholder or by each of the FZC shareholders as relevant,

(ii) not provide contrary to any Applicable Law,

(iii) require a Shareholder Unanimous Resolution and

(iv) become effective upon registration in the FZE Register or FZC Register as relevant.

(e) The Memorandum and Articles of Association, when registered in the FZE Register or FZC Register as relevant, shall bind the FZE or the FZC as relevant and each shareholder and his heir, successor or assign.

(f) If the Memorandum and Articles of Association is amended, the continuing rights and undischarged obligations of the FZE shareholder or the FZC shareholders as relevant, and or of the relevant FZE or the FZC, which have arisen under the Memorandum and Articles of Association prior to the date of such amendment, shall not be affected, unless the amendment provides otherwise.

(g) The Registrar and the relevant FZE or FZC shall each be entitled to and shall retain one original of the Memorandum and Articles of Association and of each amendment thereto.

(h) Upon written request by the FZE shareholder or an FZC shareholder, or his or its heir, successor, assign, FZE's, FZC's or a shareholder's creditor, liquidator or another person concerned, the relevant FZE or FZC may provide such person with a copy of the Memorandum of and Articles Association and each amendment thereto.

### 3.5 **Objects and Powers**

(a) Each FZE and FZC shall have such objects and powers as are set out in its Memorandum and Articles of Association, Licence and the Company Regulations.



### 3.6 Shareholder

- (a) An FZE shall be permitted to have a minimum of one shareholder. An FZE or FZC as relevant shall be permitted to have a maximum of fifty (50) shareholders.
- (b) A shareholder which is a Body Corporate shall be represented by a duly authorised natural person.
- (c) Each FZE and FZC shall keep and maintain a shareholder register and shall issue to each shareholder a Share Certificate.
- (d) Every person whose name is and remains entered in the shareholder register shall be a shareholder of the FZE or FZC as relevant.
- (e) Records of the shareholder register kept and maintained by the Registrar shall prevail over any conflicting records of the shareholder register kept and maintained by an FZE or FZC and of a Share Certificate and shall be conclusive evidence of the registration of a shareholder and his shareholding.
- (f) The powers and authorities of a shareholder shall only be limited by the Memorandum and Articles of Association and Applicable Law.
- (g) Without prejudice to any other provision of the Applicable Law, liability of the FZE's shareholder or of any FZC's shareholder as relevant shall be limited to the extent of his share in the relevant FZE or FZC share capital.
- (h) All money payable by the shareholder to the FZE or by a shareholder to the FZC as relevant, including the amount if any which is unpaid on his shares, shall be a debt due from the shareholder to the relevant FZE or FZC.

### 3.7 Share Capital

- (a) Each FZE and FZC shall have such amount of the share capital as is required for it to achieve its objects, provided always that it shall be:
  - (i) denominated in AED,
  - (ii) be at least AED 300,000 or such other minimum amount of the share capital as Implementing Regulations may determine from time to time for FZEs or FZCs which conduct particular prescribed activities,
  - (iii) subject to consent by the Registrar,
  - (iv) fully issued and paid up upon incorporation,
  - (v) without prejudice to,
  - (vi) increased at the Registrar's request, including without limitation to ensure the relevant FZE's or FZC's capital adequacy or solvency from time to time,
  - (vii) subject to the Registrar's consent, increased or decreased by a Shareholder



#### Unanimous Resolution.

- (b) An FZE or FZC may, by a Shareholder Unanimous Resolution, issue shares at a premium (that is, for a price greater than their nominal value), for cash or otherwise.

Where shares are issued at a premium, a sum equal to the aggregate amount or value of the premiums shall be transferred to an account to be called the “share premium account” and applied by the relevant FZE or FZC for the purposes set out in the Shareholder Unanimous Resolution.

- (c) An FZE or FZC may, by and on the terms set out in a Shareholder Unanimous Resolution or on direction issued by the Registrar, resolve
  - (i) to increase its issued share capital by issuing new shares,
  - (ii) to reduce its share capital, provided that prior to, and on, the date on which the reduction is to have effect as against the relevant FZE or FZC and its shareholder or shareholders as the case may be, the manager shall certify to the Registrar in the prescribed form and manner that, on that date, such FZE or FZC will be and is solvent and that all the creditors of the FZE or the FZC have consented to the reduction.

### 3.8 Shares

- (a) Each share in the FZE’s or FZC’s share capital shall not be of less than AED 1,000 par value.
- (b) Each issued share shall be fully paid and of the same class. No FZE or FZC shall issue bearer shares.
- (c) Each share shall:
  - (i) carry the right to vote at a meeting of the relevant FZE or FZC,
  - (ii) represent a proportionate interest in the relevant FZE or FZC,
  - (iii) rank in all respects equally with each other share in the relevant FZE or FZC,
  - (iv) be transferrable in the manner prescribed in the Memorandum and Articles of Association and subject to consent by the Registrar.

### 3.9 Share transfer

- (a) No share transfer or transmission shall take effect as against the Registrar or any other third party other than on the date of its registration by the Registrar in the shareholder register maintained by the Registrar.
- (b) The FZE or FZC as relevant shall not register a transfer or transmission of any share in the shareholder register maintained by it, unless
  - (i) in the case of a share transfer from one shareholder to another, a written



instrument of transfer and consent duly executed by all the shareholders has been delivered to it,

- (ii) to a person to whom the right to any shares of the relevant FZE or FZC has been transmitted by operation of Applicable Law, including without limitation, in the case of a transfer of shares of a deceased shareholder, to such shareholder's estate representative or heir,
  - (iii) subject to an order of the Courts, to a pledgee of the FZE shareholder or of an FZC's shareholder as relevant pursuant to a pledge over the share or other interests in relation thereto which is validly created in accordance with the Applicable Law.
- (c) The Memorandum and Articles of Association of the FZE or FZC whose shareholder or shareholders are a natural person or persons shall prescribe the procedure for the registration of a transmission of shares to or by the heir of a deceased shareholder or another person in the shareholder register maintained by the relevant FZE or FZC.
- (d) Notwithstanding any provision in the Memorandum and Articles to the contrary, if any of the shareholders intends to transfer any of his shares to a person who is not a shareholder in the FZC, whether for or without consideration, he shall notify the other shareholders through the manager of the terms of the intended transfer. Upon receipt of the notice, the manager shall forthwith notify each of the other shareholders. Each such other shareholder shall have the right of pre-emption of the offered share or shares, at the price to be agreed with the transferor, which, if not exercised by any such non-transferring shareholder within a period of time stipulated in the Memorandum and Articles of Association, shall be deemed to have been waived, provided that:
- (i) If the price is not agreed prior to the date on which such period of time expires, such a period shall be automatically extended for such further period of time as the FZC auditor requires to evaluate the price as at the time of the acquisition.
  - (ii) If more than one of the non-transferring shareholders exercises the right of pre-emption, the offered shares shall be distributed amongst such shareholders in proportion with their respective shareholding in the FZC capital immediately prior to such distribution.

### 3.10 Dividends

- (a) No FZE or FZC shall declare or pay a dividend, if:
- (i) it is, or after the payment it would be, unable to pay its liabilities as they fall due,
- or
- (ii) the value of its assets is, or after the payment will be, less than its liabilities.



### 3.11 Management

#### (a) Manager

- (i) Each FZE and FZC shall have a manager who shall, within the limits of his authority if any are set by the Memorandum and Articles of Association or a Shareholder Unanimous Resolution from time to time, have the responsibility for the day-to-day management, supervision and control of the relevant FZE's or FZC's business and be such FZE's or FZC's authorised representative in dealings with the Registrar and third parties.
- (ii) The position of the manager can be held by a shareholder, a director or an employee.
- (iii) Wherever in the Company Regulations an obligation or duty is placed on an FZE or FZC or it is authorised to do any act, unless the context otherwise requires, such obligation, duty or act may be carried out by the manager.

#### (b) Directors

- (i) Without prejudice to the overall management authority of the FZE's shareholder or the FZC's shareholders (as relevant) and the manager, the business and affairs of the FZE or FZC as relevant shall be conducted by its directors and other officers if any.
- (ii) Each FZE and FZC shall have at least one director and one secretary which shall be registered in each register of directors and officers. The office of a director and of the secretary may be held by the same person.
- (iii) Each director may nominate and, following approval of the nomination by the FZE's shareholder or the FZC's shareholders (as relevant), may appoint a person, other than another director, to act as his alternate. An alternate shall perform only such functions of his nominating director as are required to be exercised in a board meeting in the event of the nominating director is unable for reasons acceptable to the other directors to attend a meeting.

#### (c) Other officers

- (i) The directors may nominate such officer or officers among themselves or other employees of the relevant FZE or FZC as may be required effectively to manage the relevant FZE's or FZC's affairs and delegate to them the relevant management authorities, provided that:
  - a. the division of responsibilities is clearly established and set out in writing,
  - b. in assigning specific functions to an officer, care is taken to ensure that the integrity and effectiveness of the functions he is to perform are not compromised and the duties and functions to be performed by the same officer do not conflict with each other,
  - c. no such officer shall hold the office and carry out the delegated



management function and responsibility, unless his nomination, functions, apportionment of responsibilities and limitations on his authorities have been approved by a Shareholder Unanimous Resolution and registered in the register of directors and officers.

### 3.12 **Qualification of the manager, directors and other officers**

- (a) No person shall apply to the Registrar for consent to be registered as a manager, director, an alternate director, secretary or another officer of the relevant FZE or FZC, if such person
  - (i) is not a Qualified Individual,
  - (ii) is or becomes disqualified in accordance with the Memorandum and Articles of Association,
  - (iii) (except as the FZE's shareholder or the FZC's shareholders as relevant may otherwise permit) in the case of a manager or director, is acting in a similar capacity for a person conducting a business in any jurisdiction which competes with the business of the relevant FZE or FZC.
- (b) In assessing conformity of any such person with the criteria, the Registrar may:
  - (i) make any enquiries which he may consider appropriate, including enquiries independent of the person,
  - (ii) require the person or the relevant FZE or FZC to provide any additional information, declaration and or document,
  - (iii) require any information or documents provided by the person and or the relevant FZE or FZC to be verified in a prescribed way,
  - (iv) take into account any information which the Registrar considers appropriate.

### 3.13 **Election, term and removal of the officers**

- (a) The first director or directors as relevant, the secretary and the manager of an FZE or FZC shall be the persons stated as such in the prescribed application form submitted to the Registrar for incorporation purposes.
- (b) Following the incorporation, each director, secretary and manager shall be elected or re-elected (in the event of expiry of the preceding term of the relevant director, secretary or manager) by a Shareholder Unanimous Resolution.
- (c) Each director, secretary and manager shall hold office for a period determined in the Memorandum and Articles of Association or until his earlier death, resignation or disqualification or, at any time, removal by the FZE's shareholder or the FZC's shareholders as relevant.
- (d) In the event of a vacancy created by the death, the FZE's shareholder or the FZC's shareholders as relevant shall within 7 days appoint a replacement director, replacement



secretary or replacement manager as relevant.

- (e) No director, secretary or manager may resign, other than by giving the directors and the FZE's shareholder or the FZC's shareholders as relevant such prior written notice of resignation as shall be provided for in the Memorandum and Articles of Association or in a Shareholder Unanimous Resolution issued prior to the giving of such notice and by forthwith notification to the Registrar in a prescribed form and the provision to the Registrar of the Shareholder Unanimous Resolution accepting such resignation.
- (f) The FZE's shareholder or the FZC's shareholders as relevant shall not remove a director, secretary or manager prior to the expiration of the term of their appointment, other than by giving 14 days prior written notice of removal to the director, secretary or manager as relevant and forthwith notification to the Registrar in a prescribed form and the provision to the Registrar of a resolution passed in a general meeting approving the removal.

### 3.14 Duties of the officers

- (a) Each director, secretary, manager or other officer, in exercising his powers and discharging his duties, shall
  - (i) act honestly, in good faith and lawfully, with a view to the best interests of the relevant FZE or FZC,
  - (ii) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances,
  - (iii) exercise his powers and authorities only within their limits and for the purposes for which they were given,
  - (iv) not hold any management position in a Body Corporate whose business competes with the business of the relevant FZE or FZC,
  - (v) (except as the FZE's shareholder or the FZC's shareholders may otherwise permit) shall not have any interest in and shall not enter into any transaction in which he has an interest which conflicts or may conflict with the interests of the relevant FZE or FZC.
- (b) Duty to disclose interests
  - (i) An officer who has, directly or indirectly, an interest in a transaction entered into or proposed to be entered into by the relevant FZE or FZC or by its subsidiary which to a material extent conflicts or may conflict with the interests of such FZE or FZC and of which he is aware, shall disclose to the FZE or FZC as relevant the nature and extent of his interest forthwith upon the officer becoming aware of the transaction.
  - (ii) A notice in writing given to the FZE or FZC by an officer that he is to be regarded as interested in a transaction with a specified person is sufficient disclosure of his interest in any such transaction entered into after the notice is given.



### 3.15 Shareholder reserved matters

The following require the prior Shareholder Unanimous Resolution:

- (a) acquisition and sale of shares in the FZE or FZC and any other company,
- (b) creation of any security interest over all or any part of the assets of the FZE or FZC,
- (c) matters reserved for shareholder decision in the Memorandum and Articles of Association of the FZE or FZC, an annual general meeting, by the Company Regulations or as may otherwise be agreed upon by a Shareholder Unanimous Resolution.

### 3.16 Shareholder decision-making

- (a) The FZE shareholder or FZC shareholders as relevant may make decisions by way of a written resolution or, where relevant, in general meetings.

### 3.17 General meetings

- (a) The shareholders shall convene a general meeting at least once in every financial year.

The annual general meeting shall be held within 4 months of the end of the financial year of the FZC. Other general meetings may be held as and when required.

- (b) Each notice of a general meeting, other than an annual general meeting, shall be given by the directors or by the manager to each shareholder at least 21 days prior to and excluding the date of the general meeting, unless the Memorandum and Articles of Association provides for a longer period of notice or a notice requirement for a particular meeting is unanimously waived by all the shareholders at the meeting.
- (c) Without prejudice to regulation 3.21 of the Company Regulations, a general meeting may take place in the registered office of the FZC or in the place set out in the notice of a general meeting. The place or method of holding the meeting shall be set out in the notice of a general meeting.
- (d) Each general meeting shall be convened at the time and the date set out in the notice of a general meeting. Notice can be given by email, facsimile or registered letter with an acknowledgement of receipt addressed to each shareholder.
- (e) Each general meeting shall have an agenda which shall be set out in the notice of a general meeting, provided that the agenda for an annual general meeting shall always include the following:
  - (i) Election, removal or re-election, and remuneration and other terms of service of the manager, the director or the directors as relevant.
  - (ii) Appointment, re-appointment or termination, and remuneration and other terms of service of the FZC's auditor.
  - (iii) Approval of the financial statements and auditor's report.
  - (iv) Other matters reserved for shareholder decisions by the Company Regulations or





the Memorandum and Articles of Association, or both.

- (f) Any general meeting, other than the annual general meeting, may be called and notice of such meeting shall be given, at the request made by a shareholder.
- (g) Resolutions at a general meeting shall not be valid unless adopted with the approval of the shareholders representing at least one half of the capital, unless the Memorandum and Articles of Association provide otherwise.

If this quorum is not achieved at the first meeting, the shareholders must be called to a second meeting to be convened 21 days of the first meeting. Resolutions at this meeting shall be adopted with a majority of the votes represented at the meeting, unless the Memorandum and Articles of Association provide otherwise.

- (h) In the event of a failure to hold an annual general meeting, or to attend it, or to resolve on the matters on its agenda, the Registrar may issue to the FZC a direction to hold the annual general meeting under his supervision at the time and date suitable to the Registrar and to resolve on such matters at that meeting.
- (i) Without prejudice to any other sanction for contravention, if the direction is not complied with, the Registrar may commence a compulsory winding up of the FZC.

### 3.18 **Voting at general meetings**

- (a) At any general meeting each shareholder shall be entitled to one vote for each share held by him. Votes may be given in person or by proxy.

### 3.19 **Directors reserved matters**

The Memorandum and Articles of Association of the FZE or FZC with more than one director shall set out those decisions or actions by such FZE or FZC which require the prior unanimous consent by all the directors.

### 3.20 **Directors decision-making**

- (a) Where an FZE or FZC has only one director, he shall resolve on all matters by way of a written resolution.
- (b) The directors may convene a board meeting as and when necessary. Each meeting shall be convened at a place, time and date, and shall have the agenda, which shall be set out in the notice of a board meeting.
- (c) The notice of a board meeting shall be given to each director by the manager at the request of any director at any time.
- (d) No business shall be transacted at a board meeting unless it is attended by all the directors or their alternates.
- (e) Decisions at a board meeting shall be validly made by unanimous vote of the directors present or represented by their alternates.



### 3.21 **Meetings held by a telephone or video conference**

- (a) Unless the Memorandum and Articles of Association provide to the contrary, a meeting of directors or a general meeting of the shareholders (other than the annual general meeting) may be held by means of such telephone, video, electronic or other means of communication as shall permit all persons participating in the meeting to communicate with each other clearly, simultaneously, and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

### 3.22 **Written resolution**

- (a) Anything that may be done by a resolution in a general meeting of the shareholders (other than an annual general meeting) or in a board meeting may instead be done by a written resolution.
- (b) A written resolution may be signed in any number of counterparts and by the different signatories thereto on separate counterparts, each of which when so signed shall constitute an original, but all counterparts shall together constitute one and the same written resolution.
- (c) A written resolution signed by all the directors or by all shareholders as relevant shall be as valid as if it had been validly passed at a board meeting or a general meeting (other than the annual general meeting) as the case may be.
- (d) The date on which a written resolution is validly passed shall be the date on which it is registered on receipt by the secretary in the minute book.

### 3.23 **Minutes of proceedings to be kept**

- (a) The secretary shall record minutes of all proceedings of general meetings and of all proceedings of board meetings of directors and enter them promptly in the minute book which the secretary shall keep and maintain for that purpose. The minutes shall be signed by each shareholder or director as relevant present or represented at the relevant meeting.
- (b) The minute book shall be evidence of the proceedings and, until the contrary is proved, a meeting shall be deemed to have been duly held and convened and the business conducted thereat shall be deemed to be valid.
- (c) Any shareholder or director shall be entitled to be furnished, within 7 days following the day on which he has made a request to the relevant FZE or FZC, with a copy of or with an extract from the relevant minutes recorded in the minute book.

### 3.24 **Register of directors and officers**

- (a) The secretary shall keep a register of directors and officers which shall at all times be up-to-date and include each officer's first name, surname, date of birth, address for notice purposes, term of appointment, apportioned responsibilities and such other details as are required by the Memorandum and Articles of Association, the FZE shareholder or the FZC shareholders as relevant or by Applicable Law to be recorded in respect of each



director, alternate director, secretary and each other officer.

- (b) The secretary shall file with the Registrar, in a prescribed manner, details of any change in the recorded particulars of such persons within 14 days following the date on which the relevant change has taken place.

### 3.25 **Registers maintained by the FZEs and FZCs**

- (a) Every FZE and FZC shall cause its books and registers, including the following registers, to be kept at its registered office:
  - (i) shareholder register,
  - (ii) register of directors and officers,
  - (iii) minute book,
  - (iv) security register,
  - (v) account books.
- (b) Each register and book shall be open for inspection by any shareholder or director, and or the Registrar, at any time during the business hours at the registered office of the relevant FZE or FZC.
- (c) If they are not made available for inspection, the Authority may by notice to the relevant FZE or FZC compel immediate inspection of such books and records.

### 3.26 **Financial year**

- (a) Each FZE and FZC shall have a financial year which shall be each consecutive period of 12 months commencing immediately after the end of the previous financial year provided that the first financial year shall commence on the date of its incorporation and be for a period of not less than 6 months and not more than 18 months.
- (b) An FZE or FZC as relevant may, following a Shareholder Unanimous Resolution, apply to the Registrar, in a prescribed form, for consent to change its financial year.

### 3.27 **Financial statements**

- (a) The director or the directors as relevant shall prepare for each financial year:
  - (i) a balance sheet as at the last day of the year; and
  - (ii) a profit and loss account.

Such accounts shall form part of the relevant FZE's or FZC's financial statements.

- (b) The director or the directors as relevant shall cause the following to be prepared for each financial year:



- (i) financial statements which shall include:
  - a. a statement of the results of operations for such period (that is, a profit and loss account),
  - b. a statement of retained earnings or deficit,
  - c. a balance sheet at the end of such period which shall be signed by the sole director or two of the directors as relevant,
  - d. a statement of changes in the financial position of the relevant FZE or FZC for such period,
  - e. notes to the financial statements which shall include a description of the generally applicable accounting principles used in the preparation of the financial statements,
  - f. such further information as is prescribed by the Memorandum and Articles of Association,
- (ii) the auditor's report in respect of the financial statements.
- (c) The Authority may prescribe the generally accepted accounting principles to be used in the preparation of the financial statements. An FZE or FZC may apply to the Registrar for his consent for other generally accepted accounting principles to be used in the preparation of its financial statements.
- (d) The director or the directors as relevant shall, through the manager, provide or make otherwise available to each shareholder a copy of the financial statements and the auditor's report at least 7 days prior to and excluding the date of the annual general meeting.

### 3.28 Auditor

- (a) Each auditor shall be an independent Body Corporate which shall be duly licensed to conduct financial audit in the Zone under the Applicable Law.
- (b) Following the relevant FZE's or FZC's incorporation, the FZE's shareholder, or the FZC's shareholders in each annual general meeting, shall appoint or re-appoint as relevant the auditor, provided that an auditor shall not be appointed or re-appointed for a period which is shorter than the duration of the financial year and each appointment or reappointment is registered in the FZE Register or FZC Register as relevant.
- (c) If the appointment is terminated, whether by the auditor or by the relevant FZE or FZC, in each case prior to the expiry of its term, the termination shall be registered in the FZE Register or FZC Register as relevant and a replacement auditor shall be appointed for such a period and such remuneration and other terms of service as shall be approved by a Shareholder Unanimous Resolution.
- (d) The auditor shall conduct independent financial audit of, and shall report to the FZE's shareholder or the FZC's shareholders as relevant on, the financial statements and such



other financial matters concerning the relevant FZE's or FZC's affairs as the shareholder or the shareholders as relevant may require.

### 3.29 **Letterheads**

- (a) Every FZE and FZC shall have its name, registration and Licence numbers and registered office mentioned in legible characters in all its written communication or documents of any kind, including without limitation resolutions by its shareholder(s) or director(s), registers, commercial books, business letters, contracts, guarantees, commercial papers, invoices and receipts.
- (b) When an FZE or FZC is being wound up, every invoice, order for goods, business letter or any other document or any other written instrument issued by it or on its behalf, or by a liquidator of the FZE or FZC as relevant, on or in which its name appears shall contain a statement that the FZE or FZC as relevant is being wound up.

### 3.30 **Contracts**

- (a) **Contracts generally**
  - (i) An FZE or FZC shall make contracts and make, accept or endorse commercial papers in written or other form by a natural person acting under its authority.
  - (ii) A natural person shall be so acting and shall bind the relevant FZE or FZC to the obligations assumed in any such contract or other dealing within the limits of his authority.
  - (iii) An FZE or FZC may, by a Shareholder Unanimous Resolution or a power of attorney, resolve to authorise a person who is not its officer to act as its authorised signatory in a particular dealing and within the limits of his authority.
  - (iv) Where a contract purports to have been made by a person for and on behalf of an FZE or FZC prior to its incorporation under the Company Regulations, unless the purported entry into such contract by such FZE or FZC and the performance of its obligations thereunder are ratified by a Shareholder Unanimous Resolution, all the obligations and liabilities arising under such contract shall remain such person's obligations and liabilities and shall not be binding on, valid or enforceable as against the FZE or FZC as relevant.
- (b) **Grant of security interest by an FZE or FZC**
  - (i) An FZE or FZC may grant such security interest over its property situated in the Zone as is permitted by the Applicable Federal Law or Applicable Local Law.
  - (ii) Where the Applicable Federal Law or Applicable Local Law requires a security interest to be registered, it shall not be valid or enforceable until it is registered in the security register maintained by the Registrar.
- (c) **Grant of security interest by a shareholder**
  - (i) A shareholder may pledge his shares or assign his dividends, in each case to its

creditor or group of creditors, in accordance with a written instrument of pledge or assignment as relevant in a prescribed form, provided that an FZE's sole shareholder may only so pledge or assign all of his shares or dividends.

- (ii) No such pledge or assignment shall be valid or enforceable until it is registered in the shareholder register maintained by the Registrar.

(d) Security registration and enforcement

- (i) Registration of a security interest in the security register or shareholder register as relevant and in each case as maintained by the Registrar shall be subject to completion of the prescribed procedures, submission of the prescribed documents and payment of prescribed fees. The Registrar may also require the provision of a legal opinion which shall be addressed to the Registrar and the Authority and confirm that the transactions contemplated by the relevant security documents do not cause a contravention of the Memorandum and Articles of Association or the Applicable Law, or both, as relevant.
- (ii) The Registrar shall not cause or permit enforcement of any security interest other than on an order of the Courts.

**3.31 Financial assistance**

- (a) An FZE or FZC shall not provide the following financial assistance to an officer:

- (i) a loan, debenture, credit facility or other similar form of financial assistance,
- (ii) a guarantee, 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 relevant FZE or FZC or by another person,
- (iii) any other prescribed form of financial assistance,

**unless**, prior to the provision of any particular financial assistance:

- (iv) an express written consent is given by a Shareholder Unanimous Resolution,
- (v) the director or all the directors as relevant expressly resolve that the giving of such financial assistance does not materially prejudice both
  - a. the interests of the relevant FZE or FZC
  - and
  - b. its ability to discharge its liabilities as they fall due,

and such consent and resolution are recorded in the security register.

If condition (v) of this regulation is not met, each director shall be liable to indemnify the relevant FZE or FZC against any loss arising therefrom.



- (b) Financial assistance shall be deemed to be provided to an officer if it is made
  - (i) to a spouse or a child of the officer,
  - (ii) to a Body Corporate of which the officer, his spouse or child owns or controls directly or indirectly more than 20% of the share capital.
- (c) Financial assistance shall not be deemed to be provided to an officer if
  - (i) it consists of remuneration in the ordinary course paid to the officer for his services as an officer,
  - (ii) it is a liability indemnity insurance related to the discharge of his duties to the relevant FZE or FZCor
  - (iii) the FZE's or FZC's ordinary business includes providing the relevant financial assistance and it is given in the ordinary course of that business and on ordinary commercial terms, including without limitation in respect of interest rates, repayment terms and security.

## SECTION 4. AMALGAMATION AND TRANSFER OF INCORPORATION

### 4.1 Amalgamation

- (a) One or more Bodies Corporate may apply to the Registrar for consent to the amalgamation and continuation as a new FZE or FZC as relevant.
- (b) An application for consent shall be in the prescribed form, subject to payment of a prescribed fee and submission of such documents as the Registrar may determine, including without limitation, where an applicant is a Foreign Body Corporate, documentary proof, satisfactory to the Registrar, that it has obtained all necessary shareholder and other consents, permits and authorisations required for the purposes of the amalgamation under the laws of the country of its incorporation.
- (c) One or more Bodies Corporate (as **amalgamating Body Corporate**) and an FZE or FZC as relevant (as **surviving FZE or FZC**) may apply to the Registrar for consent to amalgamate and continue as the surviving FZE or FZC.

An application for consent shall be in such form, subject to payment of a prescribed fee and supported by such documents and in such form as the Registrar may determine, including without limitation the following:

- (i) a unanimous resolution of the shareholders of each amalgamating Body Corporate and the surviving FZE or FZC approving the amalgamation,
- (ii) a prescribed declaration signed by an authorised officer of each amalgamating Body Corporate and the surviving FZE or FZC certifying, among other things, that
  - a. the amalgamating Body Corporate is, and the surviving FZE or FZC will be,



able to pay its liabilities as they fall due,

- b. either no creditor will be prejudiced by the amalgamation or the creditors' consent to the amalgamation has been received or such consent is not required by the terms of the relevant finance documents,
- (iii) a documentary proof, satisfactory to the Registrar, that each amalgamating Body Corporate which is a Foreign Body Corporate has obtained all the necessary consents, permits and authorisations required for the purposes of the amalgamation under the laws of the country of its incorporation.

#### 4.2 **Transfer of incorporation to the Zone**

- (a) A Body Corporate may, if authorised by the laws of its incorporation, apply to the Registrar for consent to its continuation as an FZE or FZC.
  - (b) An application for continuation shall be made to the Registrar in the manner prescribed in the Implementing Regulations and shall
    - (i) be signed by its authorised officer,
    - (ii) be accompanied by Articles of Continuation that comply with the Company Regulations, including as relevant to the standard form of the Memorandum and Articles of Association, and
    - (iii) be accompanied by such other document in such form as the Registrar may require.
  - (c) The Articles of Continuation shall make amendments to the original memorandum and articles of incorporation or equivalent constituent document of the Body Corporate to make it conform to the Company Regulations and other Applicable Law.
  - (d) If the Registrar grants his consent to the application, the Registrar shall:
    - (i) issue a Certificate of Continuation which may be subject to such terms and conditions as the Registrar considers appropriate,
    - (ii) register the FZE or FZC in the FZE Register or FZC Register as relevant,
    - (iii) allocate to the FZE or FZC as relevant a number, which shall be its registered number.
  - (e) From the date of registration stated in the Certificate of Continuation:
    - (i) the Body Corporate shall become an FZE or FZC as relevant to which the Company Regulations apply,
    - (ii) the Articles of Continuation shall become the Memorandum and Articles of Association of the FZE or FZC as relevant
- and





- (iii) the Certificate of Continuation is treated as the Certificate of Incorporation.
- (f) Where the Body Corporate is continued as an FZE or FZC, it:
  - (i) continues to have all the property, rights and privileges and is subject to all the liabilities, disabilities and debts that it had before the continuation
  - and
  - (ii) remains a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.

#### 4.3 Transfer of incorporation from the Zone

- (a) An FZE or FZC may, if it is authorised by:
  - (i) a Shareholder Unanimous Resolution, and
  - (ii) the Registrar in the prescribed manner,apply to the appropriate official or public body of a jurisdiction outside of the UAE to transfer its incorporation to that jurisdiction and request that it be continued as a Foreign Body Corporate under its laws.
- (b) An FZE or FZC may not so apply unless the laws of that jurisdiction provide that it:
  - (i) will continue to have all the property, rights and privileges and is subject to all the liabilities, disabilities and debts that it had before the continuation, and
  - (ii) will remain a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.
- (c) An FZE or FZC (as relevant) shall cease to be an FZE or FZC (as relevant) within the meaning of the Company Regulations when it continues as a Foreign Body Corporate and when the Foreign Body Corporate files with the Registrar a copy of the certificate or instrument of continuation certified by the appropriate official of the foreign jurisdiction and otherwise in the prescribed manner.
- (d) When the Registrar receives the certificate or instrument of continuation, the Registrar shall strike the name of the relevant FZE or FZC off the FZE Register or FZC Register as relevant.

## SECTION 5. WINDING UP

### 5.1 Mode of winding up

An FZE or FZC may be wound up

- (a) by its shareholder or shareholders (as relevant) (**shareholder winding up**),
- (b) by its creditors (**creditors' winding up**)



and

- (c) in accordance with the Applicable Law, including by the Registrar in accordance with the Company Regulations.

## 5.2 Liquidator

- (a) No person may act as a liquidator in a shareholder winding up or creditors' winding up, unless such a person is a Qualified Individual.
- (b) A liquidator in a shareholder winding up is entitled to receive such remuneration as is agreed, in the case of a shareholder winding up, between him and the relevant FZE or FZC, and, in the case of a creditors' winding up, between the liquidator and the creditors.
- (c) A liquidator shall have such powers and authorities as are provided for in the Company Regulations and as may otherwise be or become required or desirable for the liquidator to settle the debts of the FZE or FZC as relevant and otherwise discharge its liabilities, liquidate and distribute its property and otherwise for or in connection with the beneficial winding up of the relevant FZE or FZC, including without limitation:
  - (i) to summon meetings of the relevant FZE or FZC or its creditors, or both, for any reason provided for in the Company Regulations or as the liquidator may think fit,
  - (ii) inspect books and records of the relevant FZE or FZC,
  - (iii) direct an officer of the relevant FZE or FZC
    - a. to deliver to the liquidator all books and records in the officer's possession that relate to the relevant FZE or FZC and its affairs,
    - b. to give such information about the business, property and financial or other circumstances of the relevant FZE or FZC as the liquidator may require,
    - c. to provide such other assistance as the liquidator may reasonably require.
- (d) The Authority may make such Implementing Regulations as it sees fit as regards the exercise of or the scope of the powers and functions of a liquidator, forms and procedures to be adopted in a winding up and as to the responsibilities of officers of FZEs or FZCs and others to cooperate with the liquidator.
- (e) In exercising such powers, the liquidator shall comply with such requirements of the Applicable Law as may be relevant to the exercise of those powers, including, where appropriate, informing or proceeding in collaboration with a UAE federal or local regulator or authority.
- (f) A liquidator, who resigns, is removed or for any other reason vacates office, shall, within 7 days following the date of his resignation, removal or vacation of office, give notice thereof to the Registrar and, in the case of a creditors' winding up, to the creditors.
- (g) If there is no liquidator appointed by the relevant FZE or FZC or acting, the Registrar may appoint a liquidator and may also remove the so appointed liquidator.



### 5.3 Shareholder winding up

(a) Application to the Registrar

An FZE or FZC may apply to the Registrar for consent to its shareholder winding up:

- (i) in circumstances which may be provided for in its Memorandum and Articles of Association,
- (ii) if it has no liabilities and resolves that it should be wound up voluntarily,
- (iii) if it resolves that it is able to discharge its liabilities in full within 6 months following the date of the commencement of the shareholder winding up proceedings.

(b) Documents to be submitted

The application shall be accompanied by such documents, certificates and statements as the Registrar may require or as may otherwise be prescribed, including without limitation the following:

- (i) a declaration of solvency of the relevant FZE or FZC which shall be signed by the manager certifying, among other things, that he has made a full inquiry into its affairs and that, having done so, he formed the opinion that the relevant FZE or FZC
  - a. has no assets and no liabilities, or
  - b. has assets and no liabilities, or
  - c. will be able to discharge its liabilities in full within 6 months following the date of the commencement of the shareholder winding up,
- (ii) a Shareholder Unanimous Resolution which shall have been passed within 7 days immediately preceding the date of the application and
  - a. resolves to commence a shareholder winding up process,
  - b. (other than in the case of an FZE or FZC which has no assets and no liabilities) appoints a liquidator for the purposes of winding up the affairs of the relevant FZE or FZC and distributing its assets, and
  - c. withdraws with immediate effect all the powers of the manager and directors if any,
- (iii) (in the case of an FZE or FZC which has no assets and no liabilities) evidence of notice of its shareholder winding up given by advertisement in a prescribed manner.

(c) Commencement of a shareholder winding up

- (i) A shareholder winding up is deemed to commence on the date of the Registrar's

grant of consent thereto.

- (ii) Within 7 days following the date of the Registrar's grant of consent to its shareholder winding up, the relevant FZE or FZC shall give notice of its shareholder winding up by advertisement in a prescribed manner.
- (iii) From the date of commencement of a shareholder winding up and until its dissolution:
  - a. The relevant FZE or FZC shall cease to carry on its business except so far as may be required for the discharge of its liabilities, liquidation and distribution of its property and otherwise for its beneficial winding up.
  - b. Its corporate status and corporate powers shall continue.
  - c. Any transfer of shares, made without the sanction of the liquidator, and any alteration in the status of the FZE's shareholder or the FZC's shareholders as relevant shall be void.

(d) Dissolution of an FZE or FZC with no assets and no liabilities

If the Registrar receives no written objection from any person within 15 days following the date on which an FZE or FZC which has no assets and no liabilities gave notice of its shareholder winding up by advertisement in a prescribed manner, it shall be dissolved and the Registrar shall strike it off the FZE Register or FZC Register as relevant with effect from the date which immediately follows the date on which the 15 days' period expires.

(e) Dissolution of other FZEs or FZCs

(i) Liquidation and distribution

- a. An FZE or FZC which has assets and no liabilities shall, within the period of time prescribed in the Registrar's consent to its shareholder winding up, liquidate and distribute all of its assets to its sole shareholder or among its shareholders as relevant.
- b. An FZE or FZC which will be able to discharge its liabilities in full within 6 months from the date of the commencement of the shareholder winding up process shall, upon the Registrar's consent to its shareholder winding up, proceed with the liquidation and application of its assets in satisfaction of all of its liabilities and, to the extent of any assets remaining after such satisfaction, distribution of the remaining assets to its shareholder or among its shareholders as relevant.

(ii) Registrar's consent to the liquidator's account

Within 7 days following the date on which the relevant distribution of the assets has occurred in accordance with the preceding paragraph, the liquidator shall prepare an account of the winding up, which shall explain its conduct, including how the relevant FZE's or FZC's property has been disposed of and shall apply to the Registrar for his consent

- a. in the case of the winding up of an FZE: to providing its shareholder with the account and giving an explanation of it in such form as the shareholder may require,
  - b. in the case of the winding up of an FZC: to calling a general meeting of all of its shareholders for the purposes of laying before the meeting the account, and giving an explanation of it.
- (iii) Liquidator's account
- Within 7 days following the date on which the Registrar grants the relevant consent to the liquidator pursuant to the preceding paragraph:
- a. The FZE's shareholder shall be provided with the account and explanation.
  - b. The general meeting of the FZC's shareholders shall be convened, at which the account shall be provided and explanation given.
- (iv) Liquidator's certificate and dissolution
- a. On the day following the expiry of the 7 days' period referred to in the preceding paragraph, the liquidator shall submit to the Registrar a certificate signed by the liquidator which shall certify that the relevant FZE or FZC has no assets and no liabilities.
  - b. On and from the date on which the Registrar receives the certificate, such FZE or FZC shall be dissolved and the Registrar shall strike it off the FZE Register or FZC Register as relevant.
- (f) Void declaration of solvency
- (i) If, at any time during the course of a shareholder winding up process, a liquidator forms an opinion that, notwithstanding a declaration of solvency, an FZE or FZC shall not be able to discharge its liabilities in full within 6 months following the date of the commencement of its shareholder winding up, the liquidator shall, on written notice to the Registrar:
    - a. call a meeting of creditors for a day not later than the 28<sup>th</sup> day after the day on which he formed that opinion and send notices of the creditors' meeting to the creditors not less than 14 days before the day on which that meeting is to be held,
    - b. furnish creditors free of charge with such information concerning the affairs of the relevant FZE or FZC as they may reasonably require, and the notice of the creditors' meeting shall state this duty, and
    - c. shall prepare a statement of the affairs of the relevant FZE or FZC and lay that statement before the creditors' meeting.
  - (ii) As from the day on which the creditors' meeting is held:

- a. the declaration of solvency shall be deemed to have not been made,
  - b. the creditors' meeting shall be deemed to be a meeting of creditors held in a creditors' winding up, the shareholder resolution to approve a shareholder winding up shall be deemed to be the resolution passed by the relevant FZE or FZC to approve a creditors' winding up and the Registrar's consent given to the relevant FZE's or FZC's application for a shareholder winding shall be deemed to have been given to its application for a creditors' winding up,
  - c. unless another liquidator is appointed by the creditors in the creditors' meeting, the liquidator appointed in the shareholder resolution provided for as part of the application by the relevant FZE or FZC to the Registrar for consent to its shareholder winding up shall be deemed to have been appointed by the creditors.
- (g) The shareholder winding up of an FZE or FZC does not prevent a creditor or another person from applying to have it wound up in accordance with the Applicable Law.

#### 5.4 Creditors' winding up

- (a) An FZE or FZC may apply to the Registrar for consent to a creditors' winding up, if it resolves that it cannot by reason of its liabilities continue its business.
- (b) The application shall be accompanied by such documents, certificates and statements as the Registrar may require or as may otherwise be prescribed, including without limitation a Shareholder Unanimous Resolution which shall have been passed within 7 days immediately preceding the date of the application and resolves to commence a creditors' winding up process, to nominate a liquidator and to withdraw, with effect from the date of appointment of a liquidator in the creditors' meeting, all the powers of the director or the directors as relevant.
- (c) Within 7 days following the date of the Registrar's grant of consent, the relevant FZE or FZC shall:
  - (i) call a meeting of its creditors to be summoned for a day not later than the 28<sup>th</sup> day after the day of the Registrar's grant of consent,
  - (ii) send notices of the creditors' meeting to the creditors not less than 14 days before the day on which that meeting is to be held.
- (d) A liquidator in a creditors' winding up shall be appointed unanimously by the creditors participating at the meeting.

The liquidator may be a person nominated in the shareholder resolution submitted to the Registrar as part of the relevant FZE's or FZC's application for consent to a creditors' winding up or another person nominated by a creditor or the creditors. If no person has been nominated by a creditor or the creditors or no such nominee is appointed by the creditors' meeting, the person nominated in the shareholder resolution submitted to the Registrar as part of the relevant FZE's or FZC's application for consent to a creditors' winding up shall be deemed to have been appointed by the creditors as the liquidator.

If a vacancy occurs, by death, resignation or otherwise, in the office of a liquidator, the creditors may, by a unanimous vote of the participating creditors, fill the vacancy within 14 days following the date on which the event giving rise to the vacancy occurred, failing which the Registrar shall nominate a liquidator and issue to the relevant FZE or FZC a direction to appoint the Registrar-nominated liquidator, and, as of the date of the direction, served on the relevant FZE or FZC at its registered office, the Registrar-nominated liquidator shall be deemed to have been appointed by the creditors.

- (e) If the creditors' winding up continues for more than 1 year, the liquidator shall summon a meeting of the creditors at the end of the first year from the commencement of the winding up, and of each succeeding year, or at the first convenient date within 90 days from the end of the year, and shall lay before each meeting an account of his acts and dealings and of the conduct of the winding up during the preceding year.
- (f) On completion of the liquidation and application of the assets of the relevant FZE or FZC in satisfaction of its liabilities, the liquidator shall prepare an account of the winding up, which shall explain its conduct, including how the property of the relevant FZE or FZC has been disposed of and shall apply to the Registrar for his consent to calling a meeting of the FZE shareholder or of the FZC's shareholders as relevant and of its creditors for the purposes of laying before them the account, and giving an explanation of it.
- (g) Within 7 days following the date on which the Registrar grants the consent to the liquidator, the meeting of the FZE's shareholder or the FZC's shareholders as relevant and of its creditors shall be convened, the account shall be provided and explanation given.
- (h) On the day following the expiry of the 7 days' period referred to in the preceding paragraph, the liquidator shall submit to the Registrar a certificate signed by the liquidator which shall certify that the relevant FZE or FZC has no assets and no liabilities.
- (i) On and from the date on which the Registrar receives the certificate, the FZE or FZC as relevant may be shall be dissolved and the Registrar shall strike it off the FZE Register or FZC Register as relevant.

## 5.5 Winding up by the Registrar

- (a) Without prejudice to other provisions of the Applicable Law, if
  - (i) a shareholder is dissolved, declared bankrupt, dies or becomes incapacitated,
  - (ii) a shareholder or an officer do not respond to a communication from the Registrar within 7 days following the date on which such communication has been made, or has or is reasonably deemed to have been absconded,
  - (iii) a Stage 2 contravention is committed,

the Registrar may give notice to the FZE or FZC as the case may be that, on expiry of 30 days from and including the date of the notice, it shall be struck off the FZE Register or FZC Register as relevant, unless its affairs are put in order or the relevant contravention is otherwise remedied to the Registrar's satisfaction.

- (b) If the FZE or FZC to which the notice is given is being wound up in a creditors' winding up,

the Registrar shall forthwith notify the liquidator of the intention to strike it off the FZE Register or FZC Register as relevant.

- (c) If, by the end of the 30 days' period, the Registrar
- (i) has received no satisfactory response from the relevant FZE or FZC, a bankruptcy trustee, successor, heir or assign explaining the proposal for putting its affairs in order,
  - (ii) has received confirmation that the FZE or FZC as the case may be is no longer carrying on business or is not in operation,
  - (iii) has not received satisfactory evidence of the contravention having been remedied,
  - (iv) has not been given a satisfactory reason by the relevant FZE or FZC, a creditor or liquidator why it should not be dissolved,

the Registrar may strike the name of such FZE or FZC off the FZE Register or FZC Register as relevant and such FZE or FZC shall forthwith be dissolved.

- (d) If a shareholder is not, notwithstanding the best efforts made to reach him within a reasonable (in the Registrar's sole opinion) period of time, reachable, the Registrar shall have the right but not an obligation to direct the remaining shareholder or shareholders to resolve within a reasonable (in the Registrar's sole opinion) period of time whether the FZC should continue among the remaining shareholder or shareholders or be wound up.
- (i) Should the remaining shareholder or shareholders unanimously resolve that the FZC should continue, the Registrar shall, at the price for the shares which shall be determined by the FZC's auditor as at the time of the transfer, effect the transfer of the legal and beneficial ownership of the shares of the unreachable shareholder to such third party, or to the remaining shareholder or shareholders and in such proportion as the shareholder or the shareholders shall unanimously resolve.

The price for the so transferred shares shall be paid in full to the Authority and deposited with the Courts.

- (ii) Should the remaining shareholder or shareholders unanimously resolve that the FZC should be wound up, the Registrar shall deem each and every act required to be taken by the unreachable shareholder in order to enable the winding up of the FZC in accordance with such unanimous resolutions of the remaining shareholder or shareholders as having been taken, and, upon the winding up of the FZC, the Registrar shall strike it off the FZC Register.

**Provided always** that, in so acting, the Registrar shall not be liable for any action taken by him in accordance with the unanimous resolutions of the remaining shareholder or shareholders or for any costs, expenses or other liabilities incurred by any shareholder or any other party, and each shareholder shall fully indemnify and hold the Registrar harmless from and against any claim relating thereto.

- (e) Where the Registrar strikes an FZE or FZC off the FZE Register or FZC Register as relevant, the liability of every director, manager and each other officer, and of every





shareholder, of such FZE or FZC shall continue and may be enforced as if the relevant FZE or FZC has not been dissolved.

#### 5.6 **Debts preferred by law**

Notwithstanding any provision to the contrary in the Company Regulations, the following classes of debts shall at all times rank ahead of any shareholder's or creditor's claims and shall, prior to satisfaction of any other debts, be satisfied from the assets of the relevant FZE or FZC in the following order:

**Firstly:** governmental claims, including but not limited to all claims of the Authority.

**Secondly:** claims of the employees of the FZE or FZC as relevant.

**Thirdly:** all costs, charges and expenses properly incurred in a winding up, including remuneration of the liquidator.

#### 5.7 **Protection of assets in liquidation**

The following remedies for the following contraventions shall be in addition to and without prejudice to any other sanction prescribed or remedy available under any other Applicable Law.

- (a) If any person being a past or present officer of an FZE or FZC, who, within the 12 months immediately preceding the commencement of the winding up, has committed or has been knowingly concerned in any one or more of the following contraventions:
- (i) concealed any part of the property of the relevant FZE or FZC to a prescribed value or more, or concealed any debt due to or from it,
  - (ii) fraudulently removed any part of the property of the relevant FZE or FZC to a prescribed value or more,
  - (iii) concealed, destroyed, mutilated or falsified any book or paper affecting or relating to the relevant FZE's or FZC's property or affairs,
  - (iv) made any false entry in any book or paper affecting or relating to the relevant FZE's or FZC's property or affairs,
  - (v) fraudulently parted with, altered or made any omission in any document affecting or relating to the relevant FZE's or FZC's property or affairs,
  - (vi) pledged or disposed of any property of the relevant FZE or FZC which has been obtained on credit and has not been paid for (unless the pledging or disposal was in the ordinary course of the FZE's or FZC's business),

in each case with the intention of defrauding the relevant FZE's or FZC's creditors or concealing its state from any other person, such person may, on application of any aggrieved person, including without limitation, a liquidator, be subject to one or more of the following sanctions:

- a. be held personally liable for the relevant FZE's or FZC's debts and liabilities to the extent of his personal assets,



- b. be directed by the Courts to return or pay to the FZE or FZC any of its money or other property which he has misapplied or retained, or become accountable for,
- c. be directed by the Courts to compensate the relevant FZE or FZC in respect of any misfeasance or breach of any fiduciary or another duty owed to it,
- d. be directed by the Courts to make such contributions (if any) to the relevant FZE's or FZC's assets as the Courts may find appropriate.

(b) If any person who is at the time an officer of an FZE or FZC as relevant and:

- (i) has made or caused to be made any gift or transfer of, or a security interest on, or has caused or connived at the levying of any execution against, the FZE's or FZC's property,
- (ii) has concealed or removed any part of the FZE's or FZC's property since, or within 2 months before, the date of any unsatisfied judgement or order for the payment of money obtained against it,
- (iii) has been knowingly concerned in any of these contraventions,

such person may, on application of any aggrieved person, including without limitation, a liquidator, be subject to one or more of the following sanctions:

- a. be held personally liable for the relevant FZE's or FZC's debts and liabilities to the extent of his personal assets,
- b. be directed by the Courts to return or pay to the relevant FZE or FZC any of its money or other property which he has misapplied or retained, or become accountable for,
- c. be directed by the Courts to compensate the relevant FZE or FZC in respect of any misfeasance or breach of any fiduciary or another duty owed to it,
- d. be directed by the Courts to make such contributions (if any) to the relevant FZE's or FZC's assets as the Courts may find appropriate.

This remedy shall not apply to any person if he proves before the Courts that, at the time of committing such a contravention, he had no intent to defraud creditors of the relevant FZE or FZC.

(c) When an FZE or FZC is being wound up,

- (i) if an officer or shareholder of such FZE or FZC destroys, mutilates, alters or falsifies any books, papers or securities, or makes or is privy to the making of any false or fraudulent entry in any register, book of account or document belonging to the FZE or FZC with intent to defraud or deceive any person,
- (ii) if a person who is a past or present officer of such FZE or FZC makes any material

omission in any statement relating to its affairs,

- (iii) if a person who is a past or present officer of such FZE or FZC makes any false representation or commits any other fraud for the purpose of obtaining the consent of its creditors or any of them to an agreement with reference to such FZE's or FZC's affairs or to the winding up,
- (iv) if a person has been knowingly concerned in any of the contraventions referred to in paragraphs (i) through to and including (iii) above,

such person may, on application of any aggrieved person, including without limitation, a liquidator, be subject to one or more of the following sanctions:

- a. be held personally liable for the relevant FZE's or FZC's debts and liabilities to the extent of his personal assets,
  - b. be directed by the Courts to return or pay to the relevant FZE or FZC any of its money or other property which he has misapplied or retained, or become accountable for,
  - c. be directed by the Courts to compensate the relevant FZE or FZC in respect of any misfeasance or breach of any fiduciary duty or another duty owed to it,
  - d. be directed by the Courts to make such contributions (if any) to the relevant FZE or FZC's assets as the Courts may find appropriate.
- (d) If in the course of the winding up of an FZE or FZC it appears that
- (i) any business of such FZE or FZC has been conducted with the intent to defraud its creditors or creditors of any other person, or for any fraudulent purpose, and a person has been knowingly concerned in such contravention,
  - (ii) such FZE or FZC has gone into insolvent liquidation and at some time before the commencement of its winding up a director knew or ought to have known that there has been no reasonable prospect of it avoiding going into insolvent liquidation,

such person may, on application of any aggrieved person, including without limitation, a liquidator, be subject to one or more of the following sanctions:

- a. be held personally liable for the relevant FZE's or FZC's debts and liabilities to the extent of his personal assets,
- b. be directed by the Courts to return or pay to the relevant FZE or FZC any of its money or other property which he has misapplied or retained, or become accountable for,
- c. be directed by the Courts to compensate the relevant FZE or FZC in respect of any misfeasance or breach of any fiduciary duty or another duty owed to it,
- d. be directed by the Courts to make such contributions (if any) to the relevant



FZE or FZC's assets as the Courts may find appropriate.

## **SECTION 6. BRANCH**

### **6.1 Registration**

- (a) A Foreign Body Corporate may apply to the Registrar for consent to register a Branch by submitting to the Registrar an application in the prescribed form and such documents and in such form as the Registrar may require.
- (b) If the consent is granted, on completion of the prescribed procedures and payment of prescribed fees, the Registrar shall register the Branch in the Branch Register, assign a registration number to the Branch, and issue a Certificate of Registration, whereupon the Branch shall be registered under the Company Regulations.

### **6.2 Manager**

- (a) The Foreign Body Corporate shall appoint and have the right to terminate the appointment of a person who shall act as a manager of the Branch. Each appointment and termination shall be valid as against the Registrar and third parties when registered in the Branch Register.
- (b) A person shall not act as a manager of the Branch, unless he is a Qualified Individual.
- (c) Unless the Foreign Body Corporate notifies the Registrar in a prescribed form and manner to the contrary, the manager shall have all the powers and authorities required for him to manage and supervise the conduct of business by the Branch.

### **6.3 Financial year**

- (a) A Branch shall have the same financial year as that of its parent Foreign Body Corporate.

### **6.4 Records to be kept by a Branch**

- (a) A Branch shall keep at its registered office in the Zone such records of its acts and financial affairs as will show adequately the trade or business of the Branch in the Zone or as otherwise is or may become prescribed.

### **6.5 Letterheads**

- (a) A Branch shall have the following particulars stated in legible characters in all its written communication, contracts or other documents of any kind in connection with its business in the Zone:
  - (i) its full name as it appears in the Certificate of Registration and Licence,
  - (ii) its registration and Licence numbers,
  - (iii) its registered office in the Zone,
  - (iv) the place of incorporation of its parent Foreign Body Corporate.



## 6.6 **Insolvency**

- (a) If a Foreign Body Corporate becomes insolvent or goes into liquidation in its jurisdiction of incorporation, the Courts may direct that the Registrar, and the Registrar shall if so directed, provide such assistance to the relevant person or authority in that jurisdiction as shall be set out in an order of the Courts.
- (b) Forthwith upon becoming aware of dissolution of the Foreign Body Corporate, the Registrar shall strike the Branch off the Branch Register.
- (c) After the dissolution of the Foreign Body Corporate or striking the Branch off the Branch Register, any of their property that remains in the Zone shall become the property of the Authority.

## **SECTION 7. STRIKING OFF AND REINSTATEMENT**

7.1 Without prejudice to any other provision of the Company Regulations, if:

- (a) the Registrar has a reason to believe that an FZE, FZC or a Branch is not carrying out business or is not in operation, the Registrar may issue a direction to it to declare the intention of the FZE, FZC or Branch to continue its business in the Zone, and such declaration is not received by the Registrar within 7 days following the date on which the direction was issued,
- (b) an FZE, FZC or Branch has committed a contravention, the Registrar may issue a notice thereof and require it to give satisfactory reason why it should not be struck off, and such reason is not given to the Registrar's satisfaction within 7 days following the date on which the notice was issued,

the Registrar may, without further notice, strike such FZE, FZC or Branch off the FZE Register, FZC Register or Branch Register as relevant.

7.2 The Registrar may permit registration of an FZE, FZC or a Branch to be reinstated in the circumstances and in accordance with the procedures prescribed by the Implementing Regulations.

## **SECTION 8. CONTRAVENTIONS AND SANCTIONS**

### 8.1 **Contraventions**

- (a) A person (which definition shall not for the purposes of this regulation include the Authority or the Registrar) who
  - (i) does an act or thing that the person is prohibited from doing by or under any Applicable Law,
  - (ii) does not do an act or thing that the person is required or directed to do by or under any Applicable Law,
  - (iii) otherwise contravenes a provision of any Applicable Law, or



- (iv) is knowingly concerned in a contravention of any Applicable Law committed by another person,  
commits a contravention.
- (b) A person is “knowingly concerned” in a contravention if the person
  - (i) has aided, abetted, counseled or procured the contravention,
  - (ii) has induced, whether by threats, promise or any other action or inaction, the contravention,
  - (iii) has in any way, by act or omission, directly or indirectly, been knowingly involved in or been party to, the contravention, or
  - (iv) has conspired with one person or more to effect the contravention.
- (c) If an officer of a Body Corporate is knowingly concerned in a contravention committed by the Body Corporate, the officer as well as the Body Corporate commits a contravention.

## 8.2 Sanctions

- (a) The sanctions in this regulation shall be without prejudice to any other sanction applied for a contravention or any other remedy available under any other Applicable Law.
- (b) Stage 1 sanctions  
A person who commits, and or is knowingly concerned in, a contravention shall be liable to pay a prescribed fine.  
  
Any fine payable under the Company Regulations that remains unpaid for 30 days immediately following the date on which demand for payment is made by the Registrar is recoverable at the request of or by the Authority before the Courts as a debt due to the Authority.
- (c) Stage 2 sanctions  
  
If one or more fines remain unpaid by an FZE or FZC in the prescribed amount or aggregate amount for more than 30 days, the Registrar may commence the process of its compulsory winding up.



## Schedule 1. Interpretation and glossary of defined terms

### Interpretation

In the Company Regulations:

- (a) Unless the context otherwise requires, terms used shall have the meanings given to them in the Glossary set out in this schedule.
- (b) Unless the context otherwise requires:
  - (i) the singular number shall include the plural and vice versa,
  - (ii) the masculine gender shall include the feminine and the neuter and vice versa,
  - (iii) headings are included for convenience of reference only and shall be ignored in the construction or interpretation,
  - (iv) references to paragraphs or schedules are to paragraphs and schedules of the Company Regulations,
  - (v) references to time periods shall be construed in accordance with the Gregorian calendar and references to days and months shall be to calendar days and a month of 30 days' duration.
- (c) References to any requirement for a 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 and any references in the Company 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 in accordance with Applicable Law.

### Glossary

| Terms                       | Definition   |
|-----------------------------|--|
| AED                         | UAE Dirham or other lawful currency of the UAE from time to time.  |
| amalgamating Body Corporate | has the meaning given to it in regulation 4.1 (c).   |
| Authority                   | the Umm Al Quwain Free Trade Zone Authority or successor and the relevant subdivision(s) thereof.  |
| manager                     | a person who is registered in the FZE Register, FZC Register or in the Branch Register as relevant, as an authorised representative of the FZE, FZC or the Branch as relevant, in each case for all or particular dealings and for a limited or unlimited term as the case may be. |



|                        |   |
|------------------------|---|
| Applicable Law         | Zone Regulations, Applicable Local Law and Applicable Federal Law.  |
| Applicable Federal Law | law made by the federal government of the UAE which applies or may apply from time to time in the Zone.   |
| Applicable Local Law   | law (by way of decree or otherwise) made by HH the Ruler of Umm Al Quwain and or the government of the Emirate of Umm Al Quwain which applies or may apply from time to time in the Zone.   |
| Body Corporate         | an FZE, FZC or a Foreign Body Corporate.  |
| Branch                 | a branch of a Foreign Body Corporate which is registered in accordance with the Company Regulations.  |
| Branch Register        | a register of Branches maintained by the Registrar in the prescribed form.  |
| Certificates           | a Certificate of Incorporation, Certificate of Registration, Certificate of Continuation, Certificate of a Change in Name and such other certificates as may be issued by the Registrar pursuant to the Company Regulations.  |
| Company Regulations    | these UAQ Free Trade Zone Company Regulations as may be amended from time to time.  |
| contravention          | has the meaning given to it in regulation 8.1.  |
| Courts                 | UAE federal courts having jurisdiction in the Emirate of Umm Al Quwain, being the relevant one of the following:<br><br><ol style="list-style-type: none"> <li>1. Umm Al Quwain Federal First Instance Court.</li> <li>2. Umm Al Quwain Federal Appeal Court.</li> <li>3. Federal Supreme Court.</li> </ol> |
| Federal Company Law    | UAE Federal Law No 8 of 1984 as may be amended, restated, amended and restated, or replaced from time to time.  |
| FZE                    | A Free Zone establishment with limited liability incorporated pursuant to the Company Regulations.  |
| FZC                    | a Free Zone company with limited liability incorporated pursuant to the Company Regulations.  |
| Foreign Body Corporate | a body corporate constituted under the law of a   |





|                          |   |
|--------------------------|---|
|                          | country or territory outside of the Zone.   |
| Implementing Regulations | regulations made by the Authority from time to time pursuant to or in connection with the Company Regulations, including without limitation as regards any prescribed forms and fees, rules, orders, guidance, codes of practice, notices, clarifications and directives.   |
| legal opinion            | an independent law firm, which is duly licensed to practice the Applicable Law and which is otherwise acceptable to the Registrar.  |
| Licence                  | a licence permitting the relevant conduct of business which is issued under the Zone Regulations.   |
| officer                  | in relation to a Body Corporate, a director, manager, secretary or a holder of other similar office.  |
| person                   | a natural person, Body Corporate or body unincorporated, including a legal person, company, partnership, unincorporated association, government or state but excluding the Authority and its employees, the Registrar and their delegates.  |
| prescribed               | set out in the Zone Regulations from time to time.  |
| Qualified Individual     | a natural person who <ol style="list-style-type: none"> <li>1. is at least 21 years of age,</li> <li>2. is not or has not become convicted of a criminal or financial offence, whether involving dishonesty or moral turpitude or otherwise, in any jurisdiction at any time,</li> <li>3. is not an undischarged bankrupt,</li> <li>4. is capable of conducting the relevant function,</li> <li>5. has knowledge and skills required for the role,</li> <li>6. meets such other criteria as the Authority may prescribe from time to time.</li> </ol> |
| FZE Register             | a register of FZEs maintained by the Registrar in the prescribed form.  |
| FZC Register             | a register of FZCs maintained by the Registrar in the prescribed form.  |

|                                    |   |
|------------------------------------|---|
| register of directors and officers | <p>1. a folio in the FZE Register or FZC Register or a separate register as relevant which is kept and maintained by the Registrar</p> <p>or</p> <p>2. a register of each director and officer of the relevant FZE or FZC which is kept and maintained by it,</p> <p>as the context requires, in each case for recording details of each director and other officer, their appointment, re-appointment, resignation or removal, apportioned functions and responsibilities.</p> |
| security register                  | a folio in the FZE Register or FZC Register or a separate register as relevant which is kept and maintained by the Registrar for recording each security interest validly created over an asset or group of assets of the relevant FZE or FZC.  |
| Share Certificate                  | a certificate issued in a prescribed form.  |
| shareholder register               | <p>1. a folio in the FZE Register or FZC Register or a separate register as relevant which is kept and maintained by the Registrar</p> <p>or</p> <p>2. a register of each shareholder and his shareholding which is kept and maintained by an FZE or FZC</p> <p>as relevant, in each case for recording details of each shareholder, acquisition, transfer or transmission of his shares, his shareholding and each security interest created in relation thereto.</p>          |
| Shareholder Unanimous Resolution   | <p>1. a written resolution by the FZE's shareholder or by all of the FZC's shareholders (as relevant)</p> <p>or</p> <p>2. a resolution passed unanimously in a meeting of all the shareholders of an FZC.</p>   |
| surviving FZC                      | has the meaning given to it in regulation 4.1 (c).  |
| UAE                                | the United Arab Emirates.   |
| Zone                               | the Umm Al Quwain Free Trade Zone.  |



|                  |  |
|------------------|--|
| Zone Regulations | <ol style="list-style-type: none"><li>1. the Company Regulations and Implementing Regulations,</li><li>2. other rules and regulations issued by the Authority or its delegate in relation to any matter within its jurisdiction, including regulation of professional and other business carried out by freelancers and other individuals.</li></ol> |
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