

Delegation Instrument

Between

The Registrar of Companies
(the **Registrar**)

and

The Dubai Financial Services Authority
(the **DFSA**)

15 FEBRUARY 2012

Whereas

- A. The Registrar is appointed by the Board of Directors of DIFCA pursuant to Article 7 of the Companies Law 2009.
- B. The DFSA is established under Article 3(3) and 7 of Dubai Law No.9 of 2004 as amended by Dubai Law No. 7 of 2011 (Dubai Law No. 9).
- C. Article 6(4)(o) of Dubai Law No.9 grants a power to DIFCA to delegate any of its functions and powers to another Centre Body.
- D. Article 8(2)(h) of the Companies Law 2009 grants a power to the Registrar, with the approval of the Board of Directors of DIFCA, to delegate his functions and powers, either generally or in relation to any particular matter.
- E. Article 7(5)(p) of Dubai Law No.9 grants a power to the DFSA to accept a delegation of functions and powers from another Centre Body.
- F. The Registrar, with the approval of the Board of Directors of DIFCA, wishes to delegate to the DFSA the Delegated Powers, including but not limited to the inspection and remedies powers and functions vested in the Registrar, for the purpose of undertaking inspection, investigation and enforcement action against persons registered or otherwise subject to the ROC Laws (as defined below).
- G. The DFSA wishes to accept the delegation of the Delegated Powers from the Registrar subject to the terms of this Delegation Instrument.

Therefore, with the approval of the Board of Directors of DIFCA, the Registrar of Companies delegates certain of its powers and functions to the DFSA as follows:

1. Powers and functions delegated

- 1.1 Pursuant to Article (8)(2)(h) of the Companies Law 2009, and subject to Clause 1.2, the Registrar hereby makes a general delegation to the DFSA of the powers and functions vested in the Registrar.
- 1.2 The DFSA shall only exercise such of those powers and functions as it deems necessary or desirable in order to carry out inspections and investigations, make directions, procure court orders, impose penalties or take any other regulatory or enforcement action in respect of breaches of the following laws and their associated Regulations (together, the **ROC Laws**), as amended or substituted from time to time:
 - (a) DIFC Law No.2 of 2009 (the **Companies Law**);
 - (b) DIFC Law No.4 of 2006 (the **Limited Partnership Law**);
 - (c) DIFC Law No.5 of 2004, (the **Limited Liability Partnership Law**);
 - (d) DIFC Law No.3 of 2009 (the **Insolvency Law**); and
 - (e) DIFC Law No.11 of 2004, (the **General Partnership Law**).
- 1.3 For the purposes of this delegation the powers and functions delegated under this Clause shall be referred to as the “Delegated Powers”.
- 1.4 The DFSA accepts the delegation of Delegated Powers on condition that in exercising or performing Delegated Powers, the DFSA shall do so without interference from the DIFCA or ROC.
- 1.5 Notwithstanding the delegation in Clause 1.1, the Registrar reserves the right to exercise the Delegated Powers in relation to any matter, whether independent of, or concurrently with, the DFSA.

2. Protocol

- 2.1 The Registrar and the DFSA hereby agree to enter into and comply with a protocol to facilitate the effective operation of this delegation (the **Delegation Protocol**), which shall include a provision dealing with the division of investigative responsibilities between the parties. The Delegation Protocol may only be amended by mutual agreement of the parties.

3. Term

- 3.1 This Delegation Instrument becomes effective on the date it is executed and continues in full force and effect until terminated pursuant to Clause 5.

4. Amendment

- 4.1 Any party to this Delegation Instrument may propose an amendment to the Delegation Instrument. Such amendment will only be effective upon the mutual agreement of the parties in accordance with clause 4.2.
- 4.2 Any amendments agreed shall be attached hereto as an addendum and signed by the parties. Upon such signature the amendments come into effect.

5. Termination

- 5.1 Subject to the approval of the Board of Directors of DIFCA, the Registrar may revoke this delegation by providing the DFSA with [90] days written notice or such shorter notice as may be agreed by the parties.
- 5.2 The DFSA may terminate this Delegation Instrument by providing DIFCA with [90] days written notice or such shorter notice as may be agreed by the parties.

6. Confidentiality

- 6.1 The parties each agree to keep confidential all confidential information received from the other party pursuant to this Delegation Instrument and only to disclose such information where permitted or required by law.
- 6.2 Should a party disclose, or be required by law to disclose, confidential information which it has received from the other party, it shall provide the other party with prior notice of the disclosure, or where prior notice is not reasonably practicable, prompt notice.

7. Governing Law

DIFC law governs this Delegation Instrument and its interpretation and enforcement.

8. Third party rights

A person who is not party to this Delegation Instrument does not acquire any rights under any term of this Delegation Instrument whether under Part 10 of DIFC Law No.6 of 2004 (the Contract Law) or otherwise.

9. Interpretation

In this Delegation Instrument “parties” means each of the parties to the Delegation Instrument unless the context otherwise implies or requires.