

LAW UPDATE

Latest Legal News and Developments from the MENA Region

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Jordan: A Window into the Last 25 Years of Development

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Success at the Corporate Counsel Middle East Awards 2016

We are pleased to announce that Al Tamimi & Company's Employment practice had a successful evening at the Corporate Counsel Middle East (CCME) Awards, which took place on Thursday 12th May at the Ritz Carlton, JBR.

The Employment practice were the proud recipients of the Employment Team of the Year Award. The CCME Awards recognise exceptional achievement in the legal industry and in particular, this award celebrates the practice's legal expertise, project management skills and innovative approach to service delivery.

Congratulations to the Employment team on their success!





In this Issue

Welcome to the May edition of *Law Update*.

I'm very pleased to start this month off by congratulating our Employment team on their recent success at the Legal Week Corporate Counsel Middle East Awards. Our team, the largest dedicated employment practice in the region, won the 'Employment Team of the Year' award which reinforces their market position and success. On behalf of the team, our sincere thanks to all for your continued support.

In this edition of we have a very insightful double feature which addresses contractor delays and what the development company can do. With the FIDIC contracts being widely used, it is a misconception that the contracts are suitable for and provide contractual parties sufficient coverage in terms of liability. For time sensitive projects special consideration is required to ensure that your rights as an employer are better protected. Our Construction & Infrastructure team outline ways in which such risks can be managed to ensure that the right outcome is achieved. You can read more on page 38.

Wills have become a hot topic of late for expatriates living in the UAE and on page 31 we address inheritance issues for this group. Many expatriates living in the UAE are unaware that in the absence of a Will recognised by the UAE legal system, the process of transferring their assets after death can be time consuming, costly and fraught with legal complexity, not to mention the difficulties that can arise when there are children involved. Our family business team shed light on how expatriates can put measures into place to protect their families and their assets and are ready to assist our clients to do so.

Following on from our March Hospitality Supplement, which we received some very positive feedback on, we have a two part guide providing you with an overview on the regulatory landscape governing hotel operations across the region. The guide answers initial practical questions which will be of great interest to hotel operators, owners and investors alike. In this first part, which you can find on page 24, we will explore the regulatory framework of Bahrain, Egypt, Iraq and Jordan.

Moving to employment law, it has been nearly two years since national service was made compulsory in the UAE. With the fifth batch of recruits now being called for service, this article looks to remind employers of their obligations in relation to employees who have been called to serve and recent changes which have been introduced. More on this on page 46.

These are just some of the interesting pieces we have this month which I trust you will find of value. If you have any feedback, please do get in touch.

As we move towards the holy month of Ramadan, I'd like to take this opportunity to wish you, your families and all close to you a very happy and peaceful month. Ramadan Kareem to you all.

All the best,

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LAW UPDATE Judgments

Law Update Judgments aim to highlight recent significant judgments issued by the local courts in the Middle East. Our lawyers translate, summarise and comment on these judgments to provide our readers with an insightful overview of decisions which are contributing to developments in the law. If you have any queries relating to the *Law Update Judgments* please contact lawupdate@tamimi.com



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Qatari Court Decision Lifting a Travel Ban

Qatari Court Decision Lifting a Travel Ban

A foreign construction company in Qatar recently won a lawsuit in relation to a dispute with a local company, the significance of which emanates from the fact that the competent court applied and upheld the principle of personnel freedom and the rights of movement set out in the Qatari Constitution. These hold that personal freedom and the rights of movement outside the state should not be restricted except in accordance with the law.

Background

A local company (the “Claimant”) filed a civil case against a foreign company (the “Defendant”) requesting the court to issue a judgment obligating the Defendant to pay a ratio of 5% of the total sum of the contracted project, in addition to compensation in the amount of QAR 1,000,000.

Simultaneously, the Claimant submitted a request for the court to impose a travel ban against the Defendant’s representatives (ie. managers and authorised signatories). The Claimant’s grounds for the request were that the Defendant may smuggle the company’s assets outside Qatar. The competent judge issued an order imposing a travel ban against the Defendant’s representatives.

The Defendant’s representatives (the “Petitioners”) appealed the decision of the judge regarding the imposition of the travel ban, before the Court of First Instance, based on the following reasons:

- The Defendant, for which the petitioners work, is one of the largest foreign construction companies, maintains a high level of creditability and executes large projects in Qatar. Thus, the fear that the Defendant may dissipate the Defendant’s assets was unreasonable;

- The order imposing the travel ban violated Article (36) of Qatar's Constitution which stipulates that "Personal freedom is guaranteed. No person may be arrested, detained or searched as well as his stay or his freedom of residence or movement may not be restricted except in accordance with provisions of the law"; and
- The Defendant is a limited liability company which has a separate legal personality independent of its shareholders and so the shareholders are not responsible for the company's debts. The Court of Cassation in Appeal No. 37 of 2008 stated "a limited liability company has its financial disclosure which is independent from its partners' custody and hence the representative director of this company has his own financial disclosure that is independent from it. Thus, he is not antagonised for its debts and not asked to fulfil them with his own money".

In view of the above, the Petitioners argued that the court's order preventing them from travelling restricts their freedom in breach of the principle of freedom of movement guaranteed by the Qatari Constitution and the provisions of the Commercial Companies law. The reasoning for this was twofold:

1. The petitioners are not personally liable to the Claimant for the financial commitments of the Defendant. Therefore, even in the event the court issues a verdict against the Defendant, the petitioners should not be held responsible for paying the value of this debt, thus, the travel ban does not guarantee any rights to the Claimant.
2. There is no merit to the Claimant's claim and no factual evidence was presented to support the Claimant's allegations. Hence, the travel ban constitutes a violation of the provisions of the Qatari Constitution which requires a high threshold for the instances under which the freedom of persons may be restricted and confirms that such instances must be kept to the minimum extent possible. The case at hand does not satisfy the threshold of "seriousness" that must be applied in issuing a travel ban particularly because the Claimant's request is not based on any substantiated evidence.

Ruling of the Court of First Instance

The Court of First Instance accepted the Petitioners' arguments and issued a judgment revoking the travel ban based on the following reasons:

- The claimed amount in this case was not substantiated in fact to the Petitioners personally;
- It was established that the Defendant is a credible company with a project value exceeding two billion Qatari Riyals. In addition, the project was extended for an additional duration. Therefore, there was no fear that the Defendant may dissipate any of the Claimant's claimed assets;
- The Petitioners' arguments were legally correct since the Defendant has an independent juristic person separate from its shareholders. Thus, the managers should not be held personally responsible for the Defendant's debts except in the circumstances determined by the law.
- The freedom of movement is guaranteed by virtue of the constitution and it is prohibited to place restrictions on this freedom except for serious reasons.

The Claimant did not submit an appeal for this judgment; therefore, the judgment became final.

Significance of the Ruling

This judgment is a clear example of the court's application of the provisions of the Qatari Constitution which uphold a person or persons' freedom of movement without any restrictions. The judgment confirmed that a travel ban should be restricted to circumstances where there are serious reasons justifying its imposition, such as that the debtor will flee the country or will transfer his assets outside Qatar. It should be subject to the applicant's ability to provide prima facie evidence that such risks exist. The judgment should allay limited liability managers' fears that a travel ban may be imposed against them for the debts or liabilities of their company.



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Part 1: Extent of the Insurance Company's Right of Recourse in Marine Cargo Claims

This article is the first in a two part examination of a recent court case concerning the extent of an insurance company's right of recourse against a carrier in marine cargo claims. In this case, the court decided that both the Insurance company and the carrier are jointly liable to indemnify the receivers based on distinct legal bases. The Insurance company was required to pay the damages to the Receiver and, subsequently, filed a recourse case against the carrier, as identified by the court, after obtaining a subrogation of rights from the Receiver. The recourse case was based on both the judgement and the subrogation at the same time.

The Case:

A cargo of steel plates was shipped on board a chartered under time basis vessel to Jebel Ali port for several receivers. After discharging the

cargo at Jebel Ali port, it was delivered to the receivers designated in the bills of lading which were issued by the charterers. One of the receivers (the "Receiver") found there was a shortage in the quantity of steel plates (the "Cargo") delivered to him equivalent to a certain amount of money. The Cargo was insured under a marine insurance policy for the voyage from port of loading to the port of discharge stated in the bills of lading the Receiver held.

The Receiver filed a court case before Dubai Court of First Instance (the "Court of First Instance") in order to appoint an expert to examine the short landed cargo and the cause and to claim such loss against the sellers, ship-owners, the vessel and the insurers of the Cargo (the "Insurers"). The Court of First Instance appointed an expert who concluded the value of the cargo short landed which had happened due to the wrong delivery

by the ship agent appointed by the charterers. The Receiver amended his statement of claim and requested the defendants to pay jointly and severally the value of the short landed Cargo (the “Claimed Amount”).

The Court of First Instance found that:

1. The sellers shipped the cargo on board the vessel as per the description in the bill of lading and, therefore, they are not responsible for any short landed Cargo;
2. The ship-owners are not responsible as they are not the issuers of the bill of lading which was issued by the charterers and, accordingly, not the carrier under the bill of lading;
3. The Insurers are responsible to indemnify the receivers pursuant to the insurance policy covering the Cargo for the Claimed Amount plus interest at 9% per annum and cost; and
4. The Court of First Instance rejected the case against the other defendants.

The Receiver filed an appeal before the Appeal Court of Dubai (the “Appeal Court”) on the basis that the judgment should include the other two defendants to pay the awarded amount jointly with the Insurers as the owners are the carriers under the bill of lading. The Insurers filed another appeal before the Appeal Court on the basis that the claimed damages are not covered by the insurance policy and that the interest should start counting from the date the judgment becomes final. Both appeals were joined in one hearing. The Insurers argued in their appeal that the judgment relied on an expert report which was incorrect in its findings as the cargo was fully discharged at Jebel Ali but the shortage was due to the wrong delivery by the ship agent. The ship-owners argued that they are not the carriers under the bill of lading and that the case is time barred.

The Appeal Court found that according to the customs bill of entry, it is clear that the number of plates discharged at the port were as per the bill of lading and that there was the correct number of plates at the port and there was no short landing in the number of plates. The findings of the expert appointed by the Court of First Instance contradicted the bill of entry as there was no certificate of shortage issued by the customs.

Therefore, the court adopted the customs bill of entry as issued by an official body and found that there was no short landing and, accordingly, all the defendants were found not liable. The court of First Instance judgment was cancelled accordingly.

The Receiver filed an appeal case before the Cassation Court of Dubai (the “Cassation Court”) on the following basis:

- The delivery order attached with the bill of entry shows that the quantity of steel plates received was less than the quantity stated in the bill of lading and that there was a balance quantity of steel plates rejected by the Receiver as they did not form part of the shipment.
- The bill of entry did not state the specifications of the delivered steel plates which were mentioned in the appointed surveyor’s report and the report issued by the court appointed expert.
- The judgement of the Appeal Court did not consider any of the documents submitted by the Receiver, such as the packing list, bill of lading, insurance policy, mate receipt, the surveyors report and the court appointed expert.

The Cassation Court accepted the appeal, cancelled the Appeal Court judgment and returned the case to the Appeal Court to reconsider the case and also concluded that:

- The Carrier was under an obligation to actually deliver the cargo to the receivers and to put it under their disposal in order to inspect it.
- If the cargo was damaged after the receipt by the carrier and before the delivery then it is considered to be caused during the passage unless the carrier was able to prove that the damage was not attributed to him or his employees but rather due to the act of the shipper or any other cause not related to him. The wrong delivery of the cargo, or part of which is considered to be a shortage of delivery, entitles the Receiver to claim indemnity against such shortage.
- The marine insurance policy was issued in connection with the bill of lading and the beneficiary should be the party who

has interest to avoid the occurrence of the insured risk.

- The beneficiary under the insurance policy had the right to claim the indemnity under the insurance policy.
- If the court issues its decision not in conformity with the expert report then it must explain this.
- The court should have given enough reasoning upon which its decision was made.

When the case was returned to the Appeal Court, it considered the same points of the original appeals filed before. The Appeal Court found the following:

- The sellers are not liable as per the court appointed expert report because it delivered the cargo on board the vessel as contractually agreed and the short landing is not attributed to them.
- The owners are not liable because the bill of lading was issued by the charterers who signed the bill of lading and did not mention that they are the representatives of the owners.
- The Insurers are liable because the policy covers such loss and it was proven that the cargo left at the port did not belong to the shipment and did not hold any remarks.
- The Insurers appealed the decision of the Appeal Court before the Cassation Court on the following basis:
- The Appeal Court did not consider the bill of entry issued by the Customs which proves that the cargo was discharged without any shortage. Such bill may not be refuted except by proving that it is forged.
- The Receiver tried to obtain a certificate from the port to prove the shortage but the port refused based on the customs bill of entry.
- The steel plates left at the port of discharge did not hold any remarks that show that they belong to another shipment and the court appointed expert did not mention on what basis he concluded that there was

wrong delivery and not a failure on part of the shipper/seller to load the agreed shipment.

- The Cassation Court refused the appeal and confirmed the Appeal Court judgment on the basis of the court appointed expert report.

The Receiver appealed the decision of the Appeal Court on the following basis:

- The sellers must be jointly liable with the Insurers for the shortage because they failed to ship the total agreed cargo quantities. The court refused this point on the basis that the shipper, as per all reports issued at the port of loading and by the court appointed expert, shipped the total agreed cargo quantities.
- The ship-owners must be jointly liable with the Insurers for the shortage because they are the carriers under the bill of lading which was signed by the agent on behalf of the master. The bill of lading did not state that the vessel was under charter and did not mention the name of the charterer or the owner, also the charterparty was not attached to the bill of lading.
- The charterparty was referred to by the court appointed expert but only a photocopy was attached which the Receiver denied.

The Cassation Court found the following:

- Refused the argument that the Court of Appeal relied on the charterparty photocopy since the photocopy does not hold the signature of the Receiver and it is left to the court to accept the charterparty as valid evidence or to set it aside.
- The Appeal Court should not have adopted the expert report in its finding in relation to legal points, such as the identity of the carrier under the bill of lading, and the Appeal Court should have explained on what basis it found that the owners were not the carrier under the bill of lading. Thus, the Appeal Court judgment was cancelled on this part.

The case was returned to the Appeal Court to reconsider the parts of the judgment that were cancelled by the Cassation Court. The Appeal Court found that:

- The owners were the Carrier under the bill of lading and the master agent's receipts, which were signed by this agent, stated the name of the ship-owners and that the freight is due under the charterparty. The defence raised by the ship-owners that they are not the carriers under the bill of lading and that the name of the carrier under the bill of lading is the charterers was not correct based on the master agent's receipt and the bill of lading which mentions the name of the ship-owners.
- The bill of lading and the two mate receipts were signed by the master.
- The name of the agent at the discharge port, as per the docket submitted in the last hearing, identify the name of the agent. It is not true that either the named ship agent is the alleged ship agent or the charterers are the carrier. Also, the email sent by the charterers to the ship-owners pertaining to the appointment of the ship agent in the port of discharge was issued 13 months before the bill of loading date and thus it should be ignored.
- The master, as per the UAE Commercial Maritime law, represents the owner of the vessel.
- The carrier was responsible for the delivery of complete quantities of cargo and he is considered responsible for any short delivery (missing cargo).
- The case is not time barred and the Owners are liable to pay together with the Insurance the claimed amount.

The ship-owners filed an appeal before the Cassation Court on the following basis:

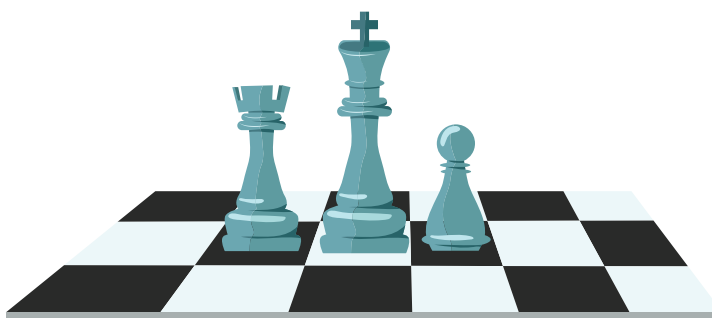
- The ship-owners are not the carrier under the bill of lading based on the arguments raised before. The bill of lading was

signed and stamped by the charterers (for and on behalf of the master).

- The mate receipts which were signed by the master clearly state that the name of the ship-owners as ship-owners and the charterers as the shipping line.
- The ship agent at the port of discharge was appointed by the charterers as per an e-mail sent by the charterers to the ship-owners directly after delivery of the vessel to the charterers. The letter is one year older than the date of the shipment but this letter is a statement from the charterer to the ship-owners as to the names of the ship agents at different ports who represent them. The court could not find any relation between the Arabic and English names of the ship agent, but this is incorrect as there was no deference between the ship agent names.
- The shortage was caused by the wrong delivery by the ship agent who represents the charterer, therefore, the charter should be held liable for his agent's fault. The court did not consider the ship-owners supporting documents as they had submitted the evidence to prove that the vessel was under a charter.

The Cassation Court rejected all the arguments and confirmed the Appeal Court's judgment.

While the Cassation Court was considering the appeal filed by the shipowners, the Insurers filed a case against the shipowners in order to claim the amount paid by the Insurers to the Receiver, pursuant to the foregoing proceedings in which the judgement was issued in favour of the Receiver and the execution claim filed by the Recievers against the Insurers. This will be addressed further in Part II of this article.





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The Dissolution of the Egyptian Football Association's Board of Directors

On 27 March 2016, the Egyptian National Supreme Administrative Court, Conseil d'Etat, confirmed the dissolution of the Egyptian Football Association's (EFA) Board of Directors in its decision in case number 24259 for the Supreme judicial year 61. This article looks at the reasons for this decision and its implications.

Background

The issue that led to the decision of the Court arose from a dispute regarding elections that were held in 2012 for appointments to the Board of Directors of EFA, the governing body for football in Egypt, for the period 2012 – 2016.

Losing candidates claimed that the elections were void due to procedural violations. These violations included (i) defects in the invitation to the general assembly meeting (as it was sent by a person who did not have the required authority to send the invitation); (ii) the change of venue of the elections, 24 hours prior to the general assembly meeting by the executive manager of the EFA, who did not have the capacity to take such a decision; (iii) providing hotel rooms and common transportations for a number of EFA former board members and members of the general assembly, which reflected potential bias; (iv) breaches relating to sorting the votes, and the final results of the voting process. It was further stated that the relevant electoral committee,

when sorting the candidates' votes, followed the "partial" invalidation method of the voting card instead of the "complete" invalidation method, which is, according to the Decision, required by Article 24.2 of the EFA Articles of Association and Article 5 of the Sports Associations Bylaws hence leading to the invalidity of the elections' final results.

A case was first filed on 20 October 2012, by these former candidates before the Administrative Court in Cairo (case number 3548 for the judicial year 67). They requested the Court to rule on an expedited basis to stop the issuance and declaration of the final results of the EFA elections, and to revoke the results. The Court requested the State Commissioners Office to prepare an opinion on the matter. The State Commissioners Office report is non-binding on the Court, therefore, whilst the report was in favor of the claimants, the Court decided against the claimants as they did not find the violations in the voting process material to the extent that would lead to revoking the results.

The claimants appealed the Court's decision before the Egyptian National Supreme Administrative Court, Conseil d'Etat, in case number 24259 for the Supreme judicial year 61. The Supreme Court decided for the claimants in its final and binding judgment dated 27 March 2016. In its judgement, the Supreme Court confirmed the dissolution of the EFA's Board of Directors.

Consequences - Is there a risk that the EFA gets suspended?

FIFA (Fédération Internationale de Football Association) is the governing body for world football and organises the World Cup. Article 17 of the FIFA Statutes states that the members (e.g. EFA) shall manage their affairs independently and with no influence from third parties (e.g. national governments). The provision is quite general and does not specify exactly which types of interventions would be considered influence by third parties.

Therefore, questions have been raised as to whether FIFA's Associations Committee would find the dissolution of the EFA's Board of Directors by the Court amounts to being "influence from third parties" leading to the risk of suspension. If suspended, Egypt would not be able to take part in recognised international matches, most significantly the African Cup of Nations.

Further questions have been raised as to whether the Egyptian Minister of Youth and Sports would interfere and whether such interference, in addition to the decision on dissolution, would amount to being "influence from third parties" leading to the risk of suspension. The Minister was quoted saying that any actions from his side would not take place prior to the regionally-perceived critical matchup between Egypt and Nigeria, to be played in Alexandria on 29 March 2016 as part of the 2017 Africa Cup of Nations qualifications. The match was played following the withdrawal of the Chadian national team from the 2017 Africa Cup of Nations qualifications, specifically Group G, which includes Egypt, Nigeria and Tanzania. The withdrawal of Chad led to the cancellation of the points relating to matches played against it within Group G; this required that another match between Egypt and Nigeria takes place during this tournament following such withdrawal. Egypt won the match raising its points to 7 points, while Nigeria's points became 2 and Tanzania 1. Following the match the Minister was further quoted saying that he will respect and comply with the FIFA regulations.

Until date, no new elections have been announced by the EFA. To the contrary, the dates for the next elections seem to be unchanged (September 2016) despite the dissolution of the Board of Directors. There have been announcements by Egyptian media outlets, including Al Ahram Online on 26 April 2016, that FIFA warned Egypt that any interference in football affairs is strictly prohibited. It has been stated that FIFA notified Egypt that "sanctions will be considered, including suspension" if the court judgment is enforced. The existence of such warning is yet to be confirmed.

Will a New Sports Law Help?

Discrepancies between the national sports laws and international sports laws and regulations remain an issue in Egypt. A new draft law for sports has been proposed and discussed this year, taking into consideration the international regulations, the requirements set by the sports' governing bodies including the International Counsel for Sports Arbitration, the Olympics and the different federations. However the draft law has yet to be passed.

It remains to be seen how Egypt's Minister for Youth & Sports and the relevant authorities will deal with the Court's decision in light of the currently enforced Egyptian Laws and the non-intervention requirement by the FIFA Statutes. Any infringement of the FIFA requirement may lead to a complaint being filed against Egypt with FIFA, and could lead to Egypt's suspension and the risk that the national team does not participate, yet another time, in the African Cup of Nations (which will next take place in 2017). This would undoubtedly demoralise Egyptians in what is already a trying time for the nation. Football remains Egypt's favorite pastime, a sport followed with passion. Given Egypt's historical success at the African Cup of Nations, an inability to participate would only add salt to the open wound.

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New Healthcare Regulations in Dubai

As healthcare spending in Dubai increases, and new healthcare services and treatment options enter the market, the healthcare regulatory framework in the Emirate must adapt to support these advances. This year, the Dubai Health Authority issued nine healthcare regulations which address developments in the delivery of healthcare in Dubai. While six of these regulations are new, others provide much needed updates to existing regulations in order to create a more robust and comprehensive regulatory framework to govern the licensing, practice, and delivery of healthcare services in Dubai.

According to the latest Dubai Health Authority (“DHA”) report, total healthcare spending in Dubai for 2014 was AED 12.77 billion, up from AED 10 billion in 2012. Thirty percent was funded by the Dubai government, forty-five percent through private sector employers and corporations, and twenty-five percent by households, being families and individuals. As demand for cosmetic and aesthetic procedures grows, both with residents and medical tourists, further guidelines are needed for investors seeking to fulfil demand. The following recently issued regulations seek to improve quality standards in healthcare facilities and ensure continuous development of Dubai’s health and medical professionals.

Comprehensive Oncology Regulation

This new regulation seeks to be a comprehensive base for the assessment of oncology services – medical oncology, radiation oncology, and surgical oncology. The provision of oncology services is limited to hospitals, or a unit attached to a hospital, day surgical centres, and cancer treatment centres. As with other healthcare services, the provision of oncology services is subject to licensure under the DHA. These requirements apply to semi-governmental and private healthcare facilities, as well as those operating in free zone areas.

As a part of a comprehensive oncology treatment plan, the regulation promotes the incorporation of palliative care as part of the care plan provided by the health facility. Detailed in the regulation are facility licensure requirements, general facility design considerations, oncology service delivery standards, healthcare professional staffing and licensure requirements, and patient care and assessment standards.

Hyperbaric Oxygen Therapy Service Standards

This new standard applies to healthcare facilities providing hyperbaric oxygen therapy (“HBOT” and “HBOT Standard”) services. HBOT treatment is defined under

the HBOT Standard as “a treatment in which the patient is placed in a chamber and breathes near 100% oxygen or special mixed gases at higher than local atmospheric pressure”. The demand for this treatment has grown as the prevalence of diabetes has increased in the Emirate. The provision of HBOT services is limited to hospitals, day surgical centres, and outpatient care facilities with certain specialties. As with other healthcare services, the provision of HBOT services is subject to licensure by the DHA. In addition to governing the delivery of HBOT services, the HBOT Standard stipulates the requirements of licensure, professionals carrying out the HBOT care, facility location and configuration, and patient care delivery. These requirements apply to semi-governmental and private healthcare facilities, as well as those operating in free zone areas, except facilities regulated by the Dubai Healthcare City Authority.

Laser and IPL Hair Reduction Standards

This standard (“IPL Standard”) revises and updates the previous standard on the topic, which was implemented in 2011. The IPL Standard sets out the minimum requirements for health facilities (hospitals, day surgical centres, and outpatient care facilities) providing light amplification by stimulated emission of radiation (“laser”) and intense pulsed light (“IPL”) services for hair reduction. These minimum standards are a prerequisite to obtaining and maintaining licensure by the DHA for such activities. The scope of the standards includes laser and IPL treatment for hair reduction but does not include the application of laser treatment in any other type of procedure. These requirements apply to semi-governmental and private healthcare facilities, as well as those operating in free zone areas, except the facilities regulated by the Dubai Healthcare City Authority.

Sleep Laboratory Guidelines

The number of sleep laboratories in the Emirate has grown over the past few years due to a growth in the demand for these services. This guideline (“Sleep Guidelines”) outlines the basic mandatory requirements to ensure that health facilities and healthcare professionals provide a certain basic level and quality of care to patients with sleep disorders. The Sleep Guidelines covers sleep studies performed at a sleep laboratory, such as polysomnogram (“PSG”), multiple sleep latency tests (“MSLT”), and maintenance of wakefulness test (“MWT”). Such studies can be performed at health facilities licensed as hospitals and outpatient care facilities with certain twenty-four hour services. The Sleep Guidelines enumerate the requirements for facility licensure, general facility design considerations, healthcare professional staffing and licensure, and patient care and safety. These requirements apply to semi-governmental and

private healthcare facilities, as well as those operating in free zone areas, except the facilities regulated by the Dubai Healthcare City Authority.

Hair Transplant Service Standards

This standard (“Hair Transplant Standards”) outlines the basic mandatory requirements for a health facility (hospitals, day surgical centres, and outpatient care facilities) to be licensed and to maintain such licensure to provide hair transplant services. The Hair Transplant Standards define hair transplantation as a surgical method of hair restoration. Such methods of hair transplantation include follicular unit hair transplantation and mini-micro-grafting transplantation. As with other healthcare services, the provision of hair transplant services is subject to licensure under the DHA. Enumerated in the Hair Transplant Standards are requirements for facility licensure, general facility design considerations, healthcare professional staffing and licensure, patient selection, preoperative counselling and informed consent, and patient care and assessment. The Hair Transplant Standards apply to semi-governmental and private healthcare facilities, as well as those operating in free zone areas, except the facilities regulated by Dubai Healthcare City Authority.

Colon Hydrotherapy Guidelines

These guidelines (“Colon Hydrotherapy Guidelines”) outline the basic mandatory requirements for a health facility (specialty clinic or polyclinic with certain specialties) to be licensed, and to maintain such licensure, to provide colon hydrotherapy services. Enumerated in the Colon Hydrotherapy Guidelines are requirements for facility licensure, general facility design considerations, healthcare professional training and licensure, and patient care.

The Colon Hydrotherapy Guidelines define colon hydrotherapy as the irrigation and cleansing of the colon. Specifically prohibited is the provision of colon hydrotherapy in an independent health facility that provides only this service. Further, the Colon Hydrotherapy Guidelines require the equipment used in the provision of colon hydrotherapy to be approved by the Ministry of Health in the UAE and at least of the following international authorities: Food and Drug Administration, Health Canada, Conformité Européenne, or Australian Register of Therapeutic Goods.

The Colon Hydrotherapy Guidelines apply to semi-governmental and private healthcare facilities, as well as those operating in free zone areas, except the facilities regulated by the Dubai Healthcare City Authority.

Areas of clinical expertise under new Scope of Practice and Clinical Responsibilities regulations:

General Practitioner	Family Medicine	Obstetrics and Gynaecology
Adolescent health	Adolescent health	Antenatal care
Cardiology	Allergy and immunology	Early pregnancy care
Dermatology	Cardiology	Maternal medicine
Emergency and urgent care	Care of the surgical patient	Management of labour
End of life care (Palliative care)	Chronic illness care	Management of delivery and intra-partum complications
Endocrinology	Dermatology	Postpartum care
ENT and eye care	Emergency and urgent care	Fetal medicine
Gastroenterology	End of life care (Palliative care)	Gynaecological care
Genetics	ENT and eye care	Urogynaecology and pelvic care
Geriatrics	Genetics	Surgical procedures and postoperative care
Gynaecology and women's health	Geriatrics	Sexual and reproductive health
Musculoskeletal	Gynaecology and women's health	Termination of pregnancy
Occupational health	Maternity care	Female sterilization and reproduction
Oncology	Men's health	Infertility
Pediatrics	Mental health	Gynaecological oncology
Public health	Musculoskeletal	
Respiratory	Neurology	
Sexual health	Nutrition	
Substance abuse	Occupational medicine	
Urology	Oncology	
Travel medicine	Pediatrics	
	Respiratory	
	Substance use disorders	
	Travel medicine	

Scope of Practice and Clinical Responsibilities - Family Medicine

This new version of the scope of practice and clinical responsibilities of family medicine sets out a more a more comprehensive framework for the family medicine physician's general scope of practice as well as required areas of clinical expertise.

The family medicine title, issued by DHA, is awarded to physicians who meet the Professionals Qualification Requirements. Licensing is issued under one of the following titles: consultant; specialist; or specialist under supervision. Family medicine physicians licensed by the DHA may practice in a hospital, day surgical centre, outpatient care facility (including polyclinics), specialty clinics, and home healthcare facilities.

Family medicine is defined as the medical specialty which provides continuing, comprehensive healthcare for the individual and family, integrating the biological, clinical and behavioural sciences. "The scope of practice of family medicine physicians encompass all ages, both genders, each organ system and every disease entity".

Scope of Practice and Clinical Responsibilities - General Practitioner

This new version of the scope of practice and clinical responsibilities of a general practitioner sets out a more a more comprehensive framework for the family medicine physician's general scope of practice as well as required areas of clinical expertise.

The General Practitioner ("GP") title, issued by DHA, is awarded to physicians who meet the Professionals Qualification Requirements. These requirements include the completion of a basic medical degree from an accredited institution and, with limited exceptions, the successful completion of the required training and clinical experience. A GP licensed by the DHA may practise in a hospital, day surgical centre, outpatient care facility (including polyclinics), general clinics, home healthcare facilities, and school clinics.

A GP, also known as general practice physician or general physician, is described as a physician who practises general medicine, which is neither limited to any particular area of medicine or specialty nor limited by age, gender, body system, disease process or service site. Part of the GP's role is to provide "general diagnosis and treatment for patients in all aspects of general medicine within their physical, psychological, social, cultural and existential dimensions".

Scope of Practice and Clinical Responsibilities Obstetrics and Gynaecology

This new scope of practice and clinical responsibilities for obstetrics and gynaecology practitioners sets out a comprehensive framework for the obstetrics and gynaecology physician's general scope of practice as well as required areas of clinical expertise.

An obstetrician or gynaecologist title, issued by DHA, is awarded to physicians who meet the Professionals Qualification Requirements. Licensing is issued under one of the following titles: consultant; specialist; or specialist under supervision. An obstetrician or gynaecologist licensed by the DHA may practice in a hospital, day surgical centre, outpatient care facility (including polyclinics or speciality clinics), and fertility centres.

The practise of obstetrics and gynaecology is described as the integrated medical and surgical care of women's health throughout their lifespan. "The combined discipline of obstetrics and gynaecology requires extensive study and understanding of reproductive physiology, including the physiologic, pathologic, social, cultural, environmental and genetic factors that influence disease in women". The scope of practice includes preventive health, reproductive health, gynaecological surgery, and maternal and fetal care for women of all ages.

What's Next

As more specialist healthcare services advance across the Emirate and investors continue to bring new and innovative care delivery models to the UAE, we can expect to see the DHA continues to review, update, and add new regulations to the current healthcare regulatory framework.

As the Emirate seeks to compete on an international level, we can expect the DHA to take a tougher stance on any violations of the regulations through the issuance of warning letters, financial fines, and, in some cases, revocation of licensure.



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Intellectual Property in the High Fashion Industry

The purchase of a designer handbag is most satisfying, despite being among the most expensive in the shopping list of any woman. For some, it's not about what you're wearing; it's about who you're wearing. High fashion goods are a billion-dollar market, and this is the reason why fashion houses value their brand equity. It is due to this brand recognition and equity that the fashion houses develop a bond with their customers. As such, considerable resources are invested in protecting the names and brands through trademark registrations.

However, many brands protect their trademarks yet neglect other forms of intellectual property which may also be protectable, for example the shape of a handbag can be also be protected as an industrial design. The fashion industry invests huge sums to create new and original designs each season. Despite this significant investment, little use is made of the relevant design laws to register and protect these designs beyond the name of the brand. The main benefit of registering a design is to deter others from copying the

design, and to fight unscrupulous competitors or even infringers from copying the design of the protected article.

In the UAE, Chapter 3 of the UAE Federal Law No. 17 of 2002 ("UAE Patents and Design Law") covers industrial designs, described as "any innovative three-dimensional shape that can be used in industry or craft" or "any innovative creation of lines or colors that generates a product that can be used in industry or craft".

Many high fashion houses often overlook the registration of the shape and look of their designs, reasoning that goods such as handbags are considered to have a short product life cycle – often no more than six-to-twelve months. While fashion trends may come and go, some designs stay timeless and are considered classic pieces. For example, the "Kelly" bag from Hermès grew to fame in 1956, when the Hollywood actress Grace Kelly married Prince Ranier III of Monaco and was photographed with the bag. It became known as the "Kelly" bag thereafter (although it was only formally

re-named as such in 1977) and is seen by many as the ultimate classic handbag in any fashionista's closet. Many fashion houses strive to create such classic design pieces. If the design succeeds and if the designer has not obtained the appropriate design protection in time, infringers will be able to copy their designs.

Despite the fact that some designs are only created for one season and are not meant to be long term, designers need to be aware of the fact that in the longer term a failure to protect their designs, and other intellectual property, from unauthorised copies and cheaper knock-offs damages the

brand's goodwill in terms of lost sales, loss of value to their new work, existing portfolio and inventory.

To this end, design protection is an essential step to take. It is important to protect a product design using the appropriate legal vehicles in a strategic manner. For example, protecting a unique 3D industrial design or a visual shape is critical to keep competitors from using and copying the creative design and the hard work invested by the designer. In addition, intellectual property protection of product designs adds to the assets of the business and therefore increases its commercial value.

Arguably, over the years the shape of a designer handbag has become more recognisable than the name on the bag. By way of example, in the early 1990's the Louis Vuitton Monochrome bags with the letters LV affixed were highly popular, one reason being that these heavily branded bags are highly noticeable. Although Louis Vuitton Monochrome bags remain very popular, designers are slowly moving away from heavily branding their bags with their logos and rather concentrating on the unique shapes of their bags. The aim is for people to notice the bag from afar, not only by the name written on it.



In the current business environment, the primary source of competitive advantage for all businesses, including those in the fashion industry, is innovation and original creative expressions. In order to maintain their market share in this highly lucrative industry, designers need to identify such valuable intangible assets in a timely manner, determine their business relevance, and agree on those to be protected and leveraged as intellectual property.

To this end, a designer's reputation is priceless, as it is an extension of their creativity. Consumers spend thousands on a single bag based on the shape of the bag and not just the logo because they want to be unique. In other words, if other merchants are selling similar bags, the designer piece will no longer be considered as unique.

In a nutshell, fashion houses are driven by their creativity and by the intellectual capital invested in them. Protecting that intellectual capital in the form of intellectual property assets serves to boost income through sales, licensing, and commercialisation of existing and new products, to improve market share, raise profit, and to effectively enforce their intellectual property against infringers looking to unduly take advantage of the designer's creative work.

Keep your designs to yourself.

Appreciate your creativity and protect it!



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Copyright Violation can Lead to Deportation from the UAE

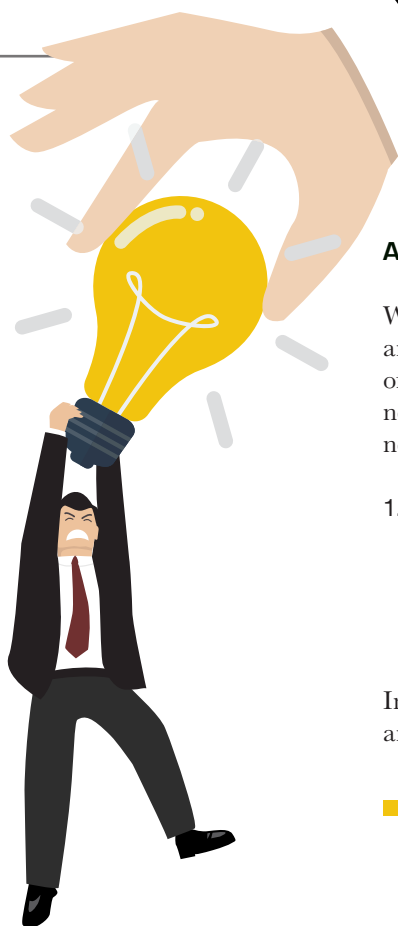
The developments in the technology sector and the increased number of paid TV channels in the UAE have created a hotbed for illegal activities which may lead to intellectual property (“IP”) violations. The UAE is considered as one of few countries in the region which has implemented specific legislation to penalise such violations.

Infringers recently have developed decoders which are programmed to be connected with external servers out of the UAE. Those external servers are used to record and store specific TV programmes/shows and upon connecting the decoders with the internet, external servers are allowed to share those TV programmes/shows with the decoders in the UAE and broadcast the content to the decoders via the internet. The classic form of infringement occurs when traders import TV decoders from neighbouring countries and start receiving that country’s TV satellite signal and ignoring the exclusive IP and distribution rights in the UAE. The violators here benefit from the difference in the subscription fees between different countries ignoring the exclusive rights of the local service providers.

Dealing with torrent websites may also constitute a violation to IP rights and the original uploader of the content can be traced in the UAE. In a case handled in Ajman, the police were able to track down the original uploader of the torrents, who was carrying out the activities from his home.

Local media companies are the main victims of these types of IP infringement. As such, media companies are carefully monitoring the local market in order to apprehend the infringers. Media companies are also working side by side with different enforcement authorities in the UAE such as the Department of the Economic Development (“DED”) and the Criminal Investigation Department (“CID”), in order to locate and bring to justice the operators who are illegally taking part in such activities. With a CID raid operation, time is of essence since the infringers have the ability to deactivate the decoders and destroy the incriminating evidence, often by means of associates with access to the system which activates the decoders. Maintaining and preserving the evidence in such cases is the biggest challenge, and it is an essential step to engage the CID lab during such operations. To this end, the CID lab is vigilant in collecting the required evidence from the site of violation or the CID may be primed to examine the decoders immediately after raiding the site of the violation.

Infringers face severe punishments in the UAE, which may lead to deportation for expats. In a recent case, the Dubai Court sentenced an individual for distributing/promoting unauthorised decoders which use internet protocol television (“IPTV”). The Court issued its judgment based on Article 38 of the UAE Federal Law of Copyright, Law No. 7 of 2002 and its amendments, which states the following:

**Article 38:**

Without prejudice to any severer punishment stipulated under any other law, any person, who performs any of the following acts without prior written consent of the author or neighbouring right holder, shall be punished by detention for not less than three months and payment of fine not less than AED 50,000 and not more than AED 500,000:

1. Unlawful producing or importing for the purpose of selling, renting out, or dealing in any devices, instrument, or apparatus designed or prepared for the purpose of fraud against any technique used by the author or right holder to broadcast, offer for public, administer, or manage the copyrighted work or maintain the qualities of the copyrighted work)

In addition, Article 121 of the UAE Criminal Law, Law No. 3 of 1987 and its amendments, states:

Article 121:

If a foreigner is sentenced to a custodial punishment for a felony or a misdemeanour, the Court may order in its sentence that he/she be deported from the state.

In a similar case, the Abu Dhabi Federal Court sentenced an infringer for selling decoders which allowed the broadcasting of exclusive TV channels. The infringer was further deported based on Articles 34 and 42 of the Federal Decree by Law No. 5 of 2012 concerning Combating Cyber Crimes, which state:

Article 34:

Any person who benefited or unlawfully facilitated to third party the use of communication services or audio or visual transmission channels through the Information Network or the Information Technology Instrument shall be punished by imprisonment for a period not less than one year and a fine not less than (AED 250.000) and not exceeding (AED 1.000.000) or by any of these punishments.

Article 42:

The Court shall adjudge to deport the foreigner convicted for committing any of the crimes provided for in this Decree by Law after executing the prescribed punishment.

In conclusion, UAE legislation provides a wide range of legal actions against copyright violators especially for those who use the internet as the means to commit the crime. The punishment of such acts can vary between a fine, imprisonment, closing the operations, and possible deportation of expats.



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An Update on the Dubai Data Law

In an article entitled *Open Data in Dubai: A New UAE Data Protection Law?*, found in *Law Update*'s October 2015 edition, we discussed Dubai Law No. 26 of 2015 regulating Dissemination and Exchange of Data in the Emirate of Dubai (the "Dubai Data Law"). The Dubai Data Law is now publicly available and in this article we provide further information on its substance.

The Dubai Data Law is aimed primarily at ensuring that data gathered by Dubai government entities is effectively shared amongst such entities and with the private sector, so as to maximise opportunities to capture the benefit of such data for the emirate's residents, visitors, and economy.

The aims of the Dubai Data Law include managing data in conformity with international best practices, promoting transparency and establishing rules for data dissemination and exchange, increasing the efficiency of services provided by federal government entities and local government entities, and providing data necessary to non-governmental entities with a view to supporting the development of the Emirate of Dubai.

The Dubai Data Law applies to Data Providers, which include the likes of federal government entities and local government entities that possess data relating to the Emirate of Dubai, individuals, and entities (including sole proprietorships, public interest organisations, companies,

associations, etc.) that produce, own, publish or exchange data relating to the Emirate of Dubai, irrespective of whether they are located in 'onshore' Dubai or in a free zone (such as the Dubai International Financial Centre).

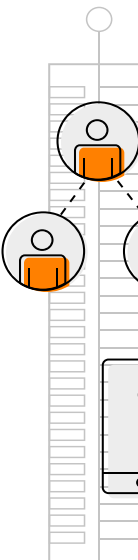
The Dubai Data Law contemplates two classes of data, collectively referred to as Dubai Data:

- **Open Data** - this is data that may be disseminated without restriction or under minimum constraints; and
- **Common Data** – this is data whose dissemination is subject to certain restrictions.

The Dubai Data Law provides that Dubai Data shall be published and exchanged via an electronic system, bulletins, reports, and any other means determined by a Competent Authority.

The Competent Authority contemplated under the Dubai Data Law is intended to administer the application of the Dubai Data Law and issue associated administrative and financial regulations. The functions and powers of the Competent Authority include:

- approving the data classification;
- determining the operating rules of the electronic platform used for the dissemination and exchange of data;



“The Dubai Data Law is aimed primarily at ensuring that data gathered by Dubai government entities is effectively shared amongst such entities and with the private sector...”

- auditing Data Providers’ compliance with the policies relating to the dissemination and exchange of data, at the level of operations as well as at the technical levels;
- conducting training courses on the dissemination and exchange of data; and
- investigating complaints / violations in relation to Data Providers’ non-compliance with the Dubai Data Law.

Data Providers are generally required to:

- publish Open Data in accordance with the applicable controls approved by the Competent Authority;
- exchange Common Data in accordance with the applicable controls approved by the Competent Authority;
- provide the infrastructure for the publication and exchange of Dubai Data, including providing a connection to the electronic system for the publication and exchange of Dubai Data; and

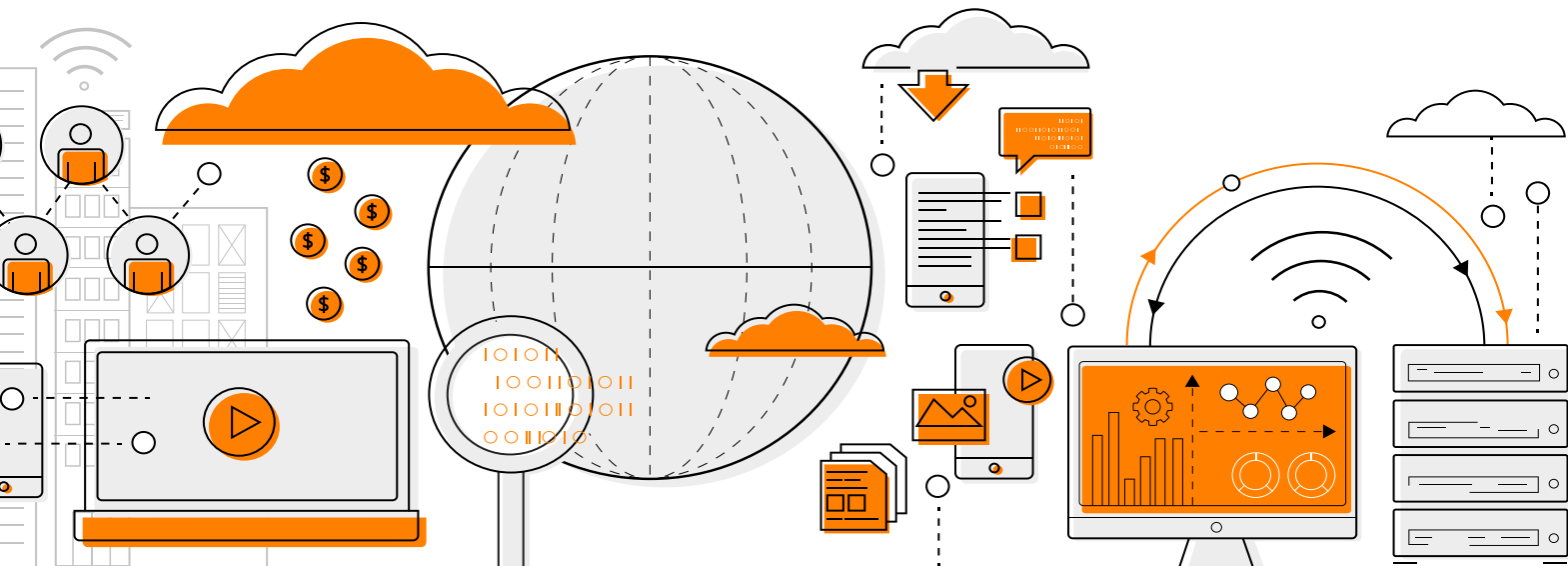
- comply with applicable technical regulations in relation to the dissemination and exchange of Dubai Data.

Importantly, the Dubai Data Law provides that Data Providers shall take all steps to maintain the confidentiality and privacy of data during dissemination and exchange of such data in accordance with the Dubai Data Law.

Interestingly, Dubai Data is deemed a state-owned asset and may be disposed by the Data Providers only in accordance with the Dubai Data Law, including any resolutions issued under the Dubai Data Law. It will be interesting to observe the practical implications of this provision.

Recently, the Ruler of Dubai, His Highness Sheikh Mohammed bin Rashid Al Maktoum, issued a law establishing the Dubai Data Establishment. We understand from press releases that the Dubai Data Establishment aims to enhance Dubai’s capabilities in the field of publishing and exchanging data, contribute to establishing a knowledge database to serve the public and private sectors, and oversee, regulate, and coordinate between government entities to facilitate the implementation of the law. The Dubai Data Establishment appears to be the Competent Authority referred to in the Dubai Data Law, and if this is the case then the regulations associated with the Dubai Data Law are likely to become available in the near future, providing greater insight into the practical effect of the Dubai Data Law.

Al Tamimi & Company’s Technology, Media & Telecommunications team regularly advises on data-related issues, including big data analytics, open data and data protection related issues. For further information please contact Sana Saleem (s.saleem@tamimi.com) or Nick O’Connell.





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Guide to Hotel Operations in the Middle East: Part One

This guide, published over two parts, has been put together by our offices across the Middle East. The aim of this guide is to provide our readers with an overview on the regulatory landscape governing hotel operations across the Middle East region. To achieve its aim, the guide answers initial practical questions that are of general interest to hotel operators, owners and investors alike. In this first part, we will explore the regulatory framework of Bahrain, Egypt, Iraq and Jordan. The second part will cover Kuwait, Oman, Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates.

The guide has been compiled on the basis of information provided as at the date of its publication, and therefore may be subject to amendments from time to time. Please note that this guide is intended to provide a high level overview of current laws, regulations and procedures. Separate legal advice on matters specific to the hotel property and the regulatory framework under which it operates should always be sought, including undertaking enquiries with the relevant Ministries and Authorities having jurisdiction over the property as necessary. If, based on the above, you require any further information, please do not hesitate to contact our Hospitality team on hospitality@tamimi.com.



	Bahrain	Egypt	Iraq	Jordan
Is the Operator required under the local legal requirements to establish a Special Purpose Vehicle ("SPV"), ie. a branch company, a representative office or a permanent establishment in order to provide Hotel Management Services?	The Operator is required to incorporate an SPV and obtain a commercial registration from the Ministry of Industry and Commerce ("MOIC"). The SPV will also be required to obtain a Tourism Licence from Tourism Affairs. Providing hotel management services directly from abroad without any legal presence in Bahrain is only possible if the Operator is the parent company (or the owner) of a chain of hotels and it has established a Hotel in Bahrain as part of that chain or hotel group.	Pursuant to Companies Law No. 159 of 1981 and Investment Law No. 8 of 1997, the Operator is required to incorporate an SPV at the Commercial Registry to undertake hotel management services in Egypt.	Pursuant to the Investment Law No. 4 of 2006, the Operator cannot conduct any commercial business in Iraq unless it incorporates an SPV, which is generally a Limited Liability Company ("LLC").	Pursuant to Article 240 (b) of the Jordanian Companies Law No. 22 of 1997, the Operator cannot conduct any commercial business in Jordan unless it incorporates an SPV. However, Article 240 (b) is not strictly applied in practice.
Is a local partner/sponsor required?	A local partner/ sponsor is not required in Bahrain.	A local partner/ sponsor is not required in Egypt.	A local partner/ sponsor is not required in Iraq.	A local partner/ sponsor may be required in Jordan, depending on the objectives of the company.
May the Operator be able to establish within a 'free zone' where 100% foreign ownership of the legal establishment is permitted?	The SPV may be 100% owned by foreigners and/ or GCC nationals.	The SPV may be 100% owned by foreigners. As a general rule, no hotel Operator is undertaking activities in a free zone to date.	The Operator generally establishes an LLC which allows 100% foreign ownership. However, there is no free zone in Iraq.	If the Operator establishes an SPV in Jordan, the foreign ownership restrictions are subject to the objectives of the company. In respect of hotel management, the SPV may be fully owned by non-Jordanians pursuant to the Foreign Ownership Regulation.



	Bahrain	Egypt	Iraq	Jordan
What is the most common form of legal entity used by the Operator in the Territory and how long does it usually take to set up such legal entity?	A Single Person Company ("SPC") or a With Limited Liability Company ("WLL") are the most common form of legal entity used in Bahrain. 3 to 5 weeks are approximately required to register such companies.	A Joint Stock Company is the most common form of legal entity used in Egypt. 3 days from the date of submitting the required documents to the Authority are approximately required to register such company.	A LLC is the most common form of legal entity used in Iraq. It shall be registered as an Iraqi national company at the Registrar of Companies. 1 to 2 months are approximately required to register such company.	The most common form of legal entities in Jordan are: • A LLC (may be established within a period not exceeding one month); • A private shareholding company (may be established within a period not exceeding one month); and • A foreign operating branch (may require approximately 40 days to be established and is subject to certain conditions).
What would the typical licensed activity be for the Operator?	Hotel, flats and restaurants for tourist service management	Hotel management services	NA, as the Operator is not required to hold any licence other than completing its registration as an LLC.	Managing and operating touristic restaurants and hotels.
Are there any requirements in terms of minimum capital applicable to the Operator?	Generally, the minimum capital requirement is subject to the form of the SPV incorporated by the Operator to manage the business. The minimum capital requirement for an SPC is BHD 50,000 and the minimum capital requirement for a WLL is BHD 20,000.	The minimum capital requirement applicable to an SPV is EGP 250,000 for a Joint Stock Company with 10% paid in upon establishment and 15% paid in within 3 months from establishment.	The minimum capital requirement applicable to an LLC is 1,000,000 IQD. However, we generally recommend investing at least 10,000,000 IQD.	The minimum capital requirement is subject to the form of the SPV incorporated by the Operator to manage the business: • For an LLC: 1 Jordanian Dinar divided into indivisible shares of equal value. • For a Private Shareholding Company: 50,000 Jordanian Dinars. • For a Foreign Branch: it will be in accordance with the mother company's subscribed capital.
Are any licences/permits required for the Operator to undertake the business of managing hotels in the country where the Hotel is located?	A Management of Hotel Apartments licence (Hospitality management) from Tourism Affairs is required for the Operator.	No specific licences or permits are required for the Operator to undertake the business of managing hotels in Egypt.	No specific licences or permits are required for the Operator to undertake the business of managing hotels in Iraq. The Owner is responsible for applying for all the licences and permits.	A licence issued by the Ministry of Tourism and Antiques is required for the Operator.
Is the Operator subject to withholding tax in respect of its services provided in the country where it has not incorporated a legal establishment there?	There is no withholding tax imposed to hotel services in Bahrain.	The Operator is subject to withholding tax imposed to hotel services at the rate of 20%.	There is no specific legislation that addresses withholding tax on payments for royalties in Iraq. However, there are provisions in the tax law which the tax authority could use to argue that such payments should be taxable in Iraq, i.e. if the income is considered to be 'income arising in Iraq'.	The Operator is subject to withholding tax imposed to hotel services at the rate of 10%. It must be deducted by the resident and paid in to the Income and Sales Department on behalf of the non-resident within a period not exceeding 30 days from the date of effecting the payment or it becoming due.

	Bahrain	Egypt	Iraq	Jordan
Are there any currency restrictions on transfer of funds by the Operator outside of the country?	There are no currency restrictions on transfer of funds by the Operator outside of Bahrain. However, the government authorities will generally recognise sanctions imposed by the United States, the United Nations and the European Union in this regard.	In principle, there are no currency restrictions on transfer of funds by the Operator outside of Egypt. However, there are currently practical restrictions due to the directives of the Central Bank of Egypt to protect the foreign currency reserve by limiting transfers abroad.	Pursuant to the Anti-Money Laundry Law and the Iraqi Central Bank ("CBI") regulations, there are currency restrictions on transfer of funds above USD 10,000 by providing supporting documents showing the sources/origin of these funds. Such supporting documents shall be provided to the bank which will undertake to submit them to the CBI to obtain the required approvals.	In principle, there are foreign currency restrictions and/or repatriation of cash restrictions that might be imposed by the Central Bank of Jordan. However, to our knowledge, the Central Bank of Jordan has not imposed any restrictions so far.
Who is the tourism classification authority in the Territory?	The Minister of Industry and Commerce (more specifically the Tourism Affairs) is responsible for tourism affairs and classifications of hotels and serviced apartments.	The Ministry of Tourism	The Tourism Commission	The Ministry of Tourism and Antiques
What are the various classifications applicable to Hotels and Serviced Apartments (stars, grades, categories)?	Stars and grades are based on international classification and must be in accordance with the regulations of the Tourism Affairs.	Stars and grades are based on international classification and must be in accordance with the regulations of the Ministry of Tourism.	The Regulation of the Touristic Utilities Classification No.1 of 2004 illustrates in details the classifications of the hotels by providing a list of requirements for each classification from one to five stars.	The classification for hotels is 5 stars, 4 stars, 3 stars, 2 stars, 1 star and Not Touristic. The classification for Services Apartments is Band (A), Band (B) and Band (C).
What other government departments are involved in the licensing of the hotel industry within the country?	· Tourism Affairs; · Directorate of Public Health - Environment Health Section; · Department of Public Health - Food Section; · General Directorate of Civil Defence; · General Directorate of Criminal Investigation; · Municipality Affairs; · Ports and Maritime Affairs (in cases of licensing a floating tourist hotel) ; and · Coast Guard Directorate (in cases of licensing a floating tourist hotel).	· Ministry of Foreign Affairs; · Tourism Development Authority.	· Tourism Commission; · Immigration Department.	Ministry of Tourism
What permits/licences must the Owner obtain for operation of the Hotel? Can these be held in an individual's name or must it be a corporate entity?	The Owner must obtain: · Hotel licence (5 stars) from Tourism Affairs; · Health Certificate (Public Health) from the Directorate of Public Health; · Traffic Site Approval from the General Directorate Of Traffic Licensing Affair; · Fire Safety approval from the General Directorate	The Owner must obtain a licence from the Ministry of Tourism. The licence can be held in an individual's name or a corporate entity.	The Owner must obtain a Profession Practice License from the Tourism Commission (which can be held by the Owner or by the Operator). The licence can be held in an individual's name or a corporate entity.	The Owner must obtain a license from the Ministry of Tourism and Antiques. A request must be submitted by the corporate entity to the Ministry of Tourism and Antiques, alongside the land registration certificate and all building plans duly certified by the relevant authorities.

	Bahrain	Egypt	Iraq	Jordan
	of Civil Defence; - Police site suitability approval from the General Directorate Of Criminal Investigation; - Municipality Site Approval from the Municipality Affairs. The approval can be held in an individual's name or a corporate entity			Thereafter, the Minister of Tourism may issue a temporary two-year permit during which time the construction or redecorating of the Hotel must be completed. The two-year period may be extended upon approval of the Minister.
Must the permits/licences be obtained prior to opening of the Hotel?	Yes	Yes	Yes	Yes
Is there a mandatory requirement to register the Hotel Management Agreement (and ancillary agreements) in the Territory?	There is no mandatory requirement to register the Hotel Management Agreement in Bahrain. However, the Tourism Affairs may request to present the same upon renewing the Tourism Licence.	There is no mandatory requirement to register the Hotel Management Agreement in Egypt.	Legally speaking, there is no mandatory requirement to register the Hotel Management Agreement in Iraq. However, we recommend legalising the Hotel Management Agreement before the Notary Public to provide it the highest legal strength since the term of the agreement is for a long period.	The Hotel Management Agreement must be presented to the Ministry of Tourism and Antiques, but the Jordanian laws do not explicitly impose a requirement of registration.
May the Hotel Management Agreement be subject to merger clearance under any competition and anti-trust legislation that may exist within the Territory?	No merger clearance under competition and anti-trust legislation may apply to the Hotel Management Agreement. In Bahrain, there is no existing generic competition law or similar legislation applying to all sectors.	No merger clearance under competition and anti-trust legislation may apply to the Hotel Management Agreement.	No merger clearance under competition and anti-trust legislation may apply to the Hotel Management Agreement.	No merger clearance is required before signing a Hotel Management Agreement. However, pursuant to Competition Law No. 33 of 2004, a transaction will be approved if it does not negatively affect competition or it has positive economic benefits that outweigh any negative effect on competition.
Can the Parties include an arbitration clause in the Hotel Management Agreement to settle disputes arising from the Agreement?	Yes, parties may agree to include an arbitration clause to settle disputes arising from the Hotel Management Agreement.	Yes, parties may agree to include an arbitration clause to settle disputes arising from the Hotel Management Agreement.	Yes, parties may agree to include an arbitration clause to settle disputes arising from the Hotel Management Agreement.	Yes, parties may agree to include an arbitration clause to settle disputes arising from the Hotel Management Agreement.
What arbitration institutes exist in the Territory?	- The Bahrain Chamber of Dispute Resolution ("BCDR"), in association with the American Arbitration Association; - The GCC Arbitration Centre.	The Cairo Regional Centre for International Commercial Arbitration ("CRCICA")	Pursuant to the Iraq Procedural Law No. 83/1969, arbitration in Iraq shall fall within the jurisdiction of the first instance court. This court has the authority to approve arbitral awards partially or entirely or to reject and return them to the arbitrators.	There are several institutes but they are not operative. Arbitration would be conducted pursuant to the Jordanian Arbitration Law unless agreed upon otherwise.

	Bahrain	Egypt	Iraq	Jordan
Would a foreign arbitral award rendered in connection with the Hotel Management Agreement be recognised and enforced by the local courts of the Territory without consideration of the merits of the case, or do the local courts have the power to reopen the matter?	Bahrain is a party to the New York Convention ("NY Convention") on the Recognition and Enforcement of Foreign Arbitral Awards. The result of this is that the enforcement of foreign awards should occur pursuant to the terms of the NY Convention. Bahrain has also recently issued Law No. 9 of 2015 promulgating the Arbitration Law adopting the UNCITRAL Model Law on International Commercial Arbitration (the "Arbitration Law"). The Arbitration Law provides specific grounds under which a foreign arbitration award may be refused.	Egypt is a party to the NY Convention on the Recognition and Enforcement of Foreign Arbitral Awards. Enforceability of an arbitral award must follow a certain process and the award must satisfy certain criteria. However, local courts do not reopen the matter, as a general rule.	Iraq is not a party to the NY Convention on the Recognition and Enforcement of Foreign Arbitral Awards. Under certain conditions and in case of reciprocity, Iraqi courts shall give effect to foreign judgments as well as foreign arbitral awards pursuant to the provisions of the Execution of Foreign Judgment Act No.30/1928. Pursuant to the Iraqi Execution of Foreign Judgment Law No. 30, in order to execute a foreign award in Iraq, a claim must be filed with the relevant court, requesting recognition of the foreign award and issuance of a decision to enforce it.	Jordan is a party to the NY Convention on the Recognition and Enforcement of Foreign Arbitral Awards. A foreign arbitration award may be enforced by the Jordanian Courts without retrial or further review of the merits of the case subject to: · the arbitration tribunal which issued the award being competent to issue such award; · the arbitration award being final, binding and conclusive as between the parties thereto and enforceable in the country where the award was issued; · any relevant notification or service being validly made; · the award being obtained in a non- fraudulent manner; and · the award not being contradictory to Jordanian Public Policy and Morals.
Are there any restrictions on arbitration proceedings applying to government entities?	There are no restrictions on arbitration proceedings applying to government entities.	Yes, if the government body enters into an agreement for operation of a public domain, the approval of the competent minister must be obtained to include an arbitration clause as part of the agreement.	There are no restrictions on arbitration proceedings applying to government entities if the arbitration took place in Iraq or in one of the signatory countries of the Riyadh Arab Agreement for Judicial Cooperation. The government shall own 100% of the shares of the company to be qualified as a government entity in Iraq.	There are no restrictions on arbitration proceedings applying to government entities.
Are there any restrictions on employment of foreign staff (ie. any roles reserved specifically for national employees), or a policy of nationalisation?	Yes, there is a quota of nationals applicable to each activity undertaken by an entity subject to its number of employees (from 0% to 25%). This is known as "Bahrainisation".	Yes, 90% of the employment force of the entity must be Egyptian nationals holding at least 80% of the total wages.	The Iraqi labour law prohibits employers from employing any foreign staff, unless it is granted a work permit issued by the Ministry of Labour according to its regulations. However, there are no restrictions regarding the roles and nationalities of the employees.	Yes, pursuant to the Jordanian Labour Law, the approval of the Minister of Labour must be obtained to employ foreign staff, given that the foreign staff member has skills and qualifications that are not available in Jordan. The matter is at the discretion of the Ministry of Labour and there is no guarantee that a foreign individual will obtain a work permit.
What work permits and visas are required for non-national employees?	A work permit and residency are required for non-national employees, except GCC nationals.	A work permit and residency for the foreign employee are required.	A work visa from the Immigration Department and a work permit from the Ministry of Labour and Social Security are required.	A work permit and a residency permit are required. Both must be renewed on a yearly basis.

	Bahrain	Egypt	Iraq	Jordan
Do Hotel staff generally belong to a trade union within the Country?	Trade unions are not very common within the private sector. However, trade unions for hotel staff exist in Bahrain.	Hotel employees generally do not belong to a trade union, but there are collective bargaining agreements usually applicable.	No	No
Is the Hotel obliged to provide a local rate for the room applicable to nationals paying in local currency, with a different (usually higher) US\$ rate for non-nationals?	No	No	No	No
Is it possible to obtain an alcohol licence for the sale and supply of alcohol at the Hotel? Who applies for this licence, and what is the authorising entity? Are there any restrictions on the grant of the licence?	Yes, hotels are able to sell alcohol by virtue of their commercial activity and do not require a separate licence. Hotels are not allowed to import alcohol; however, they may sell alcohol obtained from local distributors.	Yes, an alcohol licence may be obtained by Owner from the Ministry of Tourism under certain conditions. There are only a few restrictions on the sale of alcohol by hotels and people can generally buy alcohol from most of the hotel bars all over Egypt.	Yes, the Owner may apply for an alcohol licence before the Tourism Commission. However, the issuance of such licence is on hold since 2009. Hence, in practice, the inspection committee does not impose any penalties on hotels selling alcohol without any licence.	Yes, an alcohol licence may be obtained. The decision to grant a Hotel an alcohol licence and a licence to host musical groups is issued by the Minister of Tourism in coordination with the Tourism Committee. There are usually no restrictions on the sale of alcohol by 4 & 5 star hotels, whereby such a licence would be granted.
Are there any specific registrations applicable to Hotels within the country ie. segregation of male/female swimming/leisure facilities, female only floors etc.?	No; however, due to cultural customs and traditions, some hotels have female only swimming/leisure facilities.	Yes but specific registrations are only applicable in observance of public rules and behaviour, like separate toilets.	There are no specific registrations applicable to hotels but the Hotel Management Agreement shall comply with the Iraqi public order and morals.	There are no specific registrations applicable to hotels in Jordan.
Can Operator employees be seconded to the Owner's employment under a local employment contract in respect of providing services from the Hotel?	Yes, a secondment agreement may be entered into between the Operator and the Owner.	Yes, a secondment agreement may be entered into between the Operator and the Owner.	Yes, a secondment agreement may be entered into between the Operator and the Owner, providing that both parties are jointly and severally liable for enforcing the employees' rights and benefits under the Iraqi Labour Law.	Yes, a secondment agreement may be entered into between the Operator and the Owner. However, employees must be subject to the Jordanian Labour Law and be registered with the Social Security Department in Jordan.
Are guests subject to payment of any tax/service charge/tourism fee upon reservation of a room in the Hotel?	Guests are subject to: - Government levy of 10% as stated under Ministerial Order 106 of 2015 amending Ministerial Order No. 4 of 1994 in relation to Hotel Service Charges; - a Hotel Services Fee of no more than 10% which is generally imposed on all services provided by hotels of all categories and levels.	Yes, guests are subject to a government tax and a service charge at the rate of 24.32% upon reservation of a room in a Hotel.	No tax/service charge/tourism fee are applicable to the reservation of a room in a Hotel.	Guests are subject to: - Sales Tax in the amount of 16% applicable on all reservations; - Service charge in the amount of 10% to be charged on all invoices for services provided by hotels which are classified as 3 stars or above in accordance with the Regulations for Additional Taxes on the Sales and Services of hotels and restaurants no. 2 for the year 1988. - The Service Charge is collected by the Hotel itself and thereafter, sales tax shall be remitted to the Income and Sales Tax Department.



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Inheritance Issues in the UAE

Many expatriates living in the UAE are unaware that in the absence of a Will, recognised by the UAE legal system, the process of transferring their assets after death can be time consuming, costly and fraught with legal complexity. Serious complications can occur when infant children are left behind and no guardianship arrangement recognised in this country has been put in place. In default, Sharia Inheritance rules would apply to property and it would be at the discretion of a local judge to choose the child's guardian.

If an expatriate dies without a Will, Federal Law No. 5 of 1985, concerning the issuance of Civil Transactions Law of the UAE (the "Civil Code"), and Federal Law No. 28 of 2005 regarding the UAE Personal Status Law (the "Personal Status Law") guide the local Courts on the distribution of assets, only where it is not contrary to public policy. In some cases, it is possible that the Courts will apply principles of Shariah law to the estate of a non-Muslim and therefore mandatory rules of division between certain members of the deceased's family will apply.

As a practical matter, access to the assets of the deceased individual is restricted. Assets cannot be transferred or be dealt with in any manner without direction from the local Court. In some circumstances, this can give rise to delays and financial complications at a critical time.

Many expatriates fail to put measures in place to protect their families and their assets. Even where investments are offshore in foreign jurisdictions, individuals fail to consider what would happen to infant children, UAE bank accounts, their freehold properties or shares in this country?

Can a surviving spouse access the joint bank account?

A surviving spouse will not have immediate access to money in bank accounts in the UAE, or even bank accounts held jointly in the names of both spouses. In the absence of a registered Will, these accounts will remain frozen until instructions are received from a UAE Court and all the deceased's debts in the UAE (even including parking fines) are paid. The assets will in due course, be distributed by the Courts in accordance with Sharia Law and this could potentially take weeks, or even months. Under Sharia rules the bulk of assets belonging to the husband may pass to certain family members, with the wife only taking a portion of the estate.

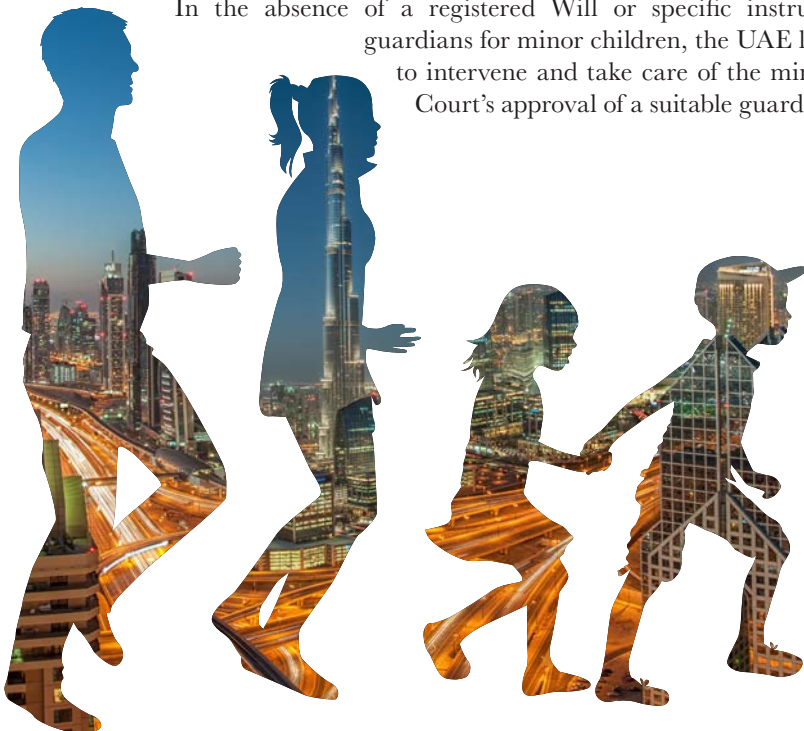
Who will have interim and eventual guardianship of infant children?

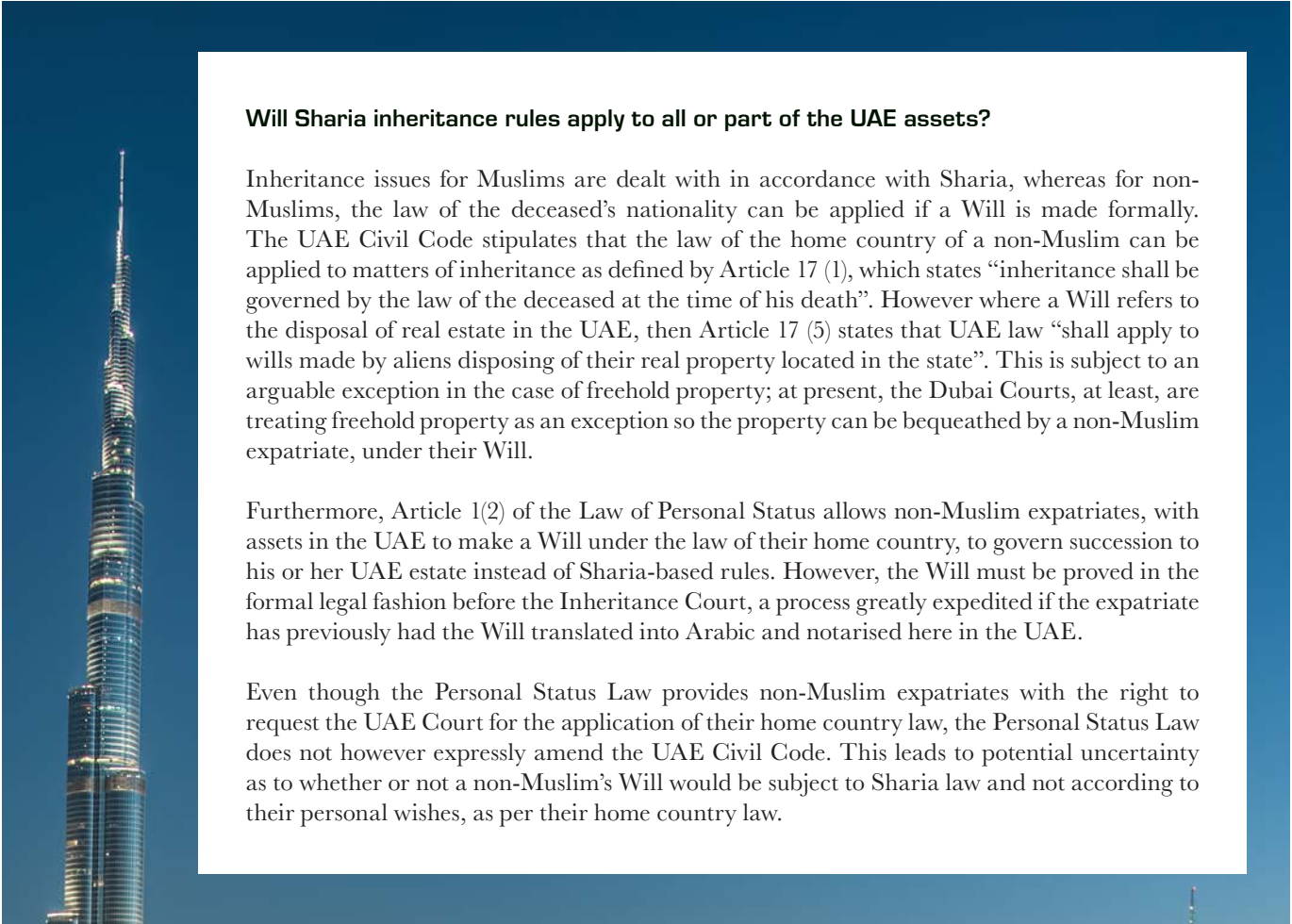
Article 142 of the Personal Status Law defines custody as the upkeep and taking care of the child, (which is usually granted to the mother of the child) without interfering with the right of the guardian of the child. Guardianship is predominantly awarded to the father of the child since he is responsible for providing for the child financially, morally and physically.

Under Article 156 of the Personal Status Law a women's custody of the children terminates upon a male child reaching the age of eleven and a female child turning thirteen, unless the Court decides to extend this period in the best interests of the child.

If a father of an infant resident in the UAE dies, under Sharia law the closest male relative on the father's side of the family is usually appointed as guardian of any infant children. The mother of the children would retain custody, subject to conditions such as her not remarrying. If a wife was to die in the UAE, then the husband would remain the guardian and custodian of any minor children. This would be subject to him having a suitable woman living within his home to care for the child (such as a female relative).

In the absence of a registered Will or specific instructions appointing interim guardians for minor children, the UAE local authorities would have to intervene and take care of the minors, until such time as the Court's approval of a suitable guardian.



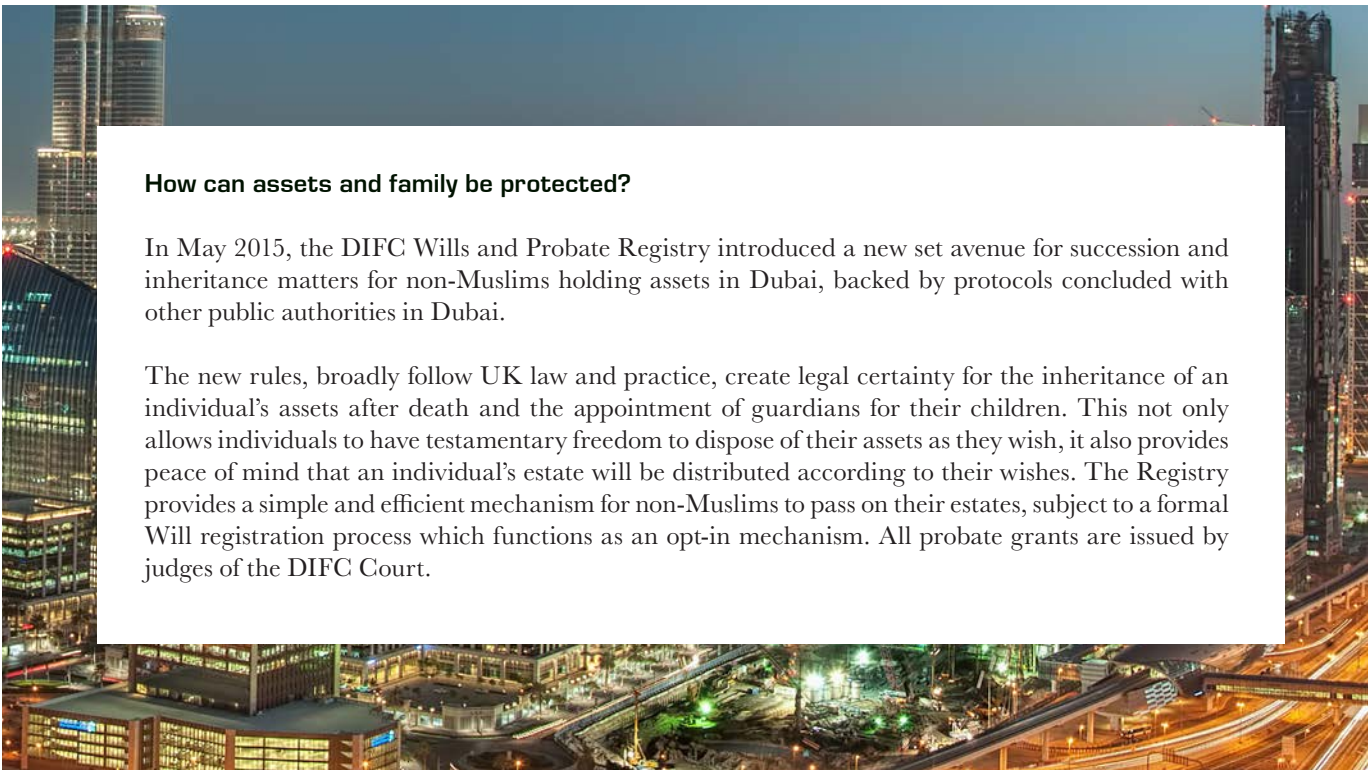
A tall, illuminated skyscraper, the Burj Khalifa, stands against a clear blue sky. The building's distinctive tiered design and sharp spire are clearly visible. The lights on the building are on, giving it a glowing appearance.

Will Sharia inheritance rules apply to all or part of the UAE assets?

Inheritance issues for Muslims are dealt with in accordance with Sharia, whereas for non-Muslims, the law of the deceased's nationality can be applied if a Will is made formally. The UAE Civil Code stipulates that the law of the home country of a non-Muslim can be applied to matters of inheritance as defined by Article 17 (1), which states "inheritance shall be governed by the law of the deceased at the time of his death". However where a Will refers to the disposal of real estate in the UAE, then Article 17 (5) states that UAE law "shall apply to wills made by aliens disposing of their real property located in the state". This is subject to an arguable exception in the case of freehold property; at present, the Dubai Courts, at least, are treating freehold property as an exception so the property can be bequeathed by a non-Muslim expatriate, under their Will.

Furthermore, Article 1(2) of the Law of Personal Status allows non-Muslim expatriates, with assets in the UAE to make a Will under the law of their home country, to govern succession to his or her UAE estate instead of Sharia-based rules. However, the Will must be proved in the formal legal fashion before the Inheritance Court, a process greatly expedited if the expatriate has previously had the Will translated into Arabic and notarised here in the UAE.

Even though the Personal Status Law provides non-Muslim expatriates with the right to request the UAE Court for the application of their home country law, the Personal Status Law does not however expressly amend the UAE Civil Code. This leads to potential uncertainty as to whether or not a non-Muslim's Will would be subject to Sharia law and not according to their personal wishes, as per their home country law.

A wide-angle night photograph of the Dubai skyline. The Burj Khalifa is prominent on the left, its lights reflecting on the surrounding buildings. The city is illuminated with various lights, and the traffic on the roads below is visible as streaks of light.

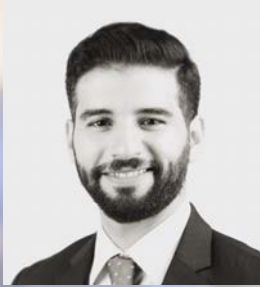
How can assets and family be protected?

In May 2015, the DIFC Wills and Probate Registry introduced a new set avenue for succession and inheritance matters for non-Muslims holding assets in Dubai, backed by protocols concluded with other public authorities in Dubai.

The new rules, broadly follow UK law and practice, create legal certainty for the inheritance of an individual's assets after death and the appointment of guardians for their children. This not only allows individuals to have testamentary freedom to dispose of their assets as they wish, it also provides peace of mind that an individual's estate will be distributed according to their wishes. The Registry provides a simple and efficient mechanism for non-Muslims to pass on their estates, subject to a formal Will registration process which functions as an opt-in mechanism. All probate grants are issued by judges of the DIFC Court.



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Death or Bodily Injury on Board the Aircraft: A UAE Perspective

In a court judgment handed down in March 2016 by the Abu Dhabi Court of First Instance, Al Tamimi successfully defended an international airline in a claim for ‘Diya’ (or ‘Blood Money’) and compensation for the heirs of a passenger who died due to a heart attack on board an aircraft. Amongst several factual issues determined by the Court, aviation law concepts such as the definition of ‘accident’, ‘death’, ‘bodily injury’ were dealt with, as well as liability of an airline generally and liability pursuant to the UAE Federal Law No.17 of 1991 (‘For Determining the Legitimate Ransom Amount For the Unintentional Death of a Person’) and the UAE Federal Law Mo.9 of 2005 (Amending the Diya Payable for Wrongful Death) (together the ‘UAE Blood Money Law’). The case highlights the importance of having a comprehensive understanding of international air law concepts, and an understanding of the particular nuances in UAE jurisprudence and law in dealing with claims for death or bodily injury.

Montreal Convention

The UAE is a signatory to the Montreal Convention 1999 (the ‘Convention’), which in turn is enacted within the UAE by UAE Federal Decree No. 13 of 2000 (‘Ratifying the Convention for the Unification of Certain Rules for

International Carriage by Air (Montreal Convention 1999’). It has been in force in the UAE since 4 November 2003. The Convention applies to all cases of international carriage of persons, baggage or cargo performed by an aircraft for reward, with carriage having its origin and destination in two different contracting states, or a single state with round trip carriage with an agreed stopping place in another state. In the case of accidents, bodily injury or death on an aircraft, the relevant provision which must be considered is Article 17 of the Convention which provides that ‘the carrier is liable for damage sustained in case of death or bodily injury of a passenger upon condition only that the accident which caused the death or injury took place on board the aircraft or in the course of any of the operations of embarking or disembarking’ (emphasis added).

The particular wording of Article 17 has given rise to a great deal of litigation and case law worldwide and much of this case law is focused on the definition of ‘accident’ and what is meant by ‘bodily injury’.

There may be many occurrences or events on board aircraft which are not an ‘accident’ for the purposes of the Convention. If one takes the recent example dealt with by Al Tamimi in the Abu Dhabi Court of First Instance, a

passenger suffering a heart attack on board an aircraft is not an ‘accident’ for the purposes of Article 17.

There is a wide body of international case law dealing with Article 17 interpretation of accident both under the Convention (and its predecessor the Warsaw Convention of 1929). In the United States in the case of *Air France v Saks* the US Supreme Court denied recovery to a passenger who suffered deafness as a result of aircraft depressurization, which was a perfectly normal consequence of the normal operation of an aircraft in its landing descent. The Court found that the passenger’s injury to the inner ear was caused by the passenger’s own inner ear and sinus problems specific to their own body, rather than by anything ‘unusual or unexpected’ about the operation of the flight. The US Supreme Court concluded that an accident under Article 17 arises only if the passenger’s injury is caused by an unexpected or unusual event or happening which is external to the passenger.

In *Kyrs v Lufthansa*, a passenger suffered a heart attack on a transatlantic flight from Miami to Frankfurt and commenced proceedings against Lufthansa for aggravating the damage to the passenger’s heart by not landing the aircraft so that the passenger could immediately go to hospital, before it was scheduled to arrive in Frankfurt. The US Court of Appeal concluded that the aggravation injury was not caused by an unusual or unexpected event or happening that is external to the Plaintiff, and so did not constitute an accident within the meaning of the (Warsaw) Convention.

In the United Kingdom, the House of Lords case of *In re Deep Vein Thrombosis v Air Travel Group Litigation* dealt with a class action by 55 claimants against 27 airlines alleging that passengers who had suffered from Deep Vein Thrombosis (‘DVT’) (which was then commonly known as ‘Economy Class Syndrome’), were entitled to compensation under Article 17. The allegation was that passengers sitting in a cramped position for long periods of time caused the formation of blood clots in the body which could cause a stroke or heart attack, paralysis or death. The House of Lords held that DVT and related illnesses such as thrombosis and embolisms are not accidents within the meaning of Article 17 of the Convention. The failure to warn of the risk of DVT is not an accident either.

In *Ford v Malaysian Airlines System Berhard* it was held that the administration of an injection by a medically qualified person to treat another passenger, which seemed to worsen the passenger’s condition rather than improve it, was not an accident. This action was not part of the usual, normal, and expected operation of the aircraft as per *Saks v Air France*, but the administration of an injection by a doctor in the hope and expectation that it would relieve the

condition complained of, was a usual and expected event and therefore did not constitute an accident.

In *Singh v Caribbean Airlines Limited*, it was held that as long as the crew did not depart from the airline’s policies and procedures in responding to a medically ill passenger, there was no accident. In *Safa v Lufthansa* the crew’s response to an immediate medical issue largely followed the airline’s policies and procedures, and again there was no accident.

Nevertheless there are cases where there can be recovery under Article 17. In *Olympic Airways v Hussain*, the US Supreme Court again considered the definition of ‘accident’ from *Air France v Saks*, which was that liability arises only if the passenger’s injury is caused by an unexpected or unusual event or happening that is external to the passenger. In the Olympic case the passenger had died on board the flight because he was allergic to second hand cigarette smoke. His wife had asked the flight attendant to move him to a seat further away from the cigarette smoke and the flight attendant had falsely informed her that there were no vacant seats. The Court held that any change in the causal link had to be an unexpected or unusual event or happening that is external to the passenger, and the flight attendant’s failure to lend assistance to such an event constituted an accident. It is worth noting that in the same case, in a dissenting judgment denying the claim, Justice Scalia followed case law from Australia and United Kingdom which held that inaction cannot be an event, and instead was a non-event, and therefore not an accident under Article 17.

“The case serves as a practical example as to how the UAE Courts may interpret and tackle death on board claims to be brought against airlines, especially where an ordinary death occurred on board an aircraft.”

Another issue under Article 17 is whether psychological damage can be recoverable in addition to 'bodily injury'. The US Supreme Court, in *Eastern Airline v Floyd*, concluded that recovery under Article 17 of the (Warsaw) Convention required either 'death' or 'bodily injury' and emotional damage alone would not suffice even though this was a case in which the flight lost power in all three engines and was preparing to ditch the aircraft in the ocean whereupon one of the engines restarted and the plane landed safely. The Court concluded that an air carrier cannot be held liable under Article 17 when an accident does not cause a passenger to suffer death, physical injury, or physical manifestation of injury.

In the UK, the House of Lords decision of *Morris v KLM Royal Dutch Airlines* addressed the issue of whether a 16 year old girl could recover damages under Article 17 for clinical depression suffered after another passenger sexually assaulted her aboard a flight from Kuala Lumpur to Amsterdam. It was concluded that Article 17 does not allow a person to recover for emotional damage.

As can be seen from above, the concepts of accident, bodily injury and the wording of Article 17 does give rise to a great deal of case law worldwide. In the UAE matter dealt with by Al Tamimi, Convention cases and concepts were highly relevant as were the bespoke issues of local Sharia law and local procedures in the UAE Court.

The Plaintiffs were the family heirs to the deceased passenger and they lodged a claim for compensation of material, moral, physiological damages and Diya (blood money) against the airline for liability under Article 17 of the Convention, Terms of Contract of Carriage, Sharia Law, and UAE Civil Law. The Plaintiffs claimed that in addition to Diya they sustained psychological, tangible, and intangible damage.

Under UAE law, the amount of compensation that may be granted to the heirs in the event of wrongful death is called Diya. Pursuant to Article (1) of UAE Determining Blood Money Law, if a wrongful death is proven, AED 200,000 may be awarded without proving any damage which may have been suffered by the heirs. Moreover, the heirs may be entitled to compensation for moral, physical, and psychological damage in an event of a wrongful death of their bequeather, pursuant to the Federal Law No. 5 of 1985 (the 'UAE Civil Transaction Law'), subject to proof of such damage and the establishment of three precondition elements of a claim in tort, namely; (i) fault; (ii) damage; and (iii) a causal link between such fault and the damage. If such damages are proved and the preconditions are met, the Court's estimation of damage would range between AED 50,000 to AED 500,000.

Factually, the passenger was taken ill on board a flight from Washington bound for the UAE. An hour passed from the time of the onset of symptoms to the passenger's eventual

Regulatory Update:

Private Home Owners and Authorised Tenants can now Apply Directly for a License to Operate a Holiday Home



On 29 April 2016, Dubai's Department of Tourism and Commerce Marketing ('DTCM') announced that it has updated its regulations in respect of holiday homes. The new regulation now allows private home owners and tenants to apply for a holiday home license without the need

to appoint an operator approved for this purpose by the DTCM. In relation to tenants however, the DTCM will require a no objection certificate from their landlord.

Before the new regulation came into effect, the rental and operation of holiday homes was an activity restricted under Decree concerning the Regulation of the Holiday Homes

Rental Market in Dubai (No. 41 of 2013) to operators licensed by the DTCM, who must adhere to particular licensing requirements imposed by the DTCM, including but not limited to, the requirement of managing a portfolio of no less than 20 holiday homes. It is expected that, by allowing private home owners and authorised tenants to bypass the operator's detailed licensing requirements and to directly obtain a license in their own name for the purpose of leasing their properties as a holiday home, the overall offering of holiday homes in the Emirate will increase, which in its turn will help in improving the market competitiveness with regard to this particular sector.

The DTCM has also upgraded its official web portal to allow for holiday homes' applications to be submitted by home owners and authorised tenants online and, while payment

death by heart attack. During this time the passenger was attended to by two onboard doctors, and medical care was administered, which included the use of a defibrillator and an electro cardiogram. The incident took place whilst the aircraft was flying over the sea.

In the UAE Courts, it is usual in such matters for the courts to appoint an expert with knowledge of aviation matters. In this case, the expert was able to establish that the airline was not responsible for the death, which was caused by a heart attack internal to the passenger. An emergency landing would have been difficult given that the aircraft was above the sea and the incident from start to finish lasted approximately one hour, which was not sufficient for an emergency landing. The crew were not advised by Medlink (the methodology by which aircraft crew contact medical professionals on the ground for medical advice) to make an emergency landing, and the Defendant provided the deceased with all medical care required to deal with a heart attack, including two on board doctors. As established by laws and precedents, the Court was able to rely on the expert's report and the Court was not bound to return the assignment to the expert as the report had dealt fully with all the Plaintiffs' objections. The Court found that there could be no liability on the part of the airline for an act of God.

In this particular case, the Court appointed expert was extremely knowledgeable on aviation issues and dealt with the matter professionally and fairly. Given the reliance

the court places on expert reports, it is a reminder of how important it is for legal advisors to attend expert's appointments and to fully brief the expert regarding the facts which occurred on board the aircraft as well as the legal and safety regimes which are pertinent to international aircraft travel. It is also important to be aware that the Convention is a comprehensive international treaty that deals with issues of international air law. Nevertheless, a thorough knowledge of local procedure and concepts of Sharia law are also required, and the importance of the appointment of a suitably qualified Court expert to facilitate the correct process of aviation liability litigation in the UAE cannot be overstated.

The case serves as a practical example as to how the UAE Courts may interpret and tackle claims for deaths on board airplanes, especially where an ordinary death has occurred. It must be borne in mind that although this judgment is a final judgment issued by the Abu Dhabi Court of First Instance, which has not been appealed by the Plaintiffs before any of the higher courts, it nonetheless helps clarify and rebut arguments often raised regarding the meaning of 'accident' referred to in Article 17 of the Convention. In addition, the UAE Court affirmed by this judgment its legal position on the extent of imposing Diya, which is that heirs shall not be entitled to claim when a death occurs as an Act of God, and where no act or negligence from the part of the carrier is established.

of the license fees currently requires physical attendance of the applicant before the DTCM, it is expected that the DTCM will soon launch an e-commerce system to cater for the online payment of such fees.

It is important to note that the new regulation does not exempt, or even partially relieve, private home owners and authorised tenants from the requirements set out by the DTCM in relation to the property leased as a holiday home. Therefore, subject to classification of the holiday home as standard or deluxe, the requirements currently applicable vis-à-vis the property and related to quality standards, amenities, health and safety, insurance and other operational aspects must be observed at all times by the home owner or authorised tenant. The DTCM will regularly inspect holiday homes and it is expected private home owners and authorised tenants will, much like the licensed operators, be exposed to the same fees and fines set out in Resolution on Holiday Homes' Fees and Fines (No. 49 of 2015) in the event of failure to comply with the requirements of the DTCM. For more information regarding the fines, please refer to our article 'Regulation of Hotel Establishments and Holiday Homes: New Fees and Fines'. The short term leasing of a property as a holiday home

remains outside the scope of the Law Regulating Relationship Between Landlords and Tenants in the Emirate of Dubai (No. 26 of 2007 as amended by Law No. 33 of 2008). As such, the holiday home accommodation agreement between private home owners or authorised tenants on the one hand, and their guests on the other, cannot be registered on the Ejari system and the guests cannot avail themselves of the rights and remedies provided under such tenancy law (renewal of term, family visa, etc).

Finally, we highlight that the license granted by the DTCM to private home owners and authorised tenants allows them to only operate the specific property that is subject to their ownership or tenancy as the case may be. That license may not be extended to include their management of other properties as holiday homes, such comprehensive management activity being restricted to licensed operators.

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When the Clock is Ticking and the Contractor is in Delay: What Can You Do?

A development company has engaged a contractor under a minimally-amended FIDIC construction contract on a time-sensitive project for the construction of a number of villas. It has sold all of the villas off plan, and the purchase and sale agreements contain a fixed date for handover. If the development company fails to handover the villas on the specified date, it will be in breach of the purchase and sale agreements and liable to the owners for damages and may lose the agreements should the buyers elect to terminate the purchase and sale agreements. The contractor completes 75% of the work but begins experiencing cash flow problems and, as a result, slows its performance. 60 days prior to the handover date, it becomes clear that the contractor will be unable to meet the deadlines. The development company reviews the FIDIC contract and wants to know what its options are, if any, to achieve a commercial outcome without loss of reputation and money.

What can the development company do?

Under an un-amended FIDIC contract the development company will have limited options to ensure it meets the fixed handover date or to limit its liability. The FIDIC contract lacks sufficient rights and powers for employers who need to manage time-sensitive projects where the contractor is in delay.

Assuming the delay to the programme is for a cause for which the contractor is not entitled to an extension to the Time for Completion, the engineer may instruct the contractor to accelerate its performance at the contractor's own cost under clause 8.6. However, the contractor may not be in a position to accelerate its efforts especially where it is experiencing cash flow issues or has an insufficient workforce. Other than termination, the FIDIC contract does not provide for any sanctions to be imposed in instances where the contractor fails or refuses to accelerate after receiving instructions to do so. Termination of the contract may not be a solution as there will be delays in obtaining the necessary permits to complete the project and to have another contractor on site to carry out the work.

If the contractor's delay continues and the employer misses the Time for Completion, the FIDIC contract at clause 8.7 entitles the employer to levy delay damages on the contractor for each day of delay after the stipulated Time for Completion until actual completion. The delay damages may allow the employer to mitigate any damage it may be liable to pay under other contracts however the FIDIC contract normally caps the delay damages that may be imposed on a contractor to a percentage of the contract price. This may still leave the employer exposed to liability while the work also remains incomplete. In

the scenario above, the development company may be exposed to a much higher liability under the purchase and sale agreements than the total delay damages for which the contractor is liable under the construction contract.

The FIDIC general conditions allow the employer to step in to complete the works at the contractor's cost only where the works are defective or if the contractor fails to rectify defective works during the defects liability period. Notably, the contract is silent as to the employer stepping in to complete the works where the contractor is delayed in performance. Any attempt by the employer to forcefully step in during a delay may have legal and criminal ramifications if the contractor resists the employer's actions, and the employer resorts to force to enter the site.

The employer may issue a notice to correct and require the contractor correct the delay, failing which, the employer may terminate the contract for default. If the FIDIC contract has not been amended to include the proper references to the federal law, there is a further complication as the employer must obtain an order from a court or arbitral tribunal granting termination to lawfully terminate the contract in the UAE. In a worst case scenario, the contractor may claim it is owed money and exercise its rights at law to retain possession of the site preventing further work on the project until the decision in the arbitration is handed down several years later.

The employer may also consider initiating the dispute resolution process under the FIDIC contract however the processes in both the FIDIC 1987 and the 1999 construction contracts are protracted and require a determination by the engineer or the dispute adjudication board (which must be first appointed) to settle the dispute. These determinations may be challenged by either party and the parties must then commence arbitration to finally settle any disputes.

These mechanisms in the FIDIC contracts do not assist the time sensitive project, which could also include buildings with leases that are commencing, projects seeking to achieve a start date to make best use of the tourist season or landmark projects with announced completion times.

The employer with a time sensitive project should consider amending the FIDIC general conditions to add extra rights and powers to assist with managing the project. These amendments could include:

1. Limiting the reasons for which an extension to the Time for Completion could be granted and not capping damages;
2. Including a bonus for the contractor if it completes early or on time;
3. The right to direct the contractor to accelerate the work for any reason and at any time. This right could be where the project is on time or where there is an employer delay (for which the employer will pay the acceleration costs);
4. An obligation on the contractor to provide more regular and detailed progress reports so that the employer is kept informed of progress and possible delays;
5. A right to not just terminate, but to step in and take over work, or any part of the works, where work is behind schedule;
6. Requiring the contractor to include provision in all subcontracts and supply agreements for the contracts and agreements to be novated to the employer, or employer's nominee, where the employer exercises a right to step-in; and
7. Managing the UAE law provisions concerning ability to terminate the contract and the contractor's right to retain possession of the site.

With the FIDIC contracts being widely used, it is a misconception that the contracts are suitable for and provide contractual parties sufficient coverage in terms of liability. For time sensitive projects special consideration is required to ensure that your rights as an employer are better protected.

Any changes need to be carefully drafted to ensure that the right outcome is achieved and that the terms are commercially acceptable. Our construction and infrastructure team at Al Tamimi can assist you manage these risks.



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The New UAE Commercial Companies Law

The new UAE Commercial Companies Law (Federal Law No. 2 of 2015) (“CCL”) came into effect on 1 July 2015 and we reported on the principal amendments made by the CCL in our June/July 2015 edition of Law Update.

The following is a snapshot of the key developments brought about by the CCL in relation to LLCs:

- The pre-emption process remains the same save that in the event of a dispute as to price, the price will be determined by financial experts appointed by DED, rather than the company’s auditor.
- As an exception to the minimum two shareholder rule for LLCs, the CCL permits an Emirati natural or legal entity to incorporate a single person LLC.
- Ordinary shareholder resolutions shall not be valid unless passed by a majority of the partners present in person (or represented) unless the MOA provides for a higher majority (previously it was absolute majority of shareholdings present).
- The CCL removed the cap on the number of managers (previously 5)
- Notices to general assemblies can now be sent on 15 days notice or such shorter notice period as the shareholders agree and in addition, the CCL permits notices to be sent by whichever means of communication shareholders agree on, including email. Under the old law, notices had to be sent by registered mail.
- The quorum for general assemblies has been raised to 75% of share capital from 50% previously.
- The process relating to reconvening of inquorate meetings has been shortened such that inquorate general assemblies shall be reconvened within 14 days of the date of the first meeting and the quorum at the reconvened meeting shall be presence of shareholders representing 50% of the company’s share capital. In the event the second meeting is inquorate, the meeting shall be adjourned to a date that is at least 30

days after the second reconvened meeting and such third reconvened meeting shall be quorate provided one shareholder attends.

- Under the CCL, shares in an LLC may be pledged and the pledge can be registered in the Commercial Register. LLCs should anticipate that lenders may now require a pledge of shares as part of their security package and both lenders and borrowers alike should review existing powers of attorney and authorisations to ensure that they cover entry into and registration of share pledges
- The CCL provides that the provisions relating to joint stock companies will apply to LLCs, unless otherwise stated; however, to apply this indiscriminately is an unsound approach given the technical differences in

the form of these entities and the disparate objectives for which each is usually employed

Of critical importance is that fact that if a company does not comply with the new law by 1 July 2016, it will be deemed dissolved (Article 374). This is taken to mean that an LLC will need to have made necessary amendments to its Memorandum of Association to ensure compliance to continue to exist. In addition, Article 357 provides that a fine of AED 2000 per day of delay will be imposed on any company that fails to amend its Memorandum of Association and Articles of Association to be compliant with the provisions of the Law.

The matters that may require consideration and amendment in an LLC's memorandum of association are set out in the table below.

Mandatory changes	Optional changes
Quorum: The CCL sets the quorum for the general assembly at shareholders representing 75% of the share capital of the LLC, as opposed to the previous threshold of 50%. Where the 75% quorum is not met at the first meeting, the meeting shall be adjourned and a second meeting will be held where the required quorum will be 50%. In the event such 50% quorum is not met at the second meeting, a third meeting shall be held where the quorum shall be valid irrespective of the shareholders present at the meeting. In the event the company's MOA stipulates a 50% quorum threshold for the first called general assembly, this will need to be amended to reflect the new position under the CCL.	Notice period: Shareholders now have the option to reduce the previous 21 day notice period for general meetings to 15 days or such shorter notice period as agreed between the shareholders.
Right of first refusal: The selling shareholder must provide in its pre-emption notice to the continuing shareholders the name of the proposed purchaser in addition to the terms of sale, such as price. On a dispute as to price, the old law provided that the company's auditor would adjudicate on price. The new CCL requires value to be determined by a DED appointed financial expert.	Notice of meetings The CCL permits invitations to general assemblies to be sent by any means of communication that the shareholders agree upon, as opposed to the previous position which required registered mail. This means that the MOA could be amended to permit email communications.

Mandatory changes	Optional changes
Financial: The CCL requires LLCs to use International Accounting Standards and this should be reflected in the MOA. The CCL requires that the MOA stipulate the commencement and expiry date of the fiscal year.	Dismissal of manager The new CCL provides for the dismissal of managers by way of an ordinary resolution at a general meeting as opposed to the previous position under the old law requiring a special resolution if the MOA permitted dismissal of the manager, or unanimous resolution if the MOA was silent. In light of the fact that the manager can now be dismissed by an ordinary resolution, companies should consider including a higher threshold in their MOAs.
Shareholder details The name, nationality, date of birth and domicile of each shareholder must be provided in the MOA. If the managers/directors are named in the MOA, their full names, nationalities, places of residence and powers.	Share pledges: Since the new CCL provides for shares to be pledged in accordance with the CCL and the company's MOA, shareholders are advised to consider whether to detail the terms upon which shares may be pledged in the MOA.
Branches In addition to the head office, the MOA must also now list any branches that the company has (if any).	
References Any references to the old companies law in the MOA should be updated to refer to the applicable provisions contained in the CCL.	

Once consideration has been given to the amendments to be made to a company's constitutional documents, the new memorandum and/or articles of association need to be drafted and executed by the shareholders before the notary public.

As explained above, if a company fails to make the necessary changes in order to comply with the CCL, the company will be deemed to be dissolved. Other than the obvious consequences of a dissolution, this could also potentially mean that since the company would no longer exist, the officers of the company, being the manager

and/or directors, could be held personally liable for any liabilities of the company. This is in addition to the daily fine of AED 2,000 per day potentially being imposed on the company. Given these consequences and the fact that the clock is ticking, companies would be well advised to review their constitutional documents and make the necessary changes as soon as possible.

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Overview of the Iranian Banking System

Following the gradual lifting of international sanctions on Iran, there has been increased interest among banks and financial institutions in exploring the potential opportunities in the Iranian market. This article sets out a high level review of the legislation governing the existing banking system in Iran and options available to international institutions looking to undertake financial activities in or with Iran.

The legal system in Iran is a civil law based system which incorporates, where applicable, the principles of Islamic laws and jurisprudence.

The Regulator

At present, there are no fully licensed foreign banks in Iran. Many banks in Iran are Iranian government owned, while the rest are private Iranian banks. The Monetary and Banking Law of Iran issued on 9 July 1972 provides that the Central Bank of Iran is responsible for the formulation and implementation of monetary and credit policies with due regard to the general economic policy of the country. Among other things, the Central Bank is responsible for the supervision of banks and credit institutions in accordance with the Monetary and Banking Law.

The Central Bank's scope of authority both in the Monetary and Banking Law and in the Banking and Monetary Act of Iran issued on 27 May 1960 is subject, in many cases, to the supervision and approval of the Currency and Credit Council. The Council's duties, amongst other things, are to:

- a. cooperate with the governor of the Central Bank in the general management of the Central Bank;
- b. direct and supervise all banking affairs, as provided in the Banking and Monetary Act;
- c. define what constitutes banking operations; and
- d. approve the granting of banking licences on a case by case basis.

In the discharge of its duties, the Council may demand any information from, or issue any directive to, banks operating in Iran. As per the Banking and Monetary Act, all banks operating in Iran are under the obligation to implement the Council's directives. There are, however, a few exceptions to this obligation, mostly in relation to the Council's competence to request personal information pertaining to customers.

As a general observation, there is an overlap between the scope of competence of the Central Bank and the Council in some areas. It is well established, however, that the Council is the highest policymaking body of the Central Bank.

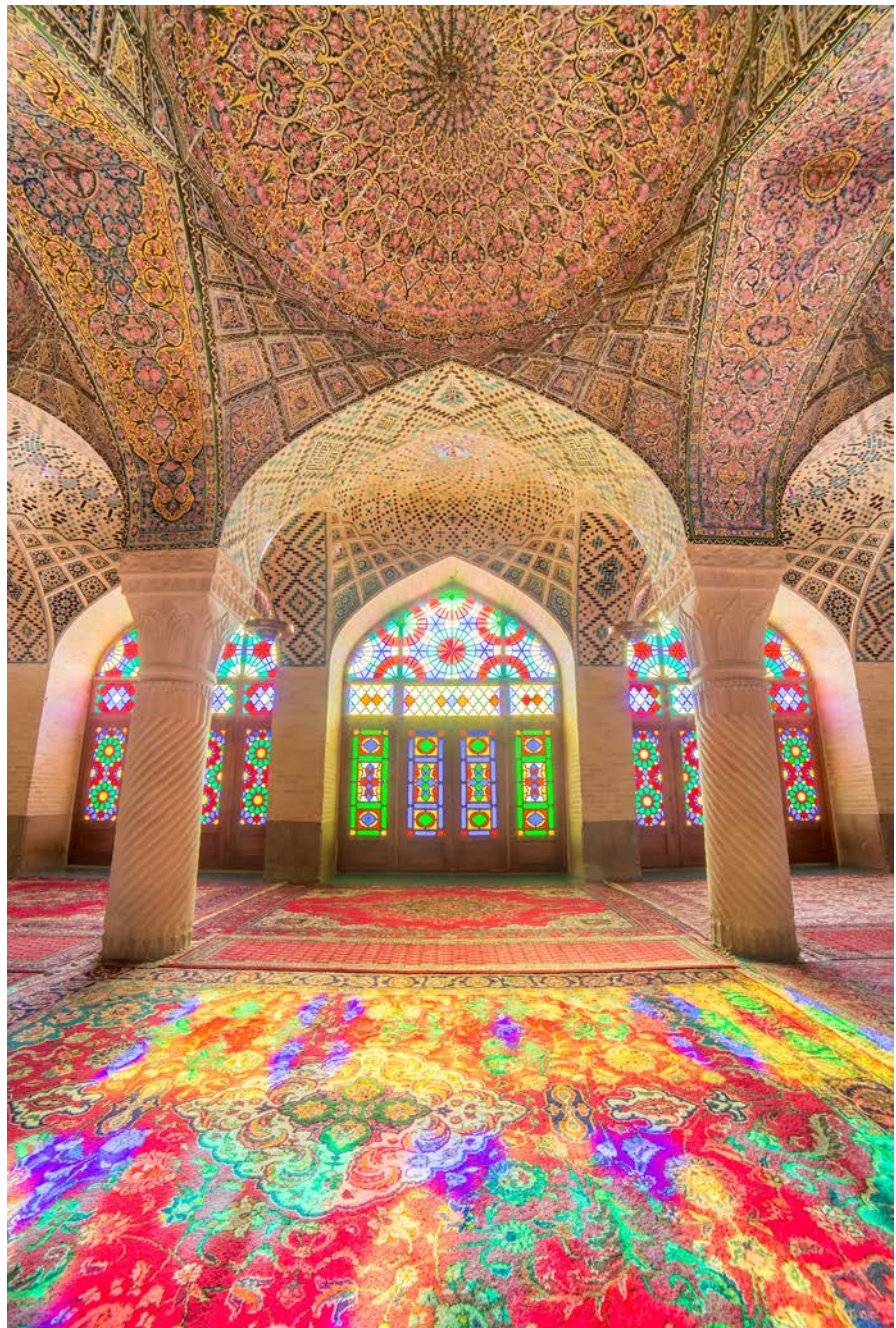
Islamic Banking

The Law for Usury (Interest) Free Banking, as approved by the Council of Protectors in September 1983, includes a number of objectives and duties applicable to the banking system in Iran, including adherence to Islamic jurisprudence and interest free lending. This applies to all forms of lending, regardless of the currency in which the loan is made. The Regulations on Monetary and Banking Operations in Free Trade – Industrial Zone of the Islamic Republic of Iran contain an exception to this prohibition on interest, whereby foreign currency transactions conducted from within a free zone are exempt from implementing the Islamic banking system. It remains unclear, however, whether this exemption is consistently applied in practice.

The Law for Usury (Interest) Free Banking also empowers the Central

Bank to intervene in, and supervise, the monetary and banking activities in Iran through the following mechanisms:

- a. Fixing a minimum or maximum ratio of profit for banks in their joint venture and Modarabah activities (these ratios may vary for different fields of activity).
- b. Designation of various fields for investment and partnership within the framework of the approved economic policies, and the fixing of a minimum prospective rate of profit for the various investment and partnership projects. The minimum prospective rate of profit may vary with respect to different branches of activity.



Nasir Al-Mulk Mosque in Shiraz, Iran, also known as Pink Mosque

- c. Fixing a minimum and maximum margin of profit, proportionate to the cost price of the goods transacted, for banks in installment and hire-purchase transactions.
- d. Determination of the types, and the minimum and maximum amounts, of commissions for banking services and the fees charged for putting to use the deposits received by banks.
- e. Determination of the minimum and maximum ratios in joint venture, Modarabah, investment, hire-purchase, installment transactions, buying or selling on credit, forward deals, and customer deposits with respect to various fields of activity, and fixing the maximum facility that can be granted to each customer.
- f. Licensing and Cross-border Lending

The Banking and Monetary Act provides that: “Engagement in banking operations is prohibited, except with the permission of the Currency and Credit Council. The articles of association of banks also must be approved by the Currency and Credit Council...”. The banking legislation in Iran is however silent about what constitutes “banking operations”, which can make it difficult to identify its scope and reach.

The legislation does however make it clear that, at the time of applying for a licence, an applicant foreign bank must formally include the proposed activities for its entity in Iran, which shall be assessed and decided on a case by case basis by the Council in line with the provisions of the Banking and Monetary Act. For the purposes of the Banking and Monetary Act, a bank shall be considered a “foreign bank” if more than 40% of its capital is owned by non-Iranian individuals or entities. Although the Banking and Monetary Act distinguishes between domestic and foreign banks based on the percentage of foreign or domestic ownership, the regime governing foreign and domestic banks under the Iranian banking legislation seems to be substantially similar. The Council is given absolute discretion to approve the permitted activities for each applicant bank on a case by case basis.

All financial institutions in Iran, including foreign banks established in Iran, branches, and representative offices, may not engage in any banking activities or ancillary services (including marketing and cross-border marketing activities) without express approval and licences from the Council and the Central Bank, respectively. Contacting a customer for general relationship management purposes including socialising, discussing general economic trends, general education about financial services, and generally responding to customers, including other modes of marketing, also requires the approval of the Council and the Central Bank.

It should be noted that the establishment and permitted activities of a foreign financial institution registered within any of Iran’s free zones would also be subject to the relevant laws and regulations governing the operations of entities in the relevant free zone.

In terms of the different forms of on ground presence available in Iran, the Monetary and Banking Law provides that domestic and foreign banks (as defined above) may only take the form of public joint stock companies. With regard to the establishment of a branch in Iran, the Procedural Regulations for the Establishment, Operation, Supervision, and Winding Up Of Branches of Foreign Banks in Iran issued in July 2011 permits the establishment of branches. As for the establishment of a representative offices or any other alternative form of presence, the Monetary and Banking Law is silent and, in essence, provides the Council with an absolute discretion to approve any proposal or application submitted to it. All activities to be undertaken by such entities (including branches and representative offices) must be disclosed to the Council at the time of submission of application for licensing and the Council has discretion to consider and grant the right on a case by case basis.

Iranian banking legislation is silent with regard to cross-border lending, i.e. lending to Iranian companies from outside Iran. It is also silent on the permissibility of a bank taking security in Iran without establishing a presence in Iran. To date, it is our understanding that Iranian applicants wishing to avail a loan from outside Iran are required to declare the loan to the Ministry of Finance in Iran, which assesses the reasons for the loan and grants its approval accordingly. Failure to obtain such approval may lead to sanctions by the relevant authorities, which may include freezing of the borrower’s account and restrictions on remitting the repayment instalments outside of Iran. In terms of security agency arrangements, cross-border loans were commonly secured through the issuance of an Iranian bank guarantee issued at the request of the Iranian loan applicant and presented to the lending bank as a “security” for the cross-border loan. We understand that this practice has been banned by the Central Bank for some time.

It is too early to assess the degree to which Iran will reform, or the speed at which it will reform, its banking and finance related legislation and framework following years of isolation. Issues of sanctions and limitations on US dollar transactions will also continue to be inhibiting factors to some financial institutions. However, progress has started with the recent reconnection of Iranian banks to SWIFT. Also, with an economy full of opportunities and as one of the world’s largest Islamic financial systems, Iran is clearly a jurisdiction which many financial institutions will be eager to explore, whether through establishing an on the ground presence or on a cross-border basis.



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UAE National Service: A Revisit

It has been nearly two years since national service was made compulsory in the UAE by virtue of the UAE National Service Law (“Law”) which was introduced in June 2014 and which Al Tamimi reported on at the time. With the fifth batch of recruits now being called for service, this article looks to remind employers of their obligations in relation to employees who have been called to serve and recent changes which have been introduced.

By way of recap...

The Law applies only to UAE nationals and is mandatory for males who meet the criteria set out below, but optional for females provided that permission from their parents is obtained. The criteria are that the individual must:

- be between 18 and 30 years old;
- be medically fit; and
- have obtained approval from the UAE National and Reserve Service Committee (“NRSC”) to serve.

Any individual with a UAE family book and who falls within the above criteria has to register for national service. There are however some exemptions (permanent and temporary) permitted by the Law. The Law provides that the only son of a family, and individuals who are medically

unfit, receive a permanent exemption from national service. Temporary exemptions apply in respect of those who are the sole providers for their families and also for those serving jail terms.

National service is also postponed for students until they obtain the relevant qualification, on the basis that they are less than 29 years old and have obtained a high school diploma with an average grade of at least 90%, or 18 years old and still attending secondary school.

With regard to length of service, under the Law, recruits who have completed a high school diploma are required to serve nine months, while those who have not are required to serve two years. Women who volunteer are required to serve nine months, regardless of their education level. There has been a recent change to the length of service however which we have commented on further below.

Employers obligations - A reminder

There has recently been an increasing number of complaints made to the NRSC about employers who have denied promotions, salary increases and other benefits to employees away on national service. Subsequently, a number of employers have been issued with warnings by the NRSC to ensure that they do not discriminate against any employees

who have been called to carry out national service. Importantly, the NRSC has also specifically warned that any employers who do so are acting in breach of the Law and may risk prosecution.

It is, therefore, important for employers to be aware of and act in accordance with their obligations in relation to employees within their organisations who are called to carry out national service.

The key considerations for a private sector employer in relation to an employee carrying out national service are as follows:

- The service period must be taken into account for all employment benefits including, seniority, promotions and salary increases, retirement benefits and pension;
- The individual has the right to return to the same role or an equivalent role following completion of the service (thus their job has to be reserved until they complete their service);
- The individual must continue to receive their salary, bonus, allowances, promotions and/or raises during the service term, 50% of which is paid by the UAE Armed Forces and 50% by the employer; and
- For the purposes of calculating any retirement benefits or pension, the service term must be taken into account when calculating continuous employment with the employer.

Finally, it should be noted, and is important for employers to bear in mind, that once an individual has completed national service, he or she becomes part of the reserved forces and can be called up for further service or training. The same obligations on employers as set out above shall apply in relation to employees who are called for further service or training.

New changes and initiatives introduced

Recent increase to length of national service

On 7 March 2016, a resolution was announced by the NRSC which extends the current length of national service from nine months to twelve months. The change applies to both male and female UAE nationals who have a high school diploma or higher. Those who do not have a high school diploma are still required to serve for a minimum of two years. This change may have an impact, albeit not significant, on an employer's workforce planning as employees who are called to serve now shall be absent from the workplace for a slightly longer period than previously.

New initiative of national service being opened up to older recruits

On 15 March 2016, the NRSC announced that it would receive applications from older recruits of both sexes aged between 30 and 40. Since the announcement, hundreds of Emirati men in the above-mentioned age bracket have queued at the NRSC's recruitment camps in order to register for voluntary national service.

Each applicant will be required to undergo various medical fitness tests before their application is accepted. With regard to the length of service for older recruits, it should be noted that, in comparison with younger recruits who are now required to carry out twelve months of mandatory national service, the older recruits will have to complete fifteen weeks of voluntary national service only. As a result of the new initiative to invite older recruits for voluntary service, employers should consider how this may impact their workforce in that now a larger number of employees than previously may be out of the workplace at any given time completing either mandatory or voluntary national service.

Conclusion

It is important that employers seek to remind themselves of their obligations in relation to employees who have been called for national service and ensure that they comply with such obligations as failure to do so may amount to a breach of the Law for which there could be serious repercussions including the risk of prosecution as warned by the NRSC. As a result of the new changes and initiatives introduced, employers should take note that employees who are called to serve now will be absent from the workplace for a slightly longer period than previously and a larger number of employees than previously may be out of the workplace at any given time carrying out national service.



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Jordan: A Window into the Last 25 Years of Development

The cornerstone of the Jordanian legal system is, and has been since its introduction in 1976, the Jordanian Civil Code. Civil matters in Jordan are and continue to be ultimately governed by broad guiding principles, as opposed to detailed regulations. The result is that, notwithstanding the proliferation of specific laws in recent years, reference continues to be made to the Jordanian Civil Code, particularly in areas that are not specifically regulated.

That is not to say that the Jordanian legal system has not undergone significant changes over the past 25 years. In fact, the number of laws and regulations in Jordan that have been amended or introduced in recent years, have made the Jordanian legal system, in many respects, virtually unrecognizable from the previous state of law.

One area in particular requires specific attention. The Jordanian government, in its commitment to enhancing the investment regime in Jordan, has issued a vast array of laws, regulations and instructions, which together are seen to further investment in Jordan. These range from the recognition of intellectual property rights (as early as 1992), to the various changes being made to the Jordanian Investment Laws, the Companies Law, the Labour Laws, Tax Laws, and more recently to the Securities Laws and Banking Laws.

Intellectual Property Laws

Intellectual property rights in Jordan initially focused solely on the recognition and protection of certain trademarks as per the Jordanian Trademark Law of 1952, to meet and protect the economic expectations and rights of established traders.

The earliest recognition of other protectable intellectual rights did not, however, occur until 1992 when the Jordanian government enacted its first Copyright Law to protect works of literature, art and science irrelevant of their classification, importance, or purpose of production, and which include works expressed in writing, by sound, drawing, photography or movement.

Following on from this, the remainder of the 1990s marked the most expansive development in intellectual property protection and enforcement in Jordan, to include not only works of literature, art and science but also other industrial and patentable rights. Most significantly, the years 1999 and 2000 saw Jordan acceding to the World Trade Organization and the Berne Convention, as well as enacting a myriad of laws and regulations covering the protection of patents, industrial designs and models, integrated circuits, and even geographical indications and the protection of new varieties of plants. Jordan has further

introduced laws prohibiting unfair competition practices, and providing additional protection to trade secrets.

The Jordanian Government continues to introduce amendments to these laws, regulations and instructions in line with international developments, whilst having regard to the needs of the innovators, authors and other right holders as well as the wider public interest in the availability of material and information. For instance, since its original enactment in 1992, the Jordanian Copyright Law has been amended eight times to date in line with global standards and changing requirements.

Investment Laws

Jordan is committed to the development of a favourable investment regime to ensure the continued and sustainable development of its economy both locally and on an international scale.

Over the past 25 years, this has been achieved through the introduction of various investment laws, including the Investment Promotion Law in 1995 and again in 2003, the Investment Law of 2003 and the Development and Free Zones Law of 2008. These laws provide various incentives to foreign and local investors investing into Jordan, as well as assisting in the establishment of a comprehensive framework through which investments may be established and conducted efficiently.

More recently, the Jordanian Government introduced the Jordanian Investment Law No. 30 of 2014, which provides for the establishment of the Jordan Investment Commission (JIC). The JIC is a legal successor to each of the Jordan Investment Board, the Development and Free Zones Commission and the Export Promotion Directorate of the Jordan Enterprise Development Corporation.

The unification of the abovementioned roles under one authority is regarded as a welcome initiative, contributing to the simplification and efficiency of the investment process. Importantly, the JIC is tasked with the management of an Investment Window, which acts as a “one-stop shop” for the registration and licensing of investment projects, thereby simplifying and facilitating the establishment of investment projects and the process for obtaining the necessary permits and licenses.

The JIC further aims to improve the legislative framework and regulations related to investments, and enhance the incentives granted to investors.

The new investment regime provides for equal treatment to be granted to foreign and local investors alike, unless otherwise provided for under applicable laws. In effect, this means that no foreign ownership restrictions apply unless otherwise provided under the related regulations.

Currently, Regulation No.5 of 2000 provides a limited list of activities which may only be undertaken by Jordanians, including passenger and freight road transportation services, quarries for certain stones, and certain security and clearance services. The said Regulation also stipulates that certain activities and services require a local partner (50-51%), including most retail activities, engineering and construction services, certain maritime and transport activities, certain brokerage and money exchange services, among others.

The above notwithstanding, the related laws expressly contemplate the possibility of applying to the Council of Ministers for an exemption from the foreign ownership restrictions detailed above. Further, the said foreign ownership restrictions do not apply to investments in companies duly incorporated in the Free Zones or Development Zones of Jordan.

A further change to be noted is that unlike previous Investment Laws, the Investment Law of 2014 grants tax exemptions to projects undertaken in any sector in Jordan, not only those relating to industry, agriculture, maritime, transport, gas and petroleum operations and the like. In granting the said exemptions, the focus of the new Investment Law is on the benefit to be derived from the goods and/or services being offered as well as the geographical area where the project is to be established, rather than one that is sector specific. For said purpose, the Council of Ministers is granted the authority to issue schedules detailing the goods/services to be exempted.

Free Zones and Development Zones

The Jordanian Government has delineated numerous free zones and development zones in Jordan, previously governed under a myriad of differing laws and regulations.

Most recently, the aforesaid newly issued Investment Law of 2014 provides for a uniform investment regime applicable to all development zones and free zones in Jordan, with the exception of the Aqaba Special Economic Zone, for which separate laws continue to apply.

The Investment Law accords companies setting up in the development zones and the free zones in Jordan special treatment. For instance, it decreases the income tax applicable to certain commercial activities in the development zones to 5%, whilst exempting certain companies operating in the free zone from taxes altogether. A further incentive worthy of note under the new Investment Law is the exemption from custom fees for any material imported for the purposes of maintaining or repairing any machinery or equipment used for a project in the development zone.

Said incentives taken together, are in line with the

Jordanian Government's commitment to supporting investment.

Companies Law

In connection with changes made to the Companies Law in recent years, the Jordanian Companies Law No. 12 of 1964 has been superseded by the Jordanian Companies Law No. 22 of 1997.

The Companies Law of 1997 further streamlined the process for incorporating and running a company in Jordan, allowing for the establishment of non-profit companies as well as of civil companies by specialised and professional persons (e.g. lawyers), and providing for the introduction of other corporate forms in establishing a company or other body.

In addition to the Limited Liability Company already provided for, corporate forms introduced by the Companies Law include a Private Shareholding Company, an Operating Foreign Company (branch), and a Non-Operating Foreign Company (representation office) and an Exempt Company as follows:

1. **Private Shareholding Company (PSC):** a PSC is a company comprised of two or more shareholders (unless the Companies Controller consents to the incorporation of a PSC comprised of one shareholder), with a minimum share capital of JOD 50,000 and which is managed by a Board of Directors. The main advantage of a PSC is that it offers flexibility to shareholders to set different types and categories of shares under its Memorandum and Articles of Association, and which may differ in terms of their nominal value, voting force, method of profit and loss distribution among shareholders, as well as their rights, priorities, restrictions, and advantages.
2. **Operating (branch) and Non-Operating (representation office) Foreign Companies:** these companies are legal extensions of their foreign, parent company. A Jordanian representative must be appointed to manage the branch or representation office and to act as a liaison officer to the relevant governmental and regulatory authorities. An Operating Foreign Company may be incorporated for the execution of certain works (e.g. construction) in Jordan under a contract with a Jordanian employer,

and is limited to the purpose and period of the said contract. Whereas, a Non-Operating Foreign Company may be incorporated to act as a regional or representation office in Jordan for operations it concludes outside of Jordan. The Non-Operating Foreign Company is prohibited from carrying out any business or commercial activities in Jordan, including operations of commercial agencies and intermediaries, and for this reason is granted various tax exemptions and privileges under the Jordanian Companies Law.

3. **Exempt Company:** an Exempt Company is a company registered as a Jordanian (local) company that is prohibited from carrying out any operations in Jordan. Because of this, an Exempt Company is similarly granted various tax exemptions and privileges under the Jordanian Companies Law. It should be noted that differing corporate forms are available for the incorporation of an Exempt Company.

Labour Law

The Jordanian Labour Law has undergone various amendments in recent years, all aimed towards enhancing the protection afforded to employees in Jordan. Some of the more recent changes to the Jordanian Labour Law and related regulations include increases to the minimum wage of employees, entitling all employees (not covered by Social Security) to end-of-service remuneration irrespective of the reason for terminating their employment contracts, and introducing changes in



connection with Collective Labour Contracts and the formation and operation of Trade Unions.

Further, under the amended Labour Law, public holidays, religious holidays and weekends are not to be calculated as part of the employee's annual leave, even in situations where they fall within the leave period. Also, in connection with sick leave entitlements, an employee is entitled to an additional 14 days full-pay leave (previously, 14 days half-pay leave) on the basis of a report from an accredited medical commission, even if the employee is not hospitalized.

Other changes to the employment environment have also been advocated by the Jordanian Court of Cassation. These include a recent judgment by the Court annulling the inclusion of an arbitration clause under an employment contract on the basis that such matters fall within the jurisdiction of Jordanian courts, and with regard to the fact that arbitral proceedings are generally considered more burdensome and costly for employees.

Looking Ahead: Other Developments

The changes introduced in connection with each of the above sectors should not be viewed as comprehensive, but rather as a brief snapshot of the vast changes that have taken place over the past 25 years. Significant developments have also been made to the Jordanian Banking &

Finance Sectors, the Securities Market, the Jordanian Tax Regime, and the Jordanian Property Market to name but a few. These changes have, in conjunction, had a significant impact in shaping and enhancing Jordan's legal framework in line with investor expectations, technological developments, and global trends.

Future changes have also come in the form of a greater appreciation of corporate governance initiatives, particularly amongst banks and listed companies. The Jordanian Central Bank has issued the Corporate Governance Instructions for Banks No. 58 of 2014 and the Corporate Governance for Islamic Banks Instructions No. 61 of 2015 which oblige conventional and Islamic banks respectively to comply with the corporate governance controls provided therein. Similarly, the Jordanian Securities Commission has introduced a non-binding Jordanian Corporate Governance Code for (a) listed Public Shareholding Companies, (b) Private Shareholding Companies, Limited Liability Companies, and Non Listed Public Shareholding Companies, and (c) Insurance Companies respectively.

Moving forward, these changes and improvements will continue to mold and shape Jordan's future, paving the way for continued advancement and development.





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Iraq's Resurgence: The Last 25 Years

Iraq's recent history has been characterized by unrest, an ever-changing political regime, and economic fluctuations. These conditions, by their very nature, necessitated that new laws and regulations be introduced in order to adapt and amend the Iraqi legal framework as per the requirements of the changing regimes. The focus of this article shall be on the most significant legislative initiatives and enactments issued in the last two decades, namely the Iraqi Constitution, certain legislation geared towards developing Iraq's economy, and other noteworthy changes to the laws of Iraq.

The Iraqi Constitution

In line with the change of regime in 2003, the Iraqi Interim Constitution of 1970, originally enacted by the Revolutionary Command Council, ceased to be valid on 9 April 2003. It was replaced by the Law of Administration for the State of Iraq for the Transitional Period of 2004, and remained in force until the issuance of the new Constitution on 20 May 2006.

The adoption of a unified Iraqi Constitution in 2006 represented a new beginning for the state of Iraq. It is considered by many to be the first legal instrument in Iraq's recent history (going back as early as 1924) to be drafted and concluded by the Constituent Assembly in accordance with due process. In many respects, therefore, the Constitution marked the sovereignty of the new Republic of Iraq.

One of the key features of the newly enacted Iraqi Constitution is that it provides for both a federal and decentralized system of Government, recognizing federal and regional authorities.

Legal Changes to the Economic Sector

Significant changes have been made to laws and regulations affecting the economic sector. Our focus shall be on the enactment of the various laws regulating companies, bank operations, and investment operations generally in Iraq, as follows:

1. Companies Laws

In the years prior to 2003, the private and public sectors were regulated by the Companies Law No. 21 of 1997 and by the General Corporate Law No. 22 of 1997. These laws regulated the establishment, management and liquidation of private and public companies through the use of financial and administrative provisions, principles and guidelines with the aim of achieving the highest levels of productivity and growth, and achieve self-sufficiency.

In 2003, once the regime had changed, several amendments were made to these legislative provisions to allow the law to remain relevant in light of the changes to the economic situation, and in order to encourage continued investments in Iraq.

This was accomplished through the 2004 amendment to the Companies Law, which was adopted as a law regulating the establishment and operations of companies in the private sector, as per the new economic policy, which aimed to transform Iraq into a free market economy. Further, the said amendment provided, for the first time, the possibility of adopting a system of online registration for companies.

As regards the public sector, several amendments to the Companies Law were adopted. Some of the most

significant changes include the First Amendment in 2000, the Second Amendment No. 9 in 2002, the Third Amendment No. 14 in 2002, the Fourth Amendment No. 73 in 2012, and the changes brought about by Section 5 of CPA Order No. 76 which relate to the merger of public companies. These changes resulted in the grant of wider powers to the Board of Directors of state-owned companies in resolving the company's administrative, financial and strategic decisions. It further allowed for state-owned companies to be transformed into private or public shareholding companies. Furthermore, Article 15 stipulated that state-owned companies shall have the right to cooperate with (effectively, form joint ventures with) foreign companies for the purposes of implementing the state-owned company's activities and objectives in Iraq.

2. Investment Laws

In line with the newly adopted Iraqi Constitution of 2005, the Iraqi Government looked towards creating a better platform for investments in Iraq. In this regard, the Iraqi Constitution provides a responsibility on the state to promote and do all that is necessary to encourage investment in the various sectors of the economy. In furtherance of said goals, the Iraqi Investment Law No. 13 of 2006 grants a number of benefits and guarantees to investors; some of these include exemptions from custom fees and duties, protection against confiscation of goods, the possibility of applying for an Investment License, the right to participate in certain commercial activities and/or to establish branches and commercial offices, as well as the unfettered right to transfer any profits generated from the project abroad.

Further amendments have since been made to the Investment Law to better suit the Government's investment objectives. The latest such amendments came in 2015, which provide for the right of qualified Iraqi and foreign investors alike to own land allocated for residential and industrial projects belonging to the state or owned by the public sector. It further permitted Iraqi and foreign investors to purchase land or real estate belonging to the private sector for the sole purpose of setting up housing projects.

3. Further Protections to Traders:

Amendments have been made to the Trademark Law No. 21 of 1975 by the Coalition Provisional Authority in 2004, as a remedy to the fact that the old law was not consistent with established international standards of protection, and as a result of the need to ensure compliance with such international standards in order to revitalize and improve the economic situation in Iraq, and convert it from a centralized economy into a free market economy.

4. Sector Specific Laws

- Banking Laws
- The period between 1991 to 9 April 2003

The first major change occurred with the introduction of Amending Law No. 12 of 1991, which was issued as an amendment to the Central Bank of Iraq Law No. 64 of 1976. This allowed for shareholding companies, duly registered under the Companies Act No. 36 of 1983, to engage in comprehensive banking activities subject to certain licensing conditions.

As a direct result of this, a number of new banks were established in Iraq, including Bank of Baghdad, the Trade Bank, Middle East Bank, the Iraqi Investment Bank, the Private Bank of Al Basra, the Iraqi Islamic Bank, the United Bank for Investment, Dar Es Salaam Bank, Credit Bank, Babylon Bank, Gulf Bank, Al Warka Bank, Sumer Bank, Economy Bank, Mosul Bank and Al Barka Bank.

The Coalition Provisional Authority (the years 2003 / 2004)

The Coalition Provisional Authority (CPA) issued Order No. 20 of 2003, providing for the establishment of the Trade Bank of Iraq, with a capital of one hundred million US Dollars in order to facilitate the importation and exportation of goods and services, with the aim of encouraging trade and revitalizing Iraq's economy. To that end, the Trade Bank of Iraq is often engaged to issue Letters of Credit (L/Cs) on behalf of the Iraqi Government and its institutions.

The CPA also issued Order No.18 of 2003 declaring the independence of the Central Bank of Iraq (CBI), and recognizing the CBI as the lead regulating authority for monetary and credit policies of Iraq, free from any political influence.

In 2004, the CPA further issued a number of laws regulating the workings of the CBI, the operation and regulations of "banks" incorporated in Iraq, the manner for dealing with money laundering undertakings, and laws relating to the establishment of an Iraq Stock Exchange, as follows:

- a. The Central Bank of Iraq Law No. 56 of 2004's main objective was to achieve stability in local currency and work towards preserving a stable financial system founded on a free competitive market through the workings of the Central Bank of Iraq. In that regard, the CBI is granted the authority to formulate and adopt monetary policy, license banks in Iraq (including branches of foreign banks), issue the related regulations and circulars, and the like.



- b. In 2004, the Banking Law No. 94 of 2004 was issued to create a better regulated banking system, with the aim of ensuring that trust in the banking system is restored through greater transparency requirements and the provision of additional protection to depositors. The Banking Law also delineated the activities reserved exclusively to licensed banks, and conversely, listed certain activities prohibited to banks, as well as providing the requirements applicable to obtaining licenses in this field. Additionally, the law sought to eradicate financial crimes including, but not limited to, fraud, money-laundering and funding terrorism. This was further supported by the introduction of the Anti-Money Laundering Law, in accordance with CPA Order No. 93, in the same year.
- c. The Anti-Money Laundering Law incriminates a number of financial crimes, and obliges all financial institutions operating in Iraq to adhere to a myriad of Know-Your-Client requirements and reporting obligations. The said Anti-Money Laundering Law has since been replaced by a new Anti-Money Laundering No. 39 of 2015.
- d. Moving towards the Iraqi Stock Exchange, the same is governed by the provision of the Interim Law of the Iraqi Stock Market No. 74 of 2004, and which has, since 2009, adopted a system of electronic dealings and settlement in collaboration with NASDAQ-OMX. The said Iraqi Stock Exchange operates under the supervision of the Iraqi Securities Commission, an independent entity established under the auspices of the aforesaid Interim Law of 2004.

Post-2004 to date

Since its enactment, the CBI has issued various regulations and circulars governing the operations of banks incorporated in Iraq. Importantly, in 2010, the CBI issued a series of regulations collectively known as the “Regulations Facilitating the Implementation of the Banking Law No. 94 of 2004”. These regulations detail

the requirements and formalities for granting licenses and permits to banks and financial institutions, as well as providing information on the process and procedures of merging banks, and of the voluntary and compulsory liquidation of banks. The said Regulations also detail the credit, liquidity, economic concentration and risk controls generally applicable to banks.

Following this, in 2011, the CBI further issued the Importing Foreign Currencies for Licensed Banks Regulation No. 4 of 2011. Said regulation grants licensed banks the right to import foreign currency to Iraq, conditioned on the consent of the CBI and in accordance with its requirements and procedures which have been set out in the Regulation.

In 2014 and pursuant to the CBI Law No. 56 of 2004 and the Banking Law No. 94 of 2004, the CBI issued the Electronic Payment System No. 3 of 2014. The Law regulates the procedures for registering E-Payment companies, and the related operational conditions applicable to such companies and systems.

In furtherance to the E-Payment Law, the CBI also issued the Exchanging Credit Information Regulation of 2004, which aims to regulate the relationships between the parties involved in the Credit Information Exchange System including the CBI, the beneficiaries, the information providers, the users, the clients and any other parties so specified by the CBI. It also provides for the establishment of a comprehensive credit record and central database to gather information, check, organize and issue credit reports and to generally make use of said information gathering exercises centrally.

A final noteworthy development in the Banking sector is the introduction of the Islamic Banking Law No. 43 of 2015, which deals exclusively with Islamic banks (separately from conventional banking requirements). This Law regulates the operations of Islamic Banks and illustrates the procedures for setting up an Islamic Bank in Iraq including the requirements for obtaining a license from the CBI.

The said Islamic Banking Law and related regulations stipulate the activities that can be conducted by Islamic banks, including but not limited to, financing arrangements through Musharaka, Mudarabah, Salam, Istisna'a, Ijara, and certain bargaining. They further entitle Islamic banks to incorporate companies for these purposes, conclude various undertaking with a shareholding not to exceed 20% of the capital, own movable and immovable assets necessary for their investments or for leasing, fund internal and external trading activities, and participate in agricultural,

industrial, and architectural projects. These laws and regulations also provide for the establishment of Sharia Boards, in that they obligate Islamic banks and Islamic windows at conventional banks to have a Sharia Board which shall carry out the responsibility of providing a Sharia opinion on the operations of the bank in order to ensure its compliance with Sharia law. One of the most significant provisions of the Islamic Banking Law is that it excludes Islamic banks and branches from taxes and fees arising from such dealings and from those relating to the contracts of sale or leasing of estate, lands, and cars, thereby allowing Islamic banks greater flexibility in structuring Islamic financing products.

Oil and Gas Laws

Though to date Iraq has yet to adopt a specific oil and gas law (with drafts continuing to be considered by Parliament) significant developments have, nonetheless, marked the development of the oil and gas sector in Iraq. Importantly, the Private Investment Law for the Refining of Crude Oil No. 64 of 2007 (the “Private Refinery Law”) was amended in 2008 to permit private companies (both local and international) to establish private refineries in Iraq. Pursuant to the Private Refinery Law, such projects would enjoy the benefits offered by companies established within the free zone.

In addition, the Private Refinery Law provides that the Iraqi Government shall sell crude oil to qualifying investors with reference to the price sold by the Government, and in return the investor shall arrange for the refining of the oil, with the freedom to set its price for future sales in line with international markets.

The practical application of this Law remains to be seen, and won’t be known until investors look to develop and operate private refineries in Iraq.

Insurance

The Iraqi Law Regulating the Insurance Business No. 10 of 2005 governs the operations of public and private companies (whether local or foreign) that engage in Iraq insurance or reinsurance activities. The said Law divides insurance activities into two main types: Life Insurance and General Insurance.

In line with the requirements of a “safe” insurance market, the Insurance Law further protects the rights of beneficiaries, by monitoring the financial capability of insurers to provide adequate insurance coverage.

5. Laws relating to the Conclusion of Governmental Contracts

Developments in this field include:

- a. CPA Order No. 87 of 2004, issued to regulate the tendering requirements applicable to governmental contracting in line with international standards of transparency, as well as to establish mechanisms to resolve disputes arising in connection with such governmental contracts.
- b. Pursuant to the above mentioned Order, the Implementing Governmental Contracts Regulation No. 1 of 2008 further details the conditions applicable to contracts executed between Iraqi Governmental entities and Iraqi or non-Iraqi corporations, particularly as regards the supply of goods or services (including consultancy services) to said Governmental entities. The Regulation also stipulates the authority/department responsible for opening bids, reviewing the same, and awarding a contract as a result thereof. In addition, the Regulation depicts the mechanisms for challenging decisions of the authorized governmental bodies. The said Regulation has since been amended by the Implementing Governmental Contracts Regulation No.2 of 2014.

6. Labor Laws

Most recently, the Iraqi Parliament has issued a new Iraqi Labour Law No. 37 of 2015, which entered into force on 7 February 2016. This Law replaces the preceding Labour Law No. 71 of 1987.

Discussions regarding the new Iraqi Labour Law had taken place over a number of years (since 2005 to 2010) before a draft acceptable to all involved parties was finally submitted to the State Council.

The adoption of the new Iraqi Labour Law was particularly necessary due to the significant changes that occurred over to Iraq’s economy over the last thirty years, including importantly, the transformation of the Iraqi economy from a state-driven economy to an open market, and with regards especially to the entry of foreign expats to Iraq.

Concluding Remarks

Iraq is on the right track to establish the required legal framework to attract foreign and local investors, and to rebuild the country’s economy. Since 2003, the abovementioned legal developments and many others have to a considerable extent contributed to the regulation of Iraq’s economy and to the setting up of realistic strategies to develop a free and competitive market in Iraq. Despite all the difficulties, Iraq remains a promising investment market.



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Money's Electronic Payment in Iraq



Electronic payments are processed through an integrated system of plans and programs offered by banking and financial institutions in order to facilitate secure electronic payment transactions.

Such a system operates under certain rules and laws that aim to guarantee the confidentiality of secure and protected procurement procedures which ensure the delivery of the service. This system has achieved great success in many countries and is considered a globally applicable system.

In Iraq, and despite the development which has occurred in the accredited mechanism of the payment of money globally, the banks and companies specialised in this field are not up to the level of payment processing. The only bank which issues internationally accredited electronic payment cards is the Trade Bank of Iraq. Further, another example of e-payment in Iraq is a prepaid credit card private company which is licensed by the Central Bank of Iraq and associated with the Iraqis' Al Rafidain and Al Rasheed banks (public sector banks) to provide Iraqi employees with their pensions.

Taking into consideration the aspiration of the Iraqi market to adopt electronic payments, in both the public and the private sector, and for the importance of keeping up with developments in this field, the Council of Ministers issued Regulation No. (3) of 2014 ("Regulation"), based on the provisions of subsection (iii) of Article (80) of the Constitution and Article 27 of the Electronic Signature and Electronic Transaction Law, in order to clarify the steps for setting up companies specialised in electronic payment processing. Thus, it is important to take into account the following:

Expanding Knowledge on the Activities of the Electronic Payment Company

Pursuant to the Regulation, the activities which an e-payment company can conduct in Iraq, are specified as follows:

1. issuance of tools for the electronic payment of monies;
2. management of cash deposits and withdrawals through automated teller machines ("ATM") and

point of sale (“POS”) terminals;

3. implementing the electronic payment of debtors and creditors’ operations so that the funds are guaranteed by a credit limit;
4. the execution of electronic debt and credit payment operations by any means of digital communications, information technologies, or network operators that act as an intermediary between the user of electronic payment and the provider of equipment and services, or any receipt of funds including transactions through mobile phones; and
5. the execution of electronic payment operations in accordance with the total settlement immediacy system or securities settlement system or automated clearing system.

To obtain an electronic payment licence for conducting electronic payment services, it is important to note the following:

- it is not permissible to conduct electronic payment services without obtaining a licence from the Iraqi Central Bank (“CBI”);
- on the request of the licensee, CBI can modify a licence by adding the electronic payment services activity or changing the type of service listed on the

licence – the licence will be valid for five (5) years and renewable upon the request of the provider of electronic payment services within ninety (90) days of the licence’s expiration;

- it is a condition for the provider of electronic payment services to be a legal entity and have the technical and organisational skills to run such a service;
- the service provider must have a permanent work location for carrying out the services and meet the technical and financial requirements required by CBI;
- continuous practice of the licensed activity is required; engaging with other parties or total or partial waiver of the license to others during the licence’s duration is not permitted without obtaining CBI approval; and
- the provider is required to adopt the necessary systems and mechanisms for the control, internal audit, and risk management related to operating and managing electronic payments, which includes:
 - » appointing individuals to manage the payment processing system who are technically qualified and not convicted of a crime, offence, or misdemeanour involving moral turpitude;
 - » ensuring that the standards of accessing the



- system are safe and do not inappropriately differentiate between the system's users;
 - » ensuring a continuity of availability and operation of the system;
 - » implementing measures that reduce the risks related to the payment processing system and manage such risks;
 - » implementing measures to secure and protect the electronic transactions, and saving and storing the operations that relate to the system in such a way as to deter disclosure, misuse, loss, damage or theft; and
 - » ensuring the access of the CBI to the payment processing system for the purpose of supervision and surveillance.
2. the company's name and address;
 3. the names of the company's managing directors, founders, shareholders, and their nationalities and permanent addresses;
 4. the title deed or lease agreement for the building which is taken as the head quarter for the company;
 5. the capital assigned by the bank from time to time; and
 6. an economic feasibility study with the following information:
 - the work plan and projected outcome and the financial estimates for the first three (3) years of operating the system;
 - the aim of incorporation;
 - the services to be performed;
 - the operating costs;
 - a contingency plan for any unexpected circumstances;
 - the procedures to be taken to manage and control the risks to which the service provider may be exposed; and
 - the procedures to be taken to protect the electronic

The Submission of the Request to Obtain the Licence

To obtain a licence from the CBI to conduct such activities, the following are required:

1. a copy of the certificate of incorporation, the articles of incorporation, and the minutes of appointing the managing director certified by the registrar of companies;

Why HR Functions Need to Concentrate on Developing the Human Side of the Business

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Until recently, the world of people management was becoming ever more obsessed with sophisticated methods of evaluating the contribution of individuals. Recession and less predictable economic cycles understandably created a management imperative to drive down cost through the supposedly rational evaluation of a host of data metrics. Inevitably, this lack of human focus triggered a collapse in employee engagement levels. This has now led to a re-evaluation of which factors really lead to enhanced performance.

With research now clearly showing that engaged employees can perform at a significantly higher level than those who are not, studies are looking more closely at the organisational factors that can support engagement. Annemie Ress, the former Global HR Director for eBay and Skype, puts this very well:

"While success in the 20th century was driven by process, structure and encouraging people to function more like machines, success in the future requires us to make more of the human side of business."

Annemie goes on to make the point that it is during times of uncertainty that humans evolve to survive through cooperation and collaboration. What HR functions should be looking at, therefore, is how to facilitate cooperation and collaboration across teams.

Organisations are generally



payment service users, including the creation of separate accounts for such money.

7. the payment of licence fees; and
8. a confirmation letter from the relevant authorities confirming that there is no security objection impediment in granting the licence the company.

Suspension of the licence

Suspension of such an electronic payment provider's licence may occur in the following circumstances:

- failure of the electronic payment service provider to provide electronic payment services within one hundred and eighty days (180) from the issuance of the licence;
- denial of entrance of CBI representatives for the purpose of inspection or obstructing their work;
- violation of the related laws or regulations, instructions or orders;
- failure to provide electronic payment services within the agreed standards and specifications or providing unqualified services;
- engaging in activities which threaten the stability of

the financial system in the country;

- disadvantaging users from utilizing the service. adjudication of the company's manager or owner of a felony or misdemeanor involving moral turpitude;
- stopping electronic payment services for a period exceeding thirty (30) days.
- failing to maintain any of the conditions of the granted licence; or
- obtaining the licence through false documentation or any other illegal ways.

Conclusion

The development of this Regulation strongly indicates that Iraq is a promising market for electronic payment systems. The Iraqi market is in need of such services which can be used by governmental departments and private companies, for the payment of salaries for example, as well as in malls and trading shops for the processing of consumer payments.

structured in occupational/service delivery silos but this may actually impede the conversations that need to happen across the business. In the same way that we, as a law firm, must create teams with the right blend of expertise to deliver the best service to clients, there is an internal imperative for organisations to use the collective skillsets of employees to tackle their business challenges. The future of work is very much related to networking both internally and externally, and this requires people management strategies that go beyond the traditional approaches with which we are familiar.

One illustration of our over-reliance on outdated thinking is the very concept of a "career ladder" which has underpinned many development strategies. Whilst it is important to understand how you can progress and develop your career with an employer, most organisations now have relatively flat structures with promotions taking longer as organisations seek to contain the number of employees they have at a higher cost base. Yet somehow we ignore this attribute of modern organisational life and, in doing so, create frustrated expectations that can lead to disengagement. Instead, we should be honest enough to look at development initiatives that deal with the new "lattice-structured" world in which we operate:

"Taking the ladder's place is a corporate lattice, in which ideas, development and recognition flow where they need to, along horizontal, vertical and diagonal paths. The lattice makes possible more collaborative and customised ways to structure work, build careers and foster participation."

(The Lattice that has replaced the corporate ladder - Forbes Magazine, March 2011)

In the Middle East, where HR is still primarily associated with administration, it is time that we look beyond the processing of documents and understand more about how to unleash the talents and discretionary efforts of those we employ. Only then will we truly be able to help our businesses achieve the levels of engagement that will differentiate ourselves from our competitors.



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Kuwait's New CMA Bylaws Regarding Trading Securities, Premium and Treasury Shares



On 9 November 2015, the Kuwait Capital Markets Authority (the 'CMA') introduced extensive reform to its executive bylaws with the aim of bringing the capital markets framework in the State of Kuwait in line with that of international practice. The focus of this note will be to outline the rules specified in the executive bylaws that companies should be aware of in relation to trading securities, premium shares, and treasury shares, which became immediately effective upon issuance of the new executive bylaws.

Trading Securities

The rules governing the buying and selling of securities of Kuwaiti public and closed shareholding companies are spelled out in Chapter 8 of Book 11 of the CMA Executive Bylaws (the 'Rules'). The Rules set forth that, with respect to the securities of a listed company, securities are transferable if the transfer is completed in accordance with the rules and procedures outlined by the Kuwait Stock Exchange and upon registration of the securities with the clearing agency. The ownership of unlisted shareholding company's securities are transferred through the process and procedures for transfer by the clearing agency. The Rules further specify that founders and shareholders of a listed Kuwait shareholding company are subject to a lock up period with respect to transacting in their shares.

Pursuant to the Rules, non-Kuwaiti investors may subscribe and acquire sukuk, Shari'a-compliant certificates that represent an undivided interest in an underlying tangible asset proportionate to the value of the holder's investment, and bonds subject to any restrictions imposed in the prospectus and any other law. Finally, Chapter 8 provides rules and conditions in relation to the issuance of profit shares, including their assignment and the ability to enter into repurchase agreements with respect to the selling of securities.

Premium Share Rules

Kuwaiti public and closed shareholding companies may issue, trade, transfer and redeem shares which enjoy rights and privileges in voting, profits, liquidations or any other rights ('Premium Shares') in accordance with the rules and conditions outlined in Chapter 13 of Book 11 of the CMA Bylaws. Among the conditions a company must adhere to in order to issue premium shares is that the company's memorandum and articles of association must explicitly allow for the issuance of Premium Shares by vote of an extraordinary general assembly of the company which shall describe the rights and privileges of the Premium Shares.



Unless the CMA otherwise approves an issuance of Premium Shares by public offering, Premium Shares may only be issued by private placement. Any issuance of Premium Shares shall only be effected after the CMA has been provided with a prospectus in accordance with the rules and conditions set forth in the CMA Bylaws, and the same is furnished to professional clients (as such term is defined in the CMA Bylaws). A company issuing Premium Shares must comply with the disclosure requirements set forth in the CMA Bylaws and any other regulatory body in relation to Premium Shares.

Treasury Shares

The purchase, re-sale and use by a Kuwaiti public or closed shareholding company of its own issued shares ("Treasury Shares") is regulated by the CMA under Book 11, Chapter 14 of the Rules. Chapter 11 provides specific instances in which a company may transact with its Treasury Shares, including, without limitation, in the following circumstances: (i) in the event the company desires to reduce its share capital; (ii) in event the company wishes to pay an existing debt obligation; (iii) in the event of a distribution of the Treasury Shares in connection with an employee share option plan; or (iv) in any other event or circumstance determined by the CMA.

A company may acquire its shares only if the company's memorandum and articles of association provides that it may do so. In addition, a company may only acquire the number of shares which equals or is less than 10% of its issued share capital according to the market value of the company's shares. A Company wishing to buy or sell Treasury Shares must seek and obtain the approval of the CMA and, in relation to the company purchasing its shares; it must submit a report to the CMA detailing the reasons for such acquisition. It is important to note, that a sale or purchase by the company of its Treasury Shares can only be effected upon approval by the company's general assembly and, in the event that the sale of the Treasury Shares is to particular shareholders, those shareholders are prohibited in participating in any general assembly vote.

Finally, Chapter 14 sets forth explicit instructions on the accounting treatment with respect to Treasury Shares, including, amongst other things, that (i) such shares shall be recorded in the company's financial statements under the shareholders' equity and (ii) that the shares shall not be entitled to cash profits. Treasury shares are not included in the calculation of the required quorum for validity of the general assembly meeting and voting.

In conclusion, whilst the new CMA Rules are a welcomed change in Kuwait because they offer clearer guidance, companies desiring to transact in securities should pay close attention to the Rules to ensure strict compliance.



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Qatar: Understanding Guarantees



Like most jurisdictions in the Middle East and North Africa, Qatar has adopted a civil law system. This has its roots in the French Napoleonic Code and is distinct from a common law system. A key difference between the two legal systems is that there is no system of binding precedent under a civil law system.

The primary legislation that governs guarantees in Qatar is the Civil Code. While other contracts may be concluded verbally, guarantees must be concluded in writing. For a guarantee to be valid under the laws of Qatar, reference should be made to the underlying debt being guaranteed. In other words, the guarantor must guarantee a specific debt. Notwithstanding this, a guarantor may guarantee future and unspecified obligations of a debtor, provided that the maximum amount being guaranteed and the maximum duration of the guarantee are specified in the guarantee document.

Where a future obligation is being guaranteed and there is no specification of either the upper limit of the guarantor's exposure or the time limit on the length of the guarantee, the guarantor may withdraw the guarantee. Under article 824 of the Civil Code the creditor must first exhaust its remedies against the primary obligor before taking enforcement measures against the guarantor. However, article 824 would not apply if the primary obligor and the debtor are said to be jointly liable for the debt.

Restrictions

Pursuant to the Civil Code, a guarantee must state a maximum time-frame for the obligations of the guarantor. However, there is no reference in either the Civil Code or the Commercial Code as to a limit on the guaranteed amount. Therefore, the concept of a so-called all monies guarantee is

not prohibited under Qatari law, provided that a maximum duration and an amount for the guarantee are stated in the guarantee.

Demands

Demands under a guarantee must be made in writing. Where the primary obligor has defaulted on its obligations and the guarantor notifies (or warns) the lender that such a default has occurred, the lender has six months from the date of notification to commence enforcement proceedings.

Enforceability

The Civil Code provides, inter alia, in relation to contracts of guarantee that:

1. the obligation of the guarantor is incidental to the obligation of the principal obligor. Any discharge of the principal obligor's obligations may, therefore, result in the guarantee no longer being valid; and
2. if the principal obligor becomes bankrupt, the creditor must prove its debt (which it is owed) in the bankruptcy. Failing this, the creditor will lose its right to claim against the guarantor to the extent of any sums the creditor might have received had it proved the debt in the bankruptcy.

Corporate benefit

There is no general concept of corporate benefit under Qatari Law. However, under the Commercial Code, the board of directors must act in the company's best interests when determining if a guarantee should be provided. The board of directors must also act lawfully and may not misuse its power. *This article was first published in the April 2016*

News & Events

Dubai Customs IP Award

On the occasion of the World IP Day Al Tamimi & Company's Intellectual Property practice was awarded with a trophy by Dubai Customs in recognition as the first law firm to record trademarks in the IPR Department at Dubai Customs. This recognition dates back to 2007 when IPR Department was established.



We are delighted to announce that Al Tamimi & Company's Omar Obeidat (Partner and Regional Head of Intellectual Property) and Munir Suboh (Partner – Intellectual Property) were both recently recognised by IP Stars and Managing IP as IP Stars for 2016, having been nominated by clients and peers.

Qatar University Externship Program - Employer Ceremony

Al Tamimi & Company were presented with two awards at the Qatar University Externship Program Employer Ceremony. Hani Al Naddaf (Partner) and Roy Georgiades (Senior Associate) attended the ceremony in Doha, and were presented with notable awards in recognition of the firm's contribution to student career development.

The firm was recognised as the leading firm taking part in the Law School's 'Externship Program'; having taken on the most Externship pupils over the years since the program's inception in 2011. Hani Al Naddaf was also presented with an individual award in respect of lectures in 2015 to students of the Law Faculty.

Being recognised for the award is a reflection of Al Tamimi's commitment to Qatarisation and the award is an honour - in light of the many law firms who participate in the program annually.

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APR**

Litigation Clinic



Hani Al Naddaf
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Al Tamimi & Company's Qatar office hosted the first in a series of 'Litigation Clinic' seminars in Doha on 11 April, 2016. The firm was pleased to have many clients and friends of the firm attend the Clinic. A full house attendance of some 80 guests saw experts engaged in discussion regarding the practical application of key Qatari legal principles. Many concerns were addressed throughout the evening by well known construction firms. The seminar was lead by Dispute Resolution Partner Hani Al Naddaf, with additional presentations by: Euan Lloyd (Senior Associate); Hazem Hussein (Senior Associate); Seem Maleh (Associate); and Roy Georgiades (Senior Associate).

Topics covered:

- Travel bans and their practical implications
- Performance bonds and advanced payment bonds; legal principles and potential calls
- Can Subcontractors claim payments directly from the employer?
- Termination of construction contracts
- Status Quo/Urgent Cases: A tool for the employer or the contractor?

For more information on upcoming Litigation Clinic seminars, please contact events@tamimi.com.

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APR**

Construction & Infrastructure Seminar Series

On the 20th of April we held an interactive Construction and Infrastructure seminar which took place in our Abu Dhabi office. The theme of the discussion revolved around Arbitration Update – Don't fall into common traps, and addressed the following areas:

- Notices: Form over substance? Key issues to consider.
- Arbitral appointments: The bedrock of success. Suggestions for getting it right.
- Choice of arbitral institutions: "The choices you make today, will affect your tomorrow". Choose wisely!

John Gaffney, Senior Associate presented the seminar to a wide range of attendees. Our seminars cover topical issues surrounding the legal aspects of construction in the region. For more information on upcoming Construction and Infrastructure breakfast seminars, please contact events@tamimi.com.



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APR**

Structures For Corporate Groups and Transactions Across The Middle East

On the 20th of April Al Tamimi hosted an informative event to over 150 clients which outlined the latest thinking and options for legal structures for corporate groups and transactions across the Middle East. Essam Al Tamimi, Senior Partner at Al Tamimi & Company opened with his insights on the Middle East business and legal landscape in 2016.

Leading Corporate lawyers from our UAE, Kuwait, Qatar, Saudi Arabia, Egypt, Jordan and Iraq offices provided the audience with an up-to-date picture of the legal framework of the MENA states; and the impact recent developments will have on the way corporate structures are designed including a comprehensive coverage of foreign investment rules in the region. In particular, the opportunities presented by the opening up of Iran were examined along with revised foreign investment laws in Kuwait, structuring deals and entities across the GCC and the UAE's onshore vs free zone offerings.

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APR**

Managing Labour Risk- Corporate Responsibility in the Supply Chain: A Contractor's perspective

Al Tamimi & Company and Control Risks held an informative breakfast seminar on the 25th of April. The event examined some of the key regional drivers, such as changing laws, international regulation, and pressure from overseas investors, that are throwing a spotlight on migrant welfare issues in the GCC and how businesses are exposed.

Through case studies, Control Risks and Al Tamimi discussed some of the best practice approaches that international and regional businesses are adopting to manage these supply chain risks and addressed the following:

- Identifying risks within the supply chain and building controls;
- Monitoring implementation of effective controls; and
- Legal and compliance considerations.



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FEDERAL DECREES

- | | |
|------------|---|
| 33 of 2016 | On the transfer of the UAE Consul General in Hong Kong to the Office of the Ministry of Foreign Affairs. |
| 34 of 2016 | On the appointment of the UAE Ambassador to the Republic of Kazakhstan. |
| 35 of 2016 | On the appointment of the UAE Consul General in Guangzhou, People's Republic of China. |
| 36 of 2016 | On the appointment of the UAE Ambassador to the Republic of Turkey. |
| 37 of 2016 | On the appointment of the UAE Ambassador to the United Mexican States. |
| 38 of 2016 | On the promotion of members of the diplomatic and consular corps. |
| 39 of 2016 | On the ratification of the WTO Agreement on Trade Facilitation. |
| 40 of 2016 | On the ratification of the Agreement for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income between the UAE and the Federal Democratic Republic of Ethiopia. |
| 41 of 2016 | On the ratification of the Agreement on Reciprocal Protection of Intellectual Property in the Context of Technical-Military Bilateral Cooperation between the UAE and the Russian Federation. |
| 42 of 2016 | On the promotion of a member of the diplomatic and consular corps. |

REGULATORY DECISIONS OF THE CABINET

- | | |
|-----------|--|
| 7 of 2016 | On the assignment of functions to various ministries. |
| 8 of 2016 | On the establishment of the Emirates School Education Corporation. |
| 9 of 2016 | On the establishment of the Emirates Health Services Corporation. |

DECISIONS OF THE DEPUTY SUPREME COMMANDER OF THE ARMED FORCES

- | | |
|-----------|--|
| 6 of 2016 | On the amendment of the national service period. |
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MINISTERIAL DECISIONS

- From the Ministry of Human Resources and Emiratization:

- | | |
|-------------|------------------------------------|
| 297 of 2016 | On the application of Article 127. |
|-------------|------------------------------------|

- From the Ministry of Economy:

- | | |
|-------------|---|
| 686 of 2015 | On the amendment of the Articles of Association of Emirates Financial Services PSC. |
| 79 of 2016 | On the amendment of the Articles of Association of Green Emirates Properties PSC. |

- 104 of 2016 On the conversion of Al Bashayer Investment from a limited liability company to a private joint stock company.
- 122 of 2016 On the amendment of the Articles of Association of Siraj Finance PJSC.

ADMINISTRATIVE DECISIONS

- From the Securities and Commodities Authority:

- 5/R.M of 2016 Chairman of the Board of Directors resolution amending Chairman of the Board of Directors Resolution 29/R of 2009 on the regulation of securities custody activities.

- From the Emirates Authority for Standardization and Metrology:

- 2 of 2016 Chairman of the Board of Directors resolution approving amendments to UAE standard specifications.
- 12 of 2016 Chairman of the Board of Directors resolution approving amendments to the Annexes to Cabinet Decision No. (26) of 2013 concerning the UAE Drinking Water Control System.
- 19 of 2016 Chairman of the Board of Directors resolution approving the Technical Regulation on Mandatory Requirements for Legal Measuring Units.
- 20 of 2016 Chairman of the Board of Directors resolution approving UAE standard specifications.
- 21 of 2016 Chairman of the Board of Directors resolution approving the Regulation on Technical Requirements for Self-Balancing Electric Boards (Scooters).

- From the Federal Authority for Land and Maritime Transport:

- 25 of 2016 Chairman of the Board of Directors resolution on the implementation of the requirements of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers 1978, as amended by the 2010 Amendments.

- From the UAE Central Bank:

- 1/CIRCULAR/2014 Board of Directors resolution amending BoD Resolution 12/4/2014 on reprinting 1000, 500, 200, 20, 10, and 5 dirham notes with Braille characters.

About Us

Al Tamimi & Company is the largest law firm in the Middle East with 16 offices across 9 countries. The firm has unrivalled experience, having operated in the region for over 25 years. Our lawyers combine international experience and qualifications with expert regional knowledge and understanding.

We are a full-service firm, specialising in advising and supporting major international corporations, banks and financial institutions, government organisations and local, regional and international companies. Our main areas of expertise include arbitration & litigation, banking & finance, corporate & commercial, intellectual property, real estate, construction & infrastructure, and technology, media & telecommunications. Our lawyers provide quality legal advice and support to clients across all of our practice areas.

Our business and regional footprint continues to grow, and we seek to expand further in line with our commitment to meet the needs of clients doing business across the Middle East.

16
offices



9
countries



55
partners



330
lawyers



620
staff



46
nationalities



Our Accolades



Our Practices

- ▶ Arbitration
- ▶ Banking & Finance
- ▶ Commercial Advisory
- ▶ Construction & Infrastructure
- ▶ Corporate Governance
- ▶ Corporate Structuring
- ▶ Employment
- ▶ Equity Capital Markets
- ▶ Family Business
- ▶ Financial Crime
- ▶ Financial Services
- ▶ Regulation & Enforcement
- ▶ Healthcare
- ▶ Hospitality
- ▶ Insurance
- ▶ Intellectual Property
- ▶ Legislative Drafting
- ▶ Litigation
- ▶ Mergers & Acquisitions
- ▶ Property
- ▶ Regulatory
- ▶ Sports Law
- ▶ Technology, Media & Telecommunications
- ▶ Transport

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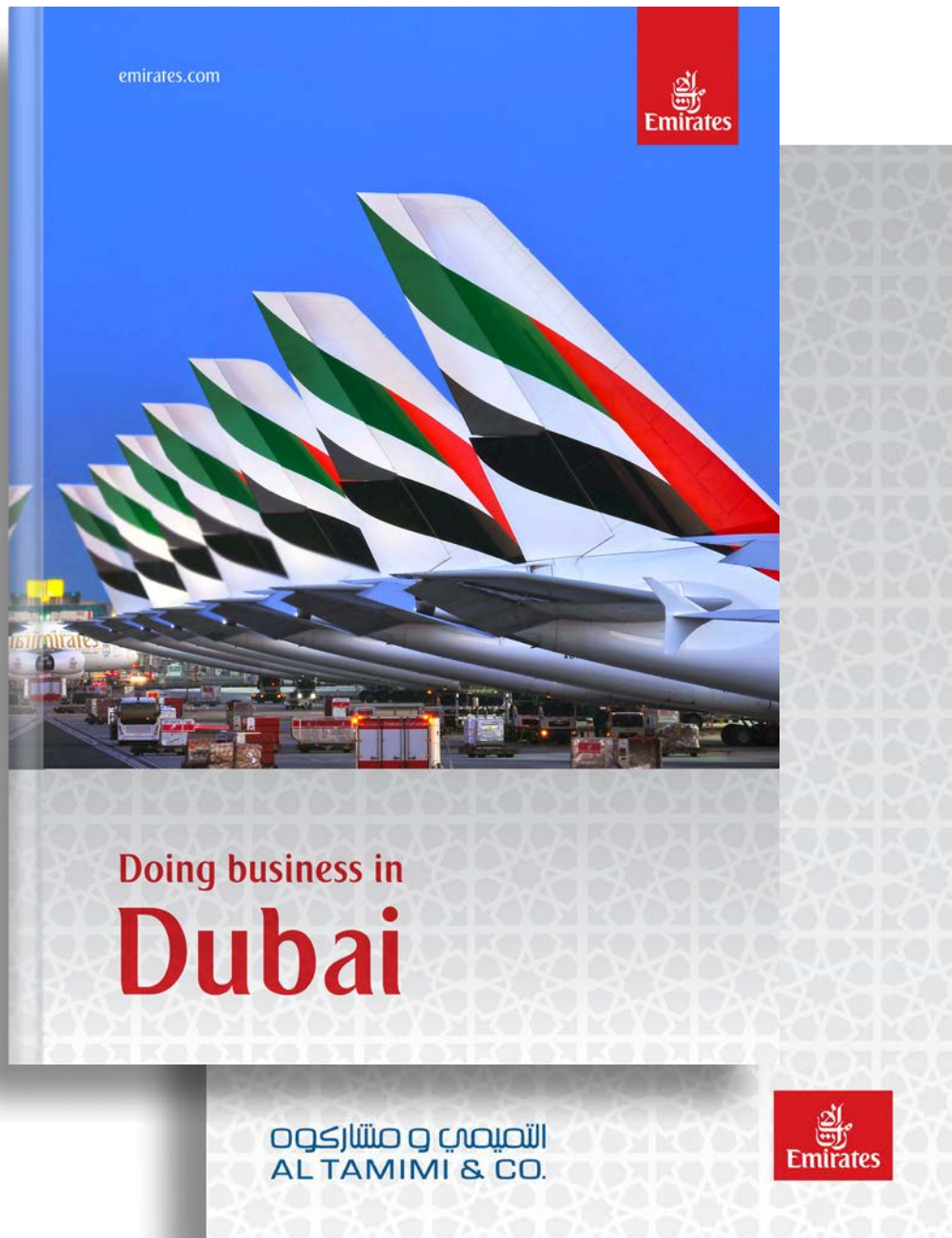
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