

## FOUNDATIONS REGULATIONS (AMENDMENT NO. 2) 2020

Regulations to amend the Foundations Regulations 2017

Regulations to make provision for the establishment and registration of foundations  
in the Abu Dhabi Global Market

Date of Enactment: [●]

The Board of Directors of the Abu Dhabi Global Market, in exercise of its powers under Article 6(1) of Law No. 4 of 2013 concerning the Abu Dhabi Global Market, as amended, issued by His Highness the Ruler of the Emirate of Abu Dhabi, hereby enacts the following Regulations—

### 1. Amendments to the Foundations Regulations 2017

#### TABLE OF CONTENTS

...

~~Registered Agent Company~~ Service Provider

### 18. ~~Registered Agent of Foundations~~ Non-Exempt Foundations to have a Company Service Provider

#### 18A. Obligations of Company Service Provider and Non-Exempt Foundation

#### 18B. Service of Documents on Foundation

...

### 4. Certificate of Registration

- (1) On the registration of a Foundation, the Registrar shall give a certificate that the Foundation is duly registered.
- (2) The certificate of registration must state –
  - (a) the name and registered number of the Foundation;
  - (b) the date of its registration;
  - (c) the address of its registered office in the Abu Dhabi Global Market; and, if different,
  - (d) the name and address (in the Abu Dhabi Global Market) of its ~~Registered Agent~~ Company Service Provider, if any.
- (3) Subsections 12(3) and 12(4) of the Companies Regulations 2015 shall apply *mutatis mutandis* to certificates of registration for Foundations.
- (4) The certificate of registration shall be in electronic form only, unless a request is made subject to section 4(5).

- (5) Any person may request that the Registrar provide it with a paper copy of any certificate of registration, signed by the Registrar or authenticated by the Registrar's seal.
- (6) 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 4(5).
- (7) Upon registration, the Registrar shall allocate a registration number to the Foundation.

...

## **5. Registered office**

- (1) A Foundation must at all times have a registered office in the Abu Dhabi Global Market to which all communications and notices may be addressed and which may be the same address as that of its ~~Registered Agent~~ Company Service Provider.
- (2) A Foundation may change the address of its registered office by giving notice to the Registrar. 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 Foundation at the address previously registered.

...

## **7. Powers of the Registrar**

- (1) The Registrar shall administer these Regulations and perform the functions and exercise the powers conferred by or under these Regulations, the Companies Regulations 2015 and the Commercial Licensing Regulations 2015.
- (2) The Registrar has the authority to approve such forms as it considers necessary for the purpose of these Regulations and may issue such guideline or directions as are required for the proper administration of these Regulations.
- (3) The Registrar shall utilize the official seal referenced in Section 937 (The Registrar's official seal) of the Companies Regulations 2015 in authenticating or issuing official documents in connection with the registration of Foundations under these Regulations.
- (4) The Registrar may give directions to the Foundation 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, at such time and place as may be specified in the directions.
- (5) The production of a document in pursuance of subsection (4) does not affect any lien which a person has on the document.
- (6) The Registrar may take copies of or extracts from a document produced in pursuance of this section.
- (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) Any person who fails without reasonable excuse to comply with any requirement imposed in accordance with this section commits a contravention of these Regulations and shall be liable to a fine of up to level 7.
- (9) In this section “document” includes information recorded in any form.
- (10) The Registrar may disclose any material held where such disclosure is—
- (a) is permitted or required to be made under the laws, regulations or rules of the Abu Dhabi Global Market,
  - (b) is made to—
    - i. the Financial Services Regulator;
    - ii. a governmental or regulatory authority exercising powers and performing functions relating to anti-money laundering,
    - iii. a self-regulatory body or organization exercising and performing powers and functions in relation to financial services,
    - iv. a civil or criminal law enforcement agency, or
    - v. a governmental or other regulatory authority including a self-regulatory body or organisation exercising powers and performing functions in relation to the regulation of auditors, accountants or lawyers, for the purpose of assisting the performance by any such person of its regulatory functions, or
  - (c) is made in good faith for the purposes of performance and exercise of the functions and powers of the Registrar
- (11) The Registrar shall maintain a Foundations Register established under these Regulations which will contain the following information in respect of each Foundation —
- (a) name and registration number;
  - (b) name and address (in the Abu Dhabi Global Market) of its ~~Registered Agent~~ Company Service Provider, if any;
  - (c) name and address of each Councillor;
  - (d) date of establishment under these Regulations; and
  - (e) record of payment of annual fees.
- (12) The Foundations Register shall be in such form as the Registrar may determine, but shall be separate and apart from the register established and maintained pursuant to Companies Regulations 2015.
- (13) For the avoidance of doubt, Section 939 (Public notice of issue of certificate of incorporation) and Section 952 (Documents subject to enhanced disclosure requirements) of Companies Regulations 2015 do not apply in respect of Foundations.

...

## **9. Foundation Charter**

- (1) A Foundation shall have a Charter that complies with the provisions of these Regulations. For the avoidance of doubt, any provisions, duties, powers, functions and rights set forth in a Charter are for internal governance purposes only and shall in no

way replace or limit the processes, restrictions, oversight or other terms set forth in these Regulations.

- (2) The Charter shall contain the following information –
- (a) the name of the Foundation;
  - (b) the name and address of the Founder or each of the Founders;
  - (c) the objects of the Foundation;
  - (d) if the Foundation has been established for a specific purpose, the purpose for which the Foundation has been established;
  - (e) a description of the Initial Assets;
  - (f) provisions for the establishment of a Council;
  - (g) the name of a natural person or Legal Person who shall become a Beneficiary only in circumstances where a Foundation has no other Beneficiary (the “Designee”)
  - (h) the name and address (in the Abu Dhabi Global Market) of the Foundation’s Registered Agent Company Service Provider, if any;
  - (i) the address of the Foundation’s registered office in the Abu Dhabi Global Market; and
  - (j) the term for which the Foundation is established, if any, or the details of any contingent event which will trigger the dissolution of the Foundation.
- (3) The Charter may contain the following information in addition to the details set out in subsection (2) –
- (a) provisions for the Foundation to be endowed with Supplementary Assets;
  - (b) the name and address of each of the initial Councillors;
  - (c) provisions governing the appointment and removal of a Councillor;
  - (d) description of the manner in which decisions of the Council are to be made;
  - (e) provisions for the designation of any initial Beneficiaries or any Beneficiaries to be designated at a later date;
  - (f) the names and addresses of any Beneficiaries;
  - (g) provisions for identifying any remaining Beneficiaries upon dissolution of the Foundation;
  - (h) provisions for the addition or removal of a Beneficiary;
  - (i) provisions for the appointment of one or more Persons to act as Guardian or Guardians respectively;
  - (j) the duties, powers, functions and rights, including the rights to remuneration, of a Guardian;
  - (k) provisions for the removal of a Guardian;
  - (l) provisions for the making of By-laws;
  - (m) provisions for the appointment of a Person, whether by power of attorney or otherwise, to carry out particular duties on behalf of the Foundation;

- (n) provisions for the appointment, term of office and removal of an auditor, if any, of the Foundation;
  - (o) provisions for amending the Charter or By-laws;
  - (p) provisions for the circumstances, if any, in which the Foundation may be continued in or outside the Abu Dhabi Global Market and the conditions to be satisfied in respect of such continuation in or outside the Abu Dhabi Global Market;
  - (q) provisions for the reservation of rights or powers to the Founder or Founders, as the case may be;
  - (r) provisions for the appointment, term of office and removal of any other supervisory Person to the Foundation; and
  - (s) provisions for any other lawful matter in respect of the Foundation.
- (4) The Charter shall not contain the provisions referenced in subsection 25(3).
- ...

## PART 5 – FOUNDATION OFFICIALS

### *Registered Agent Company Service Provider*

#### ~~(18) Registered Agent of Foundations~~

- ~~(1) A Foundation may have a Registered Agent.~~
- ~~(2) Prior to the registration of a Foundation, the Founder or Founders may appoint a Registered Agent by including the name and address (in the Abu Dhabi Global Market) of such Person in the Charter forming part of the Foundation's Registration Application.~~
- ~~(3) The Councillors may effect an appointment or change of Registered Agent by (a) passing a Resolution of Councillors; (b) giving the relevant contractual notice; and (c) within 14 days after the change, providing the Registrar with notice of the change and with the name and address (in the Abu Dhabi Global Market) of the new Registered Agent.~~
- ~~(4) If default is made in complying with subsection (3), a contravention of these Regulations is committed by (a) the Foundation; and (b) every Councillor who is in default.~~
- ~~(5) A Registered Agent may resign by giving notice in accordance with the relevant contractual obligations or, in the absence of any express contractual notice provision, by (a) giving a minimum of 30 business days' notice of its intention to resign; and (b) filing a copy of such notice with the Registrar within 14 days of its delivery.~~
- ~~(6) If default is made in complying with subsection (5), a contravention of these Regulations is committed by the Registered Agent.~~
- ~~(7) A Person who commits the contravention referred to in subsection (4) or subsection (6) is liable to a level 1 fine.~~

#### **18. Non-Exempt Foundations to have a Company Service Provider**

- ~~(1) Subject to subsections (2) and (3), a Foundation must at all times have a Company Service Provider, licensed pursuant to the Commercial Licensing Regulations 2015 to carry out the controlled activity of providing company services, as defined in Rule 7 of the Commercial Licensing Regulations 2015 (Controlled Activities) Rules 2020.~~

- (2) Notwithstanding subsection (1), a Foundation that has demonstrated to the satisfaction of the Registrar to have–
- (a) substantial resources, experience and personnel in the United Arab Emirates, and
  - (b) adequate governance policies and procedures, in each case as may be specified by rules made by the Board or guidance issued by the Registrar,
- need not have a Company Service Provider.
- (3) Any Non-Exempt Foundation registered in ADGM–
- (a) prior to or on the date on which the Foundations (Amendment No. 2) Regulations 2020 comes into force, shall only be obliged to have a Company Service Provider from the first day of the month starting 12 months from the date on which the Foundations (Amendment No. 2) Regulations 2020 came into force; and
  - (b) after the date on which the Foundations (Amendment No. 2) Regulations 2020 came into force, shall only be obliged to have a Company Service Provider from the first day of the month starting eight months from that date.
- (4) Prior to the registration of a Foundation, the Founder or Founders may appoint a Company Service Provider by including the name and address (in the Abu Dhabi Global Market) of such Person in the Charter forming part of the Foundation's Registration Application. References in the Charter or By-laws of all Foundations registered under these Regulations to a "registered agent" shall be construed as a reference to a Company Service Provider.
- (5) A Foundation may appoint and remove from office a Company Service Provider by Resolution of Councillors.
- (6) A Non-Exempt Foundation must, within the period of 14 days from a person becoming or ceasing to be a Company Service Provider of the Non-Exempt Foundation, give notice to the Registrar of the change and of the date on which it occurred.
- (7) Notice of a person having become a Company Service Provider of the Non-Exempt Foundation must be accompanied by that person's consent in the prescribed form to act in that capacity.
- (8) If default is made in complying with subsection (1), a contravention of these Regulations is committed by–
- (a) the Non-Exempt Foundation; and
  - (b) every Councillor who is in default.
- (9) A Person who commits the contravention referred to in subsection (8) is liable to a fine not exceeding level 7.
- (10) If default is made in complying with subsection (6), a contravention of these Regulations is committed by–
- (a) the Non-Exempt Foundation; and
  - (b) every Councillor who is in default.
- (11) A Person who commits the contravention referred to in subsection (10) is liable to a level 2 fine.

#### **18A. Obligations of Company Service Provider and Non-Exempt Foundation**

- (1) The Company Service Provider of a Non-Exempt Foundation shall maintain the records that the Non-Exempt Foundation is required to maintain under or in accordance with any enactment or subordinate legislation applicable to the Non-Exempt Foundation, including
- (a) these Regulations;
  - (b) the Commercial Licensing Regulations 2015 (Conditions of Licence and Branch Registration) Rules 2020 and any licence granted thereunder; and
  - (c) the Beneficial Ownership and Control Regulations 2018.
- (2) The Company Service Provider of a Non-Exempt Foundation is authorised to represent the Non-Exempt Foundation in its dealings with the Registrar and shall give all notices and make all filings that the Non-Exempt Foundation is obliged to make to the Registrar under any enactment or subordinate legislation applicable to it, including–
- (a) these Regulations;
  - (b) the Commercial Licensing Regulations 2015 (Conditions of Licence and Branch Registration) Rules 2020 and any licence granted thereunder; and
  - (c) the Beneficial Ownership and Control Regulations 2018.
- (3) A Non-Exempt Foundation must make available to its Company Service Provider such documents and information as is required to enable the Company Service Provider to comply with its obligations under this section.
- (4) If a default is made in complying with subsection (3), a contravention of these Regulations is committed by–
- (a) the Foundation, and
  - (b) every Councillor who is in default.
- (5) A Person who commits the contravention referred to in subsection (4) is liable to a fine not exceeding level 6.

#### **18B. Service of Documents on Foundation**

A document may be served on a Foundation registered under these Regulations by leaving it at, or sending it by post to, the Foundation's registered office or the office of its Company Service Provider appointed in accordance with section 18.

...

#### **24. Notice of Appointment of Councillor**

- (1) A Foundation must give written notice of the appointment of a Councillor, including the full name and address of the Councillor, to its ~~Registered Agent~~ Company Service Provider, if any, and the Registrar within 14 days of such appointment.
- (2) A Foundation that contravenes subsection (1) is liable for a level 1 fine.

...

#### **31. Beneficiaries of Foundations**

- (1) A Beneficiary is a natural person or Legal Person who may benefit from a Foundation who is –
  - (a) identified in the Charter or By-laws by name; or

- (b) whose identity is ascertainable by reference to a class or a relationship to another Person, whether or not living, at the time that the Foundation is established or at the time, according to the terms of the Charter or By-laws, members of a class are to be determined.
- (2) A Foundation may appoint a Beneficiary or Beneficiaries, as detailed in the Charter or By-laws.
- (3) A Foundation created to carry on a specified purpose pursuant to these Regulations may, but is not required to, appoint a Beneficiary or Beneficiaries.
- (4) A Founder may be a Beneficiary, but may be the sole Beneficiary only during his lifetime.
- (5) In circumstances where a Foundation purports to appoint a Beneficiary or Beneficiaries, and no Beneficiary has been named in the Charter or By-laws, the Designee, shall become the Beneficiary. (6) The By-laws may provide for the addition or removal of a Person as a Beneficiary or the exclusion of a Beneficiary from benefit, either revocably or irrevocably.
- (7) The By-laws may impose an obligation on a Beneficiary as a condition of benefit.
- (8) The By-laws may provide that some or all of the Beneficiaries are entitled to information about the Foundation, including copies of the Charter and By-laws, Accounting Records, accounts and returns of the Foundation upon written request to the Council or the Registered Agent, if any.
- (8) The By-laws may provide that some or all of the Beneficiaries are entitled to information about the Foundation, including copies of the Charter and By-laws, Accounting Records, accounts and returns of the Foundation upon written request to the Council or the ~~Registered Agent~~ Company Service Provider, if any.
- (9) The By-laws may further provide some or all of the Beneficiaries with the right to petition the Court to prohibit a change to the purpose of the Foundation or its dissolution.

...

### **38. Registration of an Overseas Foundation**

- (1) An application for registration as an Abu Dhabi Global Market Foundation shall be made to the Registrar.
- (2) The applicant shall provide the Registrar with the following documents:
  - (a) A copy of the Foundation's certificate of establishment (if any) in its current place of establishment;
  - (b) a copy of the Foundation's existing Charter and, if different, a copy of the amended Charter which will apply immediately upon its registration in the Abu Dhabi Global Market and which must comply with section 9 of these Regulations;
  - (c) the names and addresses of the Foundation Councillors and Guardian (if any);
  - (d) the name of the Foundation, which must comply with section 6 of these Regulations;
  - (e) the address of the Foundation's registered office in the Abu Dhabi Global Market;



- (f) the name and address (in the Abu Dhabi Global Market) of the ~~Registered Agent~~ Company Service Provider of the Foundation, if any;
  - (g) all other information and documents included in the Registration Application;
  - (h) evidence that migration is permitted under the law in which the Foundation is established and that the Foundation is in compliance with section 37 of these Regulations;
  - (i) confirmation that, on the date of registration, the Foundation will cease to be established and registered under the law of any place other than the Abu Dhabi Global Market;
  - (j) a statement of solvency;
  - (k) evidence that the Foundation has legal personality in the place in which it was established or registered;
  - (l) a declaration of compliance signed by the applicant that all requirements of these Regulations relating to registration have been fulfilled;
  - (m) such other information as the Registrar would require on an application to transfer registration under these Regulations; and
- (3) On receipt of the documents and information set out in subsection (2) and the relevant fee the Registrar shall register the Foundation by inscribing its name in the Foundations Register and issuing a certificate of registration.

...

~~47. In these Regulations —~~

- (1) ~~“Accounting Records” is defined as follows: (a) Accounting Records means records that are sufficient —~~
- ~~i. to show and explain the Foundation’s transactions,~~
  - ~~ii. to disclose with reasonable accuracy, at any time, the financial position of the Foundation at that time, and~~
  - ~~iii. to enable the Councillors to ensure that any accounts required to be prepared comply with the requirements of these Regulations.~~
- (b) ~~Accounting Records must, in particular, contain records and underlying documents comprising initial and other accounting entries and associated supporting documents such as:—~~
- ~~i. cheques;~~
  - ~~ii. records of electronic fund transfers;~~
  - ~~iii. invoices;~~
  - ~~iv. contracts;~~
  - ~~v. the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries;~~
  - ~~vi. work sheets and spread sheets supporting cost allocations, computations, reconciliations and disclosures; and vii. a record of the Assets and liabilities of the Foundation.~~

- (2) ~~“ADGM Founding Law” has the meaning set forth in the Interpretation Regulations 2015;~~
- (3) ~~“Assets” means any property in which a Foundation has any interest or over which it has any rights;~~
- (4) ~~“Beneficiary” has the meaning set forth in section 31;~~
- (5) ~~“By laws” means the by laws of a Foundation, if any, adopted under section 11, as may be amended from time to time under section 12;~~
- (6) ~~“Charter” means the charter of a Foundation adopted under section 9, as may be amended from time to time under section 10;~~
- (7) ~~“Confidential Disclosure” means the following information, whether or not this information is also included in the Charter:~~
- ~~(a) the name and address of each of the Councillors;~~
  - ~~(b) the names and addresses of any Beneficiaries;~~
  - ~~(c) the names and addresses of the Guardian (if any); and~~
  - ~~(d) the name and address of each beneficial owner of each Founder which is a Legal Person (if any), to be held confidentially by the Registrar, subject to any requirement to disclose such information to public authorities as set out in subsection 7(10), or in any other applicable law or regulations.~~
- (8) ~~“Council” means the council of a Foundation referred to under section 19;~~
- (9) ~~“Councillor” means a natural person or Legal Person appointed as a member of a Council under section 22;~~
- (10) ~~“Court” has the meaning set forth in the Interpretation Regulations 2015;~~
- (11) ~~“Designee” has the meaning set forth in paragraph 9(2)(g);~~
- (12) ~~“Foundation” means a foundation established under section 1;~~
- (13) ~~“Foundations Register” means the register of Foundations kept by the Registrar under subsection 7(11);~~
- (14) ~~“Founder” means each natural person or Legal Person who subscribes their name to the Charter establishing a Foundation acting on their own account or on behalf of another, and who endows the Foundation with a portion of its Initial Assets;~~
- (15) ~~“Guardian”, in relation to a Foundation, means a natural person or Legal Person, if any, appointed under section 26;~~
- (16) ~~“Initial Assets”, in relation to a Foundation, means the initial Assets endowed by a Founder which become the property of a Foundation;~~
- (17) ~~“Legal Person” means a company, a corporation or any other entity having separate legal personality;~~
- (18) ~~“Minor” means an individual who is less than 18 years of age;~~
- (19) ~~“Non-conflicted Councillors” has the meaning set forth in paragraph 19(4)(f)(iii);~~
- (20) ~~“Overseas Foundation” has the meaning set forth in subsection 35(1);~~
- (21) ~~“Person” means a natural person or Legal Person;~~

- ~~(22) “registered”, in relation to a Foundation, means registered as a Foundation under these Regulations;~~
- ~~(23) “Registered Agent”, in relation to a Foundation registered under these Regulations, means the registered agent of a Foundation holding such office under section 18;~~
- ~~(24) “Registrar” has the meaning set forth in the Interpretation Regulations 2015;~~
- ~~(25) “Registration Application” has the meaning set forth in paragraph 1(1)(a).~~
- ~~(26) “Remaining Beneficiary”, in relation to the Surplus Assets, means a natural person or Legal Person who, according to the Charter or By laws, is entitled to receive any Surplus Assets;~~
- ~~(27) “Resolution of Councillors”, in relation to a Foundation, means—~~
- ~~(a) a resolution approved at a duly convened and constituted meeting of the Councillors by a simple majority (which in the case of a Foundation with only two Councillors shall mean that both Councillors must assent), or a larger majority as may be specified in the Charter or By laws, of the Councillors present at the meeting, in person or by alternate or proxy, who voted; or~~
- ~~(b) a resolution agreed to in writing by a simple majority (which in the case of a Foundation with only two Councillors shall mean that both Councillors must assent), or by such larger majority as may be specified in the Charter or By laws, of the Councillors;~~
- ~~(28) “Subsequent Transferor” means a natural person or Legal Person who endows a Foundation with Supplementary Assets;~~
- ~~(29) “Supplementary Assets” means Assets endowed to a Foundation other than the Initial Assets;~~
- ~~(30) “Surplus Assets” means the Assets of a Foundation, if any, remaining after its dissolution;~~
- ~~(31) “to endow” means to transfer or covenant to transfer, the title in property, absolutely, with or without consideration, to a Foundation so that the property becomes an Asset of the Foundation;~~
- ~~(32) “Unanimous Resolution of Councillors” with respect to a Foundation, means—~~
- ~~(a) a resolution approved at a duly convened and constituted meeting of the Councillors by a vote of all the Councillors present at the meeting, in person or by alternate or proxy, who voted; or~~
- ~~(b) a resolution agreed to in writing by all of the Councillors;~~
- ~~(33) any reference to a level of fine shall be interpreted as a reference to the applicable level set forth in the Commercial Licensing Regulations 2015 (Fines) Rules 2015; and~~
- ~~(34) any reference to a regulation, rule or section shall be interpreted as a reference to such regulation, rule or section as may be amended, supplemented and replaced from time to time.~~

## **47. Definitions**

(1) In these Regulations, unless otherwise defined –

**“Accounting Records”** is defined as follows:

(a) Accounting Records means records that are sufficient–

- i. to show and explain the Foundation's transactions.
  - ii. to disclose with reasonable accuracy, at any time, the financial position of the Foundation at that time, and
  - iii. to enable the Councillors to ensure that any accounts required to be prepared comply with the requirements of these Regulations.
- (b) Accounting Records must, in particular, contain records and underlying documents comprising initial and other accounting entries and associated supporting documents such as cheques; records of electronic fund transfers; invoices; contracts; the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries; work sheets and spread sheets supporting cost allocations, computations, reconciliations and disclosures; and a record of the Assets and liabilities of the Foundation.

"ADGM Founding Law" has the meaning set forth in the Interpretation Regulations 2015;

"Assets" means any property in which a Foundation has any interest or over which it has any rights;

"Beneficiary" has the meaning set forth in section 31;

"By-laws" means the by-laws of a Foundation, if any, adopted under section 13, as may be amended from time to time under section 14;

"Charter" means the charter of a Foundation adopted under section 2, as may be amended from time to time under section 7;

"Company Service Provider", in relation to a Foundation registered under these Regulations, has the meaning set forth in section 18;

"Confidential Disclosure" means the following information, whether or not this information is also included in the Charter:

- (a) the name and address of each of the Councillors;
- (b) the names and addresses of any Beneficiaries;
- (c) the names and addresses of the Guardian (if any); and
- (d) the name and address of each beneficial owner of each Founder which is a Legal Person (if any).

to be held confidentially by the Registrar, subject to any requirement to disclose such information to public authorities as set out in section 3(10), or in any other applicable law or regulations.

"Council" means the council of a Foundation referred to under section 19;

"Councillor" means a natural person or Legal Person appointed as a member of a Council under section 22;

"Court" has the meaning set forth in the Interpretation Regulations 2015;

"Designee" has the meaning set forth in section 9(2)(g);

"Foundation" means a foundation established under section 1;

"Foundations Register" means the register of Foundations kept by the Registrar under section 3;

“**Founder**” means each natural person or Legal Person who subscribes their name to the Charter establishing a Foundation acting on their own account or on behalf of another, and who endows the Foundation with a portion of its Initial Assets;

“**Guardian**”, in relation to a Foundation, means a natural person or Legal Person, if any, appointed under section 26;

“**Initial Assets**”, in relation to a Foundation, means the initial Assets endowed by a Founder which become the property of a Foundation;

“**Legal Person**” means a company, a corporation or any other entity having separate legal personality;

“**Minor**” means an individual who is less than 18 years of age;

“**Non-conflicted Councillors**” has the meaning set forth in section 19(4)(f)(iii);

“**Non-Exempt Foundation**” means a Foundation that is obliged to have a Company Service Provider in accordance with section 18;

“**Overseas Foundation**” has the meaning set forth in section 35(1);

“**Person**” means a natural person or Legal Person;

“**Registrar**” has the meaning set forth in the Interpretation Regulations 2015;

“**Registration Application**” has the meaning set forth in section 1(1)(a);

“**Remaining Beneficiary**”, in relation to the Surplus Assets, means a natural person or Legal Person who, according to the Charter or By-laws, is entitled to receive any Surplus Assets;

“**Resolution of Councillors**”, in relation to a Foundation, means –

- (a) a resolution approved at a duly convened and constituted meeting of the Councillors by a simple majority (which in the case of a Foundation with only two Councillors shall mean that both Councillors must assent), or a larger majority as may be specified in the Charter or By-laws, of the Councillors present at the meeting, in person or by alternate or proxy, who voted; or
- (b) a resolution agreed to in writing by a simple majority (which in the case of a Foundation with only two Councillors shall mean that both Councillors must assent), or by such larger majority as may be specified in the Charter or By-laws, of the Councillors;

“**Subsequent Transferor**” means a natural person or Legal Person who endows a Foundation with Supplementary Assets;

“**Supplementary Assets**” means Assets endowed to a Foundation other than the Initial Assets;

“**Surplus Assets**” means the Assets of a Foundation, if any, remaining after its dissolution;

“**to endow**” means to transfer or covenant to transfer, the title in property, absolutely, with or without consideration, to a Foundation so that the property becomes an Asset of the Foundation;

“**Unanimous Resolution of Councillors**” with respect to a Foundation, means –

- (a) a resolution approved unanimously at a duly convened and constituted meeting of the Councillors by a unanimous vote of all the Councillors present at the meeting, in person or by alternate or proxy, who voted; or
- (b) a resolution agreed to in writing by all of the Councillors.
- (2) Any reference to a level of fine shall be interpreted as a reference to the applicable level set forth in the Commercial Licensing Regulations 2015 (Fines) Rules 2020.

...

### SCHEDULE 1 – FEES

The following fees are payable in respect of applications and notifications made in accordance with the Regulations-

<u>Application or notification</u>	<u>Fee Payable (USD)</u>
Application for registration of a Foundation	200
Application for renewal of a Foundation (Annual Fee)	200
<del>Notification of a change in registered office address</del>	<del>100</del>
<del>Notification of change of particulars of the appointed Registered Agent</del>	<del>100</del>
<u>Notification of a change in particulars of the Foundation -</u>	
(i) <u>by a Foundation</u>	<u>100</u>
(ii) <u>by a Foundation with a Company Service Provider appointed, where the change in particulars of the Foundation is a result of a change in particulars of the Company Service Provider</u>	<u>Nil</u>
<del>Notification of appointment and cessation of a Registered Agent (if appointed) Company Service Provider</del>	<del>100</del>
<u>Notification of an appointment of a Company Service Provider</u>	<u>100</u>
<u>Notification of a cessation of a Company Service Provider</u>	<u>100</u>
Notification of an appointment and cessation of a Councillor	100
<u>Notification of an appointment of a Councillor</u>	<u>100</u>
<u>Notification of a cessation of a Councillor</u>	<u>100</u>
Notification of change of particulars of a Councillor	100
Notification of an appointment and cessation of a Guardian	100
<u>Notification of an appointment of a Guardian</u>	<u>100</u>

<u>Notification of a cessation of a Guardian</u>	<u>100</u>
Notification of change of particulars of a Guardian	100
Notification of a change of name of a Foundation	100
Amendment of the Charter by the Founder(s) or in the event of Founder's death by Court Order	100
Beneficiary request for information from the Registrar	100
Continuation to ADGM	500
Continuation from ADGM	500
Application to strike off	100
Reinstatement of a Foundation on the Register	Nil

## 2. Short title, extent and commencement

- (1) These Regulations may be cited as the Foundations Regulations (Amendment No. 2) 2020.
- (2) These Regulations shall apply in the Abu Dhabi Global Market.
- (3) These Regulations come into force on the date of their publication.