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| **Explanatory Note** | |
| **Document name:** | Memorandum of Association |
| **Date Added:** | 18 April 2023 |
| **Document Summary:** | A generic Template of an MOA of a Limited Liability Company with multiple shareholders |
| **PLEASE READ:**  *This precedent has been prepared by Al Tamimi & Company without reference to any particular matter, transaction or set of facts.  Substantive changes to this precedent may be required to adapt it to the requirements of a specific client or matter.  As of the date of publication, this template has been drafted pursuant to all applicable legislation and statutes. Laws and/or procedures may have changed since this precedent was published.*      ***NOTE: THIS IS A BASIC SAMPLE ONLY AND SPECIFIC ADVICE SHOULD BE SOUGHT FROM COUNSEL DULY LICENSED TO OPINE ON THE LAWS OF THE UNITED ARAB EMITRATES PRIOR TO A PARTY ENTERING INTO SUCH AN AGREEMENT.*** | |
| **Notes:**   1. The draft contemplates the governing law to be UAE law. Ensure this issue is discussed with a senior lawyer before an initial draft agreement is circulated. 2. This draft is a generic Template of an MOA of a Limited Liability Company with multiple shareholders. 3. All sections are to be completed by a lawyer, or with the assistance and oversight of a lawyer, and tailored to the specific case at hand | |

**MEMORANDUM OF ASSOCIATION**

**OF**

[Company Name]

Limited Liability Company

This Memorandum of Association (the “**Memorandum**”) is entered into on the date mentioned on the notary stamp as per the following:

Among:

1. **Mr. [\*],** a [\*] national, holding passport number [\*], born on [\*], having his address at [\*].

(hereinafter referred to as the **“First Party”**)

**AND**

1. **Mr. [\*],** a [\*] national, holding passport number [\*], born on [\*], having his address at [\*].

(hereinafter referred to as the “**Second Party**”)

**AND**

1. **Mr. [\*],** a [\*] national, holding passport number [\*], born on [\*], having his address at [\*].

(hereinafter referred to as the “**Third Party**”)

(The First Party, the Second Party and the Third Party are hereinafter referred to as “**Partners”/“Parties**” and individually as “**Partner**”).

1. definitions

In this Memorandum, the following terms shall have the following meanings:

**Affiliate** means, with respect to any person, any (a) Manager, officer or shareholder holding five percent (5%) or more of the capital stock (on a fully diluted basis in case of new issuance) of such person; (b) spouse, parent, sibling or descendant or assigns or heirs of such person (or a spouse, parent, sibling or descendant of any Manager or officer of such person); and (c) other person directly or indirectly controlling, controlled by or under common control with, such person. For purposes of this definition, “control” (including with correlative meanings, the terms “controlling”, “controlled by” or “under common control with”), as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities or by contract or otherwise.

**Business Day:** means any day other than a Saturday and Sunday or other day on which commercial banks are authorized or obligated to be closed in the Emirate of [\*].

**Company** shall mean:

[Company Name]

**Limited Liability Company**

**The Commercial Register:** the commercial register at the Department.

**The Commercial Companies Law:** shall mean the Federal law No. (32) of 2021 concerning commercial companies and amendments and the ministerial decisions made in implementation thereof.

**Confidential Information**: means all information relating to trade secrets, price, customer and supplier lists, pricing and marketing plans, policies and strategies, details of client and consultant contracts, operations methods, business acquisition plans, new personnel acquisition plans and all other confidential information with respect to the businesses of either of the Partners or the Company.

**Partner(s)**: shall mean the parties to this Memorandum and any person or legal entity, which becomes the holder of a share in the capital of the Company in accordance with the terms of this Memorandum.

**The Department:** shall mean the relevant Department of Economic Development in the Emirate.

**The Ministry:** the Ministry of Economy.

**Manager**: means the manager of the Company appointed from time to time pursuant to this Memorandum.

1. FORM AND NATIONALITY OF THE COMPANY

The Parties have agreed to register the Company as a limited liability company in the emirate of [\*] in the United Arab Emirates as per the applicable rules, and to be governed by the provisions of this Memorandum and the provisions of the laws and regulations applicable in the United Arab Emirates, including the Commercial Companies Law.

1. name of the company

The name of the Company shall be:

[Company Name]

**Limited Liability Company**

1. the purpose of the company
   1. The principal objects of the Company shall be to carry out the activities of:

* **[\*]**

Which includes the carrying on of all activities related ancillary thereto upon approval of the Department.

* 1. To achieve the forgoing objects, the Company may enter into commercial and financial transactions, execute and implement contracts and other obligations, draw, accept and negotiate negotiable instruments, open and operate bank accounts and borrow money for any period of time with or without security on any or all of the assets of the Company, issue guarantees, invest monies and deal with such investments on its own account and generally to institute, participate in or promote commercial and mercantile enterprises and operations of all kinds in relation to or for the purpose of the business of the Company, and to do all such other things as may be considered to be incidental to or conducive to the above objects or any of them.
  2. The above objects clause shall be construed and interpreted in its widest meaning and not restrictively. The Company may achieve its objectives and exercise its mentioned authorities within the UAE and anywhere else in the world and may from time to time expand by virtue of a resolution issued by an extraordinary general meeting pursuant to the provisions of the Commercial Companies Law.
  3. The Company shall not carry on the business of insurance and banking.
  4. The Company may have interests or participate in any manner with companies and others that carry out businesses similar to the Company’s businesses or entities that may assist the Company in achieving its’ objects in the UAE or abroad. The Company may also merge into or acquire the aforementioned entities in accordance with the Commercial Companies Laws and subject to approval of the competent authorities.

1. THE COMPANY ADDRESS & THE HEAD OFFICE
   1. The head office of the Company shall be in the Emirate of [\*]. The Company may establish subsidiaries, branches, representative offices and/or agencies inside or outside the United Arab Emirates.
   2. The head office of the Company may be transferred to any other place within the Emirate of [\*] upon a decision of the Manager.
2. duration of the company
   1. The duration of the Company shall be for a period of ninety-nine (99) Gregorian years, commencing on the date of the recording this Memorandum with the Commercial Register. The duration shall be automatically renewed for similar periods thereafter unless the Partners determine otherwise. In addition, such period may be extended or shortened by a resolution of the Partners.
   2. The said period may be extended or shortened by a resolution approved by at least seventy five percent (75%) of the Partners represented at a General Assembly meeting.
   3. Any extension of the duration shall be subject to all the provisions of this Memorandum.
3. THE CAPITAL OF THE COMPANY
   1. The capital of the Company shall be [\*] Dirhams ([\*] AED only), divided into [\*] ([\*]) shares, the value of each share being [\*] Dirhams ([\*] AED).
   2. All shares of the Company shall rank equally with each other in all respects.
   3. The shares shall be distributed as follows:

**The Shareholder’s Name**

**No. of Shares**

**Value of Shares (AED)**

**Percentage**

**(%)**

**[First Party’s Name]**

[\*]

[\*]

[\*]

**[Second Party’s Name]**

[\*]

[\*]

[\*]

**[Third Party’s Name]**

[\*]

[\*]

[\*]

* 1. The Partners agree that the capital of the Company may be increased beyond the level provided for in this Memorandum if considered necessary by the Partners for the purpose of maintaining debt to equity ratios acceptable to such external lenders and each Partner undertakes to subscribe for such new shares and pay for them in cash in proportion to their current shareholding percentage.
  2. The capital of the Company may be increased or reduced only by a resolution approved by seventy five percent (75%) of the Partners represented at the General Assembly Meeting. In all cases, the financial obligations of the Partners may only be increased based on their unanimous consent.
  3. Each and all Shares shall be indivisible and non-negotiable. In the event of more than one person owning a Share, the provisions of the Commercial Companies Law shall apply.

1. INCREASE & REDUCTION IN SHARE CAPITAL
   1. If the increase in the Company's capital is necessary to save the Company from liquidation or to settle debts owed to a third party, based on the financial and audit reports of the Company, and the Company does not have sufficient liquidity to settle such debts or to achieve the rate stipulated in Article 7.5, any Partner has the right of recourse to the courts for an urgent judgement to increase the capital as necessary to save the Company or settle the debts. In the event it is not possible for any Partner to settle the obligations resulting from the increase, any other Partner has the right to settle on their behalf. In such a case, a number of shares in the Company equal to the amount they paid for themselves and for the other Partner shall be accounted for them.
   2. A reduction in the capital of the Company shall be effected in the manner deemed expedient and in accordance with the provisions of this Memorandum and Article (101) of the Commercial Companies Law. Such reduction shall be made either by the reduction of the number of shares, the redemption and reductions of some shares, or the reduction of the nominal value of the shares.
   3. A resolution to reduce the   
      capital of the Company shall not be valid unless approved by the Department. The Manager must serve and deposit the legal documents relating to the above and any amendments thereto with the Commercial Register.
2. TRANSFER OF SHARES
   1. A Partner may transfer, with or without consideration, all or some of his shares to the other Partner in the Company or to a third party, provided that the transferor (i) notifies the other Partners of the purchaser and the terms of the sale through the Manager and to register in the Company Register, and (ii) evidences the transaction by way of an instrument notarized by the competent official authority.
   2. If a Partner intends to transfer (the “**Transferring Partner**”) any of his shares to a third party, he must notify the Manager of his intention to do so by a registered letter with acknowledgment of receipt thereof (the “**Transfer Notice**”). The Transfer Notice shall set forth the number of shares proposed to be transferred (the “**Offered Shares**”), details of the purchaser and the terms of the sale and the price per Share proposed for such transfer (the “**Transfer Price**”).
   3. Upon receipt of the Transfer Notice, the Manager shall within five (5) days thereof, forward a copy of the Transfer Notice to the other Partners (the "**Non-Transferring Partners**").
   4. The Non-Transferring Partners may apply to acquire the Offered Shares at the Transfer Price within thirty (30) days of the date of the Transfer Notice. In the event of a disagreement as to the value of the Offered Shares, the Commercial Companies Law shall apply.
   5. If within thirty (30) days of the date of the Transfer Notice, the Non-Transferring Partners have not exercised their rights to acquire the Offered Shares at the Transfer Price per share, the Non-Transferring Partners shall be deemed to have forfeited such rights, and the Transferring Partner shall be free to dispose of the Offered Shares.
   6. No transfer shall be valid as against the Company or third parties until it is recorded in the Company Register and the Commercial Register. The Company may not refuse to record the transfer Company Register unless it contravenes the provisions of this Memorandum or the Commercial Companies Law.
   7. Upon the death of a natural Partner, his shares shall devolve upon his heirs who will divide the shares between them, provided no share gets divided and provided the heirs authorize one representative among them to represent them in the Company and grant that person all the powers attached to the shares of each of them, including the right to sell, receive, discharge, forfeit and relinquish the shares.
3. Register of Partners
   1. The Company shall keep at its head office a special register for the Partners (the "**Company Register**") containing the following:
      1. Full name of each Partner, their domicile, address, profession and nationalities.
      2. The number and value of the shares held by each Partner.
      3. Details of all dealings carried out with regard to the shares, together with the dates thereof.
   2. The Manager shall be responsible for maintaining said register and for the accuracy of its contents.
   3. The said register shall be open for inspection by any Partner and any party having the right to do so under the provisions of UAE law.
4. management of the company
   1. The Partners have agreed that the management of the Company shall be undertaken by one or more general manager (hereinafter referred to as the “**Manager**”) whom shall be appointed and removed from time to time exclusively at the direction of the Partners. The Manager and the authorized signatories of the Company shall be appointed and entrusted with all the powers without any limitation by the Partners by virtue of this Memorandum and/or a separate resolution.
   2. The Partners appoint **Mr. [\*]**, a [\*] national, holding passport number [\*] as the Manager of the Company, to carry out the day-to-day management of the Company.
   3. The Manager shall individually have the power and authority necessary to exercise all powers of the Company, and to manage all the business and affairs of the Company. Such powers shall include, but not be limited to, the following:
      1. to carry on and manage the day-to-day operations of the Company and to sign on behalf of and represent the Company and transact, manage and carry on and do all things requisite, necessary or in any manner connected or having reference to the affairs of the Company inside or outside the UAE;
      2. to represent the Company before all third parties, including official and semi-official departments;
      3. to sign, file, deliver and submit application forms and other documents to the Department of Immigration and Naturalization for the purpose of obtaining transit visas, visit visas, and other types of visas or entry permits on behalf of the Company and to sign and file any document, contract form or papers that may be required by the General Directorate of Residency and Foreigners Affairs and the Ministry of Human Resources and Emiratization;
      4. to appoint or engage and remove or replace the employees, agents, consultants and advisers of the Company upon and subject to such terms as he may think fit;
      5. to take on leases, purchase, sell or manage lands or residential, business and other premises and facilities or equipment’s or vehicles of any kind for the business of the Company, on such terms and conditions, as he deems fit, and doing everything which may be necessary for these purposes, and acquire and dispose of all forms of movable and immovable property as he shall in his sole discretion think necessary or desirable for the purposes of the Company;
      6. to sell, buy, gift, transfer, lease, sub-let, maintain and surrender residential, lands, commercial and other premises and properties of all kinds and purchase, sell, pledge, mortgagee of all movable or immovable assets, cash, receivables and goods of all descriptions and discharge the same including without limitation, motor vehicles. To gift or accept gifts from any party, to sign gift, transfer, sale and purchase contracts or any other agreements before the land departments or any other government or non-government bodies;
      7. to generally negotiate, agree, sign and execute any agreement, letters of any kind and to sign any document which may be required and to do any other act, deed or thing which Manager shall consider necessary or expedient for carrying out all or any of the purposes or acts with respect to transfer, disposal, acquisition, business, assets, liabilities, employees, contracts, products, intellectual property rights and for this purpose sign all documents including but not limited to transfer agreements, asset purchase agreement, assignment agreement, novation agreement, offer letters, employee tripartite agreement; termination notices; settlement agreements; licensing agreement; addendum or amendment to agreements and related documents or letters as required;
      8. to place insurance against fire and other risks on the fixed and moveable assets and other properties of the Company and, in case of destruction, damage or loss, to file claims with the insurers, receive the respective indemnifications and execute the necessary receipts and releases;
      9. to deal with all matters relating to the protection of the Company's trademarks and all other intellectual property rights, including the registration thereof with the relevant authorities within the UAE and elsewhere, and do all things, which may be necessary or desirable for the defense and protection, assignment or strike off of the trademarks, copyrights, patents and/or the commercial/industrial property of the Company;
      10. to institute lawsuits in the Company’s name, whether as plaintiff or defendant, before all courts of various degrees, and approving or requesting approval of arbitration, and the retaining of lawyers for these and other Company-related purposes;
      11. to agree to arbitration, bind the Company to arbitration in respect of any matter or enter into arbitration on the Company's behalf including entering into an arbitration agreement;
      12. to act on the behalf of the Company in bringing claims and in claims which are or may be brought by or against the Company, to represent and appear on the behalf of the Company before all courts of all kinds, levels, functions and capacities including Courts of First Instance, Courts of Appeal, Cassation, Execution Court, Supreme Federal Court or Traffic Courts, Public Prosecution, Police Department, Notary Public and all ministries and government departments be they federal or local, including municipalities, land departments, companies, public and private corporations, and judicial committees or any other committees set up to resolve civil or commercial disputes, or rent committees, in any matter, to file criminal complaints and follow up the same before the concerned authorities and to waive the same, to discharge, to enter into conciliation, and to receive funds, to commence, prosecute, enforce and conduct any action or other proceedings, claims and demands before all courts, to file appeals, objection on judgment issued in absentia (opposition) and all other petitions, to file appeals before the Federal Supreme Court and Courts of Cassation and the Execution Courts and submit defense and attend the appeals filed against the Company in general to apply to refer cases and proceedings from one court to another, to execute judgments for the recovery of any debt and to receive it on the behalf of the Company, to submit applications, to effect and accept service, to accept service of papers and documents relating to any claim, to appear at hearings, to effect and accept service, to deny, adjust, settle, compromise, arbitrate, admit, waive Judgment partially or entirely, and abandon the proceedings. To deny and impugn on the grounds of fraud or in any other manner, to plead, defend on the behalf of the Company, to issue notices and lodge all statements of claim, summons, counter-claims, interlocutory requests, papers and documents, pleadings and memoranda and to receive the same, to enter as third party and to apply for joinder of third party, to apply for referring matters to arbitration, to agree to arbitration, to apply for the appointment of experts and arbitrators and their dismissal, to appear before them and make submissions and comments, to apply for ratification or rejection and annulment of their awards, to appoint and dismiss receivers, to call evidence, set limitations thereto, and submit the same, to challenge evidence, and to reject the same, to request statements and surveys, to apply for all kinds of oath to be taken, and to reject the same, and to challenge judges, experts, arbitrators and opponents. To waive, abandon, submit objections to execution, summary proceedings and orders on the basis of an application, to apply for precautionary and executory attachments, and to lift the same, to apply for receivership of third parties and its cancellation, to apply for declaration of bankruptcy and insolvency of third parties, to participate in the bankruptcy and insolvency of third parties at all stages of proceedings, to act on our behalf in proceedings for the execution of judgment issued in my/our favor and to receive amounts subject to such execution. To apply for the provisional attachment of any assets or to arrest, impound, or prevent departure from the jurisdiction of any assets or individuals;
      13. to represent the Company in any court or tribunal of the UAE or any other international arbitration tribunal, with powers to institute, prosecute and pursue all kinds of cases or legal procedures; to file prosecute and perfect appeals, change the course of actions, or withdraw the same; to demand indemnity, to counterclaim and defend counterclaims, to intervene in lawsuits as a third party, to refer to arbitration, to appoint arbitrators and experts, to enjoin third parties to litigation, to issue executive writs, pursue proceedings, to collect sums adjudged, to come to any settlement abandon litigation or waive a judgment wholly or in part or by any channel of appeal, lift a lien or abandon guarantee while the remainder of the debt remains unpaid, claim forgery , accept or rejects a judge, arbitrator or expert; accept or reject a genuine offer, or undertake any and all other action for which the law requires special authorization;
      14. to pay fees, give guarantees, to receive, pay, acknowledge, discharge, settle, compromise, set-off, give receipts, receive the same, receive funds and cheques, make offer and deposit and sign all papers and summons, and to make or receive payment of moneys on deposit in court owed to the Company or in respect of which judgment has been given in the Company’s favour;
      15. to apply to refer proceedings from one court to another and claim exemption or postponement for payment of fees, to apply for retrial and for release from custody. For bailment and to act on the behalf of the Company in connection with any claim of whatsoever nature even if it is not specified in this Memorandum;
      16. to engage and dismiss employees on behalf of the Company, fix their salaries and other conditions of employment, determine their job descriptions, supervise their performance, amend or terminate employment and settle their entitlements;
      17. to apply for and obtain for the Company and its employees telephone, facsimile and telex connections, and to apply for and obtain all necessary amenities and permissions and no objections and approvals from all public utilities and public bodies;
      18. to register and establish branches and subsidiaries, buy or incorporate companies or buy any shares of any of the companies incorporated in the United Arab Emirates or outside in the name of the Company and on its behalf, and on behalf of the Company to sell and assign any of the shares owned by the Company and to execute the decision of the Partners to increase or decrease the capital of any of the companies in which the Company owns shares in it, or to issue a decision on behalf of the Company to wind up or liquidate any company that the Company is owning shares in and to take all necessary procedures, and to sign all agreements, decisions and necessary addenda to execute such decisions before all competent authorities in the United Arab Emirates or outside, this includes without limitation the Notary Public, the Department, Ministry of Economy, Chamber of Commerce and Industry and all local and federal departments; to execute the decision of the Company to form joint ventures with any other person, branch, corporation, company or subsidiary for the purpose of either carrying out business similar or related to the business of the Company or for the purpose of acquiring any business as a going concern; to sign on behalf of the Company on the memorandum of associations, any subsequent addendums or amendments, sale and transfer of shares agreements and all shareholders resolutions for such company/companies or joint ventures in which the Company may acquire shares. To act as an agent for the companies, establishment and international organizations related to the Company's objectives and to represent the same in UAE and abroad; and to conduct any other businesses related to the Company’s objectives, and through other companies or through person(s) who deal in the same field of activity;
      19. to open and operate bank accounts in the name of the Company, both locally and internationally, for the main offices or any of the branches and/or subsidiaries (locally or internationally), to sign on any cheques, withdrawals, deposits and to deposit and withdraw moneys, to sign cheques, to draw, accept and endorse promissory notes, bill of exchange, sums cash orders, credit instruments of any kind, deposits from any bank, mandate documents (including the use of internet and electronic banking delivery channels), and other negotiable instruments, and to conduct all banking transactions in the name and on behalf of the Company and to close any bank account and sign off on all banking relationships with any banking or financial institutes (locally or internationally); to add and remove bank signatories, and issue corporate guarantee documents on behalf of the Company to third parties, in favour of Banks and/or other third parties in order to secure the facilities sanctioned by the Banks to third parties;
      20. to give instructions to bank(s) regarding issuance of letter of credits, guarantee and bonds on account of the Company for any period of time (whether or not in excess of three years) and to execute applications, forms, documents and counter-guarantees; to sign and make request to open or amend documentary credits and to execute documents of any nature in connection with documentary credits and settlements of amounts thereof;
      21. to borrow or obtain any credit facilities for any period of time (whether or not in excess of three years), including by way of loans, overdrafts, letter of credits, letter of guarantee, bonds, cheques / bills discounting, facility in the name of the Company against such securities as may be required by the bank/s), including by way of pledge, charge, lien or mortgage on any properties and assets of the Company to secure or procure the performance of its obligations or the obligations of its shareholders or any other third party, and to execute all required documents in favor of the bank(s), as the Manager shall deem fit;
      22. to defend compromise or settle or abandon any legal or administrative proceedings, accept service of legal process on behalf of the Company, submit to the jurisdiction of any court or arbitration, give security and indemnify for costs, pay money into court and obtain payment of money paid into court;
      23. to represent the Company before Federal Tax Authority (“**FTA**”); and to settle any and all concerns, sign, prepare, submit, revise, resubmit all required Documents including but not limited to application forms, tax forms, tax returns, agreements and undertake any appropriate action(s) which might be required (mandatorily/ voluntarily) for compliances pertaining to VAT or as may be required by FTA;
      24. to sign any documents as may be required by the Road Transport Authority (“**RTA**”), to buy and sell vehicles on behalf of the Company;
      25. to delegate the above authorities to any person the Manager deems fit.
5. financial management
   1. The Manager shall prepare the Company’s balance sheet and profit and loss account. He shall also prepare an annual report of the Company’s activities, its financial position and the proposal for the distribution of profits. All the foregoing should be completed within three (3) months from the end of the Company’s financial year.
   2. The balance sheet and the profit and loss account shall be submitted to the Partners for approval.
   3. In the event that the Partners do not approve the balance sheet and profit and loss accounts within the period specified in clause (1) of this article, the Manager shall submit an application to the Department within (7) seven days, to be calculated from the date of the end of the period specified in clause (1) of this article, to invite the Partners to consider approving the balance sheet and the profit and loss account, and the Department shall obligate the Partners to decide on the approval decision within a period not exceeding (10) ten days from the date of notifying the Partners, provided that a copy of the balance sheet is deposited with the Department in accordance with the deadlines specified by the Department.
   4. The Company shall prepare accounts on regular basis in accordance with international accounting standards and principles so that it reflects a correct and fair status of the Company’s profits or losses for the financial year and the Company’s position at the end of the financial year, and that it shall adhere to any requirements stipulated by the Commercial Companies Law and the decisions issued in implementation thereof. The Company shall apply international accounting standards and principles when preparing its interim and annual accounts and determining profits which can be distributed.
6. general assembly
   1. The Company shall have a General Assembly composed of all the Partners. The General Assembly shall be convened at the invitation of the Manager at least once a year on the date and at the place to be determined by the Manager during the four (4) months following the end of the financial year (such meeting to be referred to as the "**Annual General Assembly**") and at any other time if so requested by a number of Partners holding not less than ten percent (10%) of the Company’s share capital (“**General Assembly**”).
   2. Except for the General Assembly adjourned due to absence of quorum, invitation to convene the General Assembly may be given by registered mail or the latest known address of the concerned party or by giving notice via email, provided that the notification of invitation of the General Assembly shall be sent at least twenty-one (21) days prior to the date of meeting. The Company shall notify and provide a copy of the invitation for the meeting of the General Assembly to the Department.
   3. The notification of invitation must include the agenda, place, date and time of the first meeting and the second meeting (in the event of the absence of a quorum to validate the first meeting).
   4. If the invitation to the General Assembly meeting is announced before the date of the meeting for a period less than the period specified in Article (93) of the Commercial Companies Law, the invitation to convene the General Assembly shall be considered valid if approved by the Partners.
   5. Every Partner shall have the right to attend a General Assembly irrespective of the number of shares he/it owns. A Partner may; by proxy; delegate another Partner other than the Manager, or any other person to represent him/it at the General Assembly. Each Partner shall have a number of votes equal to the number of shares he/it owns or represents.
   6. The Annual General Assembly shall consider and decide on the following matters:
      1. Review the report of the Manager on the Company’s activities and financial position during the past year, and the auditors’ report.
      2. Discuss and ratify the balance sheet and profit and loss account.
      3. Amend the Company’s Memorandum
      4. Dissolve and liquidate the Company.
      5. Amalgamating or converting the Company.
      6. Increase or decrease the Company’s share capital.
      7. Appoint or remove Manager/s, restrict their powers and determine their remuneration.
      8. Appoint or remove one or more auditors and determine their remuneration.
      9. To determine the Dividends to be distributed among the Partners;
      10. Any other matter within its competence in accordance with the provisions of the Commercial Companies Law or this Memorandum.
   7. The General Assembly may not deliberate matters not included in the agenda unless serious issues were disclosed at the meeting that require discussion. Should any one of the Partners request the inclusion of a specific matter on the agenda, the Manager must do so, but if the Manager fails to do so, the Partner shall have the right to appeal to the General Assembly.
   8. Every Partner shall have the right to discuss matters included in the agenda. The Manager is obliged to reply to any Partner’s question provided it is not detrimental to the Company's interest. Should one of the Partners consider the reply of the Manager to be insufficient, he may appeal to the General Assembly, whose resolutions shall be binding.
   9. The quorum for a valid meeting of the General Assembly shall be the attendance of Partners who hold at least 75% of the shares of the company's capital, If the General Assembly is not quorate, at the first meeting, the General Assembly must be invited to a second meeting to be held within at least five (5) days (or a maximum of fifteen (15) days) from the date of the first meeting. The second meeting shall be deemed valid if it was attended by Partners regardless of their share capital.
   10. Resolutions of the General Assembly shall not be valid unless adopted by at least (75%) of the Partners represented at the General Assembly meeting. Any written resolutions of the Partners shall be as valid as a resolution that is adopted in a General Assembly meeting.
   11. The Manager may not participate in voting on resolutions relating to the discharge of his responsibility for the management of the Company.
   12. Minutes adequately summarizing the discussions of the General Assembly shall be prepared. The minutes and the resolutions of the General Assembly shall be recorded in a special register kept at the Company's head office. Any of the Partners may review the register personally or through an attorney. They may also review the Company's balance sheet, profit and loss account and annual report.
   13. Without prejudice to the rights of third parties acting in good faith, a resolution adopted at a General Assembly in violation of the provisions of the Commercial Companies Law or this Memorandum, benefiting certain Partners or causing damage to other Partners without due consideration to the interests of the Company, shall be void. In this event only the Partners who had objected to the adoption of the said resolution or those were unable to object thereto for acceptable reasons, may request the nullification of the resolution, and in such case the resolution shall be considered as void ab initio for all Partners.
7. the financial year

The financial year of the company shall commence on 1st January and shall end on 31st December each year, with the exception of the first financial year, which shall commence on the date of the registration of the Company in the Commercial Register and end on 31st December of the same year. Each financial year may not exceed 18 months and should not be less than 6 months.

1. profits and losses distribution
   1. The Company shall allocate 5% of its net profits each year to create a statutory reserve. The Partners may resolve that the allocation of net profits to the statutory reserve be discontinued when the reserve reaches half of the capital. The Partners may allocate additional reserves as they deem fit.
   2. The Partners shall allocate any other amounts of the Company’s net profits each year to create any additional reserves. The Partners may discontinue such reserves as they deem fit.
   3. Dividends shall be declared by a resolution of Partners at a General Assembly representing no less than seventy five percent (75%) of the share capital of the Company and shall be paid by wire transfer or otherwise in immediately available funds to each Partner registered in the Company Register immediately prior to the meeting or proceeding of the General Assembly at which such Dividends are declared. Such payment shall be made by the Company within thirty (30) days of each such General Assembly resolution. The right to the Dividend shall vest on the date such Dividend is declared.
   4. The Partners shall only be liable to the extent of the company capital share amount.
   5. Dividends shall be distributed between the Partners in the following proportion:

**The Shareholder’s name**

**Percent of Dividends**

**[First Party’s Name]**

[\*]

**[Second Party’s Name]**

[\*]

**[Third Party’s Name]**

[\*]

1. the company auditor
   1. The Company shall have one or more auditors registered in the Emirate of [\*], the General Assembly shall appoint and determine the remuneration of the auditor(s). The auditor is required to be registered with the Ministry and licensed to practice the profession by the Department. An auditor shall be appointed for a renewable period of one year, during which he shall monitor the accounts of the financial year. The auditor shall exercise his duties from the end of such meeting until the end of the next annual General Assembly meeting, the auditor(s) shall be subject to the same provisions concerning auditors of public joint stock companies as stipulated in the Commercial Companies Law and the decisions issued in implementation thereof.
   2. The auditor shall have access at all times to all the information, entries, books, records, documents and other documents of the Company, and he may request clarifications that he deems necessary to perform his task. The auditor shall also verify assets, rights and obligations, and if he is unable to exercise his powers and perform his duties, he shall prove such in writing in a report submitted to the Manager. If the Manager does not enable the auditor to perform his tasks, the auditor must send a copy of the report to the Partners. Then, if he is unable to perform his duties, his report shall be addressed to the Department and to the General Assembly.
   3. The auditor shall submit to the General Assembly a report that includes the data and information stipulated in the Commercial Companies Law.
   4. The auditor must attend the General Assembly and read his report in the General Assembly, explaining any obstacles or interferences from the Manager encountered during the performance of his work, and that his report be characterized by independence and impartiality, and that he express his opinion in the meeting on everything related to his work, in particular on the Company’s budget and his observations on the Company’s accounts and financial position and any violations therein. The auditor shall be responsible for the accuracy of the data included in his report. The Partners may, during the General Assembly, discuss the auditor’s report and ask him for clarification on the contents of such.
2. VARIATION OF THIS MEMORANDUM

It shall only be permissible to amend this Memorandum by a resolution of at least seventy five percent (75%) of Partners represented at the General Assembly meeting.

1. dissolution of the company

The Company shall be dissolved for any of the following reasons:

* + 1. Expiry of the period specified in this Memorandum or the Company’s articles of association unless such period is renewed.
    2. Fulfilment of the object for which the Company was established;
    3. Amalgamation of the Company in accordance with the Commercial Companies Law;
    4. Resolution of the Partners to terminate the duration of the Company.
    5. Depletion of all or most of the assets of the Company making beneficial investment of the remained of the assets, if any, impracticable.
    6. Rendering a decision from the Court to dissolve the Company.

1. liquidation of the company
   1. One or more liquidators shall be appointed by the Partners at a General Assembly and in accordance with the provisions of the Commercial Companies Law, unless the Partners agree otherwise upon the dissolution of the Company.
   2. If liquidation is due to decision of issued by a court in the Emirate of [\*], the court shall determine the manner of the liquidation and shall appoint a liquidator, and the powers of the Manager shall cease when the liquidator is appointed.
2. notices
   1. All notices, requests, consents and other communications hereunder to any Partner shall be deemed effective if contained in a written instrument delivered in person   
      or by email or sent   
      by internationally recognized overnight courier addressed to such Partner at the address set in this Memorandum or at such other address as may hereafter be designated in writing by such Partner to the Company and the other Partners.
   2. All such notices, requests, consents and other communications shall be deemed to have been delivered (i) in the case of personal delivery or delivery by email, on the date of such delivery, and (ii) in the case of dispatch by internationally recognized overnight courier, on the third Business Day following such dispatch.
3. miscellaneous
   1. The Company shall not have a corporate personality and shall not be allowed to perform its business until it is registered in the Commercial Register at the Department.
   2. Matters not provided for in this Memorandum shall be subjected to the provisions of the Commercial Companies Law and its amendments and the ministerial decisions made in implementation thereof.
   3. Each Partner agrees to keep, and shall cause its Affiliates to keep, all Confidential Information confidential, except Confidential Information that (i) is or becomes generally available to the public (other than as a result of disclosure by such Partner or any Affiliate of such Partner in breach of this Memorandum), (ii) the other Partners agree in writing may be disclosed or (iii) any Partner or the Company is required, pursuant to applicable law or applicable stock exchange regulation or rule to disclose, provided that each Partner shall consult with the other Partners prior to making any such disclosure, (iv) is developed independently by such Partner and is not based on or derived from Confidential Information previously disclosed by the other Partner, or (v) is known by such Partner prior to disclosure by the other Partner.
   4. This Memorandum and any amendments thereto shall be written in Arabic language and notarized by the competent authority, otherwise this Memorandum or amendments shall be void. Should there be any amendments made to this document, such amendments must be annexed hereto.
4. disputes

Any dispute, difference, controversy, or claim of any kind whatsoever that arises or occurs from the affairs of the Company, whether between the Company and its Manager/s or among the Partners in the Company shall be exclusively and finally settled by the courts in the Emirate of [\*] as per its’ rules and regulations.

1. copies

This Memorandum has been made of (\*) true copies and signed by the Partners, one copy is given to each Partner, and the other copies are for registration as required under the Commercial Companies Law.

**IN WITNESS WHEREOF**, the Partners have signed and executed this Memorandum on the date mentioned on the notary stamp.

Signed by**: [\*]**

**(First Party)**

Signed by: [\*]

**(Second Party)**

Signed by: **[\*]**

**(Third Party)**