PRESCRIBED COMPANY REGULATIONS

Consolidated Version No. 5

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CONTENTS

The Board of Directors of the DIFCA, in the exercise of the powers conferred on them under Articles 132 and 151 of the Companies Law, hereby make these regulations.

1. INTRODUCTION

1.1 Application and interpretation

1.1.1 These Regulations may be cited as the "Prescribed Company Regulations 2026".

1.1.2 These Regulations apply to:

(a) every person who falls within the definition of a Prescribed Company;

(b) every person applying for the incorporation or continuation of a Prescribed Company in the DIFC; and

(c) the Registrar.

1.1.3 The Relevant Laws apply to a Prescribed Company unless specified otherwise in these Regulations.

1.1.4 Nothing in these Regulations shall exempt a Prescribed Company from compliance with any DFSA-administered legislation applicable to it.

1.1.5 Defined terms are identified throughout these Regulations by the capitalisation of the initial letter of a word or phrase. Capitalised terms not defined herein are used in accordance with their definition in the applicable Relevant Laws. Where capitalisation of the initial letter is not used, an expression has its natural meaning.

1.1.6 The rules of interpretation in the Companies Law apply to these Regulations.

1.1.7 Any reference to enacted law or regulations, is a reference to that enactment as amended from time to time, and includes a reference to that enactment as extended, applied or otherwise amended by or under another enactment.

1.1.8 The following defined terms have the meaning given below:

Defined Term	Definition
Accounting Records	has the meaning given to the term in the Companies Law.
Affiliate	a legal entity that is under the same Control as a Prescribed Company.
AML Requirements	any requirements under applicable DIFC Law or Federal Law in relation to anti-money-laundering, counter-terrorist financing and sanctions applicable to Registered Persons in the DIFC.
Applicable Law	includes: (a) the Relevant Laws; (b) AML Requirements; (c) Supra-National Requirements; and (d) the UBO Regulations.
Articles of Association	the articles of association of a Prescribed Company as filed with the Registrar.
Authorised Firm	a person authorised by the DFSA or licensed by a Recognised Financial Services Regulator to carry on one (1) or more Financial Services, excluding the Financial Service of Operating a Representative Office as provided for under

Defined Term	Definition
	the DFSA-administered legislation, or any substantively equivalent activity authorised by a Recognised Financial Services Regulator.
Board of Directors of the DIFCA	the governing body of the DIFCA.
Companies Law	the Companies Law, DIFC Law No. 5 of 2018.
Confirmation Statement	has the meaning given to the term in the Operating Law.
Control	in relation to a Prescribed Company or any other person, the power to secure: (a) by means of the holding of shares or the possession of voting power, directly or indirectly; or (b) as a result of any powers conferred by the Articles of Association or other document regulating the Prescribed Company or such other person, that the affairs of the Prescribed Company or such other person are conducted in accordance with such person's wishes; and "Controlled" and "Controller" have corresponding meanings.
Corporate Service Provider	a company services provider registered with the DFSA as a Designated Non-Financial Business or Profession.
Crowdfunding Platform	has the meaning given to the term in the Glossary Module of the DFSA Rulebook.
Crowdfunding Structure	a structure of one (1) or more persons established for the purpose of holding the asset(s) acquired through a Crowdfunding Platform.
Decision Making Procedures	has the meaning given to the term in the Operating Law.
DFSA	the Dubai Financial Services Authority.
DIFCA	the Dubai International Financial Centre Authority.
Employee	has the meaning given to the term in the Employment Law, DIFC Law No. 2 of 2019.
Enactment Date	the date these Regulations come into force.
Exempt PC	a Prescribed Company where the Controller is any of the following: (a) a Registered Person; (b) an Authorised Firm; (c) a Government Entity; or (d) a Publicly Listed Entity.
Financial Service	any financial activity prescribed by applicable law in the DIFC or a Recognised Jurisdiction as constituting a financial service.
Fund	has the meaning given to the term in the Glossary Module of the DFSA Rulebook.
Government Entity	any of the following: (a) the federal government of the UAE, the government of Dubai or the

Defined Term	Definition
	government of any UAE Emirate; (b) a government of a Recognised Jurisdiction; (c) a person Controlled by any of the government entities listed in (a) or (b) above; or (d) a person in which a government entity listed in (a) above owns (directly or indirectly) an interest of at least twenty five percent (25%), or such other percentage approved by the Board of Directors of DIFCA.
Insolvency Law	the Insolvency Law, DIFC Law No. 1 of 2019.
Operating Law	the Operating Law, DIFC Law No. 7 of 2018.
Prescribed Company	a Prescribed Company within the meaning of Regulation 2.
Publicly Listed Entity	a body corporate that has any class of its securities listed on a securities exchange in a Recognised Jurisdiction.
Recognised Financial Services Regulator	a recognised regulator of financial services activities in a Recognised Jurisdiction.
Recognised Jurisdiction	the UAE, a Zone 1 Country or a jurisdiction recognised by the DFSA under Article 55 of the Collective Investment Law, DIFC Law No. 2 of 2010.
Registered Office	a registered office in the DIFC of a Registered Person pursuant to the requirements of the Relevant Laws, not including retail premises in the DIFC.
Registered Person	has the meaning given to the term in the Operating Law, excluding: (a) a Variable Capital Company; (b) a Non-Profit Incorporated Organisation; (c) a Foundation; or (d) another Prescribed Company.
Registrar	the Registrar appointed under the Operating Law.
Relevant Laws	the Companies Law, the Insolvency Law, the Operating Law and the regulations issued pursuant to these laws.
Securities	has the meaning given to the term in the Companies Law.
Structured Financing	a structure of one (1) or more persons having the sole purpose of holding assets to leverage and/or manage risk in one (1) or more financial transactions, inclusive of the following: (a) complex lending or security arrangements; (b) derivative transactions; (c) hybrid securities; (d) issuing of Securities to facilitate bond or sukuk issuances; (e) securitisations; or (f) collateralised debt instruments, whether done in an Islamic or a conventional manner.

Defined Term	Definition
Supra-National Requirements	any applicable DIFC laws or a federal law imposing requirements on Registered Persons as a consequence of: (a) a bilateral or multilateral treaty or agreement to which the UAE is a party; or (b) internationally recognised best practices and standards.
UAE	United Arab Emirates.
UBO Regulations	the Ultimate Beneficial Ownership Regulations 2018.
Ultimate Beneficial Owner	has the meaning given to the term in the UBO Regulations.
Zone 1 Country	Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom and United States of America.

1.1.9 An undefined term that is used in these Regulations and is also used in the Relevant Laws shall have the same meaning in these Regulations.

1.1.10 The rules of interpretation in the Relevant Laws apply to these Regulations.

1.2 References to writing

1.2.1 References in these Regulations to "writing", in relation to any document, instrument, certificate, notice, register or communication means a legible form of the information that is capable of being reproduced in tangible form, in any medium (including electronic means and blockchain-based records and authenticated digital communications). For the avoidance of doubt, a Prescribed Company, or a Corporate Service Provider acting on its behalf, may communicate with Shareholders by electronic or digital means.

1.2.2 Regulation 1.2.1 does not affect any other legal requirements which may apply in relation to the form or manner of executing a document or agreement.

2. STATUS

2.1.1 A Prescribed Company is a prescribed company incorporated or continued in the DIFC pursuant to the provisions of Article 132 of the Companies Law.

2.1.2 Except as otherwise provided in these Regulations, the provisions of the Relevant Laws apply to Prescribed Companies as if it is a Private Company.

3. ESTABLISHMENT

3.1 Corporate Service Provider requirement

3.1.1 Unless it is an Exempt PC, a Prescribed Company must appoint a Corporate Service Provider to act on its behalf for the purposes set out in Regulation 4.1 and Regulation 5.

3.1.2 Subject to Regulation 3.1.3, a Prescribed Company that fails to comply with the requirement in Regulation 3.1.1 is liable to a fine not exceeding the amount set out in Appendix 2.

3.1.3 Where a Prescribed Company was incorporated prior to the Enactment Date and is not an Exempt PC, the Prescribed Company must appoint a Corporate Service Provider for the purposes set out in Regulation 4.1 and Regulation 5 within six (6) months of the Enactment Date, or such longer period as the Registrar may determine on application by the Prescribed Company, failing which the provisions of Regulation 3.1.2 shall apply.

3.2 Financial services and public offers of Securities

3.2.1 A Prescribed Company shall not be used to establish a Fund in the DIFC without the necessary authorisation from the DFSA.

3.2.2 A Prescribed Company carrying out the purpose of a Crowdfunding Structure shall be exempted from the requirement to have no more than fifty (50) shareholders under Article 27(1)(b) of the Companies Law.

3.2.3 A Prescribed Company carrying out the purpose of a Structured Financing that is making an offer of its Securities to the public to facilitate a bond or sukuk issuance shall, where applicable:

(a) not be regarded as falling within the definition of a Public Company under Article 27(4)(a) of the Companies Law; and

(b) be exempted from the following provisions of the Companies Law:

(i) the prohibition in Article 42 (Prohibition of public offers by Private Companies); and

(ii) the requirement to have no more than fifty (50) shareholders under Article 27(1)(b).

3.2.4 Nothing in this Regulation is to be construed as exempting a Prescribed Company from the general prohibition of public offers of its Securities under Chapter 4 of the Companies Law or the financial promotion restrictions or requirements in respect thereof imposed by applicable markets or securities laws and related regulations.

3.3 Application to incorporate or continue

An application to incorporate or continue a Prescribed Company in the DIFC shall be made to the Registrar in the prescribed form and accompanied by the documentation required to be lodged in connection with an application for the incorporation or continuation of a Private Company.

3.4 Name requirements

Unless determined otherwise by the Registrar, the proposed name of a Prescribed Company shall end with "Limited" or "Ltd." and comply with the requirements in the Relevant Laws relating to names.

3.5 Permission to incorporate

3.5.1 Upon deciding to grant permission to incorporate or continue a Prescribed Company, the Registrar shall without undue delay inform the applicant in writing of:

(a) such decision;

(b) the date on which the Licence applicable to the Prescribed Company shall be deemed to take effect; and

(c) any conditions and restrictions applicable to the Licence.

3.5.2 The Licence of a Prescribed Company shall be restricted to the activity of a holding company.

3.5.3 Upon deciding to refuse to grant permission to incorporate or continue a Prescribed Company, the Registrar shall without undue delay inform the applicant in writing of such refusal.

3.6 Incorporation fees

The application for incorporation shall be accompanied by the relevant fee prescribed in Regulation 7 and set out in Appendix 1.

4. CONDUCT OF BUSINESS

4.1 Registered Office

4.1.1 A Prescribed Company's Registered Office shall be either:

(a) in the case of an Exempt PC, that of an Affiliate; or

(b) the Registered Office of a Corporate Service Provider appointed for this purpose.

4.1.2 An Affiliate or Corporate Service Provider whose Registered Office is used under Regulation 4.1.1 shall consent in writing to such appointment in a format prescribed by the Registrar.

4.2 Operation in the DIFC

Article 13(3) of the Operating Law (conducting principal business activity in the DIFC) and Regulation 2.1.4 of the Companies Regulations (establishment of operations in the DIFC) shall not apply to a Prescribed Company.

4.3 Employees

A Prescribed Company shall not maintain a workforce whether through Employees or any other arrangement.

4.4 Accounting Records

4.4.1 A Prescribed Company shall maintain Accounting Records and prepare accounts as required under the Companies Law.

4.4.2 A Prescribed Company that carries on business for the purpose of a Structured Financing shall be exempt from any requirement to file its accounts with the Registrar or have them audited.

4.4.3 Without prejudice to Article 127 of the Companies Law, a Prescribed Company that carries on business for the purpose of a Crowdfunding Structure with an annual turnover of not more than $5,000,000 calculated on a consolidated basis including all Subsidiaries, but that has more than twenty (20) Shareholders, shall be exempt from the requirements under Article 124(4)(b), Article 124(4)(d) and Article 124(5) of the Companies Law in respect of preparing audited accounts and filing such accounts with the Registrar.

4.5 Reporting and disclosure

4.5.1 The Confirmation Statement filed by, or on behalf of, a Prescribed Company shall:

(a) comply with the requirements of the Relevant Laws as they apply to a Private Company;

(b) confirm whether it is an Exempt PC or not; and

(c) comply with all compliance, governance and regulatory obligations, filings or other requirements pursuant to any requirements of Applicable Law.

4.5.2 Any report, disclosure or confirmation made by a Corporate Service Provider on behalf of a Prescribed Company pursuant to this Regulation 4 shall be done as the Prescribed Company's agent and the Corporate Service Provider may require self-certification of the content by the members of the Prescribed Company's board of directors. The Corporate Service Provider shall not be liable to the Registrar in respect of any such report, disclosure or confirmation where it has acted with due care in ensuring their contents are correct and has not omitted any material facts or circumstances of which the Corporate Service Provider is aware of, or ought reasonably be aware of.

5. CORPORATE SERVICE PROVIDERS

5.1 Duties and obligations

5.1.1 Unless it involves an Exempt PC, a Corporate Service Provider appointed by a Prescribed Company in accordance with these Regulations shall:

(a) lodge or pay any document, form or fee required by these Regulations or the Applicable Law to be lodged with or paid to the Registrar for the incorporation or continuation of the Prescribed Company in the DIFC;

(b) except in the circumstances provided for in Regulation 5.1.3, provide any document, form, notice or make any filing that the Prescribed Company is required to provide to the Registrar under these Regulations and Applicable Law; and

(c) maintain a copy of all records that a Prescribed Company is required to keep under these Regulations and Applicable Law, and such copies shall be:

(i) regularly kept up to date; and

(ii) readily accessible in circumstances where the Registrar or any other party under Applicable Law may require access thereto.

5.1.2 A Prescribed Company shall make available to its Corporate Service Provider such documents and information as is required to enable the Corporate Service Provider to comply with its duties and obligations under Regulation 5.1.1.

5.1.3 The provisions of Regulation 5.1.1 do not prohibit a Prescribed Company, from lodging or filing with the Registrar:

(a) a strike-off application under Article 32(5) of the Operating Law; or

(b) any documents related to its winding up under the Insolvency Law.

5.1.4 A Prescribed Company that contravenes Regulation 5.1.2 is liable to a fine, as set out in Appendix 2.

5.1.5 A Corporate Service Provider acting on behalf of a Prescribed Company shall be authorised to represent such entity in its dealings with the Registrar, and the Registrar shall be permitted to communicate directly with such a Corporate Service Provider with no need to directly communicate with the Prescribed Company, unless it involves the circumstances referred to in Regulation 5.1.3.

5.1.6 An Exempt PC, may agree with a Corporate Service Provider to perform some or all of the duties and obligations set out in Regulation 5.1.1 on its behalf, provided that such an agreement shall not relieve either the Exempt PC or the Corporate Service Provider from any obligation imposed on it by these Regulations or Applicable Law.

5.2 Appointment and cessation of Corporate Service Provider

5.2.1 A Corporate Service Provider appointment by a Prescribed Company shall:

(a) be made to the Registrar in the prescribed form; and

(b) include the consent of the Corporate Service Provider concerned.

5.2.2 If a Corporate Service Provider ceases to act for a Prescribed Company whether by resignation, dismissal or for any other reason, such a Corporate Service Provider must notify the Registrar of such change within ten (10) days from the date on which the cessation of its services took effect (the “Cessation Date”).

5.2.3 The notice in Regulation 5.2.2 (the “Cessation Notice”) must contain:

(a) the Cessation Date; and

(b) details of any replacement Corporate Service Provider, or where a Corporate Service Provider is unable to provide such details, an explanation stating the reasons for its inability to do so; or

(c) a statement that the Prescribed Company no longer has Prescribed Company status.

5.2.4 Where a Corporate Service Provider ceases to act for a Prescribed Company:

(a) it shall be obliged to retain the books and records of such entity it kept pursuant to Regulation 5.1.1(c) for the period of its appointment, for a period of six (6) years from the Cessation Date and, upon receipt of a notice from the Registrar or any third party in accordance with Applicable Law, make such information available in the manner specified in such notice; and

(b) where the Corporate Service Provider acted as the Registered Office for the Prescribed Company concerned and there is no replacement Corporate Service Provider appointed with effect from the Cessation Date onwards, the Registered Office of the Corporate Service Provider having provided such Cessation Notice shall remain as the Registered Office of the Prescribed Company for all purposes under Applicable Law until:

(i) the Prescribed Company appoints a replacement Corporate Service Provider who gives their requisite consent to act as Registered Office pursuant to Regulation 5.2.1(b);

(ii) the Prescribed Company has provided notice to the Registrar of a new Registered Office in accordance with the requirements of the Relevant Laws; or

(iii) the Prescribed Company is wound up or struck off,

whichever occurs first.

5.2.5 A person who fails to comply with the requirements in Regulation 5.2.2 is liable to a fine, as set out in Appendix 2.

5.3 Powers of the Registrar

5.3.1 The Registrar, or any Inspector appointed by the Registrar pursuant to the Operating Law, may require a Corporate Service Provider acting for a Prescribed Company, or with continuing obligations in respect of a Prescribed Company pursuant to Regulation 5.2, to provide such information, Documents, or access to premises as the Registrar reasonably considers necessary to ensure compliance with these Regulations or the Relevant Laws.

5.3.2 The Registrar may:

(a) inform the DFSA of any facts or circumstances that may amount to a breach of a Corporate Service Provider's duties under DFSA-administered legislation; and

(b) inform law enforcement agencies of any alleged or suspected criminal offences on the part of a Corporate Service Provider or its clients.

5.3.3 For the avoidance of doubt, the powers conferred by this Regulation 5.3 are in addition to, and do not limit or derogate from, any powers of inspection, investigation, or information gathering conferred on the Registrar by the Operating Law or any other Legislation administered by the Registrar.

6. REVOCATION OF STATUS

6.1.1 If a Prescribed Company in any way fails to comply with these Regulations, the Registrar may revoke its status as a Prescribed Company after:

(a) following the Decision Making Procedures; and

(b) where the Prescribed Company is used in connection with activities regulated by the DFSA, notifying the DFSA.

6.1.2 If a Prescribed Company's status is revoked under Regulation 6.1.1, it shall:

(a) cease to be a Prescribed Company;

(b) no longer be entitled to the benefit of any exemption or concession (including as to fees) in these Regulations; and

(c) be required to adhere to all the requirements of the Relevant Laws.

7. FEES

For the purposes of Article 151(2)(h) of the Companies Law, Regulation 9.1 of the Companies Regulations and Regulation 2.3.2 of the Operating Regulations, the fees in respect of matters set out in Appendix 1 of these Regulations shall be paid to the Registrar instead of the fees specified in the Relevant Laws.

APPENDIX 1
FEES

Table of fees

Upon receipt by the Registrar of:	Fee (USD)
Application for incorporation of a Prescribed Company	$100
Application for grant or renewal of a Licence	$1,000
Lodgement of a Confirmation Statement	$300
Application to continue incorporation of a Prescribed Company in the DIFC	$1,000
Application to transfer incorporation of a Prescribed Company from the DIFC	$1,000

APPENDIX 2
ADMINISTRATIVE FINES

Regulation	***Contravention***	***Maximum Fine (USD)***
3.1.1	Prescribed Company failing to comply with requirements to appoint a Corporate Service Provider	$20,000
5.1.2	Prescribed Company that fails to make documents and information available to its Corporate Service Provider.	$100,000
5.2.2	Corporate Service Provider that fails to provide Cessation Notice within ten (10) days of the Cessation Date.	$2,000