

**LIMITED LIABILITY PARTNERSHIPS RULES ~~2022~~2023**

Date of Adoption: [ ] [ ] ~~2022~~2023

The Board, in exercise of the powers conferred by section 16 of the Limited Liability Partnerships Regulations 2015, hereby makes the following Rules-

**PART 1**

**1. Commencement, Citation and Interpretation**

- (1) These Rules may be cited as the Limited Liability Partnerships Rules 20222023.
- (2) These Rules shall come into force on the date of their publication.
- (3) Unless the context otherwise requires—
  - (a) "Chairman of the Board" means the chairman of the Board,
  - (b) "Commercial Licensing Regulations" means Commercial Licensing Regulations 2015,
  - (c) "Companies Regulations" means Companies Regulations 2022,
  - (d) "Limited Liability Partnerships Regulations" means the Limited Liability Partnerships Regulations 2015,
  - (e) "particulars of the usual residential address of all members" or "particulars of the usual residential address of a specified member" means the following information—
    - (i) the house name or number,
    - (ii) the street,
    - (iii) the area,
    - (iv) if relevant, the post town,
    - (v) the region,
    - (vi) the country, and
    - (vii) if relevant, the postcode or PO Box,
  - (f) "Registrar's Head Office" and "RHO" means the office of the Registrar where facilities are made available for applicants to inspect the register and to obtain copies of material on the register,
  - (g) "Registrar's Website" and "RW" mean the website of the Registrar, being [www.adgm.com](http://www.adgm.com),
  - (h) "related information" means the following information in relation to a member—
    - (i) the name of the member,

- (ii) if appropriate, the date of birth of the member,
  - (iii) the registered number or numbers of the LLP or LLPs, and
  - (iv) if appropriate, a statement that the usual residential address is the same as a service address,
- (i) "relevant document" means (for the purposes of paragraph 2(d) of Chapter 1 in Part 4) any document required or authorised to be delivered to the Registrar in respect of a LLP by or under any provision of the Limited Liability Partnerships Regulations, other than a document specified below. A document is not a relevant document if–
- (i) a fee is specified in Part 4 in relation to the registration of a document, or the performance by the Registrar of a function, under any particular provision of the Limited Liability Partnerships Regulations, or
  - (ii) that document is required or authorised to be delivered to the Registrar by or under sections 882 and 962 of the Companies Regulations.
- (j) "relevant period" means one of the following periods–
- (i) the period beginning with its incorporation and ending immediately after the delivery to the Registrar of its first annual return, or
  - (ii) a period beginning immediately after the delivery to the Registrar of an annual return and ending immediately after the delivery to the Registrar of the next annual return,
- (k) "same day delivery" or "same day collection" means–
- (i) a request for same day delivery or same day collection is received by the Registrar before such time on the business day in question as the Registrar may determine from time to time, and
  - (ii) the appropriate certificate or certified copy is issued to the applicant on that day,
- (l) "same day registration" means–
- (i) a request for same day registration and all documents required to be delivered to the Registrar in connection with that registration are received by the Registrar before such time on the business day in question as the Registrar may determine from time to time, and
  - (ii) the registration is completed on that day.
- (m) references to sections are to sections of the Companies Regulations,
- (n) a reference to a "Rule" or "Rules" is a reference to these rules and a reference to a numbered rule, part or schedule is to the Rule, Part or Schedule of these Rules,
- (o) words in the singular include the plural and vice versa and a reference to a gender includes a reference to all genders,

- (4) In these Rules "LLP" means a limited liability partnership registered under the Limited Liability Partnerships Regulations 2015, and
- (5) In these Rules, unless the context otherwise requires: (a) any reference to a numbered Part, section or Schedule is to the Part, section or Schedule so numbered in the Companies Regulations, and (b) references in provision applied to LLPs –
  - (i) to provisions of the Companies Regulations, or
  - (ii) to provisions of rules or instruments made under that Act,are to those provisions as applied to LLPs by these Rules.

## **2. Reduction, Waiver or Refund of Fees**

The Registrar may reduce, waive or refund all or part of any fee if it considers that, in the special circumstances of a particular case, it would be equitable to do so.

## **3. Limited Liability Partnerships Rules ~~2024~~2022**

The Limited Liability Partnerships Rules ~~2024~~2022 are repealed.

# **PART 2**

## **APPLICATION OF COMPANIES REGULATIONS TO LLPS**

### **CHAPTER 1: FORMALITIES OF DOING BUSINESS**

#### **1. Formalities of doing business under the law of the Abu Dhabi Global Market**

Sections 38 to 42 apply to LLPs, modified so that they read as follows—

##### **"38.— Contracts**

- (1) Under the law of the Abu Dhabi Global Market a contract may be made—
  - (a) by an LLP, by writing under its common seal, or
  - (b) on behalf of an LLP, by a person acting under its authority, express or implied.
- (2) This is without prejudice to section 6 of the Limited Liability Partnerships Regulations 2015 (members as agents).
- (3) Any formalities required by law in the case of a contract made by an individual also apply, unless a contrary intention appears, to a contract made by or on behalf of an LLP.

##### **39.— Execution of documents in the Abu Dhabi Global Market**

- (1) Under the law of the Abu Dhabi Global Market a document is executed by an LLP—
  - (a) by the affixing of its common seal, or

- (b) by signature in accordance with the following provisions.
- (2) A document is validly executed by an LLP if it is signed on behalf of the LLP—
  - (a) by two members, or
  - (b) by a member of the LLP in the presence of a witness who attests the signature.
- (3) A document signed in accordance with subsection (2) and expressed, in whatever words, to be executed by the LLP has the same effect as if executed under the common seal of the LLP.
- (4) In favour of a purchaser a document is deemed to have been duly executed by an LLP if it purports to be signed in accordance with subsection (2).

A "purchaser" means a purchaser in good faith for valuable consideration and includes a lessee, mortgagee or other person who for valuable consideration acquires an interest in property.
- (5) Where a document is to be signed by a person on behalf of more than one LLP, or on behalf of an LLP and a company, it is not duly signed by that person for the purposes of this section unless he signs it separately in each capacity.
- (6) References in this section to a document being (or purporting to be) signed by a member are to be read, in a case where that member is a firm, as references to its being (or purporting to be) signed by an individual authorised by the firm to sign on its behalf.
- (7) This section applies to a document that is (or purports to be) executed by an LLP in the name of or on behalf of another person whether or not that person is also an LLP.

**40.— Common seal**

- (1) An LLP may have a common seal, but need not have one.
- (2) An LLP which has a common seal shall have its name engraved in legible characters on the seal.
- (3) If an LLP fails to comply with subsection (2) a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (4) A member of an LLP, or a person acting on behalf of an LLP, commits a contravention of the Companies Regulations if he uses, or authorises the use of, a seal purporting to be a seal of the LLP on which its name is not engraved as required by subsection (2).
- (5) A person who commits a contravention under this section is liable to a level 1 fine.

**41.— Execution of deeds**

- (1) A document is validly executed by an LLP as a deed for the purposes of laws applicable in the Abu Dhabi Global Market if, and only if—
  - (a) it is duly executed by the LLP, and
  - (b) it is delivered as a deed.
- (2) For the purposes of subsection (1)(b) a document is presumed to be delivered upon its being executed, unless a contrary intention is proved.

**42.— Execution of deeds or other documents by attorney**

- (1) Under the law of the Abu Dhabi Global Market an LLP may, by instrument executed as a deed, empower a person, either generally or in respect of specified matters, as its attorney to execute deeds or other documents on its behalf.
- (2) A deed or other document so executed, whether in the Abu Dhabi Global Market or elsewhere, has effect as if executed by the LLP."

**2. Official seal for use outside of the Abu Dhabi Global Market**

Section 43 applies to LLPs, modified so that it reads as follows—

**"43.— Official seal for use outside of the Abu Dhabi Global Market**

- (1) An LLP that has a common seal may have an official seal for use outside the Abu Dhabi Global Market.
- (2) The official seal must be a facsimile of the LLP's common seal, with the addition on its face of the place or places where it is to be used.
- (3) The official seal when duly affixed to a document has the same effect as the LLP's common seal.
- (4) An LLP having an official seal for use outside the Abu Dhabi Global Market may by writing under its common seal, authorise any person appointed for the purpose to affix the official seal to any deed or other document to which the LLP is party.
- (5) As between the LLP and a person dealing with such an agent, the agent's authority continues—
  - (a) during the period mentioned in the instrument conferring the authority, or
  - (b) if no period is mentioned, until notice of the revocation or termination of the agent's authority has been given to the person dealing with him.
- (6) The person affixing the official seal must certify in writing on the deed or other document to which the seal is affixed the date on which, and place at which, it is affixed."

### 3. Other matters

Sections 45 and 46 apply to LLPs, modified so that they read as follows—

#### **"45.— Pre-incorporation contracts, deeds and obligations**

- (1) A contract that purports to be made by or on behalf of an LLP at a time when the LLP has not been formed has effect, subject to any agreement to the contrary, as one made with the person purporting to act for the LLP or as agent for it, and he is personally liable on the contract accordingly.
- (2) Subsection (1) applies to the making of a deed under the law of the Abu Dhabi Global Market, as it applies to the making of a contract.

#### **46.— Bills of exchange and promissory notes**

A bill of exchange or promissory note is deemed to have been made, accepted or endorsed on behalf of an LLP if made, accepted or endorsed in the name of, or by or on behalf or on account of, the LLP by a person acting under its authority."

## **CHAPTER 2: AN LLP'S NAME**

### **General Requirements**

### 4. Prohibited names and sensitive words and expressions

Sections 47 to 50 apply to LLPs, modified so that they read as follows—

#### **"47.— Reservation of trade name**

- (1) Every application for the registration of an LLP under the Companies Regulations must be preceded or accompanied by an application to reserve a proposed name of that LLP.
- (2) The Registrar may make rules and may issue guidance about applications made under sub-section (1). The rules may, in particular, make provisions—
  - (a) as to the period of time for which a proposed name is so reserved and the process for extending that period of time,
  - (b) for prohibited or restricted names,
  - (c) as to the form and content of an application, and
  - (d) for fees to be charged.

#### **48. — Prohibited names**

An LLP must not be registered under the Limited Liability Partnerships Regulations 2015 by a name if, in the opinion of the Registrar—

- (a) its use by the LLP would constitute a contravention of the Companies Regulations or any other enactment or rule applicable in the Abu Dhabi Global Market, or
- (b) it is offensive.

**49.— Names suggesting connection with government or public authority**

- (1) The approval of the Registrar is required for an LLP to be registered under the Limited Liability Partnerships Regulations 2015 by a name that would be likely to give the impression that the LLP is connected with—
  - (a) the Federal Government of the United Arab Emirates or the Government of any Emirate within the United Arab Emirates,
  - (b) a municipality within the United Arab Emirates,
  - (c) any public authority specified for the purposes of this section pursuant to rules made by the Board, or
  - (d) any other person registered with any governmental authority of the United Arab Emirates or of any Emirate within the United Arab Emirates.
- (2) For the purposes of this section "public authority" includes any person or body having functions of a public nature.

**50.— Other sensitive words or expressions**

The approval of the Registrar is required for an LLP to be registered under the Limited Liability Partnerships Regulations 2015 by a name that includes a word or expression for the time being specified in regulations made by the Board under this section."

**5. Permitted characters etc**

Section 51 applies to LLPs, modified so that it reads as follows—

**"51.— Permitted characters etc**

- (1) The provisions of the Business and Company Names Rules 2021 relating to the characters, signs or symbols and punctuation that may be used in a registered name apply to LLPs.
- (2) Those provisions are—
  - (a) regulation 2 and Schedule 1, and
  - (b) any other provisions of those Regulations having effect for the purpose of those provisions.
- (3) In those provisions as they apply to LLPs—
  - (a) for "company" substitute "LLP", and
  - (b) for "the Companies Regulations" substitute "the Limited Liability Partnerships Regulations 2015".
- (4) An LLP may not be registered under the Limited Liability Partnerships Regulations 2015 by a name that consists of or includes anything that is not permitted in accordance with the provisions applied by this section."

## 6. Inappropriate use of indications of LLP type or legal form

Section 54 applies to LLPs, modified so that it reads as follows—

### "54.— Inappropriate use of indications of LLP type or legal form

- (1) The provisions of the Business and Company Names Rules 2021 relating to inappropriate use of indications of company type or legal form apply to LLPs.
- (2) Those provisions are—
  - (a) Rule 5 and Schedule 2, and
  - (b) any other provisions of those Rules having effect for the purpose of those provisions.
- (3) As applied to LLPs rule 5 of those rules is modified so as to read as follows—

### 5. — Inappropriate indication of legal form: generally applicable provisions

- (1) An LLP must not be registered under the Limited Liability Partnerships Regulations 2015 by a name that includes in any part of the name—
  - (a) an expression or abbreviation specified in inverted commas in paragraph 3 of Schedule 2, or
  - (b) an expression or abbreviation specified as similar thereto pursuant to paragraph 4 of Schedule 2.
- (2) An LLP must not be registered under the Limited Liability Partnerships Regulations 2015 by a name that includes, immediately before the expression "LIMITED LIABILITY PARTNERSHIP" or the abbreviation "LLP", an abbreviation specified in inverted commas in paragraph 3 of that Schedule (or any abbreviation specified as similar)."

## CHAPTER 3: SIMILARITY TO OTHER NAMES

## 7. Similarity to other names

Sections 55 to 57 apply to LLPs, modified so that they read as follows—

### "55.— Name not to be the same as another on the Registrar's register of company names

- (1) An LLP must not be registered under the Limited Liability Partnerships Regulations 2015 by a name that is the same as another name appearing in the Registrar's register of company names.
- (2) The provisions of the Business and Company Names Rules 2021 supplementing this section apply to LLPs.
- (3) Those provisions are—
  - (a) Rule 7 and Schedule 3 (matters that are to be disregarded and words, expressions, signs and symbols that are to be regarded as the same),

- (b) Rule 8 (consent to registration of a name which is the same as another in the Registrar's register of company names), and
- (c) any other provisions of those Rules having effect for the purpose of those provisions.
- (4) In Rule 8 as applied to LLPs—
  - (a) for "a company" or "the company" substitute "an LLP" or "the LLP",
  - (b) for "Company Y" substitute "LLP Y", and
  - (c) in paragraph (1), for "the Companies Regulations" substitute "the Limited Liability Partnerships Regulations 2015".

**56.— Power to direct change of name in case of similarity to existing name**

The Registrar may direct an LLP to change its name if it has been registered in a name that is the same as or, in the opinion of the Registrar, too like—

- (a) a name appearing at the time of the Registration in the Registrar's register of company names, or
- (b) a name that should have appeared in the Registrar's register of company names at that time.

**57.— Direction to change names: supplementary provisions**

- (1) The following provisions have effect in relation to a direction under section 56 (power to direct change of name in case of similarity to existing name).
- (2) Any such direction—
  - (a) must be given within twelve months of the LLP's registration by the name in question, and
  - (b) must specify the period within which the LLP is to change its name.
- (3) The Registrar may by a further direction extend that period. Any such direction must be given before the end of the period for the time being specified.
- (4) A direction under section 56 or this section must be in writing.
- (5) If an LLP fails to comply with the direction, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.
- (6) A person who commits the contravention referred to in subsection (5) shall be liable to a fine of up to level 4."

## 8. Similarity to other name in which person has goodwill

Sections 58 to 62 apply to LLPs, modified so that they read as follows—

### "58.— Objection to LLP's registered name

- (1) A person ("the applicant") may object to an LLP's registered name on the ground—
  - (a) that it is the same as a name associated with the applicant in which he has goodwill, or
  - (b) that it is sufficiently similar to such a name that its use in the Abu Dhabi Global Market would be likely to mislead by suggesting a connection between the LLP and the applicant.
- (2) The objection must be made by application to the Registrar (see section 59 (procedure rules)).
- (3) The LLP concerned shall be the primary respondent to the application. Any of its members may be joined as respondents.
- (4) If the ground specified in subsection (1)(a) or (b) is established, it is for the respondents to show—
  - (a) that the name was registered before the commencement of the activities on which the applicant relies to show goodwill, or
  - (b) that the LLP—
    - (i) is operating under the name, or
    - (ii) is proposing to do so and has incurred substantial start-up costs in preparation, or
    - (iii) was formerly operating under the name and is now dormant, or
  - (c) that the name was registered in the ordinary course of an LLP formation business and the LLP is available for sale to the applicant on the standard terms of that business, or
  - (d) that the name was adopted in good faith, or
  - (e) that the interests of the applicant are not adversely affected to any significant extent.

If none of those is shown, the objection shall be upheld.

- (5) If the facts mentioned in subsection (4)(a), (b) or (c) are established, the objection shall nevertheless be upheld if the applicant shows that the main purpose of the respondents (or any of them) in registering the name was to obtain money (or other consideration) from the applicant or prevent him from registering the name.
- (6) If the objection is not upheld under subsection (4) or (5), it shall be dismissed.
- (7) In this section "goodwill" includes reputation of any description.

**59.— Procedural rules**

- (1) The Companies Regulations (Name Adjudication) Rules 2022 apply to LLPs.
- (2) As they apply to LLPs, omit—
  - (a) in rule 3(6) (persons joined as respondent), the reference to a director of the primary respondent,
  - (b) rule 13(2) (registered office treated as address for service).

**60.— Decision of Registrar to be made available to public**

- (1) The Registrar must, within 90 days of determining an application under section 58, make his decision and his reasons for it available to the public.
- (2) He may do so by means of a website or by such other means as appear to him to be appropriate.

**61.— Order requiring name to be changed**

- (1) If an application under section 58 is upheld, the adjudicator shall make an order—
  - (a) requiring the respondent LLP to change its name to one that is not an offending name, and
  - (b) requiring all the respondents—
    - (i) to take all such steps as are within their power to make, or facilitate the making, of that change, and
    - (ii) not to cause or permit any steps to be taken calculated to result in another LLP being registered with a name that is an offending name.
- (2) An "offending name" means a name that, by reason of its similarity to the name associated with the applicant in which he claims goodwill, would be likely—
  - (a) to be the subject of a direction under section 56 (power of Registrar to direct change of name), or
  - (b) to give rise to a further application under section 58.
- (3) The order must specify a date by which the respondent LLP's name is to be changed and may be enforced in the same way as an order of the Court,
- (4) If the respondent LLP's name is not changed in accordance with the order by the specified date, the Registrar may determine a new name for the LLP.
- (5) If the Registrar determines a new name for the respondent LLP he must give notice of his determination—
  - (a) to the applicant, and
  - (b) to the respondents.

- (6) For the purposes of this section an LLP's name is changed when the change takes effect in accordance with section 12(3) of the Limited Liability Partnerships Regulations 2015.

**62.— Appeal from Registrar's decision**

- (1) An appeal lies to the Court from any decision of the Registrar to uphold or dismiss an application under section 58.
- (2) Notice of appeal against a decision upholding an application must be given before the date specified in the Registrar's notice by which the respondent LLP's name is to be changed.
- (3) If notice of appeal is given against a decision upholding an application, the effect of the Registrar's notice is suspended.
- (4) If on appeal the Court—
- (a) affirms the decision of the Registrar to uphold the application, or
  - (b) reverses the decision of the Registrar to dismiss the application, the Court may (as the case may require) specify the date by which the Registrar' notice is to be complied with, remit the matter to the Registrar or make any order or determination that the Registrar might have made.
- (5) If the Court determines a new name for the LLP it must give notice of the determination—
- (a) to the parties to the appeal, and
  - (b) to the Registrar."

**Other Powers of the Registrar**

**9. Provision of misleading information etc**

Sections 63 and 64 apply to LLPs, modified so that they read as follows—

**"63.— Provision of misleading information etc**

- (1) If it appears to the Registrar—
- (a) that misleading information has been given for the purposes of an LLP's registration by a particular name, or
  - (b) that an undertaking or assurance has been given for that purpose and has not been fulfilled,
- the Registrar may direct the LLP to change its name.
- (2) Any such direction—
- (a) must be given within five years of the LLP's registration by that name, and
  - (b) must specify the period within which the LLP is to change its name.

- (3) The Registrar may by a further direction extend the period within which the LLP is to change its name.

Any such direction must be given before the end of the period for the time being specified.

- (4) A direction under this section must be in writing.
- (5) If an LLP fails to comply with a direction under this section, a contravention of the Companies Regulations is committed by—
- (a) the LLP, and
- (b) every designated member of the LLP who is in default.
- (6) A person who commits the contravention referred to in subsection (5) shall be liable to a fine of up to level 7.

**64.— Misleading indication of activities**

- (1) If in the opinion of the Registrar the name by which an LLP is registered gives so misleading an indication of the nature of its activities as to be likely to cause harm to the public, the Registrar may direct the LLP to change its name.
- (2) The direction must be in writing.
- (3) The direction must be complied with within a period of six weeks from the date of the direction or such longer period as the Registrar may think fit to allow.

This does not apply if an application is duly made to the Court under the following provisions.

- (4) The LLP may apply to the Court to set the direction aside.
- The application must be made within the period of three weeks from the date of the direction.
- (5) The Court may set the direction aside or confirm it.
- If the direction is confirmed, the Court shall specify the period within which the direction is to be complied with.
- (6) If an LLP fails to comply with a direction under this section, a contravention of the Companies Regulations is committed by—
- (a) the LLP, and
- (b) every designated member of the LLP who is in default.
- (7) A person who commits the contravention referred to in subsection (6) shall be liable to a fine up to level 4."

## Trading Disclosures

### 10. Requirement to disclose LLP name etc

Sections 70 to 71 and 73 apply to LLPs, modified so that they read as follows—

#### **"70.— Requirements to disclose LLP name etc**

- (1) The provisions of the Business and Company Names Rules 2021 relating to Trading Disclosures apply to LLPs.
- (2) As they apply to LLPs—
  - (a) read references to a company as references to an LLP,
  - (b) read references to a director as references to a member of an LLP,
  - (c) read references to an officer of a company as references to a designated member of an LLP,
  - (d) in rule 19 (disclosure of names of members) of those rules—
    - (i) at the beginning of paragraph (1) insert "Subject to paragraph (3)," and
    - (ii) after paragraph (2) insert—

"(3) Paragraph (1) does not apply in relation to any document issued by an LLP with more than 20 members which maintains at its principal place of business a list of the names of all the members if the document states in legible characters the address of the principal place of business of the LLP and that the list of the members' names is open to inspection at that place.

(4) Where an LLP maintains a list of the members' names for the purposes of paragraph (3), any person may inspect the list during office hours."

#### **71.— Consequences of failure to make required disclosure**

- (1) This section applies to any legal proceedings brought by an LLP to which section 70 applies (requirement to disclose LLP name etc) to enforce a right arising out of a contract made in the course of a business in respect of which the LLP was, at the time the contract was made, in breach of the Business and Company Names Rules 2021.
- (2) The proceedings shall be dismissed if the defendant to the proceedings shows—
  - (a) that he has a claim against the claimant arising out of the contract that he has been unable to pursue by reason of the latter's breach of the Rules, or (b) that he has suffered some financial loss in connection with the contract by reason of the claimant's breach of the Rules, unless the Court before which the proceedings are brought is satisfied that it is just and equitable to permit the proceedings to continue.

- (3) This section does not affect the right of any person to enforce such rights as he may have against another person in any proceedings brought by that person."

**"73.— Minor variation in form of name to be left out of account**

- (1) For the purposes of this Chapter, in considering an LLP's name no account is to be taken of—
- (a) whether upper or lower case characters (or a combination of the two) are used,
  - (b) whether diacritical marks or punctuation are present or absent,
- provided there is no real likelihood of names differing only in those respects being taken to be different names.
- (2) This does not affect the operation of provisions of the Business and Company Names Rules 2021 permitting only specified characters or punctuation."

**CHAPTER 4: AN LLP'S REGISTERED OFFICE**

**11. General**

Sections 74 and 75 apply to LLPs, modified so that they read as follows—

**"74.— An LLP's registered office**

- (1) An LLP must at all times have a registered office situated in the Abu Dhabi Global Market, to which all communications and notices may be addressed.
- (2) On the incorporation of an LLP the situation of its registered office shall be that stated in the incorporation document.

**75.— Change of address of registered office**

- (1) An LLP may change the address of its registered office by giving notice to the Registrar.
- (2) The change takes effect upon the notice being registered by the Registrar, but until the end of the period of 14 days beginning with the date on which it is registered a person may validly serve any document on the LLP at the address previously registered.
- (3) For the purposes of any duty of an LLP—
- (a) to keep available for inspection at its registered office any register, index or other document, or
  - (b) to mention the address of its registered office in any document,
- an LLP that has given notice to the Registrar of a change in the address of its registered office may act on the change as from such date, not more than 14 days after the notice is given, as it may determine.
- (4) Where an LLP unavoidably ceases to perform at its registered office any such duty as is mentioned in subsection (3)(a) in circumstances in which it was not

practicable to give prior notice to the Registrar of a change in the address of its registered office, but—

- (a) resumes performance of that duty at other premises as soon as practicable, and
- (b) gives notice accordingly to the Registrar of a change in the situation of its registered office within 14 days of doing so,

it is not to be treated as having failed to comply with that duty."

## CHAPTER 5: AN LLP'S MEMBERS

### Register Of Members

#### 12. Requirements for register of members

Sections 153 to 156 apply to LLPs, modified so that they read as follows—

##### **"153.— Register of members**

- (1) Every LLP must keep a register of its members.
- (2) The register must contain the required particulars (see sections 154 (particulars of members to be registered: individuals) and 155 (particulars of members to be registered: corporate members and firms)) of each person who is a member of the LLP.
- (3) The register must be kept available for inspection—
  - (a) at the LLP's registered office, or
  - (b) at a place specified in as a place specified in rules made by the Board under Section 996.
- (4) The LLP must give notice to the Registrar—
  - (a) of the place at which the register is kept available for inspection, and
  - (b) of any change in that place,

unless it has at all times been kept at the LLP's registered office.
- (5) The register must be open to the inspection—
  - (a) of any member of the LLP without charge, and
  - (b) of any other person on payment of such fee as may be prescribed.
- (6) If default is made in complying with subsection (1), (2) or (3) or if default is made for 14 days in complying with subsection (4), or if an inspection required under subsection (5) is refused, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.

- (7) A person who commits the contravention referred to in subsection (6) is liable to a level 1 fine.
- (8) In the case of a refusal of inspection of the register, the Court may by order compel an immediate inspection of it.

**154.— Particulars of members to be registered: individuals**

- (1) An LLP's register of members must contain the following particulars in the case of an individual—
  - (a) name and any former name,
  - (b) a service address which must be a PO Box address with directions to the residence in the United Arab Emirates,
  - (c) the country or state in which he is usually resident,
  - (d) date of birth,
  - (e) whether he is a designated member.
- (2) For the purposes of this section "name" means a person's forename and surname,
- (3) For the purposes of this section a "former name" means a name by which the individual was formerly known for business purposes.

Where a person is or was formerly known by more than one such name, each of them must be stated.

- (4) It is not necessary for the register to contain particulars of a former name in the following cases—
  - (a) in the case of any person, where the former name—
    - (i) was changed or disused before the person attained the age of 18 years, or
    - (ii) has been changed or disused for 20 years or more.
- (5) A person's service address may be stated to be "The LLP's registered office or the office of its company service provider located in Abu Dhabi Global Market."

**155. — Particulars of members to be registered: corporate members and firms**

An LLP's register of members must contain the following particulars in the case of a body corporate, or a firm that is a legal person under the law by which it is governed—

- (a) corporate or firm name,
- (b) registered or principal office,
- (c) particulars of—
  - (i) the legal form of the company or firm and the law by which it is governed, and

- (ii) if applicable, the register in which it is entered (including details of the state) and its registration number in that register,
- (d) whether it is a designated member.

**156.— Register of members' residential addresses**

- (1) Every LLP must keep a register of members' residential addresses.
- (2) The register must state the usual residential address of each of the LLP's members.
- (3) If a member's usual residential address is the same as his service address (as stated in the LLP's register of members), the register of members' residential addresses need only contain an entry to that effect.

This does not apply if his service address is stated to be "The LLP's registered office" or the office of its company service provider located in Abu Dhabi Global Market.

- (4) If default is made in complying with this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.
- (5) A person who commits the contravention referred to in subsection (4) is liable to a level 1 fine.
- (6) This section applies only to members who are individuals, not where the member is a body corporate or a firm that is a legal person under the law by which it is governed."

**Members' Residential Addresses: Protection From Disclosure**

**13. Members' residential addresses: protection from disclosure**

Sections 226 to 232 apply to LLPs, modified so that they read as follows—

**"226.— Protected information**

- (1) This Chapter makes provision for protecting, in the case of an LLP member who is an individual—
  - (a) information as to his usual residential address,
  - (b) the information that his service address is his usual residential address.
- (2) That information is referred to in this Chapter as "protected information".
- (3) Information does not cease to be protected information on the individual ceasing to be a member of the LLP.

References in this Chapter to a member include, to that extent, a former member.

**227.— Protected information: restriction on use or disclosure by LLP**

- (1) An LLP must not use or disclose protected information about any of its members, except—
  - (a) for communicating with the member concerned,
  - (b) in order to comply with any requirement of the Companies Regulations or of the Limited Liability Partnerships Regulations 2015 as to particulars to be sent to the Registrar, or
  - (c) in accordance with section 230 (disclosure under Court order).
- (2) Subsection (1) does not prohibit any use or disclosure of protected information with the consent of the member concerned.

**228.— Protected information: restriction on use or disclosure by Registrar**

- (1) The Registrar must omit protected information from the material on the register that is available for inspection where—
  - (a) it is contained in a document delivered to him in which such information is required to be stated, and
  - (b) in the case of a document having more than one part, it is contained in a part of the document in which such information is required to be stated.
- (2) The Registrar is not obliged—
  - (a) to check other documents or (as the case may be) other parts of the document to ensure the absence of protected information, or
  - (b) to omit from the material that is available for public inspection anything registered before this Chapter comes into force.
- (3) The Registrar must not use or disclose protected information except—
  - (a) as permitted by section 229 (permitted use or disclosure by Registrar), or
  - (b) in accordance with section 230 (disclosure under Court order).

**229.— Permitted use or disclosure by the Registrar**

- (1) The Registrar may use protected information for communicating with the member in question.
- (2) The Registrar may disclose protected information—
  - (a) to a public authority specified for the purposes of this section, or
  - (b) to a credit reference agency.
- (3) The provisions of the Companies Regulations (Address Disclosure) Rules 2015 relating to disclosure of protected information under this section apply to LLPs.
- (4) The provisions are—

- (a) Part 2 (disclosure of protected information),
  - (b) Part 4 (matters relating to applications), so far as relating to disclosure under this section, and
  - (c) any other provisions of the Regulations having effect for the purposes of those provisions.
- (5) As those provisions apply to LLPs—
- (a) references to provisions of the Companies Regulations 2020 are to those provisions as applied to LLPs by the Limited Liability Partnerships Regulations 2015,
  - (b) read references to a company or proposed company as references to an LLP or proposed LLP,
  - (c) read references to a director as references to a member of an LLP,
  - (d) in regulation 1(2), for the definition of "former name" substitute—  
"former name" means a name by which an individual was formerly known and which has been notified to the Registrar under section 2 or 9 of the Limited Liability Partnerships Regulations 2015".
- (6) In this section—
- "credit reference agency" means a person carrying on a business comprising the furnishing of information relevant to the financial standing of individuals, being information collected by the agency for that purpose, and
- "public authority" includes any person or body having functions of a public nature.

**230.— Disclosure under Court order**

- (1) The Court may make an order for the disclosure of protected information by the LLP or by the Registrar if—
  - (a) there is evidence that service of documents at a service address other than the member's usual residential address is not effective to bring them to the notice of the member, or
  - (b) it is necessary or expedient for the information to be provided in connection with the enforcement of an order or decree of the Court, andthe Court is otherwise satisfied that it is appropriate to make the order.
- (2) An order for disclosure by the Registrar is to be made only if the LLP—
  - (a) does not have the member's usual residential address, or
  - (b) has been dissolved.
- (3) The order may be made on the application of a liquidator, creditor or member of the LLP, or any other person appearing to the Court to have a sufficient interest.

- (4) The order must specify the persons to whom, and purposes for which, disclosure is authorised.

**231.— Circumstances in which Registrar may put address on the public record**

- (1) The Registrar may put a member's usual residential address on the public record if—
- (a) communications sent by the Registrar to the member and requiring a response within a specified period remain unanswered, or
  - (b) there is evidence that service of documents at a service address provided in place of the member's usual residential address is not effective to bring them to the notice of the member.
- (2) The Registrar must give notice of the proposal—
- (a) to the member, and
  - (b) to every LLP of which the Registrar has been notified that the individual is a member.
- (3) The notice must—
- (a) state the grounds on which it is proposed to put the member's usual residential address on the public record, and
  - (b) specify a period within which representations may be made before that is done.
- (4) It must be sent to the member at his usual residential address, unless it appears to the Registrar that service at that address may be ineffective to bring it to the individual's notice, in which case it may be sent to any service address provided in place of that address.
- (5) The Registrar must take account of any representations received within the specified period.
- (6) What is meant by putting the address on the public record is explained in section 232.

**232.— Putting the address on the public record**

- (1) The Registrar, on deciding in accordance with section 231 that a member's usual residential address is to be put on the public record, shall proceed as if notice of a change of registered particulars had been given—
- (a) stating that address as the member's service address, and
  - (b) stating that the member's usual residential address is the same as his service address.
- (2) The Registrar must give notice of having done so—
- (a) to the member, and
  - (b) to the LLP.

- (3) On receipt of the notice the LLP must—
  - (a) enter the member's usual residential address in its register of members as his service address, and
  - (b) state in its register of members' residential addresses that his usual residential address is the same as his service address.
- (4) If the LLP has been notified by the member in question of a more recent address as his usual residential address, it must—
  - (a) enter that address in its register of members as the member's service address, and
  - (b) give notice to the Registrar as on a change of registered particulars.
- (5) If an LLP fails to comply with subsection (3) or (4), a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.
- (6) A person who commits the contravention referred to in subsection (5) shall be liable to a level 2 fine.
- (7) A member whose usual residential address has been put on the public record by the Registrar under this section may not register a service address other than his usual residential address for a period of five years from the date of the Registrar's decision."

## CHAPTER 6: DISQUALIFICATION

### 14. Disqualification

Sections 233 to 270 shall apply to LLPs, except where the context otherwise requires with the following modifications—

- (a) references to a company or body corporate shall include a references to an LLP,
- (b) references to the companies legislation shall include references to the Companies Regulations as they apply to LLPs, rules made thereunder and to any enactment applied by regulations to LLPs,
- (c) references to the Insolvency Regulations ~~2015~~2022 shall include references to those Regulations as they apply to LLPs,
- (d) references to a shadow director shall include references to a shadow member,
- (e) references to a director of a company or body corporate or to an officer of a company or body corporate shall include references to a member of an LLP,
- (f) such further modification as the context requires for the purpose of giving effect to that legislation by these rules.

## CHAPTER 6A: COMPANY SERVICE PROVIDERS

### 14A. Company Service Providers

Sections 296B and 296D apply to LLPs, modified so that they read as follows—

#### “296B. — Obligations of a company service provider

(1) The company service provider of a non-exempt company must maintain the records that the non-exempt company is required to keep under –

(a) the following provisions of the Companies Regulations 2022 –

(i) section 118 (register of members),

(ii) section 120 (list of members),

(iii) section 153 (register of directors),

(iv) section 156 (register of directors’ residential addresses),

(v) section 215 (directors’ service contracts),

(vi) section 223 (directors’ indemnities),

(vii) section 292 (register of secretaries),

(viii) section 360 (records of resolutions etc),

(ix) section 642 (contracts relating to purchase of own shares),

(x) section 660 (documents relating to redemption or purchase of own shares out of capital by private company),

(xi) section 682 (register of debenture holders),

(xii) section 737 (report to members of outcome of investigation by public company into interests in its shares),

(xiii) section 740 (register of interests in shares disclosed to public company),

(xiv) section 798 (instruments creating charges),

(b) the Commercial Licensing Regulations (Conditions of Licence and Branch Registration) Rules 2022 and any licence granted thereunder, and

(c) the Beneficial Ownership and Control Regulations 2022.

- (2) A company service provider of a non-exempt company –
- (a) must act as a registered office provider to that company, unless a different registered office is otherwise expressly permitted by the Registrar, and
- (b) is authorised to represent the non-exempt company in its dealings with the Registrar
- (2A) With the exception of sections 867 and 867A of the Companies Regulations 2022 whereby either the non-exempt company or the company service provider may make the filing, a company service provider of a non-exempt company shall give all notices and make all filings that the non-exempt company is obliged to make to the Registrar under the Companies Regulations 2022, the Commercial Licensing Regulations 2015 and the Beneficial Ownership and Control Regulations 2022.

**296D. — Registrar’s powers**

- (1) The Registrar may issue guidance about the operation of this Chapter.”

**CHAPTER 7: ACCOUNTS AND AUDIT**

**15. General**

Sections 367 to 374 apply to LLPs, modified so that they read as follows—

**"367.— Scheme of this Part**

- (1) The requirements of this Part as to accounts and reports apply in relation to each financial year of an LLP.
- (2) In certain respects different provisions apply to different kinds of LLP.
- (3) The main distinction for this purpose is between LLPs subject to the small LLPs regime (see section 368 (LLPs subject to the small LLPs regime)) and LLPs that are not subject to that regime.
- (4) In this Part, where provisions do not apply to all kinds of LLP, provisions applying to LLPs subject to the small LLPs regime appear before the provisions applying to other LLPs.

**368.— LLPs subject to the small LLPs regime**

The small LLP regime applies to an LLP for a financial year in relation to which the LLP—

- (a) qualifies as small (see sections 369 (general) and 370 (parent LLPs)), and
- (b) is not excluded from the regime (see section 371 (LLPs excluded from the small LLPs regime)).

**369.— LLPs qualifying as small: general**

- (1) An LLP qualifies as small in relation to its first financial year if the qualifying conditions are met in that year.



- (7) In relation to the aggregate figures for turnover–

"net" means after any set offs and other adjustments made to eliminate group transactions in accordance with international accounting standards, and

"gross" means without those set offs and other adjustments.

An LLP may satisfy any relevant requirement on the basis of either the net or the gross figure.

- (8) The figures for each subsidiary undertaking shall be those included in its individual accounts for the relevant financial year, that is–
- (a) if its financial year ends with that of the parent LLP, that financial year, and
- (b) if not, its financial year ending last before the end of the financial year of the parent LLP.

If those figures cannot be obtained without disproportionate expense or undue delay, the latest available figures shall be taken.

### **371.— LLPs excluded from the small LLPs regime**

- (1) The small LLPs regime does not apply to an LLP that is, or was at any time within the financial year to which the accounts relate–
- (a) a public interest entity,
- (b) a financial institution, or
- (c) a member of an ineligible group.
- (2) A group is ineligible if any of its members is–
- (a) a public interest entity, or
- (b) a financial institution.

### **372.— Public interest entities and financial institutions**

- (1) For the purpose of this Part an LLP is a public interest entity in relation to a financial year if it is a public interest entity immediately before the end of the accounting reference period by reference to which that financial year was determined.
- (2) A "public interest entity" means–
- (a) a company that is listed or an LLP whose securities are listed, on a recognised investment exchange, or
- (b) that is designated by the Board as a public interest entity, because of the nature of its business, its size or the number of its employees.
- (3) For the purposes of this Part a company or an LLP is a "financial institution" in relation to a financial year if it is licensed under the Commercial Licensing Regulations 2015 as a financial institution at any time during the accounting reference period by reference to which that financial year was determined.

- (4) The Board make rules amending or replacing the provisions of subsections (1) to (3) so as to limit or extend the application of some or all of the provisions of this Part that refer to public interest entities and/or financial institutions.

**373.— LLPs qualifying as micro-entities**

- (1) An LLP qualifies as a micro-entity in relation to its first financial year if the qualifying conditions are met in that year.
- (2) Subject to subsection (3), an LLP qualifies as a micro-entity in relation to a subsequent financial year if the qualifying conditions are met in that year.
- (3) In relation to a subsequent financial year, where on its balance sheet date a company meets or ceases to meet the qualifying conditions, that affects its qualification as a micro-entity only if it occurs in two consecutive financial years.
- (4) The qualifying conditions are met by an LLP in a year in which it satisfies both of the following requirements—
- |                        |                                      |
|------------------------|--------------------------------------|
| 1. Turnover            | Not more than 2.5 million US dollars |
| 2. Number of employees | Not more than 9                      |
- (5) For a period that is an LLP's financial year but not in fact a year the maximum figures for turnover must be proportionately adjusted.
- (6) The number of employees means the average number of persons employed by the company in the year, determined as follows—
- (a) find for each month in the financial year the number of persons employed under contracts of service by the company in that month (whether throughout the month or not),
  - (b) add together the monthly totals, and
  - (c) divide by the number of months in the financial year.
- (7) In the case of an LLP which is a parent LLP, the LLP qualifies as a micro-entity in relation to a financial year only if—
- (a) the LLP qualifies as a micro-entity in relation to that year, as determined by subsections (1) to (7), and
  - (b) the group headed by the LLP qualifies as a small group, as determined by section 369(2) to (6).

**374.— LLPs excluded from being treated as micro-entities**

- (1) The micro-entity provisions do not apply in relation to an LLP's accounts for a particular financial year if the LLP was at any time within that year an LLP excluded from the small LLPs regime by virtue of section 371 (LLPs excluded from the small LLPs regime).
- (2) The micro-entity provisions also do not apply in relation to an LLP's accounts for a financial year if—

- (a) the LLP is a parent LLP which prepares group accounts for that year as permitted by section 388 (option to prepare group accounts), or
- (b) the LLP is not a parent LLP but its accounts are included in the consolidated group accounts for that year."

## 16. Accounting records

Sections 375 to 378 apply to LLPs, modified so that they read as follows—

### "375.— Duty to keep accounting records

- (1) Every LLP must keep adequate accounting records.
- (2) Adequate accounting records means records that are sufficient—
  - (a) to show and explain the LLP's transactions,
  - (b) to disclose with reasonable accuracy, at any time, the financial position of the LLP at that time, and
  - (c) to enable the members to ensure that any accounts required to be prepared comply with the requirements of the Companies Regulations.
- (3) Accounting records must, in particular, contain records and underlying documents comprising initial and other accounting entries and associated supporting documents such as:—
  - (a) cheques;
  - (b) records of electronic fund transfers;
  - (c) invoices;
  - (d) contracts;
  - (e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries;
  - (f) work sheets and spread sheets supporting cost allocations, computations, reconciliations and disclosures; and
  - (g) a record of the assets and liabilities of the company.
- (4) If the LLP's business involves dealing in goods, the accounting records must contain—
  - (a) statements of stock held by the LLP at the end of each financial year of the LLP,
  - (b) all statements of stocktakings from which any statement of stock as is mentioned in subsection (4)(a) has been or is to be prepared, and
  - (c) except in the case of goods sold by way of ordinary retail trade, statements of all goods sold and purchased, showing the goods and the buyers and sellers in sufficient detail to enable all these to be identified.

- (5) A parent LLP that has a subsidiary undertaking in relation to which the above requirements do not apply must take reasonable steps to secure that the undertaking keeps such accounting records as to enable the members of the parent LLP to ensure that any accounts required to be prepared under this Part comply with the requirements of the Companies Regulations.

**376.— Duty to keep accounting records: contravention**

- (1) If an LLP fails to comply with any provision of section 375 (duty to keep accounting records), a contravention of the Companies Regulations is committed by every member of the LLP who is in default.
- (2) A person does not commit the contravention referred to in subsection (1) if he shows that he acted honestly and that in the circumstances in which the LLP's business was carried on the default was excusable.
- (3) A person who commits the contravention referred to in subsection (1) shall be liable to a fine of up to level 5.

**377.— Where and for how long records to be kept**

- (1) An LLP's accounting records—
- (a) must be kept at its registered office or such other place as the members think fit, and
- (b) must at all times be open to inspection by the LLP's members.
- (2) If accounting records are kept at a place outside the Abu Dhabi Global Market, accounts and returns with respect to the business dealt with in the accounting records so kept must be sent to, and kept at, a place in the Abu Dhabi Global Market, and must at all times be open to such inspection.
- (3) The accounts and returns to be sent to the Abu Dhabi Global Market must be such as to—
- (a) disclose with reasonable accuracy the financial position of the business in question at intervals of not more than six months, and
- (b) enable the members to ensure that the accounts required to be prepared under this Part comply with the requirements of the Companies Regulations.
- (4) Accounting records that an LLP is required by section 375 (duty to keep accounting records) to keep must be preserved by it for ten years from the date on which they are made.
- (5) Subsection (4) is subject to any provision contained in other regulation or law applicable in the Abu Dhabi Global Market.

**378.— Where and for how long records to be kept: contraventions**

- (1) If an LLP fails to comply with any provision of subsections (1) to (4) of section 377 (where and for how long records to be kept), a contravention of the Companies Regulations is committed by every member of the LLP who is in default.

- (2) A person does not commit the contravention referred to in subsection (1) if he shows that he acted honestly and that in the circumstances in which the LLP's business was carried on the default was excusable.
- (3) A member of an LLP commits a contravention of the Companies Regulations if he—
  - (a) fails to take all reasonable steps for securing compliance by the LLP with subsection (4) of that section (period for which records to be preserved), or
  - (b) intentionally causes any default by the LLP under that subsection.
- (4) Subject to subsection (2), a person who commits the contraventions referred to in subsection (1) shall be liable to a level 2 fine.
- (5) A person who commits the contraventions referred to in subsection (3) shall be liable to a fine of up to level 5.

**378A. Duty to not destroy accounting records**

- (1) The accounting records of an LLP that has its name struck off the register shall not be destroyed for a period of 5 years from the date of strike off.
- (2) Failure to comply with subsection (1) is a contravention committed by every officer of the LLP who is in default.
- (3) A person who commits the contravention referred to in subsection (2) shall be liable to fine of up to level 4."

**17. An LLP's Financial Year**

Sections 379 to 381 apply to LLPs, modified so that they read as follows—

**"379.— An LLP's financial year**

- (1) The financial year of an LLP is determined as follows.
- (2) Its first financial year—
  - (a) begins with the first day of its first accounting reference period, and
  - (b) ends with the last day of that period or such other date, not more than seven days before or after the end of that period, as the members may determine.
- (3) Subsequent financial years—
  - (a) begin with the day immediately following the end of the LLP's previous financial year, and
  - (b) end with the last day of its next accounting reference period or such other date, not more than seven days before or after the end of that period, as the members may determine.
- (4) In relation to an undertaking that is not an LLP, references in the Companies Regulations to its financial year are to any period in respect of which a profit and loss account of the undertaking is required to be made up (by its constitution or by the law under which it is established), whether that period is a year or not.

- (5) The members of a parent LLP must secure that, except where in their opinion there are good reasons against it, the financial year of each of its subsidiary undertakings coincides with the LLP's own financial year.

**380.— Accounting reference periods and accounting reference date**

- (1) An LLP's accounting reference periods are determined according to its accounting reference date in each calendar year.
- (2) An LLP's first accounting reference period is the period of more than six months, but not more than 18 months, beginning with the date of its incorporation and ending with its accounting reference date.
- (3) Its subsequent accounting reference periods are successive periods of twelve months beginning immediately after the end of the previous accounting reference period and ending with its accounting reference date.
- (4) This section has effect subject to the provisions of section 381 (alteration of accounting reference date).

**381.— Alteration of accounting reference date**

- (1) An LLP may by notice given to the Registrar specify a new accounting reference date having effect in relation to—
- (a) the LLP's current accounting reference period and subsequent periods, or
- (b) the LLP's previous accounting reference period and subsequent periods.

An LLP's "previous accounting reference period" means the one immediately preceding its current accounting reference period.

- (2) The notice must state whether the current or previous accounting reference period—
- (a) is to be shortened, so as to come to an end on the first occasion on which the new accounting reference date falls or fell after the beginning of the period, or
- (b) is to be extended, so as to come to an end on the second occasion on which that date falls or fell after the beginning of the period.
- (3) A notice extending an LLP's current or previous accounting reference period is not effective if given less than five years after the end of an earlier accounting reference period of the LLP that was extended under this section.

This does not apply—

- (a) where the LLP is in administration under Part 1 (administration) of the Insolvency Regulations ~~2015~~2022, or
- (b) where the Registrar directs that it should not apply, which he may do with respect to a notice that has been given or that may be given.
- (4) A notice under this section may not be given in respect of a previous accounting reference period if the period for filing accounts and reports for the financial year determined by reference to that accounting reference period has already expired.

- (5) An accounting reference period may not be extended so as to exceed 18 months and a notice under this section is ineffective if the current or previous accounting reference period as extended in accordance with the notice would exceed that limit.

This does not apply where the LLP is in administration under Part 1 (administration) of the Insolvency Regulations ~~2015~~2022."

## 18. Annual Accounts

Sections 382 to 396 apply to LLPs, modified so that they read as follows—

### "382.— Accounts to give a fair representation

- (1) The members of an LLP must not approve accounts for the purposes of this Chapter unless they are satisfied that they give a fair representation of the assets, liabilities, financial position and profit or loss—
- (a) in the case of the LLP's individual accounts, of the LLP,
- (b) in the case of the LLP's group accounts, of the undertakings included in the consolidation as a whole, so far as concerns members of the LLP.
- (2) The following provisions apply to the members of an LLP which qualifies as a micro-entity in relation to a financial year (see sections 373 (LLPs qualifying as micro-entities) and 374 (LLPs excluded from being treated as micro-entities)) in their consideration of whether the individual accounts of the LLP for that year give a fair representation as required by subsection (1)(a)—
- (a) where the accounts comprise only micro-entity minimum accounting items, the members must disregard any provision of an accounting standard which would require the accounts to contain information additional to those items,
- (b) in relation to a micro-entity minimum accounting item contained in the accounts, the members must disregard any provision of an accounting standard which would require the accounts to contain further information in relation to that item, and
- (c) where the accounts contain an item of information additional to the micro-entity minimum accounting items, the members must have regard to any provision of an accounting standard which relates to that item.
- (3) The auditor of an LLP in carrying out his functions under the Companies Regulations in relation to the LLP's annual accounts must have regard to the members' duty under subsection (1).

### 383.— Duty to prepare individual accounts

- (1) The members of every LLP must prepare accounts for the LLP for each of its financial years unless the LLP is exempt from that requirement under section 384 (individual accounts: exemption for dormant subsidiaries).
- (2) Accounts prepared pursuant to this section are referred to as the LLP's "individual accounts".

**384.— Individual accounts: exemption for dormant subsidiaries**

- (1) An LLP that is otherwise required to prepare individual accounts is exempt from this requirement for a financial year if—
  - (a) it is itself a subsidiary undertaking, and
  - (b) it has been dormant throughout the whole of that year,
- (2) Exemption is conditional upon compliance with all of the following conditions—
  - (a) all members of the LLP must agree to the exemption in respect of the financial year in question,
  - (b) the parent undertaking must give a guarantee under section 386 (parent undertaking declaration of guarantee) in respect of that year,
  - (c) the LLP must be included in the consolidated accounts drawn up for that year or to an earlier date in that year by the parent undertaking,
  - (d) the parent undertaking must disclose in the notes to the consolidated accounts that the LLP is exempt from the requirement to prepare individual accounts by virtue of this section, and
  - (e) the members of the LLP must deliver to the Registrar within the period for filing the LLP's accounts and reports for that year—
    - (i) a written notice of the agreement referred to in subsection (2)(a),
    - (ii) the statement referred to in section 386(1) (parent undertaking declaration of guarantee),
    - (iii) a copy of the consolidated accounts referred to in subsection (2)(c),
    - (iv) a copy of the auditor's report on those accounts, and
    - (v) a copy of the consolidated annual report drawn up by the parent undertaking.

**385.— LLPs excluded from the dormant subsidiaries exemption**

An LLP is not entitled to the exemption conferred by section 384 (individual accounts: exemption for dormant subsidiaries) if it was at any time within the financial year in question—

- (a) a public interest entity, or
- (b) a financial institution, or
- (c) a member of an ineligible group (as defined in section 371(2) (LLPs excluded from the small LLPs regime))

**386.— Dormant subsidiaries exemption: parent undertaking declaration of guarantee**

- (1) A guarantee is given by a parent undertaking under this section when the members of the subsidiary LLP deliver to the Registrar a statement by the parent undertaking that it guarantees the subsidiary LLP under this section.

- (2) The statement under subsection (1) must be authenticated by the parent undertaking and must specify—
  - (a) the name of the parent undertaking,
  - (b) if the parent undertaking is incorporated in the Abu Dhabi Global Market, its registered number (if any),
  - (c) if the parent undertaking is incorporated outside the Abu Dhabi Global Market and registered in the country in which it is incorporated, the identity of the register on which it is registered and the number with which it is so registered,
  - (d) the name and registered number of the subsidiary LLP in respect of which the guarantee is being given,
  - (e) the date of the statement, and
  - (f) the financial year to which the guarantee relates.
- (3) A guarantee given under this section has the effect that—
  - (a) the parent undertaking guarantees all outstanding liabilities to which the subsidiary LLP is subject at the end of the financial year to which the guarantee relates, until they are satisfied in full, and
  - (b) the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary LLP is liable in respect of those liabilities.

**387.— Individual accounts: applicable accounting framework**

- (1) An LLP's individual accounts shall be prepared in accordance with international accounting standards ("IAS individual accounts").
- (2) The Board may make rules prescribing (i) the circumstances in which other accounting standards may be adopted for the purpose of preparing an LLP's individual accounts and (ii) the other accounting standards which may be so adopted.

**388.— Option to prepare group accounts**

If at the end of a financial year an LLP subject to the small LLPs regime is a parent LLP the members, as well as preparing individual accounts for the year, may prepare group accounts for the year.

**389.— Duty to prepare group accounts**

- (1) This section applies to LLPs that are not subject to the small LLPs regime.
- (2) If at the end of a financial year the LLP is a parent LLP the members, as well as preparing individual accounts for the year, must prepare group accounts for the year unless the LLP is exempt from that requirement.
- (3) Group accounts prepared in accordance with this section shall be prepared in accordance with international accounting standards ("IAS group accounts").
- (4) The Board may make rules prescribing other accounting standards which may be adopted for the purpose of preparing group accounts.

- (5) There are exemptions to the requirements of this section under section 390 (exemption for LLP included in group accounts of larger group).
- (6) An LLP to which this section applies but which is exempt from the requirement to prepare group accounts, may do so.

**390.— Exemption for LLP included in group accounts of larger group**

- (1) An LLP is exempt from the requirement to prepare group accounts if it is itself a subsidiary undertaking, in the following cases—
  - (a) where the LLP is a wholly-owned subsidiary,
  - (b) where its parent undertaking holds more than 50% of the interests in the LLP and notice requesting the preparation of group accounts has not been served on the LLP by members holding in aggregate—
    - (i) more than half of the remaining interests in the LLP, or
    - (ii) 5% of the total interests in the LLP.

Such notice must be served not later than six months after the end of the financial year before that to which it relates.

- (2) Exemption is conditional upon compliance with all of the following conditions—
  - (a) the LLP and all of its subsidiary undertakings must be included in consolidated accounts for a larger group drawn up to the same date, or to an earlier date in the same financial year, by a parent undertaking,
  - (b) those accounts and, where appropriate, the group's annual report, must be drawn up in accordance with the requirements of the Companies Regulations with respect to such accounts and reports or otherwise in a manner equivalent to consolidated accounts and consolidated annual reports so drawn up,
  - (c) the group accounts must be audited by one or more persons authorised to audit accounts under the law under which the parent undertaking which draws them up is established,
  - (d) the LLP must disclose in its individual accounts that it is exempt from the obligation to prepare and deliver group accounts,
  - (e) the LLP must state in its individual accounts the name of the parent undertaking which draws up the group accounts referred to above and—
    - (i) if it is incorporated outside the Abu Dhabi Global Market, the country in which it is incorporated, or
    - (ii) if it is unincorporated, the address of its principal place of business,
  - (f) the LLP must deliver to the Registrar, within the period for filing its accounts and reports for the financial year in question, copies of—
    - (i) the group accounts, and
    - (ii) where appropriate, the consolidated annual report,

- (iii) together with the auditor's report on them,
- (g) any requirement of Part 31 of the Companies Regulations as to the delivery to the Registrar of a certified translation into English must be met in relation to any document comprised in the accounts and reports delivered in accordance with subsection (2)(f).
- (3) For the purposes of subsection (1)(b), interests held by a wholly-owned subsidiary of the parent undertaking, or held on behalf of the parent undertaking or a wholly-owned subsidiary, are attributed to the parent undertaking.

### **391.— Consistency of financial reporting within group**

- (1) The members of a parent LLP must secure that the individual accounts of—
  - (a) the parent LLP, and
  - (b) each of its subsidiary undertakings,
 are all prepared using the same financial reporting framework, except to the extent that in their opinion there are good reasons for not doing so.
- (2) Subsection (1) does not apply if the members do not prepare group accounts for the parent LLP.
- (3) Subsection (1) only applies to accounts of subsidiary undertakings that are required to be prepared under this Part.
- (4) Subsection (1)(a) does not apply where the members of a parent LLP prepare IAS group accounts and IAS individual accounts.

### **392.— Individual profit and loss account where group accounts prepared**

- (1) This section applies where—
  - (a) an LLP prepares group accounts in accordance with the Companies Regulations, and
  - (b) the notes to the LLP's individual balance sheet show the LLP's profit or loss for the financial year determined in accordance with the Companies Regulations.
- (2) The LLP's individual profit and loss account need not contain the information specified in section 396 (information about employee numbers and costs).
- (3) The LLP's individual profit and loss account must be approved in accordance with section 399(1) (approval by members) but may be omitted from the LLP's annual accounts for the purposes of the other provisions of the Companies Regulations.

### **393.— Information about related undertakings**

- (1) The Board may make rules requiring information about related undertakings to be given in notes to an LLP's annual accounts.

- (2) The rules—
  - (a) may make different provision according to whether or not the LLP prepares group accounts, and
  - (b) may specify the descriptions of undertaking in relation to which it applies, and make different provision in relation to different descriptions of related undertaking.
- (3) The rules may provide that information need not be disclosed with respect to an undertaking that—
  - (a) is established under the law of a jurisdiction outside the Abu Dhabi Global Market, or
  - (b) carries on business outside the Abu Dhabi Global Market,
    - if the following conditions are met.
- (4) The conditions are—
  - (a) that in the opinion of the members of the LLP the disclosure would be seriously prejudicial to the business of—
    - (i) that undertaking,
    - (ii) the LLP,
    - (iii) any of the LLP's subsidiary undertakings, or
    - (iv) any other undertaking which is included in the consolidation, and
  - (b) that the Registrar agrees that the information need not be disclosed.

Where advantage is taken of any such exemption, that fact must be stated in a note to the LLP's annual accounts.

#### **394.— Information about related undertakings: alternative compliance**

- (1) This section applies where the members of an LLP are of the opinion that the number of undertakings in respect of which the LLP is required to disclose information under any provision of a rule made under section 393 (information about related undertakings) is such that compliance with that provision would result in information of excessive length being given in notes to the LLP's annual accounts.
- (2) The information need only be given in respect of the undertakings whose results or financial position, in the opinion of the members, principally affected the figures shown in the LLP's annual accounts.
- (3) If advantage is taken of subsection (2)—
  - (a) there must be included in the notes to the LLP's annual accounts a statement that the information is given only with respect to such undertakings as are mentioned in that subsection, and
  - (b) the full information (both that which is disclosed in the notes to the accounts and that which is not) must be annexed to the LLP's next annual return.

For this purpose the "next annual return" means that next delivered to the Registrar after the accounts in question have been approved under section 399 (approval and signing of accounts).

- (4) If an LLP fails to comply with subsection (3)(b), a contravention of the Companies Regulations is committed by–
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (5) A person who commits the contravention referred to in subsection (4) shall be liable to a level 3 fine.

**395.— Information about off-balance sheet arrangements**

- (1) In the case of an LLP that is not subject to the small LLPs regime, if in any financial year–
  - (a) the LLP is or has been party to arrangements that are not reflected in its balance sheet, and
  - (b) at the balance sheet date the risks or benefits arising from those arrangements are material,
  - (c) the information required by this section must be given in notes to the LLP's annual accounts.
- (2) The information required is–
  - (a) the nature and business purpose of the arrangements, and
  - (b) the financial impact of the arrangements on the LLP.
- (3) The information need only be given to the extent necessary for enabling the financial position of the LLP to be assessed.
- (4) If the LLP qualifies as medium-sized in relation to the financial year (see sections 438 (LLPs qualifying as medium-sized: general) to 440 (LLPs excluded from being treated as medium-sized)) it need not comply with subsection (2)(b).
- (5) This section applies in relation to group accounts as if the undertakings included in the consolidation were a single LLP.

**396.— Information about employee numbers and costs**

- (1) In the case of an LLP not subject to the small LLPs regime, the following information with respect to the employees of the LLP must be given in notes to the LLP's annual accounts–
  - (a) the average number of persons employed by the LLP in the financial year, and
  - (b) the average number of persons so employed within each category of persons employed by the LLP.

- (2) The categories by reference to which the number required to be disclosed by subsection (1)(b) is to be determined must be such as the members may select having regard to the manner in which the LLP's activities are organised.
- (3) The average number required by subsection (1)(a) or (b) is determined by dividing the relevant annual number by the number of months in the financial year.
- (4) The relevant annual number is determined by ascertaining for each month in the financial year—
  - (a) for the purposes of subsection (1)(a), the number of persons employed under contracts of service by the LLP in that month (whether throughout the month or not),
  - (b) for the purposes of subsection (1)(b), the number of persons in the category in question of persons so employed,
  - (c) and adding together all the monthly numbers.
- (5) In respect of all persons employed by the LLP during the financial year who are taken into account in determining the relevant annual number for the purposes of subsection (1)(a) there must also be stated the aggregate amounts respectively of—
  - (a) wages and salaries paid or payable in respect of that year to those persons,
  - (b) social security costs incurred by the LLP on their behalf, and
  - (c) other pension costs so incurred.

This does not apply in so far as those amounts, or any of them, are stated elsewhere in the LLP's accounts.
- (6) In subsection (5)—

"pension costs" includes any costs incurred by the LLP in respect of—

  - (a) any pension scheme established for the purpose of providing pensions for persons currently or formerly employed by the LLP,
  - (b) any sums set aside for the future payment of pensions or sums due in respect of employees' end-of service gratuity entitlements directly by the LLP to current or former employees, and
  - (c) any pensions or end-of-service gratuity payments paid directly to such persons without having first been set aside,

"social security costs" means any contributions by the LLP to any state social security or pension scheme, fund or arrangement.
- (7) This section applies in relation to group accounts as if the undertakings included in the consolidation were a single LLP."

## 19. Approval and signing of accounts

Section 399 applies to LLPs, modified so that it reads as follows—

**"399.— Approval and signing of accounts**

- (1) An LLP's annual accounts must be approved by the board of members and signed on behalf of the board by a member of the LLP.
- (2) The signature must be on the LLP's balance sheet.
- (3) If the accounts are prepared in accordance with the small LLPs regime, the balance sheet must contain, in a prominent position above the signature:
  - (a) in the case of individual accounts prepared in accordance with the micro-entity provisions, a statement to that effect, or
  - (b) in the case of accounts not prepared as mentioned in subsection (3)(a), a statement to the effect that the accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.
- (4) If annual accounts are approved that do not comply with the requirements of the Companies Regulations, every member of the LLP who—
  - (a) knew that they did not comply, or was reckless as to whether they complied, and
  - (b) failed to take reasonable steps to secure compliance with those requirements or, as the case may be, to prevent the accounts from being approved,
  - (c) commits a contravention of the Companies Regulations.
- (5) A person who commits the contravention referred to in subsection (4) shall be liable to a fine of up to level 5."

**20. Publication of Accounts and Auditor's Report**

Sections 405 and 407 to 412 apply to LLPs, modified so that they read as follows—

**"405.— Duty to circulate copies of annual accounts and auditor's report**

- (1) Every LLP required to prepare annual accounts must send a copy of its annual accounts and auditor's report for each financial year to—
  - (a) every member of the LLP, and
  - (b) every holder of the LLP's debentures.
- (2) Copies need not be sent to a person for whom the LLP does not have a current address.
- (3) An LLP has a "current address" for a person if—
  - (a) an address has been notified to the LLP by the person as one at which documents may be sent to him, and
  - (b) the LLP has no reason to believe that documents sent to him at that address will not reach him.
- (4) Where copies are sent out over a period of days, references in the Companies Regulations to the day on which copies are sent out shall be read as references to the last day of that period."

**"407.— Default in sending out copies of accounts and auditor's report: contraventions**

- (1) If default is made in complying with section 405 (duty to circulate copies of annual accounts and auditor's report), a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (2) A person who commits the contravention referred to in subsection (1) shall be liable to a fine of up to level 4.

**408.— Right of member or debenture holder to copies of accounts and auditor's report**

- (1) A member of, or holder of debentures of, an LLP is entitled to be provided, on demand and without charge, with a copy of—
  - (a) the LLP's last annual accounts, and
  - (b) the auditor's report on those accounts (including the statement on that report).
- (2) The entitlement under this section is to a single copy of those documents, but that is in addition to any copy to which a person may be entitled under section 405 (duty to circulate copies of annual accounts and auditor's report).
- (3) If a demand made under this section is not complied with within seven days of receipt by the LLP, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (4) A person who commits the contravention referred to in subsection (3) shall be liable to a fine of up to level 4.

**409.— Name of signatory to be stated in published copies of accounts and reports**

- (1) Every copy of a document to which this section applies that is published by or on behalf of the LLP must state the name of the person who signed it on behalf of the board.
- (2) This section applies to the LLP's balance sheet.
- (3) If a copy is published without the required statement of the signatory's name, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (4) A person who commits the contravention referred to in subsection (3) shall be liable to a level 3 fine.

**410.— Requirements in connection with publication of registrable accounts**

- (1) If an LLP publishes any of its registrable accounts, they must be accompanied by the auditor's report on those accounts (unless the LLP is exempt from audit and the members have taken advantage of that exemption).
- (2) An LLP that prepares registrable group accounts for a financial year must not publish its registrable individual accounts for that year without also publishing with them its registrable group accounts.
- (3) An LLP's "registrable accounts" are its accounts for a financial year as required to be delivered to the Registrar under section 415 (duty to file accounts and reports with the Registrar).
- (4) If an LLP contravenes any provision of this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (5) A person who commits the contravention referred to in subsection (4) shall be liable to a fine of up to level 5.

**411.— Requirements in connection with publication of non-registrable and other accounts**

- (1) If an LLP publishes non-registrable accounts, it must publish with them a statement indicating—
  - (a) that they are not the LLP's registrable accounts,
  - (b) whether registrable accounts dealing with any financial year with which the non-registrable accounts purport to deal have been delivered to the Registrar, and
  - (c) whether an auditor's report has been made on the LLP's registrable accounts for any such financial year, and if so whether the report—
    - (i) was qualified or unqualified, or included a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report, or
    - (ii) contained a statement under section 469(2) (accounting records or returns inadequate or accounts), or section 469(3) (failure to obtain necessary information and explanations).
- (2) The LLP must not publish with non-registrable accounts the auditor's report on the LLP's registrable accounts.
- (3) References in this section to the publication by an LLP of "non-registrable accounts" are to the publication of—
  - (a) any balance sheet or profit and loss account relating to, or purporting to deal with, a financial year (or any part thereof) of the LLP, or

- (b) an account in any form purporting to be a balance sheet or profit and loss account for a group headed by the LLP relating to, or purporting to deal with, a financial year (or any part thereof) of the LLP,  
  
otherwise than as part of the LLP's registrable accounts.
- (4) In subsection (3)(b) "a group headed by the LLP" means a group consisting of the LLP and any other undertaking (regardless of whether it is a subsidiary undertaking of the LLP) other than a parent undertaking of the LLP.
- (5) If an LLP contravenes any provision of this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (6) A person who commits the contravention referred to in subsection (5) shall be liable to a fine of up to level 4.

**412.— Meaning of "publication" in relation to accounts and reports**

- (1) This section has effect for the purposes of—
  - section 409 (name of signatory to be stated in published copies of accounts and reports),
  - section 410 (requirements in connection with publication of registrable accounts), and
  - section 411 (requirements in connection with publication of non-registrable accounts).
- (2) For the purposes of those sections an LLP is regarded as publishing a document if it publishes, issues or circulates it (including by making it available on a website) or otherwise makes it available for public inspection in a manner calculated to invite members of the public generally, or any class of members of the public, to read it."

**21. Filing of Accounts and Auditor's Report**

Sections 415 to 421 and 423 to 427 apply to LLPs, modified so that they read as follows—

**"415.— Duty to file accounts and reports with the Registrar**

- (1) The members of an LLP must deliver to the Registrar for each financial year the accounts and reports required by—
  - section 418 (filing obligations of LLPs subject to small LLPs regime),
  - section 419 (filing obligations of LLPs entitled to small LLPs exemption: additional requirements),
  - section 420 (filing obligations of medium-sized LLPs), and
  - section 421 (filing obligations of LLPs generally).

- (2) This is subject to section 423 (dormant subsidiaries exempt from filing obligations).

#### **416.— Period allowed for filing accounts**

- (1) This section specifies the period allowed for the members of an LLP to comply with their obligation under section 415 (duty to file accounts and reports with the Registrar) to deliver accounts and reports for a financial year to the Registrar. This is referred to in the Companies Regulations as the "period for filing" those accounts and reports.
- (2) The period is for an LLP, nine months after the end of the relevant accounting reference period.

This is subject to the following provisions of this section.

- (3) If the relevant accounting reference period is the LLP's first and is a period of more than twelve months, the period is—
- (a) nine months or six months, as the case may be, from the first anniversary of the incorporation of the LLP, or
- (b) three months after the end of the accounting reference period, whichever last expires.
- (4) If the relevant accounting reference period is treated as shortened by virtue of a notice given by the LLP under section 381 (alteration of accounting reference date), the period is—
- (a) that applicable in accordance with the above provisions, or
- (b) three months from the date of the notice under that section, whichever last expires.
- (5) If for any special reason the Registrar thinks fit he may, on an application made before the expiry of the period otherwise allowed, by notice in writing to an LLP, extend that period by such further period as may be specified in the notice.
- (6) Any such extension must not have the effect of extending the period for filing to more than twelve months after the end of the relevant accounting reference period.
- (7) In this section "the relevant accounting reference period" means the accounting reference period by reference to which the financial year for the accounts in question was determined.

#### **417.— Calculation of period allowed**

- (1) This section applies for the purposes of calculating the period for filing an LLP's accounts and reports which is expressed as a specified number of months from a specified date or after the end of a specified previous period.
- (2) Subject to the following provisions, the period ends with the date in the appropriate month corresponding to the specified date or the last day of the specified previous period.

- (3) If the specified date, or the last day of the specified previous period, is the last day of a month, the period ends with the last day of the appropriate month (whether or not that is the corresponding date).
- (4) If—
  - (a) the specified date, or the last day of the specified previous period, is not the last day of a month but is the 29th or 30th, and
  - (b) the appropriate month is February,  
the period ends with the last day of February.
- (5) "The appropriate month" means the month that is the specified number of months after the month in which the specified date, or the end of the specified previous period, falls.

**418.— Filing obligations of LLPs subject to small LLPs regime**

- (1) The members of an LLP subject to the small LLPs regime—
  - (a) must deliver to the Registrar for each financial year a copy of a balance sheet drawn up as at the last day of that year, and
  - (b) may also deliver to the Registrar a copy of the LLP's profit and loss account for that year.
- (2) The members must also deliver to the Registrar a copy of the auditor's report on the accounts that it delivers.  
  
This does not apply if the LLP is exempt from audit and the members have taken advantage of that exemption.
- (3) Subject to section 419 the copies of accounts and reports delivered to the Registrar must be copies of the LLP's annual accounts and reports.
- (4) The copy of the balance sheet delivered to the Registrar under this section must state the name of the person who signed it on behalf of the board.
- (5) The copy of the auditor's report delivered to the Registrar under this section must—
  - (a) state the name of the auditor and the name of the person who signed it as senior auditor, or
  - (b) if the conditions in section 477 (circumstances in which names may be omitted) are met, state that a determination has been made and notified to the Board in accordance with that section.

**419.— Filing obligations of LLPs entitled to small LLPs exemption: additional requirements**

- (1) Where an LLP prepares accounts which are deliverable to the Registrar under section 418—
  - (a) the members may deliver to the Registrar a copy of a balance sheet drawn up as prescribed in rules made by the Board, and

- (b) there may be omitted from the copy of the profit and loss account delivered to the Registrar such items as may be specified by the rules made under subsection (1)(a).
- (2) Where the members of an LLP subject to the small LLPs regime deliver to the Registrar accounts, and in accordance with section 418 do not deliver to the Registrar a copy of the LLP's profit and loss account, the copy of the balance sheet delivered to the Registrar must contain in a prominent position a statement that the LLP's annual accounts have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

**420.— Filing obligations of medium-sized LLPs**

- (1) The members of an LLP that qualifies as a medium-sized LLP in relation to a financial year (see sections 438 (LLPs qualifying as medium-sized: general) to 440 (LLPs excluded as being treated as medium-sized)) must deliver to the Registrar a copy of the LLP's annual accounts.
- (2) They must also deliver to the Registrar a copy of the auditor's report on those accounts.

This does not apply if the LLP is exempt from audit and the members have taken advantage of that exemption.

- (3) The copy of the balance sheet delivered to the Registrar under this section must state the name of the person who signed it on behalf of the board.
- (4) The copy of the auditor's report delivered to the Registrar under this section must—
  - (a) state the name of the auditor and the name of the person who signed it as senior auditor, or
  - (b) if the conditions in section 477 (circumstances in which names may be omitted) are met, state that a determination has been made and notified to the Board in accordance with that section.
- (5) This section does not apply to LLPs within section 418 (filing obligations of LLPs subject to the small LLPs regime).

**421.— Filing obligations of LLPs generally**

- (1) The members of an LLP must deliver to the Registrar for each financial year of the LLP a copy of the LLP's annual accounts.
- (2) The members to whom subsection (1) applies must also deliver to the Registrar a copy of the auditor's report on those accounts. This does not apply if the LLP is exempt from audit and the members have taken advantage of that exemption.
- (3) The copy of the balance sheet delivered to the Registrar under this section must state the name of the person who signed it on behalf of the board.
- (4) The copy of the auditor's report delivered to the Registrar under this section must—
  - (a) state the name of the auditor and the name of the person who signed it as senior auditor, or

- (b) if the conditions in section 477 (circumstances in which names may be omitted) are met, state that a determination has been made and notified to the Board in accordance with that section.
- (5) This section does not apply to LLPs within—
  - (a) section 418 (filing obligations of LLPs subject to the small LLPs regime), or
  - (b) section 420 (filing obligations of medium-sized LLPs)."

**"423.— Dormant subsidiaries exempt from obligation to file accounts**

- (1) The members of an LLP are not required to deliver a copy of the LLP's individual accounts to the Registrar in respect of a financial year if—
  - (a) the LLP is a subsidiary undertaking, and
  - (b) it has been dormant throughout the whole of that year.
  - ~~(c) its parent undertaking is established under the law of the Abu Dhabi Global Market.~~
- (2) Exemption is conditional upon compliance with all of the following conditions—
  - (a) all members of the LLP must agree to the exemption in respect of the financial year in question,
  - (b) the parent undertaking must give a guarantee under section 425 (parent undertaking declaration of guarantee) in respect of that year,
  - (c) the LLP must be included in the consolidated accounts drawn up for that year or to an earlier date in that year by the parent undertaking in accordance with international accounting standards,
  - (d) the parent undertaking must disclose in the notes to the consolidated accounts that the members of the LLP are exempt from the requirement to deliver a copy of the LLP's individual accounts to the Registrar by virtue of this section, and
  - (e) the members of the LLP must deliver to the Registrar within the period for filing the LLP's accounts and reports for that year—
    - (i) a written notice of the agreement referred to in subsection (2)(a),
    - (ii) the statement referred to in section 425(1) (parent undertaking declaration of guarantee),
    - (iii) a copy of the consolidated accounts referred to in subsection (2)(c),
    - (iv) a copy of the auditor's report on those accounts, and
    - (v) a copy of the consolidated annual report drawn up by the parent undertaking.

**424.— LLPs excluded from the dormant subsidiaries exemption**

The members of an LLP are not entitled to the exemption conferred by section 423 (dormant subsidiaries) if the LLP was at any time within the financial year in question—

- (a) a public interest entity, or
- (b) a financial institution.

**425.— Dormant subsidiaries filing exemption: parent undertaking declaration of guarantee**

- (1) A guarantee is given by a parent undertaking under this section when the members of the subsidiary LLP deliver to the Registrar a statement by the parent undertaking that it guarantees the subsidiary LLP under this section.
- (2) The statement under subsection (1) must be authenticated by the parent undertaking and must specify—
  - (a) the name of the parent undertaking and its registered number,
  - (b) if the parent undertaking is incorporated in the Abu Dhabi Global Market, its registered number (if any),
  - (c) if the parent undertaking is incorporated outside the Abu Dhabi Global Market and registered in the country in which it is incorporated, the identity of the register on which it is registered and the number with which it is so registered,
  - (d) the name and registered number of the subsidiary LLP in respect of which the guarantee is being given,
  - (e) the date of the statement, and
  - (f) the financial year to which the guarantee relates.
- (3) A guarantee given under this section has the effect that—
  - (a) the parent undertaking guarantees all outstanding liabilities to which the subsidiary LLP is subject at the end of the financial year to which the guarantee relates, until they are satisfied in full, and
  - (b) the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary LLP is liable in respect of those liabilities.

**426.— Default in filing accounts and reports: contraventions**

- (1) If the requirements of section 415 (duty to file accounts and reports with the Registrar) are not complied with in relation to an LLP's accounts and reports for a financial year before the end of the period for filing those accounts and reports ("filing deadline"), the LLP and every person who immediately before the end of that period was a member of the LLP, commits a contravention of the Companies Regulations.
- (1A) Where an LLP defaults in complying with subsection (1) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.
- (2) A person does not commit the contravention referred to in subsection (1) if he proves that he took all reasonable steps for securing that those requirements would be complied with before the end of that period, and for this purpose, it is not enough to prove that the documents in question were not in fact prepared as required by this Part.

**427.— Default in filing accounts and reports: Court order**

- (1) If—
  - (a) the requirements of section 415 (duty to file accounts and reports with the Registrar) are not complied with in relation to an LLP's accounts and reports for a financial year before the end of the period for filing those accounts and reports, and
  - (b) the members of the LLP fail to make good the default within 14 days after the service of a notice on them requiring compliance, the Court may, on the application of any member or creditor of the LLP or of the Registrar, make an order directing the members (or any of them) to make good the default within such time as may be specified in the order.
- (2) The Court's order may provide that all costs of and incidental to the application are to be borne by the members."

**22. Revision of Defective Accounts**

Sections 428 to 431 apply to LLPs, modified so that they read as follows—

**"428.— Voluntary revision of accounts etc.**

- (1) If it appears to the members of an LLP that the LLP's annual accounts did not comply with the requirements of the Companies Regulations, they may prepare revised accounts.
- (2) Where copies of the previous accounts have been sent out to members or delivered to the Registrar, the revisions must be confined to—
  - (a) the correction of those respects in which the previous accounts or report did not comply with the requirements of the Companies Regulations, and
  - (b) the making of any necessary consequential alterations.
- (3) The Board may make rules as to the application of the provisions of the Companies Regulations in relation to revised annual accounts.
- (4) The rules may, in particular—
  - (a) make different provision according to whether the previous accounts are replaced or are supplemented by a document indicating the corrections to be made,
  - (b) make provision with respect to the functions of the LLP's auditor in relation to the revised accounts,
  - (c) require the members to take such steps as may be specified in the rules where the previous accounts have been—
    - (i) sent out to members and others under section 405 (duty to circulate copies of annual accounts and auditor's report), or
    - (ii) delivered to the Registrar,

- (d) apply the provisions of the Companies Regulations (including those imposing fines for contraventions of the Companies Regulations) subject to such additions, exceptions and modifications as are specified in the rules.

**429.— Registrar's notice in respect of accounts**

- (1) This section applies where—
  - (a) copies of an LLP's annual accounts have been sent out under section 405 (duty to circulate copies of annual accounts and auditor's report), or
  - (b) a copy of an LLP's annual accounts report has been delivered to the Registrar,

and it appears to the Registrar that there is, or may be, a question whether the accounts comply with the requirements of the Companies Regulations.
- (2) The Registrar may give notice to the members of the LLP indicating the respects in which it appears that such a question arises or may arise.
- (3) The notice must specify a period of not less than one month for the members to give an explanation of the accounts or prepare revised accounts.
- (4) If at the end of the specified period, or such longer period as the Registrar may allow, it appears to the Registrar that the members have not—
  - (a) given a satisfactory explanation of the accounts, or
  - (b) revised the accounts so as to comply with the requirements of the Companies Regulations,

the Registrar may apply to the Court.
- (5) The provisions of this section apply to revised annual accounts, in which case they have effect as if the references to revised accounts were references to further revised accounts.

**430.— Application to Court in respect of defective accounts**

- (1) An application may be made to the Court—
  - (a) by the Registrar, after having complied with section 429 (Registrar's notice in respect of accounts), or
  - (b) by a person authorised by the Registrar for the purposes of this section, for a declaration that the annual accounts of an LLP do not comply with the requirements of the Companies Regulations and for an order requiring the members of the LLP to prepare revised accounts.
- (2) Notice of the application, together with a general statement of the matters at issue in the proceedings, shall be given by the applicant to the Registrar for registration.
- (3) If the Court orders the preparation of revised accounts, it may give directions as to—
  - (a) the auditing of the accounts, and

- (b) the taking of steps by the members to bring the making of the order to the notice of persons likely to rely on the previous accounts,  
  
and such other matters as the Court thinks fit.
- (4) If the Court finds that the accounts did not comply with the requirements of the Companies Regulations it may order that all or part of—
  - (a) the costs of and incidental to the application, and
  - (b) any reasonable expenses incurred by the LLP in connection with or in consequence of the preparation of revised accounts,
  - (c) are to be borne by such of the members as were party to the approval of the defective accounts.

For this purpose every member of the LLP at the time of the approval of the accounts shall be taken to have been a party to the approval unless he shows that he took all reasonable steps to prevent that approval.

- (5) Where the Court makes an order under subsection (5) it shall have regard to whether the members party to the approval of the defective accounts knew or ought to have known that the accounts did not comply with the requirements of the Companies Regulations, and it may exclude one or more members from the order or order the payment of different amounts by different members.
- (6) On the conclusion of proceedings on an application under this section, the applicant must send to the Registrar for registration a copy of the Court order or, as the case may be, give notice to the Registrar that the application has failed or been withdrawn.
- (7) The provisions of this section apply to revised annual accounts, in which case they have effect as if the references to revised accounts were references to further revised accounts.

**431.— Other persons authorised to apply to the Court**

- (1) The Registrar may authorise for the purposes of section 430 (application to Court in respect of defective accounts) (a "section 430 authorisation") any person appearing to it—
  - (a) to have an interest in, and to have satisfactory procedures directed to securing, compliance by LLPs with the requirements of the Companies Regulations relating to accounts,
  - (b) to have satisfactory procedures for receiving and investigating complaints about LLPs' annual accounts, and
  - (c) otherwise to be a fit and proper person to be authorised.
- (2) A person may be authorised generally or in respect of particular classes of case, and different persons may be authorised in respect of different classes of case.
- (3) The Registrar may refuse to authorise a person if it considers that his authorisation is unnecessary having regard to the fact that there are one or more other persons who have been or are likely to be authorised.

- (4) If the authorised person is an unincorporated association, proceedings brought in, or in connection with, the exercise of any function by the association as an authorised person may be brought by or against the association in the name of a body corporate whose constitution provides for the establishment of the association.
- (5) A section 430 authorisation may contain such requirements or other provisions relating to the exercise of functions by the authorised person as appear to the Registrar to be appropriate.

No such authorisation is to be made unless it appears to the Registrar that the person would, if authorised, exercise his functions as an authorised person in accordance with the provisions proposed.

- (6) Where authorisation is revoked, the Registrar may make such provision as it thinks fit with respect to pending proceedings."

**23. Power of authorised person to require documents etc.**

Sections 432 to 435 and 437 to 441 apply to LLPs, modified so that they read as follows—

**"432.— Power of authorised person to require documents, information and explanations**

- (1) This section applies where it appears to a person who is authorised under section 431 (other persons authorised to apply to the Court) that there is, or may be, a question whether an LLP's annual accounts complies with the requirements of the Companies Regulations.
- (2) The authorised person may require any of the persons mentioned in subsection (3) to produce any document, or to provide him with any information or explanations, that he may reasonably require for the purpose of—
  - (a) discovering whether there are grounds for an application to the Court under section 430 (application to Court in respect of defective accounts), or
  - (b) deciding whether to make such an application.
- (3) Those persons are—
  - (a) the LLP,
  - (b) any member, employee, or auditor of the LLP,
  - (c) any persons who fell within subsection (3)(b) at a time to which the document or information required by the authorised person relates.
- (4) If a person fails to comply with such a requirement, the authorised person may apply to the Court.
- (5) If it appears to the Court that the person has failed to comply with a requirement under subsection (2), it may order the person to take such steps as it directs for securing that the documents are produced or the information or explanations are provided.

- (6) Nothing in this section compels any person to disclose documents or information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- (7) In this section "document" includes information recorded in any form.

**433.— Restrictions on disclosure of information obtained under compulsory powers**

- (1) This section applies to information (in whatever form) obtained in pursuance of a requirement or order under section 432 (power of authorised person to require documents etc.) that relates to the private affairs of an individual or to any particular business.
- (2) No such information may, during the lifetime of that individual or so long as that business continues to be carried on, be disclosed without the consent of that individual or the person for the time being carrying on that business.
- (3) This does not apply—
  - (a) to disclosure permitted by section 434 (permitted disclosure of information obtained under compulsory powers), or
  - (b) to the disclosure of information that is or has been available to the public from another source.
- (4) A person who discloses information in contravention of this section commits a contravention of the Companies Regulations, unless—
  - (a) he did not know, and had no reason to suspect, that the information had been disclosed under section 432 (power of authorised person to require documents, information and explanations), or
  - (b) he took all reasonable steps and exercised all due diligence to avoid the commission of the contravention.
- (5) A person who commits the contravention referred to in subsection (4) shall be liable to a level 3 fine.
- (6) Where a contravention under this section is committed by a body corporate, every officer of the body who is in default also commits the contravention. For this purpose—
  - (a) any person who purports to act as director, member (but only where the body is an LLP), manager or secretary of the body is treated as an officer of the body, and
  - (b) if the body is a company, any shadow director is treated as an officer of the company.

**434.— Permitted disclosure of information obtained under compulsory powers**

- (1) The prohibition in section 433 (restrictions on disclosure of information obtained under compulsory powers) of the disclosure of information obtained in pursuance of a requirement or order under section 432 (power of authorised person to require documents etc.) that relates to the private affairs of an individual or to any particular business has effect subject to the following exceptions.

- (2) It does not apply to the disclosure of information for the purpose of facilitating the carrying out by the authorised person of his functions under section 430 (application to Court in respect of defective accounts).
- (3) It does not apply to disclosure to—
  - (a) the Board,
  - (b) the Registrar, or
  - (c) the Financial Services Regulator.
- (4) It does not apply to disclosure—
  - (a) for the purpose of assisting a body designated by rules to monitor auditors,
  - (b) with a view to the institution of, or otherwise for the purposes of, disciplinary proceedings relating to the performance by an accountant or auditor of his professional duties,
  - (c) for the purpose of enabling or assisting the Board to exercise its functions under any law or regulation applicable to the Abu Dhabi Global Market.
- (5) It does not apply to disclosure to a body exercising functions of a public nature under legislation in any jurisdiction outside the Abu Dhabi Global Market that appear to the authorised person to be similar to his functions under section 430 (application to Court in respect of defective accounts) for the purpose of enabling or assisting that body to exercise those functions.
- (6) In determining whether to disclose information to a body in accordance with subsection (5), the authorised person must have regard to the following considerations—
  - (a) whether the use which the body is likely to make of the information is sufficiently important to justify making the disclosure,
  - (b) whether the body has adequate arrangements to prevent the information from being used or further disclosed other than—
    - (i) for the purposes of carrying out the functions mentioned in that subsection, or
    - (ii) for other purposes substantially similar to those for which information disclosed to the authorised person could be used or further disclosed.

**435.— Power to amend categories of permitted disclosure**

- (1) The Board may make rules amending section 434(3), (4) and (5) (permitted disclosure of information obtained under compulsory powers).
- (2) Rules under this section must not—
  - (a) amend subsection (3) of that section (Abu Dhabi Global Market public authorities) by specifying a person unless the person exercises functions of a public nature (whether or not he exercises any other function),
  - (b) amend subsection (4) of that section (purposes for which disclosure permitted) by adding or modifying a description of disclosure unless the

purpose for which the disclosure is permitted is likely to facilitate the exercise of a function of a public nature,

- (c) amend subsection (5) of that section (overseas regulatory authorities) so as to have the effect of permitting disclosures to be made to a body other than one that exercises functions of a public nature in a jurisdiction outside the Abu Dhabi Global Market."

**"437.— Accounting standards**

- (1) In this Part "accounting standards" means international accounting standards or such other standard accounting practice as may be prescribed by rules made by the Board.
- (2) References in this Part to accounting standards applicable to an LLP's annual accounts are to such standards as are, in accordance with their terms, relevant to the LLP's circumstances and to the accounts.
- (3) Rules under this section may contain such transitional and other supplementary and incidental provisions as appear to the Board to be appropriate."

**438.— LLPs qualifying as medium-sized: general**

- (1) An LLP qualifies as medium-sized in relation to its first financial year if the qualifying conditions are met in that year,
- (2) An LLP qualifies as medium-sized in relation to a subsequent financial year—
  - (a) if the qualifying conditions are met in that year and the preceding financial year,
  - (b) if the qualifying conditions are met in that year and the LLP qualified as medium-sized in relation to the preceding financial year,
  - (c) if the qualifying conditions were met in the preceding financial year and the LLP qualified as medium-sized in relation to that year.
- (3) The qualifying conditions are met by an LLP in a year in which it satisfies both of the following requirements—
 

1. Turnover	Not more than 68 million US dollars
2. Number of employees	Not more than 75
- (4) For a period that is an LLP's financial year but not in fact a year the maximum figures for turnover must be proportionately adjusted.
- (5) The number of employees means the average number of persons employed by the LLP in the year, determined as follows—
  - (a) find for each month in the financial year the number of persons employed under contracts of service by the company in that month (whether throughout the month or not),
  - (b) add together the monthly totals, and
  - (c) divide by the number of months in the financial year.

- (6) This section is subject to section 439 (LLPs qualifying as medium-sized: parent LLPs).

**439.— LLPs qualifying as medium-sized: parent LLPs**

- (1) A parent LLP qualifies as a medium-sized LLP in relation to a financial year only if the group headed by it qualifies as a medium-sized group.
- (2) A group qualifies as medium-sized in relation to the parent LLP's first financial year if the qualifying conditions are met in that year.
- (3) A group qualifies as medium-sized in relation to a subsequent financial year of the parent LLP—
- (a) if the qualifying conditions are met in that year and the preceding financial year,
- (b) if the qualifying conditions are met in that year and the group qualified as medium-sized in relation to the preceding financial year,
- (c) if the qualifying conditions were met in the preceding financial year and the group qualified as medium-sized in relation to that year.
- (4) The qualifying conditions are met by a group in a year in which it satisfies both of the following requirements—
- |                        |                                     |
|------------------------|-------------------------------------|
| 1. Aggregate turnover  | Not more than 68 million US dollars |
| 2. Number of employees | Not more than 75                    |
- (5) The aggregate figures are ascertained by aggregating the relevant figures determined in accordance with section 438 (LLPs qualifying as medium-sized: general) for each member of the group.
- (6) In relation to the aggregate figures for turnover—
- "net" means after any set-offs and other adjustments made to eliminate group transactions in accordance with international accounting standards, and
- "gross" means without those set-offs and other adjustments.
- An LLP may satisfy any relevant requirement on the basis of either the net or the gross figure.
- (7) The figures for each subsidiary undertaking shall be those included in its individual accounts for the relevant financial year, that is—
- (a) if its financial year ends with that of the parent company, that financial year, and
- (b) if not, its financial year ending last before the end of the financial year of the parent company.

If those figures cannot be obtained without disproportionate expense or undue delay, the latest available figures shall be taken.

**440.— LLPs excluded from being treated as medium-sized**

- (1) An LLP is not entitled to take advantage of any of the provisions of this Part relating to LLPs qualifying as medium-sized if it was at any time within the financial year in question—
  - (a) a public interest entity,
  - (b) a financial institution,
  - (c) a member of an ineligible group.
- (2) A group is ineligible if any of its members is—
  - (a) a public interest entity,
  - (b) a financial institution.

**441.— General power to make further provision about accounts and reports**

- (1) The Board may make rules about—
  - (a) the accounts that LLPs are required to prepare,
  - (b) the categories of LLPs required to prepare accounts of any description,
  - (c) the form and content of the accounts that LLPs are required to prepare,
  - (d) the obligations of LLPs and others as regards—
    - (i) the approval of accounts,
    - (ii) the sending of accounts to members and others,
    - (iii) the delivery of copies of accounts to the Registrar, and
    - (iv) the publication of accounts.
- (2) The rules may amend this Part by adding, altering or repealing provisions.
- (3) But they must not amend (other than consequentially)—
  - (a) section 382 (accounts to give a fair representation), or
  - (b) the provisions of Chapter 9 (revision of defective accounts).
- (4) The rules may impose fines (up to a maximum of level 3) for contraventions of the rules."

**24. Supplementary Provisions**

Sections 442 and 444 to 446 apply to LLPs, modified so that they read as follows—

**442.— Preparation and filing of accounts in other relevant currencies**

- (1) The amounts set out in the annual accounts of an LLP shall be shown in United States Dollars and may also be shown in the same accounts translated into any other relevant currency.

- (2) When complying with section 415 (duty to file accounts and reports with the Registrar), the members of an LLP may deliver to the Registrar an additional copy of the LLP's annual accounts in which the amounts have been translated into any other relevant currency.
- (3) In both cases—
  - (a) the amounts must have been translated at the exchange rate prevailing on the date to which the balance sheet is made up, and
  - (b) that rate must be disclosed in the notes to the accounts.
- (4) Subsection (3)(b) does not apply to the individual accounts of an LLP for a financial year in which the LLP qualifies as a micro-entity (see sections 373 (LLPs qualifying as micro-entities) and 374 (LLPs excluded from being treated as micro-entities)).
- (5) For the purposes of sections 410 and 411 (requirements in connection with published accounts) any additional copy of the LLP's annual accounts delivered to the Registrar under subsection (2) above shall be treated as registrable accounts of the LLP.

In the case of such a copy, references in those sections to the auditor's report on the LLP's annual accounts shall be read as references to the auditor's report on the annual accounts of which it is a copy."

**"444.— Meaning of "annual accounts" and related expressions**

- (1) In this Part an LLP's "annual accounts", in relation to a financial year, means—
  - (a) any individual accounts prepared by the LLP for that year (see section 383 (duty to prepare individual accounts)), and
  - (b) any group accounts prepared by the LLP for that year (see sections 388 (option to prepare group accounts) and 389 (duty to prepare group accounts)).

This is subject to section 392 (option to omit individual profit and loss account from annual accounts where information given in notes to the individual balance sheet).

- (2) An LLP's "annual accounts" for a financial year are—
  - (a) its annual accounts, and
  - (b) the auditor's report on those accounts (unless the LLP is exempt from audit).

**445.— Notes to the accounts**

- (1) Information required by this Part to be given in notes to an LLP's annual accounts may be contained in the accounts or in a separate document annexed to the accounts.
- (2) References in this Part to an LLP's annual accounts, or to a balance sheet or profit and loss account, include notes to the accounts giving information which is required by any provision of the Companies Regulations or international accounting standards, and required or allowed by any such provision to be given in a note to LLP accounts.

**446.— Minor definitions**

(1) In this Part—

"group" means a parent undertaking and its subsidiary undertakings,

"included in the consolidation", in relation to group accounts, or "included in consolidated group accounts", means that the undertaking is included in the accounts by the method of full (and not proportional) consolidation, and references to an undertaking excluded from consolidation shall be construed accordingly,

"international accounting standards" means the international accounting standards specified as such in rules made by the Board,

"micro-entity minimum accounting item" means an item of information required by this Part or by rules made by the Board under this Part to be contained in the individual accounts of an LLP for a financial year in relation to which it qualifies as a micro-entity (see sections 373 (LLPs qualifying as micro-entities) and 374 (LLPs excluded from being treated as micro-entities)),

"micro-entity provisions" means any provisions of this Part, Part 15 or rules made by the Board under this Part relating specifically to the individual accounts of an LLP which qualifies as a micro-entity,

"profit and loss account", includes an income statement or other equivalent financial statement required to be prepared by international accounting standards,

"turnover", in relation to an LLP, means the amounts derived from the provision of goods and services falling within the LLP's ordinary activities, after deduction of—

- (a) trade discounts,
  - (b) value added tax, and
  - (c) any other taxes based on the amounts so derived.
- (2) In the case of an undertaking not trading for profit, any reference in this Part to a profit and loss account is to an income and expenditure account.

References to profit and loss and, in relation to group accounts, to a consolidated profit and loss account shall be construed accordingly."

**25. Audit**

Sections 447 to 456 apply to LLPs, modified so that they read as follows—

**"447.— Requirement for audited accounts and public interest entities and financial institutions**

(1) An LLP's annual accounts for a financial year must be audited in accordance with this Part unless the LLP is exempt from audit under—

section 449 (small LLPs),

section 452 (subsidiary LLPs), or

section 455 (dormant LLPs).

- (1A) An LLP is not entitled to any such exemption if it is licensed to conduct the Controlled Activity of providing company services (as defined in the Commercial Licensing Regulations (Controlled Activities) Rules 2022.
- (2) An LLP is not entitled to an exemption under any of the provisions mentioned in subsection (1) unless its balance sheet contains a statement by the members to that effect.
- (3) An LLP is not entitled to an exemption under any of the provisions mentioned in subsection (1) unless its balance sheet contains a statement by the members to the effect that—
- (a) the members have not required the LLP to obtain an audit of its accounts for the year in question in accordance with section 448 (right of members to require audit), and
- (b) the members acknowledge their responsibilities for complying with the requirements of the Companies Regulations with respect to accounting records and the preparation of accounts.
- (4) The statement required by subsection (2) or (3) must appear on the balance sheet above the signature required by section 399 (approval and signing of accounts).
- (5) An LLP that is not exempt from audit must appoint an auditor who is eligible for appointment under Part 35 of the Companies Regulations and any Rules made thereunder, including, in the case of public interest entities and financial institutions, satisfying any additional requirements for auditors of such LLPs.
- (6) In this Part, "public interest entity" and "financial institution" shall have the meaning given to them in section 372 (public interest entities and financial institutions).

**448.— Right of members to require audit**

- (1) The members of an LLP that would otherwise be entitled to exemption from audit under any of the provisions mentioned in section 447(1) (exemptions from audit of annual accounts) may by notice under this section require it to obtain an audit of its accounts for a financial year.
- (2) The notice must be given by not less than 10% in number of the members of the LLP.
- (3) The notice may not be given before the financial year to which it relates and must be given not later than one month before the end of that year.

**449.— Small LLPs: conditions for exemption from audit**

- (1) An LLP that qualifies as a small LLP in relation to a financial year is exempt from the requirements of the Companies Regulations relating to the audit of accounts for that year.

For the purposes of this section whether an LLP qualifies as a small LLP shall be determined in accordance with section 369 (LLPs qualifying as small).

- (2) This section has effect subject to—
- section 447(2) and (3) (requirements as to statements to be contained in balance sheet),
- section 448 (right of members to require audit),
- section 450 (LLPs excluded from small LLPs exemption), and
- section 451 (availability of small LLPs exemption in case of group LLP).

**450.— LLPs excluded from small LLPs exemption**

An LLP is not entitled to the exemption conferred by section 449 (small LLPs) if it was at any time within the financial year in question—

- (a) a public interest entity, or
- (b) a financial institution.

**451.— Availability of small LLPs exemption in case of group LLP**

- (1) An LLP is not entitled to the exemption conferred by section 449 (small LLPs) in respect of a financial year during any part of which it was a group LLP unless—

- (a) the group—
- (i) qualifies as a small group in relation to that financial year, and
- (ii) was not at any time in that year an ineligible group, or

- (b) subsection (2) applies.

- (2) An LLP is not excluded by subsection (1) if, throughout the whole of the period or periods during the financial year when it was a group LLP, it was both a subsidiary undertaking and dormant.

- (3) In this section—

- (a) "group LLP" means an LLP that is a parent LLP or a subsidiary undertaking, and
- (b) the group", in relation to a group LLP, means that LLP together with all its associated undertakings.

For this purpose undertakings are associated if one is a subsidiary undertaking of the other or both are subsidiary undertakings of a third undertaking.

- (4) For the purposes of this section—

- (a) whether a group qualifies as small shall be determined in accordance with section 370 (LLPs qualifying as small: parent LLPs), and
- (b) "ineligible group" has the meaning given by section 371(2) (LLPs excluded from the small LLPs regime)

- (5) The provisions mentioned in subsection (4) apply for the purposes of this section as if all the bodies corporate in the group were LLPs.

**452.— Subsidiary LLPs: conditions for exemption from audit**

- (1) An LLP is exempt from the requirements of the Companies Regulations relating to the audit of individual accounts for a financial year if—
- (a) it is itself a subsidiary undertaking, and
  - (b) its parent undertaking is established under the law of the Abu Dhabi Global Market.
- (2) Exemption is conditional upon compliance with all of the following conditions—
- (a) all members of the LLP must agree to the exemption in respect of the financial year in question,
  - (b) the parent undertaking must give a guarantee under section 454 (parent undertaking declaration of guarantee) in respect of that year,
  - (c) the LLP must be included in the consolidated accounts drawn up for that year or to an earlier date in that year by the parent undertaking in accordance with international accounting standards,
  - (d) the parent undertaking must disclose in the notes to the consolidated accounts that the LLP is exempt from the requirements of the Companies Regulations relating to the audit of individual accounts by virtue of this section, and
  - (e) the members of the LLP must deliver to the Registrar on or before the date that they file the accounts for that year—
    - (i) a written notice of the agreement referred to in subsection (2)(a),
    - (ii) the statement referred to in section 454(1),
    - (iii) a copy of the consolidated accounts referred to in subsection (2)(c),
    - (iv) a copy of the auditor's report on those accounts, and (v) a copy of the consolidated annual report drawn up by the parent undertaking.
- (3) This section has effect subject to—
- section 447(2) and (3) (requirements as to statements contained in balance sheet), and
  - section 448 (right of members to require audit).

**453.— LLPs excluded from the subsidiary LLPs audit exemption**

An LLP is not entitled to the exemption conferred by section 452 (subsidiary LLPs) if it was at any time within the financial year in question—

- (a) an LLP whose securities are listed on a recognised investment exchange, or
- (b) a financial institution.

**454.— Subsidiary LLPs audit exemption: parent undertaking declaration of guarantee**

- (1) A guarantee is given by a parent undertaking under this section when the members of the subsidiary LLP deliver to the Registrar a statement by the parent undertaking that it guarantees the subsidiary LLP under this section.
- (2) The statement under subsection (1) must be authenticated by the parent undertaking and must specify—
  - (a) the name of the parent undertaking and its registered number,
  - (b) the name and registered number of the subsidiary LLP in respect of which the guarantee is being given,
  - (c) the date of the statement, and
  - (d) the financial year to which the guarantee relates.
- (3) A guarantee given under this section has the effect that—
  - (a) the parent undertaking guarantees all outstanding liabilities to which the subsidiary LLP is subject at the end of the financial year to which the guarantee relates, until they are satisfied in full, and
  - (b) the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary LLP is liable in respect of those liabilities.

**455.— Dormant LLPs: conditions for exemption from audit**

- (1) An LLP is exempt from the requirements of the Companies Regulations relating to the audit of accounts in respect of a financial year if—
  - (a) it has been dormant since its formation, or
  - (b) it has been dormant since the end of the previous financial year and the following conditions are met.
- (2) The conditions are that the LLP—
  - (a) as regards its individual accounts for the financial year in question—
    - (i) is entitled to prepare accounts in accordance with the small LLPs regime (see sections 368 (LLPs subject to the small LLPs regime) to 371 (LLPs excluded from the small LLPs regime)), and
    - (ii) is not required to prepare group accounts for that year.
- (3) This section has effect subject to—
 

section 447(2) and (3) (requirements as to statements to be contained in balance sheet),

section 448 (right of members to require audit), and

section 456 (LLPs excluded from dormant LLPs exemption).

**456.— LLPs excluded from dormant LLPs exemption**

An LLP is not entitled to the exemption conferred by section 455 (dormant LLPs) if it was at any time within the financial year in question licensed under the Commercial Licensing Regulations 2015 as a financial institution."

**26. Appointment of Auditors**

Sections 457 to 460 and 464 to 466 apply to LLPs, modified so that they read as follows—

**"457.— Appointment of auditors of LLPs: general**

- (1) An auditor or auditors of an LLP must be appointed for each financial year of the LLP, unless the members reasonably resolve otherwise on the ground that audited accounts are unlikely to be required.
- (2) For each financial year for which an auditor or auditors is or are to be appointed (other than the LLP's first financial year), the appointment must be made before the end of the period of 28 days beginning with—
  - (a) the end of the time allowed for sending out copies of the LLP's annual accounts and reports for the previous financial year (see section 405 (duty to circulate copies of annual accounts and auditor's report)), or
  - (b) if earlier, the day on which copies of the LLP's annual accounts and reports for the previous financial year are sent out under section 405 (duty to circulate copies of annual accounts and auditor's report).

This is the "period for appointing auditors".

- (3) The members may appoint an auditor or auditors of the LLP—
  - (a) at any time before the LLP's first period for appointing auditors,
  - (b) following a period during which the LLP (being exempt from audit) did not have any auditor, at any time before the LLP's next period for appointing auditors, or
  - (c) to fill a casual vacancy in the office of auditor.
- (4) The members may appoint an auditor or auditors—
  - (a) during a period for appointing auditors,
  - (b) if the LLP should have appointed an auditor or auditors during a period for appointing auditors but failed to do so, or
  - (c) where the members had power to appoint under subsection (3) but have failed to make an appointment.
- (5) An auditor or auditors of an LLP may only be appointed—
  - (a) in accordance with this section,
  - (b) in accordance with section 458 (default power of Registrar), or

This is without prejudice to any deemed re-appointment under section 459 (term of office of auditors of LLPs).

**458.— Appointment of auditors of LLPs: default power of Registrar**

- (1) If an LLP fails to appoint an auditor or auditors in accordance with section 457 (appointment of auditors of LLPs: general), the Registrar may appoint one or more persons to fill the vacancy.
- (2) Where subsection (2) of that section applies and the LLP fails to make the necessary appointment before the end of the period for appointing auditors, the LLP must within one week of the end of that period (“filing deadline”) give notice to the Registrar of its power having become exercisable.
- (2A) Where an LLP defaults in complying with subsection (2) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.
- (3) If an LLP fails to give the notice required by this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.

**459.— Term of office of auditors of LLPs**

- (1) An auditor or auditors of an LLP hold office in accordance with the terms of their appointment, subject to the requirements that—
  - (a) they do not take office until any previous auditor or auditors cease to hold office, and
  - (b) they cease to hold office at the end of the next period for appointing auditors unless re-appointed.
- (2) Where no auditor has been appointed by the end of the next period for appointing auditors, any auditor in office immediately before that time is deemed to be re-appointed at that time, unless—
  - (a) the LLP agreement requires actual re-appointment, or
  - (b) the deemed re-appointment is prevented by the members under section 460 (prevention by members of deemed re-appointment of auditor), or
  - (c) the members have determined that he should not be re-appointed, or
  - (d) the members have determined that no auditor or auditors should be appointed for the financial year in question.
- (3) This is without prejudice to the provisions of this Part as to removal and resignation of auditors.
- (4) No account shall be taken of any loss of the opportunity of deemed re-appointment under this section in ascertaining the amount of any compensation or damages payable to an auditor on his ceasing to hold office for any reason.

**460.— Prevention by members of deemed re-appointment of auditor**

- (1) An auditor of an LLP is not deemed to be re-appointed under section 459(2) if the LLP has received notices under this section from members representing at least the requisite percentage of the total voting rights in the LLP that the auditor should not be re-appointed.
- (2) The "requisite percentage" is 5%, or such lower percentage as is specified for this purpose in the LLP agreement.
- (3) A notice under this section—
  - (a) may be in hard copy or electronic form,
  - (b) must be authenticated by the person or persons giving it, and
  - (c) must be received by the LLP before the end of the accounting reference period immediately."

**"464.— Fixing of auditor's remuneration**

- (1) The remuneration of an auditor appointed by the members of an LLP must be fixed by the members or in such manner as the members may determine.
- (2) The remuneration of an auditor appointed by the Registrar must be fixed by the Registrar.
- (3) For the purposes of this section "remuneration" includes sums paid in respect of expenses.
- (4) This section applies in relation to benefits in kind as to payments of money.

**465.— Disclosure of terms of audit appointment**

- (1) The Board may make rules for securing the disclosure of the terms on which an LLP's auditor is appointed, remunerated or performs his duties.

Nothing in the following provisions of this section affects the generality of this power.

- (2) The rules may—
  - (a) require disclosure of—
    - (i) a copy of any terms that are in writing, and
    - (ii) a written memorandum setting out any terms that are not in writing,
  - (b) require disclosure to be at such times, in such places and by such means as are specified in the rules,
  - (c) require the place and means of disclosure to be stated—
    - (i) in a note to the LLP's annual accounts (in the case of its individual accounts) or in such manner as is specified in the rules (in the case of group accounts), or
    - (ii) in the auditor's report on the LLP's annual accounts.

- (3) The provisions of this section apply to a variation of the terms mentioned in subsection (1) as they apply to the original terms.

**466.— Disclosure of services provided by auditor or associates and related remuneration**

- (1) The Board may make rules for securing the disclosure of—
- (a) the nature of any services provided for an LLP by the LLP's auditor (whether in his capacity as auditor or otherwise) or by his associates,
  - (b) the amount of any remuneration received or receivable by an LLP's auditor, or his associates, in respect of any such services.

Nothing in the following provisions of this section affects the generality of this power.

- (2) The rules may provide—
- (a) for disclosure of the nature of any services provided to be made by reference to any class or description of services specified in the rules (or any combination of services, however described),
  - (b) for the disclosure of amounts of remuneration received or receivable in respect of services of any class or description specified in the rules (or any combination of services, however described),
  - (c) for the disclosure of separate amounts so received or receivable by the LLP's auditor or any of his associates, or of aggregate amounts so received or receivable by all or any of those persons.
- (3) The rules may—
- (a) provide that "remuneration" includes sums paid in respect of expenses,
  - (b) apply to benefits in kind as well as to payments of money, and require the disclosure of the nature of any such benefits and their estimated money value,
  - (c) apply to services provided for associates of an LLP as well as to those provided for an LLP,
  - (d) define "associate" in relation to an auditor and a company respectively.
- (4) The rules may provide that any disclosure required by the rules is to be made—
- (a) in a note to the LLP's annual accounts (in the case of its individual accounts) or in such manner as is specified in the rules (in the case of group accounts), or
  - (b) in the auditor's report on the LLP's annual accounts.
- (5) If the rules provide that any such disclosure is to be made as mentioned in subsection (4)(a) the rules may require the auditor to supply the members of the LLP with any information necessary to enable the disclosure to be made.

## 27. Functions of Auditor

Sections 467 and 469 to 478 apply to LLPs, modified so that they read as follows—

### "467.— Auditor's report on LLP's annual accounts

- (1) An LLP's auditor must make a report to the LLP's members on all annual accounts of the LLP of which copies are, during his tenure of office to be sent out to members under section 405 (duty to circulate copies of annual accounts and auditor's report),
- (2) The auditor's report must include—
  - (a) an introduction identifying the annual accounts that are the subject of the audit and the financial reporting framework that has been applied in their preparation, and
  - (b) a description of the scope of the audit identifying the auditing standards in accordance with which the audit was conducted.
- (3) The report must state clearly whether, in the auditor's opinion, the annual accounts—
  - (a) fairly present—
    - (i) in the case of an individual balance sheet, the state of affairs of the LLP as at the end of the financial year,
    - (ii) in the case of an individual profit and loss account, the profit or loss of the LLP for the financial year,
    - (iii) in the case of group accounts, the state of affairs as at the end of the financial year and of the profit or loss for the financial year of the undertakings included in the consolidation as a whole, so far as concerns members of the LLP,
  - (b) have been properly prepared in accordance with the relevant financial reporting framework, and
  - (c) have been prepared in accordance with the requirements of the Companies Regulations.

Expressions used in this subsection or subsection (4) that are defined for the purposes of Part 14 (see sections 437 (accounting standards), 444 (meaning of "annual accounts" and related expressions) and 446 (minor definitions)) have the same meaning as in that Part.

- (4) The following provisions apply to the auditors of an LLP which qualifies as a micro-entity in relation to a financial year (see sections 373 (LLPs qualifying as micro-entities) and 374 (LLPs excluded from being treated as micro-entities)) in their consideration of whether the individual accounts of the LLP for that year give a fair representation as mentioned in subsection (3)(a)—
  - (a) where the accounts comprise only micro-entity minimum accounting items, the auditors must disregard any provision of an accounting standard which would require the accounts to contain information additional to those items,
  - (b) in relation to a micro-entity minimum accounting item contained in the accounts, the auditors must disregard any provision of an accounting

standard which would require the accounts to contain further information in relation to that item, and

- (c) where the accounts contain an item of information additional to the microentity minimum accounting items, the auditors must have regard to any provision of an accounting standard which relates to that item.
- (5) The auditor's report—
  - (a) must be either unqualified or qualified, and
  - (b) must include a reference to any matters to which the auditor wishes to draw attention by way of emphasis without qualifying the report."

**"469.— Duties of auditor**

- (1) An LLP's auditor, in preparing his report, must carry out such investigations as will enable him to form an opinion as to—
  - (a) whether adequate accounting records have been kept by the LLP and returns adequate for their audit have been received from branches not visited by him, and
  - (b) whether the LLP's individual accounts are in agreement with the accounting records and returns.
- (2) If the auditor is of the opinion—
  - (a) that adequate accounting records have not been kept, or that returns adequate for their audit have not been received from branches not visited by him, or
  - (b) that the LLP's individual accounts are not in agreement with the accounting records and returns, the auditor shall state that fact in his report.
- (3) If the auditor fails to obtain all the information and explanations which, to the best of his knowledge and belief, are necessary for the purposes of his audit, he shall state that fact in his report.
- (4) If the members of the LLP have prepared accounts in accordance with the small LLPs regime, and in the auditor's opinion they were not entitled to do so, the auditor shall state that fact in his report.

**470.— Auditor's general right to information**

- (1) An auditor of an LLP—
  - (a) has a right of access at all times to the LLP's books, accounts and vouchers (in whatever form they are held), and
  - (b) may require any of the following persons to provide him with such information or explanations as he thinks necessary for the performance of his duties as auditor.
- (2) Those persons are—
  - (a) any member or employee of the LLP,

- (b) any person holding or accountable for any of the LLP's books, accounts or vouchers,
  - (c) any subsidiary undertaking of the LLP which is a body corporate incorporated in the Abu Dhabi Global Market,
  - (d) any officer, employee or auditor of any such subsidiary undertaking or any person holding or accountable for any books, accounts or vouchers of any such subsidiary undertaking,
  - (e) any person who fell within any of subsection (2)(a) to (d) at a time to which the information or explanations required by the auditor relates or relate.
- (3) Nothing in this section compels a person to disclose information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

**471.— Auditor's right to information from overseas subsidiary undertakings**

- (1) Where a parent LLP has a subsidiary undertaking that is not a body corporate incorporated in the Abu Dhabi Global Market, the auditor of the parent LLP may require it to obtain from any of the following persons such information or explanations as he may reasonably require for the purposes of his duties as auditor.
- (2) Those persons are—
- (a) the undertaking,
  - (b) any officer, employee or auditor of the undertaking,
  - (c) any person holding or accountable for any of the undertaking's books, accounts or vouchers,
  - (d) any person who fell within subsection (2)(b) or (c) at a time to which the information or explanations relates or relate.
- (3) If so required, the parent LLP must take all such steps as are reasonably open to it to obtain the information or explanations from the person concerned.
- (4) Nothing in this section compels a person to disclose information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

**472.— Auditor's rights to information: contraventions**

- (1) A person commits a contravention of the Companies Regulations who knowingly or recklessly makes to an auditor of an LLP a statement (oral or written) that—
- (a) conveys or purports to convey any information or explanations which the auditor requires, or is entitled to require, under section 470 (auditor's general right to information), and
  - (b) is misleading, false or deceptive in a material particular.

- (2) A person who commits the contravention referred to in subsection (1) shall be liable to a fine of up to level 5.
- (3) A person who fails to comply with a requirement under section 470 (auditor's general right to information) without delay commits a contravention of the Companies Regulations unless it was not reasonably practicable for him to provide the required information or explanations.
- (4) If a parent LLP fails to comply with section 471 (auditor's right to information from overseas subsidiary undertakings), a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (5) A person who commits the contravention referred to in subsection (3) shall be liable to a fine of up to level 4.
- (6) A person who commits the contravention referred to in subsection (4) shall be liable to a level 3 fine.
- (7) Nothing in this section affects any right of an auditor to apply for an injunction to enforce any of his rights under section 470 (general right to information) or 471 (right to information from overseas subsidiary undertakings).

**473.— Auditor's rights in relation to meetings**

- (1) An LLP's auditor is entitled—
  - (a) to receive all notices of, and other communications relating to, any meeting which a member of the LLP is entitled to receive, where any part of the business of the meeting concerns them as auditors,
  - (b) to attend any meeting of the LLP where any part of the business of the meeting concerns them as auditors, and
  - (c) to be heard at any meeting which he attends on any part of the business of the meeting which concerns him as auditor.
- (2) The right of an LLP's auditor to attend or be heard at a meeting is exercisable by an individual authorised by the firm in writing to act as its representative at the meeting.

**474.— Signature of auditor's report**

- (1) The auditor's report must state the name of the auditor and be signed and dated.
- (2) Where the auditor is an individual, the report must be signed by him.
- (3) Where the auditor is a firm, the report must be signed by the senior auditor in his own name, for and on behalf of the auditor.

**475.— Senior auditor**

- (1) The senior auditor means the individual appointed by the audit firm as the audit principal in relation to the audit in accordance with Rules made by the Registrar under Part 35 of the Company Regulations 2022.
- (2) The senior auditor must be eligible for appointment as audit principal of the company in question, including, in the case of public interest entities and financial institutions, satisfying any additional requirements for audit principals of such companies.

**476.— Names to be stated in published copies of auditor's report**

- (1) Every copy of the auditor's report that is published by or on behalf of the LLP must—
  - (a) state the name of the auditor and the name of the person who signed it as senior auditor, or
  - (b) if the conditions in section 477 (circumstances in which names may be omitted) are met, state that a resolution has been passed and notified to the Board in accordance with that section.
- (2) For the purposes of this section an LLP is regarded as publishing the report if it publishes, issues or circulates it or otherwise makes it available for public inspection in a manner calculated to invite members of the public generally, or any class of members of the public, to read it.
- (3) If a copy of the auditor's report is published without the statement required by this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.
- (4) A person who commits the contravention referred to in subsection (3) shall be liable to a level 3 fine.

**477.— Circumstances in which names may be omitted**

- (1) The auditor's name and the name of the person who signed the report as senior auditor, may be omitted from—
  - (a) published copies of the report, and
  - (b) the copy of the report delivered to the Registrar under Chapter 8 of Part 14 (filing of accounts and reports),
  - (c) if the following conditions are met.
- (2) The conditions are that the LLP—
  - (a) considering on reasonable grounds that statement of the name would create or be likely to create a serious risk that the auditor or senior auditor, or any other person, would be subject to violence or intimidation, has determined that the name should not be stated, and

- (b) has given notice of the determination to the Registrar, stating—
  - (i) the name and registered number of the LLP,
  - (ii) the financial year of the LLP to which the report relates, and
  - (iii) the name of the auditor and the name of the person who signed the report as senior auditor.

**478.— Contraventions in connection with auditor's report**

- (1) A person to whom this section applies commits a contravention of the Companies Regulations if he knowingly or recklessly causes a report under section 467 (auditor's report on LLP's annual accounts) to include any matter that is misleading, false or deceptive in a material particular.
- (2) A person to whom this section applies commits a contravention of the Companies Regulations if he knowingly or recklessly causes such a report to omit a statement required by—
  - (a) section 469(2)(b) (statement that LLP's accounts do not agree with accounting records and returns),
  - (b) section 469(3) (statement that necessary information and explanations not obtained), or
  - (c) section 469(4) (statement that members wrongly took advantage of exemption from obligation to prepare group accounts).
- (3) This section applies to—
  - (a) where the auditor is an individual, that individual and any employee or agent of his who is eligible for appointment as auditor of the LLP,
  - (b) where the auditor is a firm, any member, member, employee or agent of the firm who is eligible for appointment as auditor of the LLP.
- (4) A person who commits the contraventions referred to in subsection (1) and (2) shall be liable to a fine of up to level 5."

**28. Removal, Resignation, etc of Auditors**

Sections 479 to 483 and 485 to 499 apply to LLPs, modified so that they read as follows—

**"479.— Removal of auditor from office**

- (1) The members of an LLP may remove an auditor from office at any time.
- (2) Nothing in this section is to be taken as depriving the person removed of compensation or damages payable to him in respect of the termination—
  - (a) of his appointment as auditor, or
  - (b) of any appointment terminating with that as auditor.
- (3) An auditor may not be removed from office before the expiration of his term of office except under this section.

**480.— Notice of removal of auditor**

- (1) No determination to remove an auditor before the expiration of his term of office may be made under section 479 unless the LLP has given 7 days' prior notice to any auditor whom it is proposed to remove.
- (2) The auditor proposed to be removed may make with respect to the proposal representations in writing to the LLP (not exceeding a reasonable length) and request their notification to members of the LLP.
- (3) The LLP must upon receipt send a copy of the representations to every member of the LLP.
- (4) Copies of the representations need not be sent out and the representations need not be sent out, on the application either of the LLP or of any other person claiming to be aggrieved, the Court is satisfied that the auditor is using the provisions of this section to secure needless publicity for defamatory matter.

The Court may order the LLP's costs on the application to be paid in whole or in part by the auditor, notwithstanding that he is not a party to the application.

**481.— Notice to Registrar of determination removing auditor from office**

- (1) Where the members of an LLP have removed an auditor from office under section 479 (removal of auditor from office), the LLP must give notice of that fact to the Registrar within 14 days ("filing deadline").
- (1A) Where an LLP defaults in complying with subsection (1) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.
- (2) If the LLP fails to give the notice required by this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.

**482.— Rights of auditor who has been removed from office**

- (1) An auditor who has been removed under section 479 (removal of auditor from office) has, notwithstanding his removal, the rights conferred by section 473(1) (auditor's rights in relation to meetings) in relation to any meeting of the LLP—
  - (a) at which his term of office would otherwise have expired, or
  - (b) at which it is proposed to fill the vacancy caused by his removal.
- (2) In such a case the references in that section to matters concerning the auditor as auditor shall be construed as references to matters concerning him as a former auditor.

**483.— Failure to re-appoint auditor: rights of auditor who is not reappointed**

- (1) No person may be appointed as auditor in place of a person (the "outgoing auditor") whose term of office has ended or is to end at the end of the period

for appointing auditors unless the LLP has given 7 days' prior notice to the outgoing auditor.

- (2) The outgoing auditor may make with respect to the proposal representations in writing to the LLP (not exceeding a reasonable length) and request their notification to members of the LLP.
- (3) The LLP must upon receipt send a copy of the representations to every member.
- (4) Copies of the representations need not be sent out if, on the application either of the LLP or of any other person claiming to be aggrieved, the Court is satisfied that the auditor is using the provisions of this section to secure needless publicity for defamatory matter. The Court may order the LLP's costs on the application to be paid in whole or in part by the auditor, notwithstanding that he is not party to the application.

**"485.— Resignation of auditor**

- (1) An auditor of an LLP may resign his office by depositing a notice in writing to that effect at the LLP's registered office.
- (2) The notice is not effective unless it is accompanied by the statement required by section 488 (statement by auditor to be deposited with LLP).
- (3) An effective notice of resignation operates to bring the auditor's term of office to an end as of the date on which the notice is deposited or on such later date as may be specified in it.

**486.— Notice to Registrar of resignation of auditor**

- (1) Where an auditor resigns the LLP must within 14 days of the deposit of a notice of resignation ("filing deadline") send a copy of the notice to the Registrar.
- (1A) Where an LLP defaults in complying with subsection (1) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.
- (2) If an LLP fails to comply with this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.

**487.— Rights of resigning auditor**

- (1) This section applies where an auditor's notice of resignation is accompanied by a statement of the circumstances connected with his resignation (see section 488 (statement by auditor to be deposited with LLP)).
- (2) A resigning auditor may deposit with the notice a signed requisition calling on the members of the LLP forthwith duly to convene a meeting of the LLP for the purpose of receiving and considering such explanation of the circumstances connected with his resignation as he may wish to place before the meeting.

- (3) A resigning auditor may request the LLP to circulate to its members before the meeting convened on his requisition a statement in writing (not exceeding a reasonable length) of the circumstances connected with his resignation.
- (4) The LLP must (unless the statement is received too late for it to comply)–
  - (a) in any notice of the meeting given to members of the LLP, state the fact of the statement having been made, and
  - (b) send a copy of the statement to every member of the LLP to whom notice of the meeting is or has been sent.
- (5) The members must within 21 days from the date of the deposit of a requisition under this section proceed duly to convene a meeting for a day not more than 28 days after the date on which the notice convening the meeting is given.
- (6) If default is made in complying with subsection (5), every member who failed to take all reasonable steps to secure that a meeting was convened commits a contravention of the Companies Regulations.
- (7) A person who commits the contravention referred to in subsection (6) shall be liable to a level 3 fine.
- (8) If a copy of the statement mentioned above is not sent out as required because received too late or because of the LLP's default, the auditor may (without prejudice to his right to be heard orally) require that the statement be read out at the meeting.
- (9) Copies of a statement need not be sent out and the statement need not be read out at the meeting if, on the application either of the LLP or of any other person who claims to be aggrieved, the Court is satisfied that the auditor is using the provisions of this section to secure needless publicity for defamatory matter.

The Court may order the LLP's costs on such an application to be paid in whole or in part by the auditor, notwithstanding that he is not a party to the application.

- (10) An auditor who has resigned has, notwithstanding his resignation, the rights conferred by section 473(2) (auditor's rights in relation to meetings) in relation to any such meeting of the LLP as is mentioned in subsection (3) above. In such a case the references in that section to matters concerning the auditor as auditor shall be construed as references to matters concerning him as a former auditor.

**488.— Statement by auditor to be deposited with LLP**

- (1) Where an auditor of an LLP ceases for any reason to hold office, he must deposit at the LLP's registered office a statement of the circumstances connected with his ceasing to hold office, unless he considers that there are no circumstances in connection with his ceasing to hold office that need to be brought to the attention of members or creditors of the LLP.
- (2) If he considers that there are no circumstances in connection with his ceasing to hold office that need to be brought to the attention of members or creditors of the LLP, he must deposit at the LLP's registered office a statement to that effect.

- (3) The statement required by this section must be deposited—
  - (a) in the case of resignation, along with the notice of resignation,
  - (b) in the case of failure to seek re-appointment, not less than 14 days before the end of the time allowed for next appointing an auditor,
  - (c) in any other case, not later than the end of the period of 14 days beginning with the date on which he ceases to hold office.
- (4) A person ceasing to hold office as auditor who fails to comply with this section commits a contravention of the Companies Regulations.
- (5) A person does not commit the contravention referred to in subsection (4) if he shows that he took all reasonable steps and exercised all due diligence to avoid the commission of the contravention.
- (6) A person who commits the contravention referred to in subsection (4) shall be liable to a fine of up to level 4.
- (7) Where a contravention under this section is committed by a body corporate, every officer of the body who is in default also commits the contravention.

For this purpose—

- (a) any person who purports to act as director, manager or secretary of the body is treated as an officer of the body, and
- (b) if the body is a company, any shadow director is treated as an officer of the company.

**489.— LLP's duties in relation to statement**

- (1) This section applies where the statement deposited under section 488 (statement by auditor to be deposited with LLP) states the circumstances connected with the auditor's ceasing to hold office.
- (2) The LLP must within 14 days of the deposit of the statement either—
  - (a) send a copy of it to every person who under section 405 (duty to circulate copies of annual accounts and auditor's report) is entitled to be sent copies of the accounts, or
  - (b) apply to the Court.
- (3) If it applies to the Court, the LLP must notify the auditor of the application.
- (4) If the Court is satisfied that the auditor is using the provisions of section 488 (statement by auditor to be deposited with LLP) to secure needless publicity for defamatory matter—
  - (a) it shall direct that copies of the statement need not be sent out, and
  - (b) it may further order the LLP's costs on the application to be paid in whole or in part by the auditor, even if he is not a party to the application.

The LLP must within 14 days of the Court's decision send to the persons mentioned in subsection (2)(a) a statement setting out the effect of the order.

- (5) If no such direction is made the LLP must send copies of the statement to the persons mentioned in subsection (2)(a) within 14 days of the Court's decision or, as the case may be, of the discontinuance of the proceedings.
- (6) In the event of default in complying with this section a contravention of the Companies Regulations is committed by every designated member of the LLP who is in default.
- (7) A person does not commit the contravention referred to in subsection (6) if he shows that he took all reasonable steps and exercised all due diligence to avoid the commission of the contravention.
- (8) A person who commits the contravention referred to in subsection (6) shall be liable to a level 3 fine.

**490.— Copy of statement to be sent to Registrar**

- (1) Unless within 21 days beginning with the day on which he deposited the statement under section 488 (statement by auditor to be deposited with LLP) the auditor receives notice of an application to the Court under section 489 (LLP's duties in relation to statement), he must within a further seven days send a copy of the statement to the Registrar.
- (2) If an application to the Court is made under section 489 (LLP's duties in relation to statement) and the auditor subsequently receives notice under subsection (3) of that section, he must within seven days of receiving the notice send a copy of the statement to the Registrar.
- (3) Where an auditor defaults in complying with the requirements in subsection (1) or (2) within the prescribed time periods ("filing deadlines"), the auditor must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.
- (4) An auditor who fails to comply with subsection (1) or (2) commits a contravention of the Companies Regulations.
- (5) An auditor does not commit the contravention referred to in subsection (4) if he shows that he took all reasonable steps and exercised all due diligence to avoid the commission of the contravention.
- (6) Where a contravention under this section is committed by a body corporate, every officer of the body who is in default also commits the contravention.

For this purpose—

- (a) any person who purports to act as director, manager or secretary of the body is treated as an officer of the body, and
- (b) if the body is a company, any shadow director is treated as an officer of the company.

**491.— Duty of auditor to notify the Registrar**

- (1) Where—
  - (a) in the case of a major audit, an auditor ceases for any reason to hold office, or

- (b) in the case of an audit that is not a major audit, an auditor ceases to hold office before the end of their term of office,
- (c) the auditor ceasing to hold office must notify the Registrar.
- (2) The notice must—
  - (a) inform the Registrar that they have ceased to hold office, and
  - (b) be accompanied by a copy of the statement deposited at the LLP's registered office in accordance with section 488 (statement by auditor to be deposited with LLP).
- (3) If the statement so deposited is to the effect that they consider that there are no circumstances in connection with their ceasing to hold office that need to be brought to the attention of members or creditors of the LLP, the notice must also be accompanied by a statement of the reasons for ceasing to hold office.
- (4) The auditor must comply with this section—
  - (a) in the case of a major audit, at the same time as he deposits a statement at the LLP's registered office in accordance with section 488 (statement by auditor to be deposited with LLP),
  - (b) in the case of an audit that is not a major audit, at such time (not being earlier than the time mentioned in subsection (4)(a)) as the appropriate audit authority or the Registrar may require.
- (5) In this section, "major audit" means an audit conducted under this Part in respect of—
  - (a) an LLP whose securities have been listed on a recognised investment exchange, and
  - (b) any other person in whose financial condition there is a major public interest.
- (6) In determining whether an audit is a major audit within subsection 5(b), regard shall be had to any guidance issued by the Registrar.
- (7) An auditor ceasing to hold office as auditor who fails to comply with this section commits a contravention of the Companies Regulations.
- (8) A contravention is committed by:
  - (a) the firm, and
  - (b) every officer of the firm who is in default.
- (9) An auditor and any officer of the auditor does not commit the contravention referred to in subsection (7) if they show that they took all reasonable steps and exercised all due diligence to avoid the commission of the contravention.
- (10) An auditor who commits the contravention referred to in subsection (7) shall be liable to a level 2 fine.

**492.— Effect of casual vacancies**

If an auditor ceases to hold office for any reason, any surviving or continuing auditor or auditors may continue to act.

**493.— Voidness of provisions protecting auditors from liability**

- (1) This section applies any provision—
  - (a) for exempting an auditor of an LLP (to any extent) from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the LLP occurring in the course of the audit of accounts, or
  - (b) by which an LLP directly or indirectly provides an indemnity (to any extent) for an auditor of the LLP, or of an associated LLP, against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the LLP of which he is auditor occurring in the course of the audit of accounts.
- (2) Any such provision is void, except as permitted by—
  - (a) section 494 (indemnity for costs successfully defending proceedings), or
  - (b) sections 495 to 497 (liability limitation agreements).
- (3) This section applies to any provision, whether contained in an LLP's LLP agreement or in any contract with the LLP or otherwise.
- (4) For the purposes of this section LLPs are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

**494.— Indemnity for costs of successfully defending proceedings**

Section 493 (voidness of provisions protecting auditors from liability) does not prevent an LLP from indemnifying an auditor against any liability incurred by him in defending proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted.

**495.— Liability limitation agreements**

- (1) A "liability limitation agreement" is an agreement that purports to limit the amount of a liability owed to an LLP by its auditor in respect of any negligence, default, breach of duty or breach of trust, occurring in the course of the audit of accounts, of which the auditor may be found liable in relation to the LLP.
- (2) Section 493 (voidness of provisions protecting auditors from liability) does not affect the validity of a liability limitation agreement that—
  - (a) complies with section 496 (terms of liability limitation agreement) and of any rules made by the Board under that section, and
  - (b) is authorised by the members of the LLP (see section 497 (authorisation of agreement by members of an LLP)).
- (3) Such an agreement is effective to the extent provided by section 498 (effect of liability limitation agreement).

**496.— Terms of liability limitation agreement**

- (1) A liability limitation agreement—
  - (a) must not apply in respect of acts or omissions occurring in the course of the audit of accounts for more than one financial year, and
  - (b) must specify the financial year in relation to which it applies.
- (2) The Board may make rules—
  - (a) requiring liability limitation agreements to contain specified provisions or provisions of a specified description, and
  - (b) prohibiting liability limitation agreements from containing specified provisions or provisions of a specified description.

"Specified" here means specified in the rules.
- (3) Without prejudice to the generality of the power conferred by subsection (2), that power may be exercised with a view to preventing adverse effects on competition.
- (4) Subject to the preceding provisions of this section, it is immaterial how a liability limitation agreement is framed.

In particular, the limit on the amount of the auditor's liability need not be a sum of money, or a formula, specified in the agreement.

**497.— Authorisation of agreement by members of the LLP**

- (1) A liability limitation agreement is authorised by the members of the LLP if it has been authorised under this section and that authorisation has not been withdrawn.
- (2) A liability limitation agreement between an LLP and its auditor may be authorised—
  - (a) by the members of the LLP passing a resolution, before it enters into the agreement, waiving the need for approval,
  - (b) by the members of the LLP passing a resolution, before it enters into the agreement, approving the agreement's principal terms, or
  - (c) by the members of the LLP passing a resolution, after it enters into the agreement, approving the agreement.
- (3) The "principal terms" of an agreement are terms specifying, or relevant to the determination of—
  - (a) the kind (or kinds) of acts or omissions covered,
  - (b) the financial year to which the agreement relates, or
  - (c) the limit to which the auditor's liability is subject.
- (4) Authorisation under this section may be withdrawn by the members of the LLP passing a resolution to that effect—

- (a) at any time before the company enters into the agreement, or
- (b) if the LLP has already entered into the agreement, before the beginning of the financial year to which the agreement relates.

Subsection (4)(b) has effect notwithstanding anything in the agreement.

#### **498.— Effect of liability limitation agreement**

- (1) A liability limitation agreement is not effective to limit the auditor's liability to less than such amount as is fair and reasonable in all the circumstances of the case having regard (in particular) to—
  - (a) the auditor's responsibilities under this Part,
  - (b) the nature and purpose of the auditor's contractual obligations to the LLP, and
  - (c) the professional standards expected of him.
- (2) A liability limitation agreement that purports to limit the auditor's liability to less than the amount mentioned in subsection (1) shall have effect as if it limited his liability to that amount.
- (3) In determining what is fair and reasonable in all the circumstances of the case no account is to be taken of—
  - (a) matters arising after the loss or damage in question has been incurred, or
  - (b) matters (whenever arising) affecting the possibility of recovering compensation from other persons liable in respect of the same loss or damage.

#### **499.— Disclosure of agreement by LLP**

- (1) An LLP which has entered into a liability limitation agreement must make such disclosure in connection with the agreement as may be required under rules made by the Board.
- (2) The rules may provide, in particular, that any disclosure required by the rules shall be made in a note to the LLP's annual accounts (in the case of its individual accounts) or in such manner as is specified in the rules (in the case of group accounts)."

### **29. Supplementary provisions**

Section 500 applies to LLPs, modified so that it reads as follows—

#### **"500. Minor definitions**

In this Part—

"qualified", in relation to an auditor's report (or a statement contained in an auditor's report), means that the report or statement does not state the auditor's unqualified opinion that the accounts have been properly prepared in accordance with the Companies Regulations or, in the case of an undertaking not required to prepare accounts in accordance with the Companies Regulations, under any corresponding legislation under which it is required to prepare accounts,

"turnover", in relation to an LLP, means the amounts derived from the provision of goods and services falling within the LLP's ordinary activities, after deduction of—

- (a) trade discounts,
- (b) value added tax, and
- (c) any other taxes based on the amounts so derived."

## CHAPTER 8: DEBENTURES

### 30. General provisions

Sections 678 to 681 apply to LLPs, modified so that they read as follows—

#### **"678.— Meaning of "debenture"**

In the Companies Regulations "debenture" includes debenture stock, bonds and any other securities of an LLP, whether or not constituting a charge on the assets of the LLP.

#### **679.— Perpetual debentures**

- (1) A condition contained in debentures, or in a deed for securing debentures, is not invalid by reason only that the debentures are made—
  - (a) irredeemable, or
  - (b) redeemable only—
    - (i) on the happening of a contingency (however remote), or
    - (ii) on the expiration of a period (however long),
 

any rule of equity to the contrary notwithstanding.
- (2) Subsection (1) applies to debentures whenever issued and to deeds whenever executed.

#### **680.— Enforcement of contract to subscribe for debentures**

A contract with an LLP to take up and pay for debentures of the LLP may be enforced by an order for specific performance.

#### **681.— Registration of allotment of debentures**

- (1) An LLP must register an allotment of debentures as soon as practicable and in any event within two months after the date of the allotment.
- (2) If an LLP fails to comply with this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.

- (3) A person who commits a contravention of this section is liable to a level 2 fine.
- (4) For the duties of the LLP as to the issue of the debentures, or certificates of debenture stock, see Part 20 (certification and transfer of securities)."

### 31. Register of debenture holders

Sections 682 to 687 apply to LLPs, modified so that they read as follows—

#### **"682.— Register of debenture holders**

- (1) Any register of debenture holders of an LLP that is kept by the LLP must be kept available for inspection—
  - (a) at the LLP's registered office, or
  - (b) at a place specified in rules read by the Board under section 996.
- (2) An LLP must give notice to the Registrar of the place where any such register is kept available for inspection and of any change in that place.
- (3) No such notice is required if the register has, at all times since it came into existence, been kept available for inspection at the LLP's registered office.
- (4) If an LLP makes default for 14 days in complying with subsection (2), a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (5) A person who commits a contravention of this section is liable to a level 3 fine.
- (6) References in this section to a register of debenture holders include a duplicate—
  - (a) of a register of debenture holders that is kept outside the Abu Dhabi Global Market, or
  - (b) of any part of such a register.

#### **683.— Register of debenture holders: right to inspect and require copy**

- (1) Every register of debenture holders of an LLP must, except when duly closed, be open to the inspection—
  - (a) of the registered holder of any such debentures, or any member of the LLP, without charge, and
  - (b) of any other person on payment of such fee as may be prescribed.
- (2) Any person may require a copy of the register, or any part of it, on payment of such fee as may be prescribed.
- (3) A person seeking to exercise either of the rights conferred by this section must make a request to the LLP to that effect.

- (4) The request must contain the following information—
  - (a) in the case of an individual, his name and address,
  - (b) in the case of an organisation, the name and address of an individual responsible for making the request on behalf of the organisation,
  - (c) the purpose for which the information is to be used, and
  - (d) whether the information will be disclosed to any other person, and if so—
    - (i) where that person is an individual, his name and address,
    - (ii) where that person is an organisation, the name and address of an individual responsible for receiving the information on its behalf, and
    - (iii) the purpose for which the information is to be used by that person.
- (5) For the purposes of this section a register is "duly closed" if it is closed in accordance with provision contained—
  - (a) in the debentures,
  - (b) in the case of debenture stock in the stock certificates, or
  - (c) in the trust deed or other document securing the debentures or debenture stock.

The total period for which a register is closed in any year must not exceed 30 days.

- (6) References in this section to a register of debenture holders include a duplicate—
  - (a) of a register of debenture holders that is kept outside the Abu Dhabi Global Market, or
  - (b) of any part of such a register.

**684.— Register of debenture holders: response to request for inspection or copy**

- (1) Where an LLP receives a request under section 683 (register of debenture holders: right to inspect and require copy), it must within five working days either—
  - (a) comply with the request, or
  - (b) apply to the Court.
- (2) If it applies to the Court it must notify the person making the request.
- (3) If on an application under this section the Court is satisfied that the inspection or copy is not sought for a proper purpose—
  - (a) it shall direct the LLP not to comply with the request, and

- (b) it may further order that the LLP's costs on the application be paid in whole or in part by the person who made the request, even if he is not a party to the application.
- (4) If the Court makes such a direction and it appears to the Court that the LLP is or may be subject to other requests made for a similar purpose (whether made by the same person or different persons), it may direct that the LLP is not to comply with any such request.

The order must contain such provision as appears to the Court appropriate to identify the requests to which it applies.

- (5) If on an application under this section the Court does not direct the LLP not to comply with the request, the LLP must comply with the request immediately upon the Court giving its decision or, as the case may be, the proceedings being discontinued.

**685.— Register of debenture holders: refusal of inspection or default in providing copy**

- (1) If an inspection required under section 683 (register of debenture holders: right to inspect and require copy) is refused or default is made in providing a copy required under that section, otherwise than in accordance with an order of the Court, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (2) A person who commits a contravention of this section is liable to a level 2 fine.
- (3) In the case of any such refusal or default the Court may by order compel an immediate inspection or, as the case may be, direct that the copy required be sent to the person requesting it.

**686.— Register of debenture holders: contraventions in connection with request for or disclosure of information**

- (1) It is a contravention of the Companies Regulations for a person knowingly or recklessly to make in a request under section 683 (register of debenture holders: right to inspect and require copy) a statement that is misleading, false or deceptive in a material particular.
- (2) It is a contravention of the Companies Regulations for a person in possession of information obtained by exercise of either of the rights conferred by that section—
  - (a) to do anything that results in the information being disclosed to another person, or
  - (b) to fail to do anything with the result that the information is disclosed to another person, knowing, or having reason to suspect, that person may use the information for a purpose that is not a proper purpose.

- (3) A person who commits a contravention of this section is liable to a level 2 fine.

**687.— Time limit for claims arising from entry in register**

- (1) Liability incurred by an LLP—
- (a) from the making or deletion of an entry in the register of debenture holders, or
- (b) from a failure to make or delete any such entry, is not enforceable more than ten years after the date on which the entry was made or deleted or, as the case may be, the failure first occurred.
- (2) This is without prejudice to any lesser period of limitation."

**32. Supplementary provisions**

Sections 688 and 689 apply to LLPs, modified so that they read as follows—

**"688.— Right of debenture holder to copy of deed**

- (1) Any holder of debentures of an LLP is entitled, on request and on payment of such fee as may be prescribed, to be provided with a copy of any trust deed for securing the debentures.
- (2) If default is made in complying with this section, a contravention of the Companies Regulations is committed by every member of the LLP who is in default.
- (3) A person who commits a contravention of this section is liable to a level 2 fine.
- (4) In the case of any such default the Court may direct that the copy required be sent to the person requiring it.

**689.— Liability of trustees of debentures**

- (1) Any provision contained in—
- (a) a trust deed for securing an issue of debentures, or
- (b) any contract with the holders of debentures secured by a trust deed,
- is void in so far as it would have the effect of exempting a trustee of the deed from, or indemnifying him against, liability for breach of trust where he fails to show the degree of care and diligence required of him as trustee, having regard to the provisions of the trust deed conferring on him any powers, authorities or discretions.
- (2) Subsection (1) does not invalidate—
- (a) a release otherwise validly given in respect of anything done or omitted to be done by a trustee before the giving of the release,
- (b) any provision enabling such a release to be given—

- (i) on being agreed to by a majority of not less than 75% in value of the debenture holders present and voting in person or, where proxies are permitted, by proxy at a meeting summoned for the purpose, and
- (ii) either with respect to specific acts or omissions or on the trustee dying or ceasing to act."

### 33. Debentures

Sections 690 to 692 apply to LLPs, modified so that they read as follows—

#### **"690.— Power to re-issue redeemed debentures**

- (1) Where an LLP has redeemed debentures previously issued, then unless—
  - (a) provision to the contrary (express or implied) is contained in any contract made by the LLP, or
  - (b) the LLP has, by making a determination to that effect or by some other act, manifested its intention that the debentures shall be cancelled,
 the LLP may re-issue the debentures, either by re-issuing the same debentures or by issuing new debentures in their place.

This subsection is deemed always to have had effect.

- (2) On a re-issue of redeemed debentures the person entitled to the debentures has (and is deemed always to have had) the same priorities as if the debentures had never been redeemed.

#### **691.— Deposit of debentures to secure advances**

Where an LLP has deposited any of its debentures to secure advances from time to time on current account or otherwise, the debentures are not treated as redeemed by reason only of the LLP's account having ceased to be in debit while the debentures remained so deposited.

#### **692.— Priorities where debentures secured by floating charge**

- (1) This section applies where debentures of an LLP registered in the Abu Dhabi Global Market are secured by a charge that, as created, was a floating charge.
- (2) If possession is taken, by or on behalf of the holders of the debentures, of any property comprised in or subject to the charge, and the LLP is not at that time in the course of being wound up, the LLP's preferential debts shall be paid out of assets coming to the hands of the persons taking possession in priority to any claims for principal or interest in respect of the debentures.
- (3) "Preferential debts" means the categories of debts described in section 227 (preferential debts) of the Insolvency Regulations ~~2015~~2022.
- (4) Payments under this section shall be recouped, as far as may be, out of the assets of the LLP available for payment of general creditors."

**CHAPTER 9: CERTIFICATION AND TRANSFER OF DEBENTURES****34. Issue of certificates etc on allotment**

Section 707 applies to LLPs, modified so that it reads as follows—

**"707.— Duty of LLP as to issue of certificates etc on allotment**

- (1) An LLP must, within two months after the allotment of any of its debentures or debenture stock, complete and have ready for delivery—
  - (a) the debentures allotted, or
  - (b) the certificates of the debenture stock allotted.
- (2) Subsection (1) does not apply—
  - (a) if the conditions of issue of the debentures or debenture stock provide otherwise, or
  - (b) in the case of allotment to a financial institution (see section 715).
- (3) If default is made in complying with subsection (1) a contravention of the Companies Regulations is committed by every member of the LLP who is in default.
- (4) A person who contravenes the Companies Regulations under subsection (3) is liable to a level 2 fine."

**35. Transfer of debentures**

Sections 708 and 709 apply to LLPs, modified so that they read as follows—

**"708.— Registration of transfer**

- (1) An LLP may not register a transfer of debentures of the LLP unless—
  - (a) a proper instrument of transfer has been delivered to it, or
  - (b) the transfer is in accordance with rules made under Chapter 2 of this Part.
- (2) Subsection (1) does not affect any power of the LLP to register as debenture holder a person to whom the right to any debentures of the LLP has been transmitted by operation of law.

**709.— Procedure on transfer being lodged**

- (1) When a transfer of debentures of an LLP has been lodged with the LLP, the LLP must either—
  - (a) register the transfer, or
  - (b) give the transferee notice of refusal to register the transfer, together with its reasons for the refusal, as soon as practicable and in any event within two months after the date on which the transfer is lodged with it.

- (2) If the LLP refuses to register the transfer, it must provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request. This does not include copies of minutes of meetings of members.
- (3) If an LLP fails to comply with this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (4) A person who contravenes the Companies Regulations under subsection (3) is liable to a level 2 fine.
- (5) This section does not apply in relation to the transmission of debentures by operation of law."

**36. Other matters**

Sections 712 and 713 apply to LLPs, modified so that they read as follows—

**"712.— Evidence of grant of probate etc**

The production to an LLP of any document that is by the law applicable in the Abu Dhabi Global Market, or the law of the jurisdiction of incorporation or nationality of a deceased member sufficient evidence of—

- (a) probate of the will of a deceased person,
  - (b) letters of administration of the estate of a deceased person, or
  - (c) confirmation as executor of a deceased person,
- shall be accepted by the LLP as sufficient evidence of the grant.

**713.— Certification of instrument of transfer**

- (1) The certification by an LLP of an instrument of transfer of any debentures of the LLP is to be taken as a representation by the LLP to any person acting on the faith of the certification that there have been produced to the LLP such documents as on their face show a prima facie title to the debentures in the transferor named in the instrument.
- (2) The certification is not to be taken as a representation that the transferor has any title to the debentures.
- (3) Where a person acts on the faith of a false certification by an LLP made negligently, the LLP is under the same liability to him as if the certification had been made fraudulently.
- (4) For the purposes of this section—
  - (a) an instrument of transfer is certificated if it bears the words "certificate lodged" (or words to the like effect),

- (b) the certification of an instrument of transfer is made by an LLP if—
  - (i) the person issuing the instrument is a person authorised to issue certificated instruments of transfer on the LLP's behalf, and
  - (ii) the certification is signed by a person authorised to certificate transfers on the LLP's behalf or by a member or employee of the LLP or by an officer or employee of a body corporate so authorised,
- (c) a certification is treated as signed by a person if—
  - (i) it purports to be authenticated by his signature or initials (whether handwritten or not), and
  - (ii) it is not shown that the signature or initials was or were placed there neither by himself nor by a person authorised to use the signature or initials for the purpose of certificating transfers on the LLP's behalf."

### **37. Issue of certificates etc on transfer**

Section 714 applies to LLPs, modified so that it reads as follows—

#### **"714.— Duty of LLP as to issue of certificates etc on transfer**

- (1) An LLP must, within two months after the date on which a transfer of any of its debentures or debenture stock is lodged with the LLP, complete and have ready for delivery—
  - (a) the debentures transferred, or
  - (b) the certificates of the debenture stock transferred.
- (2) For this purpose a "transfer" means a transfer duly stamped and otherwise valid but does not include a transfer that the LLP is for any reason entitled to refuse to register and does not register.
- (3) Subsection (1) does not apply—
  - (a) if the conditions of issue of the debentures or debenture stock provide otherwise, or
  - (b) in the case of a transfer to a financial institution (see section 715).
- (4) If default is made in complying with subsection (1) a contravention of the Companies Regulations is committed by every member of the LLP who is in default.
- (5) A person who contravenes the Companies Regulations under subsection (4) is liable to a level 2 fine."

### **38. Issue of certificates etc on allotment or transfer to financial institution**

Section 715 applies to LLPs, modified so that it reads as follows—

#### **"715.— Issue of certificates etc: allotment or transfer to financial institution**

- (1) An LLP—

- (a) of which debentures are allotted to a financial institution,
- (b) of which debenture stock is allotted to a financial institution, or
- (c) with which a transfer for transferring debentures or debenture stock to a financial institution is lodged,

is not required in consequence of that allotment or transfer to comply with section 707(1) or 714(1) (duty of LLP as to issue of certificates etc).

- (2) A "financial institution" means—
  - (a) a recognised clearing house acting in relation to a recognised investment exchange, or
  - (b) a nominee of—
    - (i) a recognised clearing house acting in that way, or
    - (ii) a recognised investment exchange,

designated for the purposes of this section in the rules of the recognised investment exchange in question."

### **39. Supplementary provisions**

Section 716 is applied to LLPs, modified so that it reads as follows—

#### **"716.— Issue of certificates etc: Court order to make good default**

- (1) If an LLP on which a notice has been served requiring it to make good any default in complying with—
  - (a) section 707(1) (duty of LLP as to issue of certificates etc on allotment), or
  - (b) section 714(1) (duty of LLP as to issue of certificates etc on transfer),
  - (c) fails to make good the default within ten days after service of the notice, the person entitled to have the certificates or the debentures delivered to him may apply to the Court.
- (2) The Court may on such an application make an order directing the LLP and any member of it to make good the default within such time as may be specified in the order.
- (3) The order may provide that all costs of and incidental to the application are to be borne by the LLP or by a member of it responsible for the default."

## **CHAPTER 10: AN LLP'S CONFIRMATION STATEMENT**

### **40. Contents and delivery of LLP's confirmation statement**

Sections 778 to 780 apply to LLPs, modified so that they read as follows—

#### **"778.— Duty to deliver confirmation statements**

- (1) Every LLP must deliver to the Registrar successive confirmation statements each of which is made up to the anniversary of the LLP's incorporation.
- (2) Each return must—
  - (a) contain the information required by or under the following provisions of this Part, and
  - (b) be delivered to the Registrar within one month after the date to which it is made up.

**779.— Contents of confirmation statement: general**

- (1) Every confirmation statement must state the date to which it is made up and contain the following information—
  - (a) the address of the LLP's registered office,
  - (b) the required particulars of the members of the LLP (see section 780),
  - (c) if any LLP records are kept at a place other than the LLP's registered office, the address of that place and the records that are kept there.
- (2) In this Part, "return period", in relation to a confirmation statement, means the period beginning immediately after the date to which the last return was made up (or, in the case of the first return, with the incorporation of the LLP) and ending with the date to which the return is made up.

**780.— Required particulars of members**

- (1) For the purposes of section 779(1)(b) the required particulars of a member are—
  - (a) where the member is an individual, the particulars required by section 154 to be entered in the register of members (subject to subsection (2) below), and
  - (b) where the member is a body corporate or a firm that is a legal person under the law by which it is governed, the particulars required by section 155 to be entered in the register of members.
- (2) The former name of a member who is an individual is a required particular in relation to a confirmation statement only if the member was known by the name for business purposes during the return period."

**41. Failure to deliver confirmation statement**

Section 783 applies to LLPs, modified so that it reads as follows—

**"783.— Failure to deliver confirmation statement**

- (1) An LLP must deliver a confirmation statement within the period of one month after a return date ("filing deadline") in a form that complies with the requirements of this Chapter.
- (1A) Where an LLP defaults in complying with subsection (1) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.

- (2) If an LLP fails to comply with this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) subject to subsection (4), every designated member of the LLP who is in default.
- (3) The contravention continues until such time as a confirmation statement made up to that return date is delivered by the LLP to the Registrar.
- (4) In the case of continued contravention, a contravention is also committed by every designated member of the LLP who did not commit a contravention under subsection (4~~2~~) in relation to the initial contravention but is in default in relation to the continued contravention.
- (5) A designated member does not commit the contravention referred to in this section if they prove to the Registrar that they took all reasonable steps to avoid the commission or continuation of the contravention.

## CHAPTER 11: LLP CHARGES

### 42. Registration of charges

Sections 784 to 798 apply to LLPs, modified so that they read as follows—

#### **"784.— Charges created by an LLP**

- (1) Subject to subsection (6), this section applies where an LLP creates a charge.
- (2) The Registrar must register the charge if, before the end of the period allowed for delivery, the LLP or any person interested in the charge delivers to the Registrar for registration a charge filing statement (see section 787).
- (3) Where the charge is created or evidenced by an instrument, the Registrar is required to register it only if a certified copy of the instrument is delivered to the Registrar with the statement of particulars.
- (4) "The period allowed for delivery" is 21 days beginning with the day after the date of creation of the charge (see section 788), unless an order allowing an extended period is made under section 789(3).
- (5) Where an order is made under section 789(3) a copy of the order must be delivered to the Registrar with the statement of particulars.
- (6) This section does not apply to—
  - (a) a charge in favour of a landlord on a cash deposit given as a security in connection with the lease of land,
  - (b) a charge excluded from the application of this section by the Companies Regulations or any other law of the Abu Dhabi Global Market.
- (7) In this Part—
 

"cash" includes foreign currency,

"charge" includes a mortgage,

"effective date" means the date that this Chapter comes into law, and

"LLP" means an LLP registered in the Abu Dhabi Global Market.

**785.— Charge in series of debentures**

- (1) This section applies where—
  - (a) an LLP creates a series of debentures containing a charge, or giving a charge by reference to another instrument, and
  - (b) debenture holders of that series are entitled to the benefit of the charge *pari passu*.
- (2) The Registrar must register the charge if, before the end of the period allowed for delivery, the LLP or any person interested in the charge delivers to the Registrar for registration, a charge filing statement which also contains the following—
  - (a) either—
    - (i) the name of each of the trustees for the debenture holders, or
    - (ii) where there are more than four such persons, the names of any four persons listed in the charge instrument as trustees for the debenture holders, and a statement that there are other such persons,
  - (b) the dates of the determinations of the LLP authorising the issue of the series,
  - (c) the date of the covering instrument (if any) by which the series is created or defined.
- (3) Where the charge is created or evidenced by an instrument, the Registrar is required to register it only if a certified copy of the instrument is delivered to the Registrar with the statement of particulars.
- (4) Where the charge is not created or evidenced by an instrument, the Registrar is required to register it only if a certified copy of one of the debentures in the series is delivered to the Registrar with the statement of particulars.
- (5) For the purposes of this section a charge filing statement is not required to contain the debenture holders.
- (6) "The period allowed for delivery" is—
  - (a) if there is a deed containing the charge, 21 days beginning with the day after the date on which the deed is executed,
  - (b) if there is no deed containing the charge, 21 days beginning with the day after the date on which the first debenture of the series is executed
- (7) Where an order is made under section 789(3) a copy of the order must be delivered to the Registrar with the statement of particulars.
- (8) In this section "deed" means—

- (a) a deed governed by the law of the Abu Dhabi Global Market, or
- (b) an instrument governed by a law other than the law of the Abu Dhabi Global Market which requires delivery under that law in order to take effect.

**786.— Charges existing on property or undertaking acquired**

- (1) This section applies where an LLP acquires property or undertaking which is subject to a charge of a kind which would, if it had been created by the LLP after the acquisition of the property or undertaking, have been capable of being registered under section 784.
- (2) The Registrar must register the charge if the LLP or any person interested in the charge delivers to the Registrar for registration a charge filing statement.
- (3) Where the charge is created or evidenced by an instrument, the Registrar is required to register it only if a certified copy of the instrument is delivered to the Registrar with the statement of particulars.

**787.— Particulars to be delivered to Registrar**

- (1) A statement of particulars relating to a charge created by an LLP is a "charge filing statement" if it contains the following particulars—
  - (a) the registered name and number of the LLP,
  - (b) the date of creation of the charge and (if the charge is one to which section 786 applies) the date of acquisition of the property or undertaking concerned,
  - (c) where the charge is created or evidenced by an instrument, the particulars listed in subsection (2),
  - (d) where the charge is not created or evidenced by an instrument, the particulars listed in subsection (3).
- (2) The particulars referred to in subsection (1)(c) are—
  - (a) any of the following—
    - (i) the name of each of the persons in whose favour the charge has been created or of the security agents or trustees holding the charge for the benefit of one or more persons, or,
    - (ii) where there are more than four such persons, security agents or trustees, the names of any four such persons, security agents or trustees listed in the charge instrument, and a statement that there are other such persons, security agents or trustees,
  - (b) whether the instrument is expressed to contain a floating charge and, if so, whether it is expressed to cover all the property and undertaking of the LLP,
  - (c) whether any of the terms of the charge prohibit or restrict the LLP from creating further security that will rank equally with or ahead of the charge,
  - (d) whether (and if so, a short description of) any land, ship, aircraft or intellectual property, that is registered or required to be registered in the Abu Dhabi

Global Market, is subject to a charge (which is not a floating charge) or fixed security included in the instrument,

- (e) whether the instrument includes a charge (which is not a floating charge) or fixed security over—
  - (i) any tangible or corporeal property, or
  - (ii) any intangible or incorporeal property,
    - not described in paragraph (d).
- (3) The particulars referred to in subsection (1)(d) are—
  - (a) a statement that there is no instrument creating or evidencing the charge,
  - (b) the names of each of the persons in whose favour the charge has been created or the names of any security agents or trustees holding the charge for the benefit of one or more persons,
  - (c) the nature of the charge,
  - (d) a short description of the property or undertaking charged,
  - (e) the obligations secured by the charge.
- (4) In this section " intellectual property" includes—
  - (a) any patent, trade mark, registered design, copyright or design right,
  - (b) any licence under or in respect of any such right.

**788.— Date of creation of charge**

- (1) For the purposes of this Part, a charge of the type described in column 1 of the Table below is taken to be created on the date given in relation to it in column 2 of that Table.

1. Type of charge	2. When charge created
Charge other than a standard security, where created or evidenced by an instrument	<p>Where the instrument is a deed that has been executed and has immediate effect on execution and delivery, the date of delivery</p> <p>Where the instrument is a deed that has been executed and held in escrow, the date of delivery into escrow</p> <p>Where the instrument is a deed that has been executed and held as undelivered, the date of delivery</p> <p>Where the instrument is not a deed and has immediate effect on execution, the date of execution</p> <p>Where the instrument is not a deed and does not have immediate effect on execution, the date on which the instrument takes effect</p>

Charge other than a standard security, where not created or evidenced by an instrument	The date on which the charge comes into effect.
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- (2) Where a charge is created or evidenced by an instrument made between two or more parties, references in the Table in subsection (1) to execution are to execution by all the parties to the instrument whose execution is essential for the instrument to take effect as a charge.
- (3) This section applies for the purposes of this Chapter even if further forms, notices, registrations or other actions or proceedings are necessary to make the charge valid or effectual for any other purposes.
- (4) For the purposes of this Chapter, the Registrar is entitled without further enquiry to accept a charge as created on the date given as the date of creation of the charge in a charge filing statement.
- (5) In this section "deed" means—
  - (a) a deed governed by the law of the Abu Dhabi Global Market, or
  - (b) an instrument governed by a law other than the law of the Abu Dhabi Global Market which requires delivery under that law in order to take effect.
- (6) References in this section to delivery, in relation to a deed, include delivery as a deed where required.

#### **789.— Extension of period allowed for delivery**

- (1) Subsection (3) applies if the Court is satisfied that—
  - (a) neither the LLP nor any other person interested in the charge has delivered to the Registrar the documents required under section 784 or (as the case may be) 785 before the end of the period allowed for delivery under the section concerned, and
  - (b) the requirement in subsection (2) is met.
- (2) The requirement is—
  - (a) that the failure to deliver those documents—
    - (i) was accidental or due to inadvertence or to some other sufficient cause, or
    - (ii) is not of a nature to prejudice the position of creditors of the LLP, or
  - (b) that on other grounds it is just and equitable to grant relief.
- (3) The Court may, on the application of the LLP or a person interested, and on such terms and conditions as seem to the Court just and expedient, order that the period allowed for delivery be extended.

#### **790.— Personal information etc in certified copies**

- (1) The following are not required to be included in a certified copy of an instrument or debenture delivered to the Registrar for the purposes of any provision of this Chapter—

- (a) personal information relating to an individual (other than the name of an individual),
  - (b) the number or other identifier of a bank or securities account of an LLP or individual,
  - (c) a signature.
- (2) The Registrar is entitled without further enquiry, to accept the certified copy of an instrument whether or not any of the information in subsection (1) is contained within the instrument.

***Consequence of non-delivery***

**791.— Consequence of failure to deliver charges**

- (1) This section applies if—
- (a) an LLP creates a charge to which section 784 or 785 applies, and
  - (b) the documents required by section 784 or (as the case may be) 785 are not delivered to the Registrar by the LLP or another person interested in the charge before the end of the relevant period allowed for delivery.
- (2) "The relevant period allowed for delivery" is—
- (a) the period allowed for delivery under the section in question, or
  - (b) if an order under section 789(3) has been made, the period allowed by the order.
- (3) Where this section applies, the charge is void (so far as any security on the LLP's property or undertaking is conferred by it) against—
- (a) a liquidator of the LLP,
  - (b) an administrator of the LLP, and
  - (c) a creditor of the LLP.
- (4) Subsection (3) is without prejudice to any contract or obligation for repayment of the money secured by the charge, and when a charge becomes void under this section, the money secured by it immediately becomes payable.

***The register***

**792.— Entries on the register**

- (1) This section applies where a charge is registered in accordance with a provision of this Chapter.
- (2) The Registrar must—
- (a) allocate to the charge a unique reference code and place a note in the register recording that reference code, and
  - (b) include in the register any documents delivered under section 784(3) or (5), 785(3), (4) or (7) or 786(3).

- (3) The Registrar must give a certificate of the registration of the charge to the person who delivered to the Registrar a charge filing statement relating to the charge.
- (4) The certificate must state—
  - (a) the registered name and number of the LLP in respect of which the charge was registered, and
  - (b) the unique reference code allocated to the charge.
- (5) The certificate must be signed by the Registrar or authenticated by the Registrar's official seal.
- (6) In the case of registration under section 784 or 785, the certificate is conclusive evidence that the documents required by the section concerned were delivered to the Registrar before the end of the relevant period allowed for delivery.
- (7) "The relevant period allowed for delivery" is—
  - (a) the period allowed for delivery under the section in question, or
  - (b) if an order under section 789(3) has been made, the period allowed by the order.

**793.— Registration of enforcement of security**

- (1) Subsection (2) applies where a person—
  - (a) obtains an order for the appointment of a receiver or manager of an LLP's property or undertaking, or
  - (b) appoints such a receiver or manager under powers contained in an instrument.
- (2) The person must, within 14 days of the order or of the appointment under those powers—
  - (a) give notice to the Registrar of that fact, and
  - (b) if the order was obtained, or the appointment made, by virtue of a registered charge held by the person give the Registrar a notice containing—
    - (i) in the case of a charge created before the effective date, the information specified in subsection (4),
    - (ii) in the case of a charge created on or after the effective date, the unique reference code allocated to the charge.
- (3) Where a person appointed receiver or manager of an LLP's property or undertaking under powers contained in an instrument ceases to act as such a receiver or manager, the person must, on so ceasing—
  - (a) give notice to the Registrar of that fact, and—
  - (b) give the Registrar a notice containing—

- (i) in the case of a charge created before the effective date, the information specified in subsection (4), or
- (ii) in the case of a charge created on or after the effective date, the unique reference code allocated to the charge.
- (4) The information referred to in subsections (2)(b)(i) and (3)(b)(i) is—
  - (a) the date of the creation of the charge,
  - (b) a description of the instrument (if any) creating or evidencing the charge,
  - (c) short particulars of the property or undertaking charged.
- (5) The Registrar must include in the register—
  - (a) a fact of which notice is given under subsection (2)(a), and
  - (b) a fact of which notice is given under subsection (3)(a).
- (6) A person who makes default in complying with the requirements of subsection (2) of this section commits a contravention of the Companies Regulations.
- (7) A person who commits a contravention referred to in subsection (6) is liable to a fine of up to level 4.
- (8) A person who makes default in complying with the requirements of subsection (3) of this section commits a contravention of the Companies Regulations.
- (9) A person who commits a contravention referred to in subsection (8) is liable to a level 2 fine.
- (10) This section applies only to a receiver or manager appointed—
  - (a) by a Court in the Abu Dhabi Global Market, or
  - (b) under an instrument governed by the law of the Abu Dhabi Global Market.

**794.— Entries of satisfaction and release**

- (1) Subsection (5) applies if the statement set out in subsection (2) and the particulars set out in subsection (4) are delivered to the Registrar with respect to a registered charge.
- (2) The statement referred to in subsection (1) is a statement to the effect that—
  - (a) the debt for which the charge was given has been paid or satisfied in whole or in part, or
  - (b) all or part of the property or undertaking charged—
    - (i) has been released from the charge, or
    - (ii) has ceased to form part of the LLP's property or undertaking.
- (3) Where a statement within subsection (2)(b) relates to part only of the property or undertaking charged, the statement must include a short description of that part.

- (4) The particulars referred to in subsection (1) are—
  - (a) the name and address of the person delivering the statement and an indication of their interest in the charge,
  - (b) the registered name and number of the LLP that—
    - (i) created the charge (in a case within section 784 or 785), or
    - (ii) acquired the property or undertaking subject to the charge (in a case within section 786),
  - (c) in respect of a charge created before the effective date—
    - (i) the date of creation of the charge,
    - (ii) a description of the instrument (if any) by which the charge is created or evidenced,
    - (iii) short particulars of the property or undertaking charged,
  - (d) in respect of a charge created on or after the effective date, the unique reference code allocated to the charge.
- (5) The Registrar may include in the register—
  - (a) a statement of satisfaction in whole or in part, or
  - (b) a statement of the fact that all or part of the property or undertaking has been released from the charge or has ceased to form part of the LLP's property or undertaking (as the case may be).

**795.— Rectification of register**

- (1) Subsection (3) applies if the Court is satisfied that—
  - (a) there has been an omission or mis-statement in any statement or notice delivered to the Registrar in accordance with this Chapter, and
  - (b) the requirement in subsection (2) is met.
- (2) The requirement is that the Court is satisfied—
  - (a) that the omission or mis-statement—
    - (i) was accidental or due to inadvertence or to some other sufficient cause, or
    - (ii) is not of a nature to prejudice the position of creditors of the LLP, or
  - (b) that on other grounds it is just and equitable to grant relief.
- (3) The Court may, on the application of the LLP or a person interested, and on such terms and conditions as seem to the Court just and expedient, order that the omission or mis-statement be rectified.
- (4) A copy of the Court's order must be sent by the applicant to the Registrar for registration.

**796.— Replacement of instrument or debenture**

- (1) Subsection (2) applies if the Court is satisfied that—
  - (a) a copy of an instrument or debenture delivered to the Registrar under this Chapter contains material which could have been omitted under section 790,
  - (b) the wrong instrument or debenture was delivered to the Registrar, or
  - (c) the copy was defective.
- (2) The Court may, on the application of the LLP or a person interested, and on such terms and conditions as seem to the Court just and expedient, order that the copy of the instrument or debenture be removed from the register and replaced.
- (3) A copy of the Court's order must be sent by the applicant to the Registrar for registration.

***LLPs' records and registers*****797.— LLPs to keep copies of instruments creating and amending charges**

- (1) An LLP must keep available for inspection a copy of every—
  - (a) instrument creating a charge capable of registration under this Chapter, and
  - (b) instrument effecting any variation or amendment of such a charge.
- (2) In the case of a charge contained in a series of uniform debentures, a copy of one of the debentures of the series is sufficient for the purposes of subsection (1)(a).
- (3) If the particulars referred to in section 787(1) or the particulars of the property or undertaking charged are not contained in the instrument creating the charge, but are instead contained in other documents which are referred to in or otherwise incorporated into the instrument, then the LLP must also keep available for inspection a copy of those other documents.
- (4) It is sufficient for the purposes of subsection (1)(a) if the LLP keeps a copy of the instrument in the form delivered to the Registrar under section 784(3), 785(3) or (4) or 786(3).
- (5) Where a translation has been delivered to the Registrar in accordance with section 978, the LLP must keep available for inspection a copy of the translation.

**798.— Instruments creating charges to be available for inspection**

- (1) This section applies to documents required to be kept available for inspection under section 797 (copies of instruments creating and amending charges).
- (2) The documents must be kept available for inspection—
  - (a) at the LLP's registered office, or

- (b) at a place specified in rules made by the Board under section 996 (rules about where certain LLP records to be kept available for inspection).
- (3) The LLP must give notice to the Registrar—
  - (a) of the place at which the documents are kept available for inspection, and
  - (b) of any change in that place,
 unless they have at all times been kept at the LLP's registered office.
- (4) The documents must be open to the inspection—
  - (a) of any creditor or member of the LLP without charge, and
  - (b) of any other person on payment of such fee as may be prescribed.
- (5) A person who makes default in complying with the requirements of subsection (2) or (3) of this section commits a contravention of the Companies Regulations.
- (6) A person who commits the contravention referred to in subsection (5) is liable to a level 2 fine.
- (7) If default is made for 14 days in complying with subsection (3) or an inspection required under subsection (4) is refused, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.
- (8) A person who commits the contravention referred to in subsection (7) is liable to a fine of up to level 4.
- (9) If an inspection required under subsection (4) is refused the Court may by order compel an immediate inspection.
- (10) Where the LLP and a person wishing to carry out an inspection under subsection (4) agree, the inspection may be carried out by electronic means."

## CHAPTER 12: ARRANGEMENTS AND RECONSTRUCTIONS

### 43. Arrangements and reconstructions

- (1) Sections 801 to 806 apply to LLPs, modified so that they read as follows—

#### "801.— Application of this Part

- (1) The provisions of this Part apply where a compromise or arrangement is proposed between a LLP and—
  - (a) its creditors, or any class of them, or
  - (b) its members, or any class of them.

- (2) In this Part—
- "LLP", unless the context otherwise requires, means—
- (a) in section 806 (powers of Court to facilitate reconstruction or amalgamation or merger or division),
- (i) in the case of a compromise or arrangement falling within sections 806(1)(a) or 806(1)(c), an LLP formed or registered under the Limited Liability Partnerships Regulations 2015, and
- (ii) in the case of a compromise or arrangement falling within section 806(1)(b), an LLP formed or registered under the Limited Liability Partnerships Regulations 2015 and any non-ADGM LLP whose jurisdiction of incorporation permits such non-ADGM LLP to merge into a single body corporate or into a new body corporate as described in section 810(1)(a) or 810(1)(b), and
- (b) elsewhere in this Part, any LLP liable to be wound up under the Insolvency Regulations ~~2015~~2022 and any non-ADGM LLP whose jurisdiction of incorporation permits such non-ADGM LLP to merge into a single body corporate or into a new body corporate as described in section 810(1)(a) or 810(1)(b).
- (3) The provisions of this Part have effect subject to Part 26 (mergers and divisions) where that Part applies (see sections 808 and 809).

### **802.— Court order for holding of meeting**

- (1) The Court may, on an application under this section, order a meeting of the creditors or class of creditors, or of the members of the LLP or class of members (as the case may be), to be summoned in such manner as the Court directs.
- (2) An application under this section may be made by—
- (a) the LLP,
- (b) any creditor or member of the LLP,
- (c) if the LLP is being wound up, the liquidator, or
- (d) if the LLP is in administration, the administrator.

### **803.— Statement to be circulated or made available**

- (1) Where a meeting is summoned under section 802—
- (a) every notice summoning the meeting that is sent to a creditor or member must be accompanied by a statement complying with this section, and
- (b) every notice summoning the meeting that is given by advertisement must either—
- (i) include such a statement, or
- (ii) state where and how creditors or members entitled to attend the meeting may obtain copies of such a statement.

- (2) The statement must—
  - (a) explain the effect of the compromise or arrangement, and
  - (b) in particular, state—
    - (i) any material interests of the members of the LLP (whether as members or as creditors of the LLP or otherwise), and
    - (ii) the effect on those interests of the compromise or arrangement, in so far as it is different from the effect on the like interests of other persons.
- (3) Where the compromise or arrangement affects the rights of debenture holders of the LLP, the statement must give the like explanation as respects the trustees of any deed for securing the issue of the debentures as it is required to give as respects the LLP's members.
- (4) Where a notice given by advertisement states that copies of an explanatory statement can be obtained by creditors or members entitled to attend the meeting, every such creditor or member is entitled, on making application in the manner indicated by the notice, to be provided by the LLP with a copy of the statement free of charge.
- (5) If an LLP makes default in complying with any requirement of this section, a contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every member of the LLP who is in default.

This is subject to subsection (7) below.
- (6) For this purpose the following are treated as members of the LLP—
  - (a) a liquidator or administrator of the LLP, and
  - (b) a trustee of a deed for securing the issue of debentures of the LLP.
- (7) A person does not contravene this section if he shows that the default was due to the refusal of a member or trustee for debenture holders to supply the necessary particulars of his interests.
- (8) A person who commits the contravention referred to in subsection (5) shall be liable to a level 3 fine.

**804.— Duty of members and trustees to provide information**

- (1) It is the duty of—
  - (a) any member of the LLP, and
  - (b) any trustee for its debenture holders, to give notice to the LLP of such matters relating to himself as may be necessary for the purposes of section 803 (statement to be circulated or made available).
- (2) Any person who makes default in complying with this section commits a contravention of the Companies Regulations.

- (3) A person who commits the contravention referred to in subsection (2) shall be liable to a fine of up to level 8.

**805.— Court sanction for compromise or arrangement**

- (1) If:
- (a) 75% in value of the creditors or class of creditors or if members or class of members (as the case may be) representing 75% of the voting rights of the members or class of members (as the case may be), present and voting either in person or by proxy at the meeting summoned under section 802, agree a compromise or arrangement, and
- (b) where the compromise or arrangement relates to a non-ADGM LLP (as defined in section 1028 (minor definitions: general)), the Court is satisfied that the requirements of section 810(2) have been or are satisfied with respect to such non-ADGM LLP, the Court may, on an application under this section, sanction the compromise or arrangement.
- (2) An application under this section may be made by—
- (a) the LLP,
- (b) any creditor or member of the LLP,
- (c) if the LLP is being wound up, the liquidator, or
- (d) if the LLP is in administration, the administrator.
- (3) A compromise or arrangement sanctioned by the Court is binding on—
- (a) all creditors or the class of creditors or on the members or class of members (as the case may be), and
- (b) the LLP or, in the case of a LLP in the course of being wound up, the liquidator and contributories of the LLP.
- (4) The Court's order has no effect until a copy of it has been delivered to the Registrar.

**806.— Powers of Court to facilitate reconstruction or amalgamation or merger or division**

- (1) This section applies where application is made to the Court under section 805 to sanction a compromise or arrangement and it is shown that—
- (a) the compromise or arrangement is proposed for the purposes of, or in connection with, a scheme for the reconstruction of any LLP or LLPs, or the amalgamation of any two or more relevant bodies corporate (where one or more of them is an LLP), and
- (b) under the scheme the whole or any part of the undertaking or the property of any LLP concerned in the scheme ("a transferor LLP") is to be transferred to another relevant body corporate ("the transferee body corporate").
- (2) The Court may, either by the order sanctioning the compromise or arrangement or by a subsequent order, make provision for all or any of the following matters—

- (a) the transfer to the transferee body corporate of the whole or any part of the undertaking and of the property or liabilities of any transferor LLP,
  - (b) the allotting or appropriation by the transferee body corporate of any shares, debentures, policies or other like interests in that body corporate which under the compromise or arrangement are to be allotted or appropriated by that body corporate to or for any person,
  - (c) the continuation by or against the transferee body corporate of any legal proceedings pending by or against any transferor LLP,
  - (d) the dissolution, without winding up, of any transferor LLP,
  - (e) the provision to be made for any persons who, within such time and in such manner as the Court directs, dissent from the compromise or arrangement,
  - (f) such incidental, consequential and supplemental matters as are necessary to secure that the reconstruction or amalgamation is fully and effectively carried out.
- (3) If an order under this section provides for the transfer of property or liabilities—
- (a) the property is by virtue of the order transferred to, and vests in, the transferee body corporate, and
  - (b) the liabilities are, by virtue of the order, transferred to and become liabilities of that body corporate.
- (4) The property (if the order so directs) vests freed from any charge that is by virtue of the compromise or arrangement to cease to have effect.
- (5) In this section—
- "relevant body corporate" means an LLP or a company,
- "property" includes property, rights and powers of every description, and
- "liabilities" includes duties.
- (6) Every LLP in relation to which an order is made under this section must cause a copy of the order to be delivered to the Registrar within seven days after its making ("filing deadline").
- (6A) Where an LLP defaults in complying with subsection (6) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.
- (7) If an LLP fails to comply with subsection (6), a contravention of the Companies Regulations is committed by—
- (a) the LLP, and
  - (b) every member of the LLP who is in default.

## CHAPTER 13: FRAUDULENT TRADING

### 44. Fraudulent trading

Section 857 applies to LLPs, modified so that it reads as follows—

#### **"857.— Fraudulent trading**

- (1) If any business of an LLP is carried on with intent to defraud creditors of the LLP or creditors of any other person, or for any fraudulent purpose, a contravention of the Companies Regulations is committed by every person who is knowingly a party to the carrying on of the business in that manner.
- (2) This applies whether or not the LLP has been, or is in the course of being, wound up.
- (3) A person who commits the contravention referred to in subsection (1) shall be liable for a fine of up to level 8.
- (4) The provisions of this section are without prejudice to any other fine, censure or legal proceeding to which a member may be subject under the Companies Regulations or any other law or regulation applicable in the Abu Dhabi Global Market."

## CHAPTER 14: PROTECTION OF MEMBERS AGAINST UNFAIR PREJUDICE

### 45. Main provisions

Sections 858 to 860 apply to LLPs, modified so that they read as follows—

#### **"858.— Petition by LLP member**

- (1) A member of an LLP may apply to the Court by petition for an order under this Part on the ground—
  - (a) that the LLP's affairs are being or have been conducted in a manner that is unfairly prejudicial to the interests of members generally or of some part of its members (including at least himself), or
  - (b) that an actual or proposed act or omission of the LLP (including an act or omission on its behalf) is or would be so prejudicial.
- (2) For the purposes of subsection (1)(a), a removal of the LLP's auditor from office—
  - (a) on grounds of divergence of opinions on accounting treatments or audit procedures, or
  - (b) on any other improper grounds,

shall be treated as being unfairly prejudicial to the interests of some part of the LLP's members.
- (3) The members of an LLP may by unanimous agreement exclude the right contained in subsection (1) either indefinitely or for such period as is specified in the agreement. The agreement must be recorded in writing.

**859.— Petition by the Board**

- (1) This section applies to an LLP in respect of which—
  - (a) the Board has exercised its powers of investigation under the Companies Regulations, or
  - (b) the Board has received a report from an investigator appointed by it under that Part.
- (2) If it appears to the Board that in the case of such an LLP—
  - (a) the LLP's affairs are being or have been conducted in a manner that is unfairly prejudicial to the interests of members generally or of some part of its members, or
  - (b) an actual or proposed act or omission of the LLP (including an act or omission on its behalf) is or would be so prejudicial,

it may apply to the Court by petition for an order under this Part.
- (3) The Board may do this in addition to, or instead of, presenting a petition for the winding up of the LLP.

**860.— Powers of the Court under this Part**

- (1) If the Court is satisfied that a petition under this Part is well founded, it may make such order as it thinks fit for giving relief in respect of the matters complained of.
- (2) Without prejudice to the generality of subsection (1), the Court's order may—
  - (a) regulate the conduct of the LLP's affairs in the future,
  - (b) require the LLP—
    - (i) to refrain from doing or continuing an act complained of, or
    - (ii) to do an act that the petitioner has complained it has omitted to do,
  - (c) authorise civil proceedings to be brought in the name and on behalf of the LLP by such person or persons and on such terms as the Court may direct,
  - (d) require the LLP or the members of the LLP not to make any, or any specified, alterations in the LLP agreement without the leave of the Court,
  - (e) provide for the purchase of the rights and interests of any members in the LLP by other members or by the LLP itself."

**46. Supplementary provision**

Section 861 applies to LLPs as follows—

**"861.— Application of general rule-making powers**

The power of the Board to make rules under the Insolvency Regulations ~~2015~~2022, so far as relating to a winding up petition, applies for the purposes of a petition under this Part."

## CHAPTER 15: DISSOLUTION AND RESTORATION TO THE REGISTER

## Striking Off

## 47. Registrar's power to strike off defunct LLP

Sections 864 to 866 apply to LLPs, modified so that they read as follows—

**"864.— Power to strike off LLP not carrying on business or in operation**

- (1) If the Registrar has reasonable cause to believe that an LLP is not carrying on business or in operation, the Registrar may send to the LLP a communication inquiring whether the LLP is carrying on business or in operation.
- (2) If the Registrar does not within 14 days of sending the communication under section (1) above, receive any answer to it, the Registrar must within 14 days after the expiration of that period send to the LLP a second communication referring to the first communication and stating—
  - (a) that no answer to it has been received, and
  - (b) that if an answer is not received to the second communication within 14 days from its date, a notice will be published on the Registrar's website with a view to striking the LLP's name off the register.
- (3) If, within 14 days after sending the second communication, the Registrar—
  - (a) receives an answer to the effect that ~~the LLP is not carrying on business or in operation, or~~
    - (i) the LLP is not carrying on business or is in operation, or
    - (b) does not receive any answer,

the Registrar may publish on the Registrar's website and send to the LLP, a notice that at the expiration of two months from the date of the notice the name of the LLP mentioned in it will, unless cause is shown to the contrary, be struck off the register and the LLP will be dissolved.
- (4) At the expiration of the time mentioned in the notice the Registrar may, unless cause to the contrary is previously shown by the LLP, strike its name off the register.
- (5) The Registrar must publish notice on the Registrar's website of the LLP's name having been struck off the register.
- (6) On the publication of the notice on the Registrar's website the LLP is dissolved.
- (7) However—
  - (a) the liability (if any) of every member of the LLP continues and may be enforced as if the LLP had not been dissolved, and
  - (b) nothing in this section affects the power of the Court to wind up a LLP the name of which has been struck off the register.

**865.— Duty to act in case of LLP being wound up**

- (1) If, in a case where a LLP is being wound up—
  - (a) the Registrar has reasonable cause to believe—
    - (i) that no liquidator is acting, or
    - (ii) that the affairs of the LLP are fully wound up, and
  - (b) the returns required to be made by the liquidator have not been made for a period of 12 consecutive months,

the Registrar must publish on the Registrar's website and send to the LLP or the liquidator (if any), a notice that at the expiration of three months from the date of the notice the name of the LLP mentioned in it will, unless cause is shown to the contrary, be struck off the register and the LLP will be dissolved.

- (2) At the expiration of the time mentioned in the notice the Registrar may, unless cause to the contrary is previously shown by the LLP, strike its name off the register.
- (3) The Registrar must publish notice on the Registrar's website of the LLP's name having been struck off the register.
- (4) On the publication of the notice on the Registrar's website the LLP is dissolved.
- (5) However—
  - (a) the liability (if any) of every member of the LLP continues and may be enforced as if the LLP had not been dissolved, and
  - (b) nothing in this section affects the power of the Court to wind up a LLP the name of which has been struck off the register.

**866.— Supplementary provisions as to service of communication or notice**

- (1) If the Registrar is not able to send a communication or notice under section 864 or 865 to an LLP in accordance with Schedule 4, the communication may be sent to a member of the LLP at an address for that member that has been notified to the Registrar by the LLP.
- (2) If there is no member of the LLP whose name and address are known to the Registrar, the communication or notice may be sent to each of the persons who subscribed the incorporation document (if their addresses are known to the Registrar).
- (3) A notice to be sent to a liquidator under section 865 may be sent to the address of the liquidator's last known place of business or to an address specified by the liquidator to the Registrar for the purpose of receiving notices, or notices of that kind.
- (4) In this section "address" has the same meaning as in section 1008(1)."

**48. Voluntary striking off**

Sections 867 to 875 apply to LLPs, modified so that they read as follows—

**"867.— Striking off on application by LLP with notice to members, employees etc.**

- (1) On application by a LLP under this section, the Registrar may strike the LLP's name off the register.
- (2) An application made under this section—
  - (a) must be made by a majority of the members of an LLP, or
  - (b) if there are only two such members, by both of them, or
  - (c) if there is only one remaining member of an LLP, by that member, and
  - (d) must contain the prescribed information.
- (3) The Registrar may not strike a LLP off under this section until after the expiration of two months from the publication by the Registrar on the Registrar's website of a notice—
  - (a) stating that the Registrar may exercise the power under this section in relation to the LLP, and
  - (b) inviting any person to show cause why that should not be done.
- (4) The Registrar must publish notice on the Registrar's website of the LLP's name having been struck off.
- (5) On the publication of the notice on the Registrar's website the LLP is dissolved.
- (6) However—
  - (a) the liability (if any) of every member of the LLP continues and may be enforced as if the LLP had not been dissolved, and
  - (b) nothing in this section affects the power of the Court to wind up a LLP the name of which has been struck off the register.

**867A. Striking off on application by LLP supported by a prescribed statement**

- (1) On application by an eligible LLP (see section 867B) under this section, the Registrar may strike the LLP's name off the register.
- (2) An application under this section-
  - (a) must be approved by all members of the LLP present at a meeting of members or by written resolution signed by each member of the LLP,
  - (b) must be supported by a prescribed statement (see section 867C) made not more than 15 days before the date on which the resolution is passed, and
  - (c) must contain the prescribed information.
- (3) Where the resolution is proposed as a written resolution, a copy of the statement must be sent or submitted to every eligible member at or before the time at which the proposed resolution is sent or submitted to him.
- (4) Where the resolution is proposed at a general meeting, a copy of the prescribed statement must be made available for inspection by members of the LLP throughout that meeting.
- (5) The validity of a resolution is not affected by a failure to comply with subsection (3) or (4).
- (6) The Registrar may not strike an LLP off under this section until after the expiration of two months from the publication by the Registrar on the Registrar's website of a notice-
  - (a) stating that the Registrar may exercise the power in this section in relation to the LLP, and
  - (b) inviting any person to show cause why that should not be done.
- (7) The Registrar must publish notice on the Registrar's website of the LLP's name having been struck off.
- (8) On the publication of the notice on the Registrar's website the LLP is dissolved.
- (9) However-
  - (a) the liability (if any) of every member of the LLP continues and may be enforced as if the LLP had not been dissolved, and
  - (b) nothing in this section affects the power of the Court to wind up an LLP the name of which has been struck off the register.

**867B. Eligible LLP**

- (1) An eligible LLP for the purpose of section 867A (application for voluntary striking off supported by prescribed statement) is an LLP that-

- (a) qualifies as a small LLP for the purpose of section 369 (LLPs qualifying as small) as modified by section 371 (LLPs excluded from small companies regime),
  - (b) meets such additional requirements as the Registrar may from time to time publish on the Registrar's website, and
  - (c) subject to subsection (2), is not and has not been either an Authorised Person (as defined in the Financial Services and Markets Regulations 2015) or carried out a Regulated Activity (as defined in the Financial Services and Markets Regulations 2015).
- (2) LLPs who:
- (a) meet the criteria in paragraphs (a) and (b) of subsection (1),
  - (b) are licensed pursuant to the Commercial Licensing Regulations 2015 to carry on the Controlled Activity (as defined in the Commercial Licensing Regulations 2015) of developing Financial Technology Services within the RegLab, and
  - (c) have ceased to be an Authorised Person (as defined in the Financial Services and Markets Regulations 2015), are eligible LLPs for the purpose of section 867A.

**867C. Prescribed statement**

- (1) A prescribed statement is a statement that each of the members has formed the opinion, as regards the LLP's situation at the date of the statement that-
- (a) the LLP is an eligible LLP,
  - (b) the LLP is not precluded by sections 868 and 869 from making an application under section 867A (application for voluntary striking off supported by prescribed statement),
  - (c) that the LLP has no employees, and
  - (d) that all creditors of the LLP have been paid or otherwise discharged in full and the LLP has no other liabilities (including any contingent or prospective liabilities and liabilities in respect of current or former members, employees or clients).
- (2) In forming those opinions-
- (a) the members must take into account-
    - (i) any payment to members proposed to be made prior to the LLP being dissolved, details of which must be stated on the prescribed statement, and
    - (ii) all of the LLP's liabilities (including any contingent or prospective liabilities),

- (b) the members may take into account any arrangement made by the LLP for the discharge of the LLP's contingent or prospective liabilities by a third party following its dissolution and striking off.
- (3) The prescribed statement must be in the prescribed form and must state-
  - (a) the date on which it is made, and
  - (b) the name of each member of the LLP.
- (4) If the members make a prescribed statement without having reasonable grounds for the opinions expressed in it, and the statement is delivered to the Registrar, a contravention of these Regulations is committed by every member who is in default.
- (5) If the members make a prescribed statement and prior to an application made under section 867A being finally dealt with cease to have reasonable grounds for the opinions expressed in the prescribed statement or the opinions expressed in the prescribed statement cease to be true, the members shall withdraw the LLP's application under section 873 (circumstances in which application to be withdrawn).
- (6) A person who commits a contravention of subsection (4) is liable to a fine of up to level 8.

**868.— Circumstances in which application not to be made: activities of LLP**

- (1) An application under section 867 (application for voluntary striking off with notice to members, employees etc.) or under section 867A (application for voluntary striking off supported by prescribed statement) on behalf of an LLP must not be made if, at any time in the previous three months, the LLP has—
  - (a) changed its name,
  - (b) traded or otherwise carried on business,
  - (c) made a disposal for value of property or rights that, immediately before ceasing to trade or otherwise carry on business, it held for the purpose of disposal for gain in the normal course of trading or otherwise carrying on business, or
  - (d) engaged in any other activity, except one which is—
    - (i) necessary or expedient for the purpose of making an application under that section, or deciding whether to do so,
    - (ii) necessary or expedient for the purpose of concluding the affairs of the LLP,
    - (iii) necessary or expedient for the purpose of complying with any statutory requirement, or
    - (iv) specified by rules made by the Board by resolution for the purposes of this sub-paragraph.
- (2) For the purposes of this section, a LLP is not to be treated as trading or otherwise carrying on business by virtue only of the fact that it makes a payment in respect of a liability incurred in the course of trading or otherwise carrying on business.

- (3) It is a contravention of the Companies Regulations for a person to make an application in contravention of this section.
- (4) It is a defence to such a contravention for the person who committed the contravention to prove that he did not know, and could not reasonably have known, of the existence of the facts that led to the contravention.
- (5) A person who commits a contravention under this section shall be liable to a level 3 fine.

**869.— Circumstances in which application not to be made: other proceedings not concluded**

- (1) An application under section 867 (application for voluntary striking off with notice to members, employees etc.) or under section 867A (application for voluntary striking off supported by prescribed statement) on behalf of a LLP must not be made at a time when—
  - (a) an application to the Court under Part 25 has been made on behalf of the LLP for the sanctioning of a compromise or arrangement and the matter has not been finally concluded,
  - (b) the LLP is in administration under Part 1 (administration) of the Insolvency Regulations ~~2015~~2022,
  - (c) the LLP is being wound up under Part 3 (winding up) of the Insolvency Regulations ~~2015~~2022 whether voluntarily or by the Court, or a petition under that Part for winding up of the LLP by the Court has been presented and not finally dealt with or withdrawn,
  - (d) there is a receiver appointed in respect of the LLP's property.
- (2) For the purposes of subsection (1)(a), the matter is finally concluded if—
  - (a) the application has been withdrawn,
  - (b) the application has been finally dealt with without a compromise or arrangement being sanctioned by the Court, or
  - (c) a compromise or arrangement has been sanctioned by the Court and has, together with anything required to be done under any provision made in relation to the matter by order of the Court, been fully carried out.
- (3) It is a contravention of the Companies Regulations for a person to make an application in contravention of this section.
- (4) It is a defence to such a contravention for the person who committed the contravention to prove that he did not know, and could not reasonably have known, of the existence of the facts that led to the contravention.
- (5) A person who commits a contravention of this section shall be liable to a level 3 fine.

**870.— Copy of application to be given to members, employees, etc.**

- (1) A person who makes an application under section 867 (application for voluntary striking off) on behalf of a LLP must ensure that, within seven days

from the day on which the application is made, a copy of it is given to every person who at any time on that day is—

- (a) a member of the LLP,
  - (b) an employee of the LLP,
  - (c) a creditor of the LLP,
  - (d) a manager or trustee of any pension fund established for the benefit of employees of the LLP, or
  - (e) a person of a description specified for the purposes of this paragraph by an execution decision of the Registrar.
- (2) Subsection (1) does not require a copy of the application to be given to a member who is a party to the application.
  - (3) The duty imposed by this section ceases to apply if the application is withdrawn before the end of the period for giving the copy application.
  - (4) A person who fails to perform the duty imposed on him by this section commits a contravention of the Companies Regulations.

If he does so with the intention of concealing the making of the application from the person concerned, he commits an aggravated contravention.

- (5) It is a defence to such a contravention for the person who committed the contravention to prove that he took all reasonable steps to perform the duty.
- (6) A person who commits a contravention of this section (other than an aggravated contravention) shall be liable to a fine of up to level 7.

**871.— Copy of application to be given to new members, employees, etc.**

- (1) This section applies in relation to any time after the day on which a LLP makes an application under section 867 (application for voluntary striking off) and before the day on which the application is finally dealt with or withdrawn.
- (2) A person who is a member of the LLP at the end of a day on which a person (other than himself) becomes—
  - (a) a member of the LLP,
  - (b) an employee of the LLP,
  - (c) a creditor of the LLP,
  - (d) a manager or trustee of any pension fund established for the benefit of employees of the LLP, or
  - (e) a person of a description specified for the purposes of this paragraph by rules made the Board by resolution, must ensure that a copy of the application is given to that person within seven days from that day.
- (3) The duty imposed by this section ceases to apply if the application is finally dealt with or withdrawn before the end of the period for giving the copy application.

- (4) A person who fails to perform the duty imposed on him by this section commits a contravention of the Companies Regulations.
- If he does so with the intention of concealing the making of the application from the person concerned, he commits an aggravated contravention.
- (5) It is a defence to such a contravention for the person who committed the contravention to prove-
- (a) that at the time of the failure he was not aware of the fact that the LLP had made an application under section 867, or
- (b) that he took all reasonable steps to perform the duty.
- (6) A person who commits a contravention of this section (other than an aggravated contravention) shall be liable to a fine of up to level 7.

**872.— Copy of application: provisions as to service of documents**

- (1) The following provisions have effect for the purposes of-
- section 870 (copy of application to be given to members, employees, etc.), and
- section 871 (copy of application to be given to new members, employees, etc.).
- (2) A document is treated as given to a person if it is-
- (a) delivered to him in person, or
- (b) left at his residential or service address, or
- (c) sent by post to him at his service address.
- (3) For the purposes of subsection (2)(c), service (whether the expression "serve" or the expression "give" or "send" or any other expression is used) of documents by post is, unless the contrary intention appears, deemed to be effected by properly addressing, pre-paying and posting a letter containing the document and, unless the contrary is proved, effected at the time at which the letter would be delivered in the ordinary course of post and, as it applies in relation to that subsection, the service address of a person is-
- (a) in the case of a firm incorporated or formed in the Abu Dhabi Global Market, its registered office,
- (b) in the case of a firm incorporated or formed outside the Abu Dhabi Global Market -
- (i) if it has a place of business in the Abu Dhabi Global Market, its principal office in the Abu Dhabi Global Market, or
- (ii) if it does not have a place of business in the Abu Dhabi Global Market, its registered or principal office,
- (c) in the case of an individual, his last known service address.

- (4) In the case of a creditor of the LLP a document is treated as given to him if it is left or sent by post to him—
- (a) at the place of business of his with which the LLP has had dealings by virtue of which he is a creditor of the LLP, or
- (b) if there is more than one such place of business, at each of them.

**873.— Circumstances in which application to be withdrawn**

- (1) This section applies where, at any time on or after the day on which a LLP makes an application under section 867 (application for voluntary striking off with notice to members, employees etc.) or under section 867A (application for voluntary striking off supported by prescribed statement) and before the day on which the application is finally dealt with or withdrawn—
- (a) the LLP—
- (i) changes its name,
- (ii) trades or otherwise carries on business,
- (iii) makes a disposal for value of any property or rights other than those which it was necessary or expedient for it to hold for the purpose of making, or proceeding with, an application under that section, or
- (iv) engages in any activity, except one to which subsection (4) applies,
- (b) an application is made to the Court under Part 25 on behalf of the LLP for the sanctioning of a compromise or arrangement,
- (c) an application to the Court for an administration order in respect of the LLP is made under sections 8 (administration application) or 17 (administration application to appoint specified person as administrators by holder of qualifying charge) of the Insolvency Regulations 20152022,
- (d) an administrator is appointed in respect of the LLP under Part 1 (administration) of the Insolvency Regulations 20152022, or a copy of notice of intention to appoint an administrator of the LLP under any of those provisions is filed with the Court,
- (e) there arise any of the circumstances in which, under Chapter 2 (voluntary winding up) of Part 3 (winding up) of the Insolvency Regulations 20152022, the LLP may be voluntarily wound up,
- (f) a petition is presented for the winding up of the LLP by the Court under Chapter 6 (compulsory winding up) of Part 3 (winding up) of the Insolvency Regulations 20152022,
- (g) a receiver is appointed in respect of the LLP's property is appointed<sub>1</sub>,
- (h) the circumstances set out in subsection (5) of section 867C (prescribed statement) apply.
- (2) A person who, at the end of a day on which any of the events mentioned in subsection occurs, is a member of the LLP must secure that the LLP's application is withdrawn forthwith.

- (3) For the purposes of subsection (1)(a), a LLP is not treated as trading or otherwise carrying on business by virtue only of the fact that it makes a payment in respect of a liability incurred in the course of trading or otherwise carrying on business.
- (4) The excepted activities referred to in subsection (1)(a)(iv) are—
  - (a) any activity necessary or expedient for the purposes of—
    - (i) making, or proceeding with, an application under section 867 (application for voluntary striking off with notice to members, employees etc.) or under section 867A (application for voluntary striking off supported by prescribed statement),
    - (ii) concluding affairs of the LLP that are outstanding because of what has been necessary or expedient for the purpose of making, or proceeding with, such an application, or
    - (iii) complying with any statutory requirement,
  - (b) any activity specified in rules made by the Board by resolution for the purposes of this subsection.
- (5) A person who fails to perform the duty imposed on him by this section commits a contravention of the Companies Regulations.
- (6) It is a defence to such a contravention for the person who committed the contravention to prove—
  - (a) that at the time of the failure he was not aware of the fact that the LLP had made an application under section 867 or under section 867A, or
  - (b) that he took all reasonable steps to perform the duty.
- (7) A person who commits a contravention under this section shall be liable to a level 3 fine.

**874.— Withdrawal of application**

An application under section 867 or section 867A is withdrawn by notice to the Registrar.

**875.— Meaning of "creditor"**

In this Chapter "creditor" includes a contingent or prospective creditor."

**Property of Dissolved LLP**

**49. Property vesting as bona vacantia**

Sections 876 to 878 apply to LLPs, modified so that they read as follows—

**"876.— Property of a dissolved LLP**

- (1) When a LLP is dissolved, all property and rights whatsoever vested in or held on trust for the LLP immediately before its dissolution (but not including property held by the LLP on trust for another person) are deemed to be *bona vacantia* and—

- (a) accordingly belong to the Board, and
  - (b) vest and may be dealt with in the same manner as other *bona vacantia* accruing to the Board.
- (2) Subsection (1) has effect subject to the possible restoration of the LLP to the register under Chapter 3 (see section 892).

**877.— Board disclaimer of property vesting as bona vacantia**

- (1) Where property vests in the Board under section 876, the Board's title to it under that section may be disclaimed by a notice signed by a person duly authorised by the Board.
- (2) The right to execute a notice of disclaimer under this section may be waived by or on behalf of the Board either expressly or by taking possession.
- (3) A notice of disclaimer must be executed within three years after—
  - (a) the date on which the fact that the property may have vested in the Board under section 876 first comes to the notice of the Board, or
  - (b) if ownership of the property is not established at that date, the end of the period reasonably necessary for the Board to establish the ownership of the property.
- (4) If an application in writing is made to the Board by a person interested in the property requiring him to decide whether he will or will not disclaim, any notice of disclaimer must be executed within twelve months after the making of the application or such further period as may be allowed by the Court.
- (5) A notice of disclaimer under this section is of no effect if it is shown to have been executed after the end of the period specified by subsection (3) or (4).
- (6) A notice of disclaimer under this section must be delivered to the Registrar and retained and registered by him.
- (7) Copies of it must be published on the website of the Registrar and sent to any persons who have given the Board notice that they claim to be interested in the property.

**878.— Effect of Board disclaimer**

Where notice of disclaimer is executed under section 877 as respects any property, that property is deemed not to have vested in the Board under section 876."

**50. Effect of Board disclaimer**

Sections 879 to 881 apply to LLPs, modified so that they read as follows—

**"879.— General effect of disclaimer**

- (1) The Board's disclaimer operates so as to determine, as from the date of the disclaimer, the rights, interests and liabilities of the LLP in or in respect of the property disclaimed.

- (2) It does not, except so far as is necessary for the purpose of releasing the LLP from any liability, affect the rights or liabilities of any other person.

**880.— Disclaimer of leasehold property**

- (1) The disclaimer of any property of a leasehold character does not take effect unless a copy of the disclaimer has been served (so far as Board is aware of their addresses) on every person claiming under the LLP as underlessee, sublessee or mortgagee, and either—
- (a) no application under section 881 (power of Court to make vesting order) is made with respect to that property before the end of the period of 14 days beginning with the day on which the last notice under this paragraph was served, or
- (b) where such an application has been made, the Court directs that the disclaimer shall take effect.
- (2) Where the Court gives a direction under subsection (1)(b) it may also, instead of or in addition to any order it makes under section 881, make such order as it thinks fit with respect to fixtures, tenant's improvements and other matters arising out of the lease.

**881.— Power of Court to make vesting order**

- (1) The Court may on application by a person who—
- (a) claims an interest in the disclaimed property, or
- (b) is under a liability in respect of the disclaimed property that is not discharged by the disclaimer,
- make an order under this section in respect of the property.
- (2) An order under this section is an order for the vesting of the disclaimed property in, or its delivery to—
- (a) a person entitled to it (or a trustee for such a person), or
- (b) a person subject to such a liability as is mentioned in subsection (1)(b) (or a trustee for such a person).
- (3) An order under subsection (2)(b) may only be made where it appears to the Court that it would be just to do so for the purpose of compensating the person subject to the liability in respect of the disclaimer.
- (4) An order under this section may be made on such terms as the Court thinks fit.
- (5) On a vesting order being made under this section, the property comprised in it vests in the person named in that behalf in the order without conveyance, assignment or transfer."

## Restoration To The Register

### 51. Administrative restoration to the register

Sections 882 to 886 apply to LLPs, modified so they read as follows-

#### **"882.— Application for administrative restoration to the register**

- (1) An application may be made to the Registrar to restore to the register a LLP that has been struck off the register under section 864 or 865 (power of Registrar to strike off defunct LLP).
- (2) An application under this section may be made whether or not the LLP has in consequence been dissolved.
- (3) An application under this section may only be made by a former member of the LLP.
- (4) An application under this section may not be made after the end of the period of six years from the date of the dissolution of the LLP.

For this purpose an application is made when it is received by the Registrar.

#### **883.— Requirements for administrative restoration**

- (1) On an application under section 882 the Registrar shall restore the LLP to the register if, and only if, the following conditions are met.
- (2) The first condition is that the LLP was carrying on business or in operation at the time of its striking off.
- (3) The second condition is that, if any property or right previously vested in or held on trust for the LLP has vested as *bona vacantia*, the Board has signified to the Registrar in writing consent to the LLP's restoration to the register.
- (4) It is the applicant's responsibility to obtain that consent and to pay any costs of the Board—
  - (a) in dealing with the property during the period of dissolution, or
  - (b) in connection with the proceedings on the application,
 that may be demanded as a condition of giving consent.
- (5) The third condition is that the applicant has—
  - (a) delivered to the Registrar such documents relating to the LLP as are necessary to bring up to date the records kept by the Registrar, and
  - (b) paid any penalties under section 431 that were outstanding at the date of dissolution or striking off.

#### **884.— Application to be accompanied by statement of compliance**

- (1) An application under section 882 (application for administrative restoration to the register) must be accompanied by a statement of compliance.

- (2) The statement of compliance required is a statement—
  - (a) that the person making the application has standing to apply (see subsection (3) of that section), and
  - (b) that the requirements for administrative restoration (see section 883) are met.
- (3) The Registrar may accept the statement of compliance as sufficient evidence of those matters.

**885.— Registrar's decision on application for administrative restoration**

- (1) The Registrar must give notice to the applicant of the decision on an application under section 882 (application for administrative restoration to the register).
- (2) If the decision is that the LLP should be restored to the register, the restoration takes effect as from the date that notice is sent.
- (3) In the case of such a decision, the Registrar must—
  - (a) enter on the register a note of the date as from which the LLP's restoration to the register takes effect, and
  - (b) cause notice of the restoration to be published in on the website of the Registrar.
- (4) The notice under subsection (3)(b) must state—
  - (a) the name of the LLP or, if the LLP is restored to the register under a different name (see section 891), that name and its former name,
  - (b) the LLP's registered number, and
  - (c) the date as from which the restoration of the LLP to the register takes effect.

**886.— Effect of administrative restoration**

- (1) The general effect of administrative restoration to the register is that the LLP is deemed to have continued in existence as if it had not been dissolved or struck off the register.
- (2) The LLP is not liable to a penalty under section 426 for a financial year in relation to which the period for filing accounts and reports ended—
  - (a) after the date of dissolution or striking off, and
  - (b) before the restoration of the LLP to the register.
- (3) The Court may give such directions and make such provision as seems just for placing the LLP and all other persons in the same position (as nearly as may be) as if the LLP had not been dissolved or struck off the register.
- (4) An application to the Court for such directions or provision may be made any time within three years after the date of restoration of the LLP to the register."

**52. Supplementary provisions**

Sections 891 and 892 apply to LLPs, modified so that they read as follows—

**"891.— LLP's name on restoration**

- (1) An LLP is restored to the register with the name it had before it was dissolved or struck off the register, subject to the following provisions.
- (2) If at the date of restoration the LLP could not be registered under its former name without contravening section 55 (name not to be the same as another in the Registrar's register of LLP names), it must be restored to the register—
  - (a) under another name specified—
    - (i) in the case of administrative restoration, in the application to the Registrar, or
    - (ii) in the case of restoration under a Court order, in the Court's order, or
  - (b) as if its registered number was also its name.

References to an LLP's being registered in a name, and to registration in that context, shall be read as including the LLP's being restored to the register.

- (3) If an LLP is restored to the register under a name specified in the application to the Registrar, the provisions of
 

section 68 (change of name: registration and issue of new certificate of incorporation), and

section 69 (change of name: effect),

apply as if the application to the Registrar were notice of a change of name.
- (4) If an LLP is restored to the register under a name specified in the Court's order, the provisions of—
 

section 68 (change of name: registration and issue of new certificate of incorporation), and

section 69 (change of name: effect),

apply as if the copy of the Court order delivered to the Registrar were notice of a change a name.
- (5) If the LLP is restored to the register as if its registered number was also its name—
  - (a) the LLP must change its name and give notice to the Registrar of the change within 14 days after the date of the restoration ("filing deadline"),
  - (b) the change may be made by determination of its members, and
  - (c) sections 68 and 69 apply as regards the registration and effect of the change.
- (5A) Where an LLP defaults in notifying the Registrar of the change pursuant to subsection (5)(a) by the filing deadline, the LLP must pay a late filing fee up to the maximum amount prescribed in rules made by the Board.

- (6) If an LLP fails to comply with subsection 5(a), a contravention of the Companies Regulations is committed by—
- (a) the LLP, and
- (b) every designated member of the LLP who is in default.

**892.— Effect of restoration to the register where property has vested as bona vacantia**

- (1) The person in whom any property or right is vested by section 876 (property of a dissolved LLP) may dispose of, or of an interest in, that property or right despite the fact that the LLP may be restored to the register under this Chapter.
- (2) If the LLP is restored to the register—
- (a) the restoration does not affect the disposition (but without prejudice to its effect in relation to any other property or right previously vested in or held on trust for the LLP), and
- (b) the Board shall pay to the LLP an amount equal to—
- (i) the amount of any consideration received for the property or right or, as the case may be, the interest in it, or
- (ii) the value of any such consideration at the time of the disposition,
- or, if no consideration was received an amount equal to the value of the property, right or interest disposed of, as at the date of the disposition.
- (3) There may be deducted from the amount payable under subsection (2)(b) the reasonable costs of the Board in connection with the disposition (to the extent that they have not been paid as a condition of administrative restoration or pursuant to a Court order for restoration)."

**CHAPTER 16: INVESTIGATION OF LLPS AND THEIR AFFAIRS**

**53. Requisition of documents**

Sections 893 to 921 apply to LLPs, modified so that they read as follows—

**"893.— Investigation of an LLP on its own application or that of its members**

- (1) The Registrar may appoint one or more competent inspectors to investigate the affairs of an LLP and to report the results of their investigations to it.
- (2) The appointment may be made on the application of the LLP or on the application of not less than one-fifth in number of those who appear on from notifications made to the Registrar to be currently members of the LLP.
- (3) The application shall be supported by such evidence as the Registrar may require for the purpose of showing that the applicant or applicants have good reason for requiring the investigation.
- (4) The Registrar may, before appointing inspectors, require the applicant or applicants to give security, to an amount not exceeding 10,000 US dollars, or

such other sum as it may by specify in rules made under this section, for payment of the costs of the investigation.

#### **894. Other LLP investigations**

- (1) The Registrar shall appoint one or more competent inspectors to investigate the affairs of an LLP and report the result of their investigations to it, if the Court by order declares that its affairs ought to be so investigated.
- (2) The Registrar may also, without a Court order, appoint one or more competent inspectors to investigate the affairs of any LLP and report the result of their investigations to it if it appears to the Registrar that there are circumstances suggesting—
  - (a) that the LLP's affairs are being or have been conducted with intent to defraud its creditors or the creditors of any other person, or otherwise for a fraudulent or unlawful purpose, or in a manner which is unfairly prejudicial to some part of its members, or
  - (b) that any actual or proposed act or omission of the LLP (including an act or omission on its behalf) is or would be so prejudicial, or that the LLP was formed for any fraudulent or unlawful purpose, or
  - (c) that persons concerned with the LLP's formation or the management of its affairs have in connection therewith committed fraud, misfeasance or other misconduct towards it or towards its members, or
  - (d) that the LLP's members have not been given all the information with respect to its affairs which they might reasonably expect.
- (3) Inspectors may be appointed under subsection (2) on terms that any report they may make is not for publication, and in such a case, the provisions of section 898(3) (availability and publication of inspectors' reports) do not apply.
- (4) Subsections (1) and (2) are without prejudice to the powers of the Registrar under section 893, and the power conferred by subsection (2) is exercisable with respect to a body corporate notwithstanding that it is in course of being voluntarily wound up.
- (5) The reference in subsection (2)(d) to an LLP's members includes any person who is not a member but to whom a member's interest in the LLP has been transferred or transmitted by operation of law.

#### **895.— Inspectors' powers during investigation-**

If inspectors appointed under section 893 or 894 to investigate the affairs of a LLP think it necessary for the purposes of their investigation to investigate also the affairs of another body corporate which is or at any relevant time has been the LLP's subsidiary or holding LLP, or a subsidiary of its holding LLP or a holding LLP of its subsidiary, they have power to do so, and they shall report on the affairs of the other body corporate so far as they think that the results of their investigation of its affairs are relevant to the investigation of the affairs of the LLP first mentioned above.

**896. Production of documents and evidence to inspectors-**

- (1) When inspectors are appointed under section 893 or 894, it is the duty of all members and agents of the LLP, and of all officers and agents of any other body corporate whose affairs are investigated —
  - (a) to produce to the inspectors all documents of or relating to the LLP or, as the case may be, the other body corporate which are in their custody or power,
  - (b) to attend before the inspectors when required to do so, and
  - (c) otherwise to give the inspectors all assistance in connection with the investigation which they are reasonably able to give.
- (2) If the inspectors consider that a member or agent of the LLP or other body corporate, or any other person, is or maybe in possession of information relating to a matter which they believe to be relevant to the investigation, they may require him—
  - (a) to produce to them any documents in his custody or power relating to that matter,
  - (b) to attend before them, and
  - (c) otherwise to give them all assistance in connection with the investigation which he is reasonably able to give,and it is that person's duty to comply with the requirement.
- (3) An inspector may for the purposes of the investigation examine any person on oath, and may administer an oath accordingly.
- (4) In this section a reference to members or to agents includes past, as well as present, members or agents (as the case may be), and "agents", in relation to an LLP or other body corporate, includes its bankers and solicitors and persons employed by it as auditors, whether these persons are or are not members of the LLP or other body corporate.
- (5) An answer given by a person to a question put to him in exercise of powers conferred by this section (whether as it has effect in relation to an investigation under any of sections 893 to 895, or as applied by any other section in this Part) may be used in evidence against him.
- (6) In this section "document" includes information recorded in any form.
- (7) The power under this section to require production of a document includes power, in the case of a document not in hard copy form, to require the production of a copy of the document—
  - (a) in hard copy form, or
  - (b) in a form from which a hard copy can be readily obtained.
- (8) An inspector may take copies of or extracts from a document produced in pursuance of this section.

**897.— Obstruction of inspectors treated as contempt of Court**

- (1) If any person—
  - (a) fails to comply with section 896(1)(a) or 896(1)(c),
  - (b) refuses to comply with a requirement under section 896(1)(b) or 896(2), or
  - (c) refuses to answer any question put to him by the inspectors for the purposes of the investigation,

the inspectors may certify that fact in writing to the Court.
- (2) The Court may thereupon enquire into the case, and, after hearing any witnesses who may be produced against or on behalf of the alleged offender and after hearing any statement which may be offered in defence, the Court may punish the offender in like manner as if he had committed contempt of the Court.

*Inspectors' reports***898.— Inspectors' reports**

- (1) The inspectors may, and if so directed by the Registrar shall, make interim reports to the Registrar, and on the conclusion of their investigation shall make a final report to it.
- (2) Any persons who have been appointed under section 893 or 894 may at any time and, if the Registrar directs them to do so, shall inform it of any matters coming to their knowledge as a result of their investigations.
- (3) If the inspectors were appointed under section 894(1) in pursuance of an order of the Court, the Registrar shall furnish a copy of any report of theirs to the Court.
- (4) In any case the Registrar may, if it thinks fit—
  - (a) forward a copy of any report made by the inspectors to the LLP's registered office,
  - (b) furnish a copy on request and on payment of the prescribed fee to—
    - (i) any member of the LLP or other body corporate which is the subject of the report,
    - (ii) any person whose conduct is referred to in the report,
    - (iii) the auditors of that LLP or body corporate,
    - (iv) the applicants for the investigation,
    - (v) the Financial Services Regulator,
    - (vi) any other person whose financial interests appear to the Board to be affected by the matters dealt with in the report, whether as a creditor of the LLP or body corporate, or otherwise, and
- (c) cause any such report to be printed and published.

**899.— Expenses of investigating a LLP's affairs**

- (1) The expenses of an investigation under any of the powers conferred by this Part shall be defrayed in the first instance by the Registrar, but it may recover those expenses from the persons liable in accordance with this section.

There shall be treated as expenses of the investigation, in particular, such reasonable sums as the Registrar may determine in respect of general staff costs and overheads.

- (2) A person who is found to have committed a contravention of the Companies Regulations in proceedings instituted as a result of the investigation may in the same proceedings be ordered to pay those expenses to such extent as may be specified in the order.
- (3) A body corporate dealt with by an inspectors' report, where the inspectors were appointed otherwise than of the Registrar's own motion, is liable except where it was the applicant for the investigation, and except so far as the Registrar otherwise directs.
- (4) Where inspectors were appointed—
- (a) under section 893, or
- (b) on an application under section 901(2), the applicant or applicants for the investigation is or are liable to such extent (if any) as the Registrar may direct.
- (5) The report of inspectors appointed otherwise than of the Registrar's own motion may, if they think fit, and shall if the Registrar so directs, include a recommendation as to the directions (if any) which they think appropriate, in the light of their investigation, to be given under subsection (4) or (5) of this section.
- (6) Any liability to repay the Registrar imposed by subsection (2) above is (subject to satisfaction of his right to repayment) a liability also to indemnify all persons against liability under subsections (4) and (5).
- (7) A person liable under any one of those subsections is entitled to contribution from any other person liable under the same subsection, according to the amount of their respective liabilities under it.

**900.— Inspectors' report to be evidence**

- (1) A copy of any report of inspectors appointed under this Part, certified by the Registrar to be a true copy, is admissible in any legal proceedings as evidence of the opinion of the inspectors in relation to any matter contained in the report and, in proceedings relating to disqualification of a LLP member, as evidence of any fact stated therein.
- (2) A document purporting to be such a certificate as is mentioned above shall be received in evidence and be deemed to be such a certificate, unless the contrary is proved.

**901.— Power to investigate LLP ownership**

- (1) Where it appears to the Registrar that there is good reason to do so, it may appoint one or more competent inspectors to investigate and report on the

membership of any LLP, and otherwise with respect to the LLP, for the purpose of determining the true persons who are or have been financially interested in the success or failure (real or apparent) of the LLP or able to control or materially to influence its policy.

- (2) If an application for investigation under this section with respect to particular interests or debentures of an LLP is made to the Registrar by members of the LLP, and the number of applicants or the amount of interests held by them is not less than that required for an application for the appointment of inspectors under section 893(2)(a) or 893(2)(b), then, subject to the following provisions, the Registrar shall appoint inspectors to conduct the investigation applied for.
- (3) The Registrar shall not appoint inspectors if it is satisfied that the application is vexatious, and where inspectors are appointed their terms of appointment shall exclude any matter in so far as the Registrar is satisfied that it is unreasonable for it to be investigated.
- (4) The Registrar may, before appointing inspectors, require the applicant or applicants to give security, to an amount not exceeding 10,000 US dollars, or such other sum as it may by order specify, for payment of the costs of the investigation. An order under this subsection shall be made by Resolution.
- (5) If on an application under subsection (3) it appears to the Registrar that the powers conferred by section 903 are sufficient for the purposes of investigating the matters which inspectors would be appointed to investigate, it may instead conduct the investigation under that section.
- (6) Subject to the terms of their appointment, the inspectors' powers extend to the investigation of any circumstances suggesting the existence of an arrangement or understanding which, though not legally binding, is or was observed or likely to be observed in practice and which is relevant to the purposes of the investigation.

**902.— Provisions applicable on investigation under section 901**

- (1) For purposes of an investigation under section 901, sections 895, 896, 897 and 898 apply with the necessary modifications of references to the affairs of the LLP or to those of any other body corporate, subject however to the following subsections.
- (2) Those sections apply to—
  - (a) all persons who are or have been, or whom the inspector has reasonable cause to believe to be or have been, financially interested in the success or failure or the apparent success or failure of the company or any other body corporate whose membership is investigated with that of the company, or able to control or materially influence its policy (including persons concerned only on behalf of others), and
  - (b) any other person whom the inspector has reasonable cause to believe possesses information relevant to the investigation,

as they apply in relation to officers and agents of the company or the other body corporate (as the case may be)
- (3) If the Registrar is of opinion that there is good reason for not divulging any part of a report made by virtue of section 901 and this section, it may under

section 898 disclose the report with the omission of that part, and it may cause to be kept by the Registrar of companies a copy of the report with that part omitted or, in the case of any other such report, a copy of the whole report.

**903.— Power to obtain information as to those interested in LLP**

- (1) If it appears to the Registrar that there is good reason to investigate the ownership of any shares in or debentures of a company and that it is unnecessary to appoint inspectors for the purpose, it may require any person whom it has reasonable cause to believe to have or to be able to obtain any information as to the present and past interests in those shares or debentures and the names and addresses of the persons interested and of any persons who act or have acted on their behalf in relation to the shares or debentures to give any such information to the Registrar.
- (2) For this purpose a person is deemed to have an interest in shares or debentures if he has any right to acquire or dispose of them or of any interest in them, or to vote in respect of them, or if his consent is necessary for the exercise of any of the rights of other persons interested in them, or if other persons interested in them can be required, or are accustomed, to exercise their rights in accordance with his instructions.
- (3) A person who fails to give information required of him under this section, or who in giving such information makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular, commits a contravention of the Companies Regulations.
- (4) A person who is found to have committed a contravention under this section shall be liable to a fine of up to level 8.

**904.— Power to impose restrictions on interests and debentures**

- (1) If in connection with an investigation under either section 901 or 903 it appears to the Registrar that there is difficulty in finding out the relevant facts about any interests (whether issued or to be issued), it may by order direct that the interests shall until further order be subject to the restrictions of Chapter 2 of this Part.
- (2) If the Registrar is satisfied that an order under subsection (1) may unfairly affect the rights of third parties in respect of interests then the Registrar, for the purpose of protecting such rights and subject to such terms as it thinks fit, may direct that such acts by such persons or descriptions of persons and for such purposes as may be set out in the order, shall not constitute a breach of the restrictions of Chapter 2 of this Part.
- (3) This section, and Chapter 2 in its application to orders under it, apply in relation to debentures as in relation to interests save that subsection (2) shall not so apply.

**905.— General powers to give directions**

- (1) In exercising his functions an inspector shall comply with any direction given to him by the Registrar under this section.

- (2) The Registrar may give an inspector appointed under section 893, 894(2) or 901(1) a direction—
  - (a) as to the subject matter of his investigation (whether by reference to a specified area of a LLP's operation, a specified transaction, a period of time or otherwise), or
  - (b) which requires the inspector to take or not to take a specified step in his investigation.
- (3) The Registrar may give an inspector appointed under any provision of this Part a direction requiring it to secure that a specified report under section 898 –
  - (a) includes the inspector's views on a specified matter,
  - (b) does not include any reference to a specified matter,
  - (c) is made in a specified form or manner, or
  - (d) is made by a specified date.
- (4) A direction under this section—
  - (a) may be given on an inspector's appointment,
  - (b) may vary or revoke a direction previously given, and
  - (c) may be given at the request of an inspector.
- (5) In this section—
  - (a) a reference to an inspector's investigation includes any investigation he undertakes, or could undertake, under section 895 (power to investigate affairs of holding LLP or subsidiary),
  - (b) "specified" means specified in a direction under this section.

**906.— Direction to terminate investigation**

- (1) The Registrar may direct an inspector to take no further steps in his investigation.
- (2) The Registrar may give a direction under this section to an inspector appointed under section 894(1) or 901(2) only on the grounds that it appears to it that—
  - (a) matters have come to light in the course of the inspector's investigation which suggest that a contravention of the Companies Regulations or any other law of regulation applicable in the Abu Dhabi Global Market has been committed, and
  - (b) those matters have been referred to the appropriate prosecuting authority.
- (3) Where the Registrar gives a direction under this section, any direction already given to the inspector under section 898(1) to produce an interim report, and any direction given to him under section 905(3) in relation to such a report, shall cease to have effect.

- (4) Where the Registrar gives a direction under this section, the inspector shall not make a final report to the Registrar unless—
- (a) the direction was made on the grounds mentioned in subsection (2) and the Board directs the inspector to make a final report to it, or
  - (b) the inspector was appointed under section 894(1)(appointment in pursuance of order of the Court).
- (5) An inspector shall comply with any direction given to him under this section.
- (6) In this section, a reference to an inspector's investigation includes any investigation he undertakes, or could undertake, under section 895 (power to investigate affairs of holding LLP or subsidiary).

*Resignation, removal and replacement of inspectors*

**907.— Resignation and revocation of appointment**

- (1) An inspector may resign by notice in writing to the Registrar.
- (2) The Registrar may revoke the appointment of an inspector by notice in writing to the inspector.

**908.— Appointment of replacement inspectors**

- (1) Where—
  - (a) an inspector resigns,
  - (b) an inspector's appointment is revoked, or
  - (c) an inspector dies,
 the Registrar may appoint one or more competent inspectors to continue the investigation.
- (2) An appointment under subsection (1) shall be treated for the purposes of this Part (apart from this section) as an appointment under the provision of this Part under which the former inspector was appointed.
- (3) The Registrar must exercise its power under subsection (1) so as to secure that at least one inspector continues the investigation.
- (4) Subsection (3) does not apply if—
  - (a) the Registrar could give any replacement inspector a direction under section 906 (termination of investigation), and
  - (b) such a direction would (under subsection (4) of that section) result in a final report not being made.
- (5) In this section, references to an investigation include any investigation the former inspector conducted under section 895 (power to investigate affairs of holding LLP or subsidiary).

*Power to obtain information from former inspectors etc.***909.— Obtaining information from former inspectors etc.**

- (1) This section applies to a person who was appointed as an inspector under this Part—
  - (a) who has resigned, or
  - (b) whose appointment has been revoked.
- (2) This section also applies to an inspector to whom the Registrar has given a direction under section 906 (termination of investigation).
- (3) The Registrar may direct a person to whom this section applies to produce documents obtained or generated by that person during the course of his investigation to—
  - (a) the Registrar,
  - (b) the Financial Services Regulator, or
  - (c) an inspector appointed under this Part.
- (4) The power under subsection (3) to require production of a document includes power, in the case of a document not in hard copy form, to require the production of a copy of the document—
  - (a) in hard copy form, or
  - (b) in a form from which a hard copy can be readily obtained.
- (5) The Registrar may take copies of or extracts from a document produced in pursuance of this section.
- (6) The Registrar may direct a person to whom this section applies to inform it of any matters that came to that person's knowledge as a result of his investigation.
- (7) A person shall comply with any direction given to him under this section.
- (8) In this section—
  - (a) references to the investigation of a former inspector or inspector include any investigation he conducted under section 895 (power to investigate affairs of holding LLP or subsidiary), and
  - (b) "document" includes information recorded in any form.

*Requisition and seizure of books and papers***910.— Registrar's power to require production of documents**

- (1) The Registrar may act under subsections (2) and (3) in relation to an LLP.

- (2) The Registrar may give directions to the LLP requiring it–
  - (a) to produce such documents (or documents of such description) as may be specified in the directions,
  - (b) to provide such information (or information of such description) as may be so specified.
- (3) The Registrar may authorise a person (an investigator) to require the LLP or any other person–
  - (a) to produce such documents (or documents of such description) as the investigator may specify,
  - (b) to provide such information (or information of such description) as the investigator may specify.
- (4) A person on whom a requirement under subsection (3) is imposed may require the investigator to produce evidence of his authority.
- (5) A requirement under subsection (2) or (3) must be complied with at such time and place as may be specified in the directions or by the investigator (as the case may be).
- (6) The production of a document in pursuance of this section does not affect any lien which a person has on the document.
- (7) The Registrar or the investigator (as the case may be) may take copies of or extracts from a document produced in pursuance of this section.
- (8) The power under this section to require production of a document includes power, in the case of a document not in hard copy form, to require the production of a copy of the document–
  - (a) in hard copy form, or
  - (b) in a form from which a hard copy can be readily obtained.
- (9) Any person who fails without reasonable excuse to comply with any requirement imposed in accordance with this section commits a contravention of the Companies Regulations.
- (10) A person who commits a contravention under this section shall be liable to a fine of up to level 7.
- (11) For the purposes of sections 912 and 915 (provision for security of information) documents obtained under this section shall be treated as if they had been obtained under the provision of this Part under which their production was or, as the case may be, could have been required.
- (12) In this section "document" includes information recorded in any form.
- (13) A statement made by a person in compliance with a requirement under section 910 may be used in evidence against him.

**911.— Protection in relation to certain disclosures: information provided to Registrar**

- (1) A person who makes a relevant disclosure is not liable by reason only of that disclosure in any proceedings relating to a breach of an obligation of confidence.
- (2) A relevant disclosure is a disclosure which satisfies each of the following conditions—
  - (a) it is made to the Registrar otherwise than in compliance with a requirement under this Part,
  - (b) it is of a kind that the person making the disclosure could be required to make in pursuance of this Part,
  - (c) the person who makes the disclosure does so in good faith and in the reasonable belief that the disclosure is capable of assisting the Registrar for the purposes of the exercise of his functions under this Part,
  - (d) the information disclosed is not more than is reasonably necessary for the purpose of assisting the Registrar for the purposes of the exercise of those functions,
  - (e) the disclosure is not one falling within subsection (3) or (4).
- (3) A disclosure falls within this subsection if the disclosure is prohibited by virtue of any law or regulation applicable in the Abu Dhabi Global Market whenever passed or made.
- (4) A disclosure falls within this subsection if—
  - (a) it is made by a person carrying on the business of banking or by a lawyer, and
  - (b) it involves the disclosure of information in respect of which he owes an obligation of confidence in that capacity.

**912.— Provision for security of information obtained**

- (1) This section applies to information (in whatever form) obtained—
  - (a) in pursuance of a requirement imposed under section 910,
  - (b) by means of a relevant disclosure within the meaning of section 911(2),
  - (c) by an investigator in consequence of the exercise of his powers under section 918.
- (2) Such information must not be disclosed unless the disclosure—
  - (a) is made to such persons as the Board may designate in rules made by resolution, or
  - (b) is of such a description as the as the Board may designate in rules made by resolution.

- (3) A person who discloses any information in contravention of this section commits a contravention of the Companies Regulations.
- (4) A person who commits a contravention under this section shall be liable to a fine of up to level 7.
- (5) Any information which may by virtue of this section be disclosed to a person specified in subsection 2(b) may be disclosed to any officer or employee of the person.
- (6) This section does not prohibit the disclosure of information if the information is or has been available to the public from any other source.
- (7) For the purposes of this section, information obtained by an investigator in consequence of the exercise of his powers under section 918 includes information obtained by a person accompanying the investigator in pursuance of subsection (4) of that section in consequence of that person's accompanying the investigator.
- (8) Nothing in this section authorises the making of a disclosure in contravention of applicable data protection legislation.

**913.— Punishment for destroying, mutilating etc. LLP documents**

- (1) A member or agent of a LLP who—
  - (a) destroys, mutilates or falsifies, or is privy to the destruction, mutilation or falsification of a document affecting, or relating to the LLP's property or affairs, or
  - (b) makes, or is privy to the making of, a false entry in such a document, commits a contravention of the Companies Regulations, unless he proves that he had no intention to conceal the state of affairs of the LLP or to defeat the law.
- (2) Such a person as above mentioned who fraudulently either parts with, alters or makes an omission in any such document or is privy to fraudulent parting with, fraudulent altering or fraudulent making of an omission in, any such document, commits a contravention of the Companies Regulations.
- (3) A person who is found to have committed contravention under this section shall be liable to a fine of up to level 8.
- (4) In this section "document" includes information recorded in any form.

**914.— Punishment for furnishing false information**

- (1) A person commits a contravention of the Companies Regulations if in purported compliance with a requirement under section 910 to provide information—
  - (a) he provides information which he knows to be false in a material particular,
  - (b) he recklessly provides information which is false in a material particular.
- (2) A person who commits a contravention of this section shall be liable to a fine of up to level 7.

**915.— Disclosure of information by Board or inspector**

- (1) This section applies to information obtained—
  - (a) under sections 896 to 909,
  - (b) by an inspector in consequence of the exercise of his powers under section 918.
- (2) The Registrar may, if it thinks fit—
  - (a) disclose any information to which this section applies—
    - (i) to any person to whom, or for any purpose for which, disclosure is permitted under section 446, or
    - (ii) to the Financial Services Regulator,
  - (b) authorise or require an inspector appointed under this Part to disclose such information to any such person or for any such purpose.
- (3) Information to which this section applies may also be disclosed by an inspector appointed under this Part to—
  - (a) another inspector appointed under this Part, or
  - (b) a person authorised to exercise powers under—
    - (i) section 910 of the Companies Regulations, or
    - (ii) section 927 of the Companies Regulations (exercise of powers to assist non-Abu Dhabi Global Market regulatory authority).
- (4) Any information which may by virtue of subsection (3) be disclosed to any person may be disclosed to any officer or servant of that person.
- (5) The Registrar may, if it thinks fit, disclose any information obtained under section 903 to—
  - (a) the LLP whose ownership was the subject of the investigation,
  - (b) any member of the LLP,
  - (c) any person whose conduct was investigated in the course of the investigation,
  - (d) the auditors of the LLP, or
  - (e) any person whose financial interests appear to the Registrar to be affected by matters covered by the investigation.
- (6) For the purposes of this section, information obtained by an inspector in consequence of the exercise of his powers under section 918 includes information obtained by a person accompanying the inspector in pursuance of subsection (4) of that section in consequence of that person's accompanying the inspector.
- (7) The reference to an inspector in subsection (2)(b) above includes a reference to a person accompanying an inspector in pursuance of section 918.

*Supplementary***916.— Privileged information.**

- (1) Nothing in sections 893 to 909 compels the disclosure by any person to the Registrar or to an inspector appointed by the Registrar of information in respect of which a claim to legal professional privilege could be maintained.
- (2) Nothing in section 896, 901 or 903 requires a person (except as mentioned in subsection (3) below) to disclose information or produce documents in respect of which he owes an obligation of confidence by virtue of carrying on the business of banking unless—
  - (a) the person to whom the obligation of confidence is owed is the LLP or other body corporate under investigation,
  - (b) the person to whom the obligation of confidence is owed consents to the disclosure or production, or
  - (c) the making of the requirement is authorised by the Registrar.
- (3) Subsection (2) does not apply where the person owing the obligation of confidence is the LLP or other body corporate under investigation under section 893, 894 or 895.
- (4) Nothing in sections 910 to 914—
  - (a) compels the production by any person of a document or the disclosure by any person of information in respect of which a claim to legal professional privilege could be maintained,
  - (b) authorises the taking of possession of any such document which is in the person's possession.
- (5) The Registrar must not under section 910 require, or authorise a person to require—
  - (a) the production by a person carrying on the business of banking of a document relating to the affairs of a customer of his, or
  - (b) the disclosure by it of information relating to those affairs, unless one of the conditions in subsection (6) is met.
- (6) The conditions are—
  - (a) the Registrar thinks it is necessary to do so for the purpose of investigating the affairs of the person carrying on the business of banking,
  - (b) the customer is a person on whom a requirement has been imposed under section 910,
  - (c) the customer is a person on whom a requirement to produce information or documents has been imposed by an investigator appointed by the Registrar.
- (7) Despite subsections (1) and (2) a person who is a lawyer may be compelled to disclose the name and address of his client.

**917.— Investigation of non-Abu Dhabi Global Market companies**

- (1) The provisions of this Part apply to bodies corporate incorporated outside the Abu Dhabi Global Market which are carrying on business in the Abu Dhabi Global Market under the auspices of a licence granted under the Commercial Licensing Regulations 2015, or have at any time carried on business there, as they apply to companies under the Companies Regulations, but subject to the following exceptions, adaptations and modifications.
- (2) The following provisions do not apply to such bodies—
  - (a) section 893 (investigation on application of LLP or its members),
  - (b) sections 901 to 903 (investigation of LLP ownership and power to obtain information as to those interested in shares, etc).
- (3) The other provisions of this Part apply to such bodies subject to such adaptations and modifications as may be specified by rules made by the Board by resolution.

**918.— Power to enter and remain on premises**

- (1) An inspector or investigator may act under subsection (2) in relation to a LLP if—
  - (a) he is authorised to do so by the Registrar, and
  - (b) he thinks that to do so will materially assist him in the exercise of his functions under this Part in relation to the LLP.
- (2) An inspector or investigator may at all reasonable times—
  - (a) require entry to relevant premises, and
  - (b) remain there for such period as he thinks necessary for the purpose mentioned in subsection (1)(b).
- (3) Relevant premises are premises which the inspector or investigator believes are used (wholly or partly) for the purposes of the LLP's business.
- (4) In exercising his powers under subsection (2), an inspector or investigator may be accompanied by such other persons as he thinks appropriate.
- (5) A person who intentionally obstructs a person lawfully acting under subsection (2) or (4) commits a contravention of the Companies Regulations and shall be liable to a fine of up to level 5.
- (6) An inspector is a person appointed under section 893, 894 or 901.
- (7) An investigator is a person authorised for the purposes of section 910.

**919.— Power to enter and remain on premises: procedural**

- (1) This section applies for the purposes of section 918.
- (2) The requirements of subsection (3) must be complied with at the time an inspector or investigator seeks to enter relevant premises under section 918.

- (3) The requirements are–
  - (a) the inspector or investigator must produce evidence of his identity and evidence of his appointment or authorisation (as the case may be),
  - (b) any person accompanying the inspector or investigator must produce evidence of his identity.
- (4) The inspector or investigator must, as soon as practicable after obtaining entry, give to an appropriate recipient a written statement containing such information as to–
  - (a) the powers of the investigator or inspector (as the case may be) under section 918,
  - (b) the rights and obligations of the LLP, occupier and the persons present on the premises,

as may be prescribed by rules made by the Registrar.
- (5) If during the time the inspector or investigator is on the premises there is no person present who appears to him to be an appropriate recipient for the purposes of subsection (8), the inspector or investigator must as soon as reasonably practicable send to the LLP–
  - (a) a notice of the fact and time that the visit took place, and
  - (b) the statement mentioned in subsection (4).
- (6) As soon as reasonably practicable after exercising his powers under section 918, the inspector or investigator must prepare a written record of the visit and–
  - (a) if requested to do so by the LLP he must give it a copy of the record,
  - (b) in a case where the LLP is not the sole occupier of the premises, if requested to do so by an occupier he must give the occupier a copy of the record.
- (7) The written record must contain such information as may be prescribed by regulations.
- (8) If the inspector or investigator thinks that the LLP is the sole occupier of the premises an appropriate recipient is a person who is present on the premises and who appears to the inspector or investigator to be–
  - (a) a member of the LLP, or
  - (b) a person otherwise engaged in the business of the LLP if the inspector or investigator thinks that no member of the LLP is present on the premises.
- (9) If the inspector or investigator thinks that the LLP is not the occupier or sole occupier of the premises an appropriate recipient is–
  - (a) a person who is an appropriate recipient for the purposes of subsection (8), and (if different)
  - (b) a person who is present on the premises and who appears to the inspector or investigator to be an occupier of the premises or otherwise in charge of them.

**920.— Failure to comply with certain requirements**

- (1) This section applies if a person fails to comply with a requirement imposed by an inspector, the Registrar or an investigator in pursuance of either of the following provisions—
  - (a) section 910,
  - (b) section 918.
- (2) The inspector, Registrar or investigator (as the case may be) may certify the fact in writing to the Court.
- (3) If, after hearing—
  - (a) any witnesses who may be produced against or on behalf of the alleged offender,
  - (b) any statement which may be offered in defence,

the Court is satisfied that the offender failed without reasonable excuse to comply with the requirement, it may deal with him as if he had committed contempt of the Court.

**921.— Contraventions by bodies corporate**

Where a contravention of the Companies Regulations occurs under any of sections 912, 914 and 918, is committed by a body corporate, every officer of the body who is in default also commits the contravention.

For this purpose—

- (a) any person who purports to act as member, manager or secretary of the body is treated as an officer of the body, and
- (b) if the body is an LLP, any shadow member is treated as a member of the LLP."

**CHAPTER 17: THE REGISTRAR OF COMPANIES****54. Provisions of general application**

- (1) The application to LLPs by the following regulations of certain provisions of Part 31 of the Companies Regulations 2020 is without prejudice to the application in relation to LLPs of the provisions of that Part that are of general application.
- (2) Those provisions are—sections 935 to 938 (the Registrar), sections 942 to 945 (delivery of documents to the Registrar), sections 946 to 950 (requirements for proper delivery), sections 954(1), 954(4), 954(5) and 966 (keeping and production of records), section 957 (preservation of original documents), sections 980 to 982 (language requirements: transliteration), sections 983 and 986 to 989 (supplementary provisions).

**55. Certificates of incorporation**

Sections 939 and 940 apply to LLPs, modified so that they read as follows—

**"939.— Public notice of issue of certificate of incorporation**

- (1) The Registrar must cause to be published—
  - (a) on its website, or
  - (b) in accordance with section 988 (alternative means of giving public notice), notice of the issue by the Registrar of any certificate of incorporation of an LLP.
- (2) The notice must state the name and registered number of the LLP and the date of issue of the certificate.
- (3) This section applies to a certificate of incorporation issued under—
  - (a) section 67 (change of name), or
  - (b) any provision of Part 7 (re-registration), as well as to the certificate issued on a LLP's formation.

**940. Form and right to certificate of incorporation**

- (1) Any certificate of incorporation issued by the Registrar shall be in electronic form only, unless a request is made pursuant to Section 940(2).
- (2) Any person may request that the Registrar provide it with a paper copy of any certificate of incorporation of an LLP, signed by the Registrar or authenticated by the Registrar's seal.
- (3) The Board may make rules requiring the payment of certain fees to the Registrar for the provision of the paper copy as described in subsection 940(2).

**56. Registered numbers**

Section 941 applies to LLPs, modified so that it reads as follows—

**"941.— LLP's registered numbers**

- (1) The Registrar shall allocate to every LLP a number, which shall be known as the LLP's registered number.
- (2) LLP's registered numbers shall be in such form, consisting of one or more sequences of figures or letters, as the Registrar may determine.
- (3) The Registrar may on adopting a new form of registered number make such changes of existing registered numbers as appear necessary.
- (4) A change of a LLP's registered number has effect from the date on which the LLP is notified by the Registrar of the change.
- (5) For a period of three years beginning with that date any requirement to disclose the LLP's registered number imposed by rules under section 70 (requirement to disclose LLP name etc.) is satisfied by the use of either the old number or the new."

**57. Public notice of receipt of certain documents**

Sections 951 to 953 apply to LLPs, modified so that they read as follows—

**"951.— Public notice of receipt of certain documents**

- (1) The Registrar must cause to be published—
  - (a) on its website, or
  - (b) in accordance with section 988 (alternative means of giving public notice), notice of the receipt by the Registrar of any document that, on receipt, is subject to the enhanced disclosure requirements (see section 952).
- (2) The notice must state the name and registered number of the LLP, the description of document and the date of receipt.
- (3) The Registrar is not required to cause notice of the receipt of a document to be published before the date of incorporation of the LLP to which the document relates.

**952.— Documents subject to enhanced disclosure requirements**

- (1) The documents subject to the "enhanced disclosure requirements" are as follows.
- (2) In the case of every LLP –

*Constitutional documents*

1. The LLP's incorporation document.
2. Any notice delivered under section 8(4) of the Limited Liability Partnerships Regulations 2015.
3. Any notice of a change of the LLP's name.

*Registered office*

1. Notification of any change of the LLP's registered office.

*Winding up*

1. Copy of any winding up order in respect of the LLP.
2. Notice of the appointment of liquidators.
3. Order for the dissolution of a LLP on a winding up.
4. Return by a liquidator of the final meeting of a LLP on a winding up.

*Members*

1. Notification of any change among the LLP's members.
2. Notification of any change in the particulars of members required to be delivered to the Registrar.

*Accounts, reports and returns*

1. All documents required to be delivered to the Registrar under section 415 (duty to file accounts and reports with the Registrar).
2. All documents delivered to the Registrar under sections 385(2)(e), 425(2)(e) and 454(2)(e) (qualifying subsidiary companies: conditions for exemption from the audit, preparation and filing of individual accounts).
3. The LLP's annual return.

**953.— Effect of failure to give public notice**

- (1) An LLP is not entitled to rely against other persons on the happening of any event to which this section applies unless—
  - (a) the event has been officially notified at the material time, or
  - (b) the LLP shows that the person concerned knew of the event at the material time.
- (2) The events to which this section applies are—
  - (a) (as regards service of any document on the LLP) a change of the LLP's registered office,
  - (b) the making of a winding up order in respect of the LLP, or
  - (c) the appointment of a liquidator in a voluntary winding up of the LLP.
- (3) If the material time falls—
  - (a) on or before the 15th day after the date of official notification, or
  - (b) where the 15th day was not a working day, on or before the next day that was,

the LLP is not entitled to rely on the happening of the event as against a person who shows that he was unavoidably prevented from knowing of the event at that time.
- (4) "Official notification" means—
  - (a) in relation to anything started in a document specified in, notification of that document in accordance with section 951, (public notice of receipt by Registrar of certain documents) of the amendment and the amended text of the articles,
  - (b) in relation to the appointment of a liquidator in a voluntary winding up, notification of that event in accordance with the Insolvency Regulations 20152022."

**58. The register**

Sections 955 to 956 and 958 apply to LLPs, modified so that they read as follows—

**"955.— Annotation of the register**

- (1) The Registrar must place a note in the register recording—
  - (a) the date on which a document is delivered to the Registrar,
  - (b) if a document is corrected under section 949, the nature and date of the correction,
  - (c) if a document is replaced (whether or not material derived from it is removed), the fact that it has been replaced and the date of delivery of the replacement,
  - (d) if material is removed—
    - (i) what was removed (giving a general description of its contents),
    - (ii) under what power, and
    - (iii) the date on which that was done,
  - (e) if a document is rectified under section 838, the nature and date of rectification,
  - (f) if a document is replaced under section 839, the fact that it has been replaced and the date of delivery of the replacement.
- (2) The Registrar may annotate the register in such other circumstances and manners as it may decide in rules made by it under this section.
- (3) No annotation is required in the case of a document that by virtue of section 946(2) (documents not meeting requirements for proper delivery) is treated as not having been delivered.
- (4) A note may be removed if it no longer serves any useful purpose.
- (5) Any duty or power of the Registrar with respect to annotation of the register is subject to the Court's power under section 972 (powers of Court on ordering removal of material from the register) to direct—
  - (a) that a note be removed from the register, or
  - (b) that no note shall be made of the removal of material that is the subject of the Court's order.
- (6) Notes placed in the register in accordance with subsection (1), or in pursuance of an rules made under subsection (2), are part of the register for all purposes of the Companies Regulations.

**956.— Allocation of unique identifiers**

- (1) The Registrar may make rules for the use, in connection with the register, of reference numbers ("unique identifiers") to identify each person who is a member of an LLP.
- (2) The rules may—
  - (a) provide that a unique identifier may in such form, consisting of one or more sequences of letters or numbers, as the Registrar may from time to time determine,
  - (b) make provision for the allocation of unique identifiers by the Registrar,
  - (c) require there to be included, in any specified description of documents delivered to the Registrar, as well as a statement of the person's name—
    - (i) a statement of the person's unique identifier, or
    - (ii) a statement that the person has not been allocated a unique identifier,
  - (d) enable the Registrar to take steps where a person appears to have more than one unique identifier to discontinue the use of all but one of them.
- (3) The rules may make different provision for different descriptions of person and different descriptions of document."

**"958.— Records relating to LLP's that have been dissolved etc**

- (1) This section applies where an LLP is dissolved.
- (2) At any time after five years from the date on which it appears to the Registrar that the LLP has been dissolved, the Registrar may direct that records relating to the LLP or institution may be removed to such place as is directed by the Board, or otherwise destroyed."

**59. Inspection etc of the register**

Sections 959 to 965 apply to LLPs, modified so that they read as follows—

**"959.— Inspection of the register**

- (1) Any person may inspect the register.
- (2) This section has effect subject to section 961 (material not available for public inspection).

**960.— Right to copy of material on the register**

- (1) Any person may require a copy of any publicly available material on the register.
- (2) The fee for any such copy of material derived from a document subject to the enhanced disclosure requirements (see section 952), whether in hard copy or electronic form, must not exceed the administrative cost of providing it.
- (3) This section has effect subject to section 961 (material not available for public inspection).

**961.— Material not available for public inspection**

- (1) The following material must not be made available by the Registrar for public inspection—
  - (a) protected information within section 228(1) (members' residential addresses: restriction on disclosure by Registrar),
  - (b) representations received by the Registrar in response to a notice under section 235(2) (notice of proposal to put members' usual residential address on the public record),
  - (c) any application to the Registrar under section 889 (application for administrative restoration to the register) that has not yet been determined or was not successful,
  - (d) any document received by the Registrar in connection with the giving or withdrawal of consent under section 949 (informal correction of documents),
  - (e) any application or other document delivered to the Registrar under section 962 (application to make address unavailable for public inspection) and any address in respect of which such an application is successful,
  - (f) any application or other document delivered to the Registrar under section 970 (application for rectification of register),
  - (g) any Court order under section 971 (rectification of the register under Court order) that the Court has directed under section 972 (powers of Court on ordering removal of material from the register) is not to be made available for public inspection,
  - (h) any e-mail address, identification code or password deriving from a document delivered for the purpose of authorising or facilitating electronic filing procedures or providing information by telephone,
  - (i) any other material excluded from public inspection by or under any other law or regulation applicable in the Abu Dhabi Global Market.
- (2) A restriction applying by reference to material deriving from a particular description of document does not affect the availability for public inspection of the same information contained in material derived from another description of document in relation to which no such restriction applies
- (3) Material to which this section applies need not be retained by the Registrar for longer than appears to the Registrar reasonably necessary for the purposes for which the material was delivered to the Registrar.

**962.—Application to Registrar to make address unavailable for public inspection**

- (1) The Registrar may make rules which provide for the Registrar, on application, to make an address on the register unavailable for public inspection.
- (2) The rules may make provision as to—
  - (a) who may make an application,
  - (b) the grounds on which an application may be made,

- (c) the information to be included in and documents to accompany an application,
- (d) the notice to be given of an application and of its outcome, and
- (e) how an application is to be determined.
- (3) Provision under subsection (2)(e) may in particular—
  - (a) confer a discretion on the Registrar,
  - (b) provide for a question to be referred to a person other than the Registrar for the purposes of determining the application.
- (4) An application must specify the address to be removed from the register and indicate where on the register it is.
- (5) The rules may provide—
  - (a) that an address is not to be made unavailable for public inspection under this section unless replaced by a service address, and
  - (b) that in such a case the application must specify a service address.

**963.— Form of application for inspection or copy**

- (1) The Registrar may specify the form and manner in which application is to be made for—
  - (a) inspection under section 959, or
  - (b) a copy under section 960.

**964.— Form and manner in which copies to be provided**

- (1) The following provisions apply as regards the form and manner in which copies are to be provided under section 960.
- (2) Copies of documents subject to the enhanced disclosure requirements must be provided in hard copy or electronic form, as the applicant chooses.
- (3) Subject to the preceding provisions of this section, the Registrar may determine the form and manner in which copies are to be provided.

**965.— Certification of copies as accurate**

- (1) Copies provided under section 960 in hard copy form must be certified as true copies unless the applicant dispenses with such certification.
- (2) Copies so provided in electronic form must not be certified as true copies unless the applicant expressly requests such certification.
- (3) A copy provided under section 960, certified by the Registrar (whose official position it is unnecessary to prove) to be an accurate record of the contents of the original document, is in all legal proceedings admissible in evidence—
  - (a) as of equal validity with the original document, and

- (b) as evidence of any fact stated in the original document of which direct oral evidence would be admissible.
- (4) Except in the case of documents that are subject to the enhanced disclosure requirements (see section 952), copies provided by the Registrar may, instead of being certified in writing to be an accurate record, be sealed with the Registrar's official seal."

## 60. Correction or removal of material on the register

Sections 968 to 973 apply to LLPs, modified so that they read as follows—

### "968.— Registrar's notice to resolve inconsistency on the register

- (1) Where it appears to the Registrar that the information contained in a document delivered to the Registrar is inconsistent with other information on the register, the Registrar may give notice to the LLP to which the document relates—
  - (a) stating in what respects the information contained in it appears to be inconsistent with other information on the register, and
  - (b) requiring the LLP to take steps to resolve the inconsistency.
- (2) The notice must—
  - (a) state the date on which it is issued, and
  - (b) require the delivery to the Registrar, within 14 days after that date, of such replacement or additional documents as may be required to resolve the inconsistency.
- (3) If the necessary documents are not delivered within the period specified, contravention of the Companies Regulations is committed by—
  - (a) the LLP, and
  - (b) every designated member of the LLP who is in default.
- (4) A person who commits the contravention referred to subsection (3) is liable to a level 2 fine.

### 969.— Administrative removal of material from the register

- (1) The Registrar may remove from the register anything that there was power, but no duty, to include.
- (2) This power is exercisable, in particular, so as to remove—
  - (a) unnecessary material within the meaning of section 948, and
  - (b) material derived from a document that has been replaced under—
    - section 950 (replacement of document not meeting requirements for proper delivery),
    - or

section 968 (notice to remedy inconsistency on the register).

- (3) This section does not authorise the removal from the register of—
  - (a) anything whose registration has had legal consequences in relation to the LLP as regards—
    - (i) its formation,
    - (ii) a change of name,
    - (iii) its re-registration,
    - (iv) a change of registered office,
    - (v) the registration of a charge, or
    - (vi) its dissolution,
  - (b) an address that is a person's service address for the purposes of section 1000 (service of documents on members).
- (4) On or before removing any material under this section (otherwise than at the request of the LLP) the Registrar must give notice—
  - (a) to the person by whom the material was delivered (if the identity, and name and address of that person are known), or
  - (b) to the LLP to which the material relates (if notice cannot be given under paragraph (a) and the identity of that LLP is known).
- (5) The notice must—
  - (a) state what material the Registrar proposes to remove, or has removed, and on what grounds, and
  - (b) state the date on which it is issued.

**970.— Rectification of register on application to Registrar**

- (1) The Registrar may make rules providing for the Registrar, on application, to remove from the register material of a description specified in the rules that—
  - (a) derives from anything invalid or ineffective or that was done without the authority of the LLP, or
  - (b) is factually inaccurate, or is derived from something that is factually inaccurate or forged.
- (2) The rules may make provision as to—
  - (a) who may make an application,
  - (b) the information to be included in and documents to accompany an application,
  - (c) the notice to be given of an application and of its outcome,

- (d) a period in which objections to an application may be made, and
- (e) how an application is to be determined.
- (3) An application must—
  - (a) specify what is to be removed from the register and indicate where on the register it is, and
  - (b) be accompanied by a statement that the material specified in the application complies with this section and the rules.
- (4) If no objections are made to the application, the Registrar may accept the statement as sufficient evidence that the material specified in the application should be removed from the register.
- (5) Where anything is removed from the register under this section the registration of which had legal consequences as mentioned in section 969(3), any person appearing to orders as appear just with respect to the legal effect (if any) to be accorded to the material by virtue of its having appeared on the register.

**971.— Rectification of the register under Court order**

- (1) The Registrar shall remove from the register any material—
  - (a) that derives from anything that the Court has declared to be invalid or ineffective, or to have been done without the authority of the LLP, or
  - (b) that a Court declares to be factually inaccurate, or to be derived from something that is factually inaccurate, or forged, and that the Court directs should be removed from the register.
- (2) The Court order must specify what is to be removed from the register and indicate where on the register it is.
- (3) The Court must not make an order for the removal from the register of anything the registration of which had legal consequences as mentioned in section 969(3) unless satisfied—
  - (a) that the presence of the material on the register has caused, or may cause, damage to the LLP, and
  - (b) that the LLP's interest in removing the material outweighs any interest of other persons in the material continuing to appear on the register.
- (4) Where in such a case the Court does make an order for removal, it may make such consequential orders as appear just with respect to the legal effect (if any) to be accorded to the material by virtue of its having appeared on the register.
- (5) A copy of the Court's order must be sent to the Registrar for registration.
- (6) This section does not apply where the Court has other, specific, powers to deal with the matter, for example under—
  - (a) the provisions of Part 14 relating to the revision of defective accounts and reports, or

- (b) section 803 (statement to be circulated or made available).

**972.— Powers of Court on ordering removal of material from the register**

- (1) Where the Court makes an order for the removal of anything from the register under section 971 (rectification of the register), it may give directions under this section.
- (2) It may direct that any note on the register that is related to the material that is the subject of the Court's order shall be removed from the register.
- (3) It may direct that its order shall not be available for public inspection as part of the register.
- (4) It may direct—
- (a) that no note shall be made on the register as a result of its order, or
- (b) that any such note shall be restricted to such matters as may be specified by the Court.
- (5) The Court shall not give any direction under this section unless it is satisfied—
- (a) that—
- (i) the presence on the register of the note or, as the case may be, of an unrestricted note, or
- (ii) the availability for public inspection of the Court's order, may cause damage to the LLP, and
- (b) that the LLP's interest in non-disclosure outweighs any interest of other persons in disclosure.

**973.— Public notice of removal of certain material from the register**

- (1) The Registrar must cause to be published—
- (a) on its website, or
- (b) in accordance with section 988 (alternative means of giving public notice), notice of the removal from the register of any document subject to the enhanced disclosure requirements (see section 952) or of any material derived from such a document.
- (2) The notice must state the name and registered number of the LLP, the description of document and the date of receipt."

**61. Language requirements: translation**

Sections 977 to 979 and 981 apply to LLPs, modified so that they read as follows—

**"977.— Documents to be drawn up and delivered in English**

- (1) The general rule is that all documents required to be delivered to the Registrar must be drawn up and delivered in English.

- (2) This is subject to section 978 (documents that may be drawn up and delivered in other languages).

**978.— Documents that may be drawn up and delivered in other languages**

- (1) Documents to which this section applies may be drawn up and delivered to the Registrar in a language other than English, but when delivered to the Registrar they must be accompanied by a certified translation into English.
- (2) This section applies to—
- (a) documents required to be delivered under section 394(2)(f) (LLP included in accounts of larger group: required to deliver copy of group accounts),
- (b) certified copies delivered under Part 24 (LLP charges),
- (c) documents of any other description specified in rules made by the Board.

**979.— Certified translations**

- (1) In this Part a "certified translation" means a translation certified to be a correct translation.
- (2) In the case of any discrepancy between the original language version of a document and a certified translation—
- (a) the LLP may not rely on the translation as against a third party, but
- (b) a third party may rely on the translation unless the LLP shows that the third party had knowledge of the original.
- (3) A "third party" means a person other than the LLP or the Registrar."

**"981.— Transliteration of names and addresses: voluntary transliteration into Roman characters**

- (1) Where a name or address is or has been delivered to the Registrar in a permitted form using Arabic, or another form other than Roman characters, the LLP (or other body) to which the document relates shall deliver to the Registrar a transliteration into Roman characters.
- (2) The power of the Registrar to impose requirements as to the form and manner of delivery includes power to impose requirements as to the identification of the original document and the delivery of the transliteration in a form and manner enabling it to be associated with the original."

**62. Supplementary provisions**

Sections 984 and 985 apply to LLPs, modified so that they read as follows—

**"984.— General false statement contravention**

- (1) It is a contravention of the Companies Regulations for a person knowingly or recklessly—
- (a) to deliver or cause to be delivered to the Registrar, for any purpose of the Companies Regulations, a document, or

- (b) to make to the Registrar, for any such purpose, a statement, that is misleading, false or deceptive in a material particular.
- (2) A person who commits the contravention referred to in subsection (1) is liable to a fine of up to level 7.

**985.— Enforcement of LLP's filing obligations**

- (1) This section applies where a LLP has made default in complying with any obligation under the Companies Regulations—
  - (a) to deliver a document to the Registrar, or
  - (b) to give notice to the Registrar of any matter.
- (2) The Registrar, or any member or creditor of the LLP, may give notice to the LLP requiring it to comply with the obligation.
- (3) If the LLP fails to make good the default within 14 days after service of the notice, the Registrar, or any member or creditor of the LLP, may apply to the Court for an order directing the LLP, and any specified member of it, to make good the default within a specified time.
- (4) The Court's order may provide that all costs of or incidental to the application are to be borne by the LLP or by any members of it responsible for the default.
- (5) This section does not affect the operation of any law or regulation applicable in the Abu Dhabi Global Market imposing a fine for the default."

**CHAPTER 18: CONTRAVENTIONS**

**63. Liability of member in default**

Sections 990, 991 and 992A apply to LLPs for the purposes of the Companies Regulations, modified so that they read as follows—

**"990.— Liability of member in default**

- (1) This section has effect for the purposes of any provision of the Companies Regulations to the effect that, in the event of contravention of the Companies Regulations in relation to an LLP, a contravention is committed by every member or, as the case may be, designated member, of the LLP who is in default.
- (2) A member or designated member is "in default" for the purposes of the provision if he authorises or permits, participates in, or fails to take all reasonable steps to prevent, the contravention.

**991.— Liability of company or LLP as member in default**

- (1) Where a company or an LLP is a member or designated member of an LLP, it does not commit a contravention of the Companies Regulations as a member or designated member in default unless (in the case of a company) one of its officers is in default or (in the case of a member LLP) one of its members is in default.

- (2) Where any such contravention of the Companies Regulations is committed by a company or LLP the officer or member in question also commits a contravention of the Companies Regulations and is liable to be fined accordingly.
- (3) In this section an officer or member is "in default" for the purposes of the provision if he authorises or permits, participates in, or fails to take all reasonable steps to prevent, the contravention.
- (4) The provisions of this section are without prejudice to any other fine, censure or legal proceeding to which a member may be subject under the Companies Regulations or any other law or regulation applicable in the Abu Dhabi Global Market."

**992A. — Fines for late filings**

- (1) Where a person commits a contravention of any relevant section of the Companies Regulations, as applied to LLPs by these Rules, the Registrar may impose a fine of up to level 4.
- (2) For the purpose of this section, "relevant section" means any provision under the Companies Regulations, as applied to LLPs by these Rules, where:
  - (a) a filing must be sent to the Registrar by the filing deadline stated in the relevant section; and
  - (b) a delay in meeting the filing deadline attracts a late filing fee.

**CHAPTER 19: SUPPLEMENTARY PROVISIONS AND INTERPRETATION**

**64. LLP records**

Sections 994 to 998 apply to LLPs, modified so that they read as follows—

**"994.— Meaning of "LLP records"**

In this Part "LLP records" means—

- (a) any register, index, accounting records, agreement, memorandum, minutes or other document required by the Companies Regulations to be kept by a LLP, and
- (b) any register kept by a LLP of its debenture holders.

**995.— Form of LLP records**

- (1) LLP records—
  - (a) may be kept in hard copy or electronic form, and
  - (b) may be arranged in such manner as the members of the LLP think fit, provided the information in question is adequately recorded for future reference.
- (2) Where the records are kept in electronic form, they must be capable of being reproduced in hard copy form.

- (3) If an LLP fails to comply with this section, a contravention of the Companies Regulations is committed by every member of the LLP who is in default.
- (4) A person who commits the contravention referred to in subsection (3) is liable to a level 2 fine.

**996.— Rules about where certain LLP records to be kept available for inspection**

- (1) The Board may make rules specifying places other than a LLP's registered office at which LLP records required to be kept available for inspection under a relevant provision may be so kept in compliance with that provision.
- (2) The "relevant provisions" are – section 118 (register of members),  
section 156 (register of members' residential addresses),  
section 798 (instruments creating charges).
- (3) The rules may specify a place by reference to the LLP's principal place of business, the place at which the LLP keeps any other records available for inspection or in any other way.
- (4) The rules may provide that a LLP does not comply with a relevant provision by keeping LLP records available for inspection at a place specified in the rules unless conditions specified in the rules are met.
- (5) The rules–
  - (a) need not specify a place in relation to each relevant provision,
  - (b) may specify more than one place in relation to a relevant provision.
- (6) A requirement under a relevant provision to keep LLP records available for inspection is not complied with by keeping them available for inspection at a place specified in the rules unless all the LLP's records subject to the requirement are kept there.

**997.— Regulations about inspection of records and provision of copies**

- (1) The Board may make rules as to the obligations of an LLP that is required by any provision of the Companies Regulations–
  - (a) to keep available for inspection any LLP records, or
  - (b) to provide copies of any LLP records.
- (2) An LLP that fails to comply with the rules is treated as having refused inspection or, as the case may be, having failed to provide a copy.
- (3) The rules may–
  - (a) make provision as to the time, duration and manner of inspection, including the circumstances in which and extent to which the copying of information is permitted in the course of inspection, and

- (b) define what may be required of the LLP as regards the nature, extent and manner of extracting or presenting any information for the purposes of inspection or the provision of copies.
- (4) Where there is power to charge a fee, the rules may make provision as to the amount of the fee and the basis of its calculation.
- (5) Nothing in any provision of the Companies Regulations or in the rules shall be read as preventing a LLP –
  - (a) from affording more extensive facilities than are required by the rules, or
  - (b) where a fee may be charged, from charging a lesser fee than that prescribed or none at all.

**998.— Duty to take precautions against falsification**

- (1) Adequate precautions must be taken by LLPs–
  - (a) to guard against falsification of LLP records, and
  - (b) to facilitate the discovery of falsification of LLP records.
- (2) If an LLP fails to comply with this section, a contravention of the Companies Regulations is committed by every member of the LLP who is in default.
- (3) A person who commits the contravention referred to in subsection (2) under this section is liable to a level 2 fine."

**65. Service addresses**

Sections 999 to 1002 apply to LLPs, modified so that they read as follows—

**"999.— Service of documents on LLP**

- (1) A document may be served on a LLP by leaving it at, or sending it by post to, the LLP's registered office or the office of its company service provider appointed in accordance with Chapter 2 of Part 12 of these Regulations.
- (2) For the purposes of this section a person's "registered address" means any address for the time being shown as a current address in relation to that person in the part of the register available for public inspection.
- (3) Further provision as to service and other matters is made in the LLP communications provisions (see section 1003).

**1000.— Service of documents on members and others**

- (1) A document may be served on a person to whom this section applies if it is–
  - (a) delivered to him in person, or
  - (b) left at his residential or service address, or
  - (c) sent by post to him at his service address.
- (2) This section applies to a member of an LLP.

- (3) This section applies whatever the purpose of the document in question.
- It is not restricted to service for purposes arising out of or in connection with the appointment or position mentioned in subsection (2) or in connection with the LLP concerned.
- (4) For the purposes of subsection (3)(c), service (whether the expression "serve" or the expression "give" or "send" or any other expression is used) of documents by post is, unless the contrary intention appears, deemed to be effected by properly addressing, pre-paying and posting a letter containing the document and, unless the contrary is proved, effected at the time at which the letter would be delivered in the ordinary course of post and, as it applies in relation to that subsection, the proper address of a person is—
- (a) in the case of a firm incorporated or formed in the Abu Dhabi Global Market, its registered or principal office, or the registered office of its registered agent,
- (b) in the case of a firm incorporated or formed outside the Abu Dhabi Global Market –
- (i) if it has a place of business in the Abu Dhabi Global Market, its principal office in the Abu Dhabi Global Market, or
- (ii) if it does not have a place of business in the Abu Dhabi Global Market, its registered or principal office,
- (c) in the case of an individual, his last known address.
- (5) In the case of a creditor of the LLP a document is treated as given to him if it is left or sent by post to him—
- (a) at the place of business of his with which the LLP has had dealings by virtue of which he is a creditor of the LLP, or
- (b) if there is more than one such place of business, at each of them.
- (6) Further provision as to service and other matters is made in the LLP communications provisions (see section 1003).
- (7) Nothing in this section shall be read as affecting any applicable law, regulation, or rule of law under which permission is required for service out of the jurisdiction.

#### **1001.— Service addresses**

In the Companies Regulations a "service address", in relation to a person, means a post box or other address at which documents may be effectively served on that person by a postal service operating in the United Arab Emirates.

#### **1002.— Requirement to give service address**

Any obligation under the Companies Regulations to give a person's address is, unless otherwise expressly provided, to give a service address for that person."

**66. Courts and legal proceedings**

Section 1014 applies to LLPs for the purposes of the Companies Regulations, modified so that it reads as follows—

**"1014.— Power of Court to grant relief in certain cases**

(1) If in proceedings for negligence, default, breach of duty or breach of trust against—

- (a) a member of an LLP, or
- (b) a person employed by an LLP as auditor (whether he is or is not member of the LLP),

it appears to the Court hearing the case that the member or person is or may be liable but that he acted honestly and reasonably, and that having regard to all the circumstances of the case (including those connected with his appointment) he ought fairly to be excused, the Court may relieve him, either wholly or in part, from his liability on such terms as it thinks fit.

(2) If any such member or person has reason to apprehend that a claim will or might be made against him in respect of negligence, default, breach of duty or breach of trust—

- (a) he may apply to the Court for relief, and
- (b) the Court has the same power to relieve him as it would have had if it had been a Court before which proceedings against him for negligence, default, breach of duty or breach of trust had been brought."

**67. LLPs: Interpretation**

Section 1024 applies to LLPs for the purposes of the Companies Regulations, modified so that it reads as follows—

**"1024.— Dormant LLPs**

(1) For the purposes of the Companies Regulations an LLP is "dormant" during any period in which it has no significant accounting transaction.

(2) A "significant accounting transaction" means a transaction that is required by section 379 to be entered in the LLP's accounting records.

(3) In determining whether or when an LLP is dormant, there shall be disregarded any transaction consisting of the payment of—

- (a) a fee to the Registrar on a change of the LLP's name,
- (b) a fine under section 426 (default in filing accounts), or
- (c) a fee to the Registrar for the registration of an annual return.

(4) Any reference in the Companies Regulations to a body corporate other than a company being dormant has a corresponding meaning."

**68. Requirements of this Act**

Section 1027 applies to LLPs for the purposes of the Companies Regulations, modified so that it reads as follows—

**"1027.— References to requirements of the Companies Regulations**

References in the LLP law provisions of the Companies Regulations to the requirements of the Companies Regulations include the requirements of rules made under them."

**69. Minor definitions**

Section 1028 applies to LLPs for the purposes of the Companies Regulations, modified so that it reads as follows—

**"1028.— Minor definitions: general**

(1) In the Companies Regulations—

"body corporate" and "corporation" include a body incorporated other than under the Companies Regulations, but do not include—

- (a) a corporation sole, or
- (b) a partnership that, whether or not a legal person, is not regarded as a body corporate under the law by which it is governed,

"conditional sale agreement" means an agreement for the sale of goods or land under which the purchase price or part of it is payable by instalments, and the property in the goods or land is to remain in the seller (notwithstanding that the buyer is to be in possession of the goods or land) until such conditions as to the payment of instalments or otherwise as may be specified in the agreement are fulfilled,

"firm" means any entity, whether or not a legal person, that is not an individual and includes a body corporate, a corporation sole and a partnership or other unincorporated association,

"hire-purchase agreement" means an agreement, other than a conditional sale agreement, under which—

- (c) goods are bailed in return for periodical payments by the person to whom they are bailed, and
- (d) the property in the goods will pass to that person if the terms of the agreement are complied with and one or more of the following occurs—
  - (i) the exercise of an option to purchase by that person,
  - (ii) the doing of any other specified act by any party to the agreement,
  - (iii) the happening of any other specified event,

"LLP" means a limited liability partnership registered under the Limited Liability Partnerships Regulations 2015,

**Appendix 2**

"LLP agreement" means any agreement, express or implied, between the members of the LLP or between the LLP and the members of the LLP which determines the mutual rights and duties of the members, and their rights and duties in relation to the LLP,

"non-ADGM LLP" means an LLP not formed or registered under the Companies Regulations,

"officer", in relation to a body corporate, includes a director, manager or secretary,

"parent LLP" means an LLP that is a parent undertaking (see section 1018 and Schedule 7),

"subsidiary LLP" means an LLP that is a subsidiary undertaking (see section 1018 and Schedule 7), and

"working day", in relation to a LLP, means every day except Friday, Saturday, Sunday and public holidays in the United Arab Emirates."

**PART 3**  
**DEFAULT PROVISIONS**

The mutual rights and duties of the members and the mutual rights and duties of the LLP and the members shall be determined, subject to the provisions of the Limited Liability Partnerships Regulations 2015 and to the terms of any LLP agreement, by the following rules:

- (1) All the members of an LLP are entitled to share equally in the capital and profits of the LLP.
- (2) The LLP must indemnify each member in respect of payments made and personal liabilities incurred by him—
  - (a) in the ordinary and proper conduct of the business of the LLP, or
  - (b) in or about anything necessarily done for the preservation of the business or property of the LLP.
- (3) Every member may take part in the management of the LLP.
- (4) No member shall be entitled to remuneration for acting in the business or management of the LLP.
- (5) No person may be introduced as a member or voluntarily assign an interest in an LLP without the consent of all existing members.
- (6) Any difference arising as to ordinary matters connected with the business of the LLP may be decided by a majority of the members, but no change may be made in the nature of the business of the LLP without the consent of all the members.
- (7) The books and records of the LLP are to be made available for inspection at the registered office of the LLP or at such other place as the members think fit and every member of the LLP may when he thinks fit have access to and inspect and copy any of them.
- (8) Each member shall render true accounts and full information of all things affecting the LLP to any member or his legal representatives.
- (9) If a member, without the consent of the LLP, carries on any business of the same nature as and competing with the LLP, he must account for and pay over to the LLP all profits made by him in that business.
- (10) Every member must account to the LLP for any benefit derived by him without the consent of the LLP from any transaction concerning the LLP, or from any use by him of the property of the LLP, name or business connection.
- (11) No majority of the members can expel any member unless a power to do so has been conferred by express agreement between the members.