



الأمانة العامة للمجلس التنفيذي
GENERAL SECRETARIAT OF THE
EXECUTIVE COUNCIL

The Official Gazette

31 July 2014 - The Seventh Edition

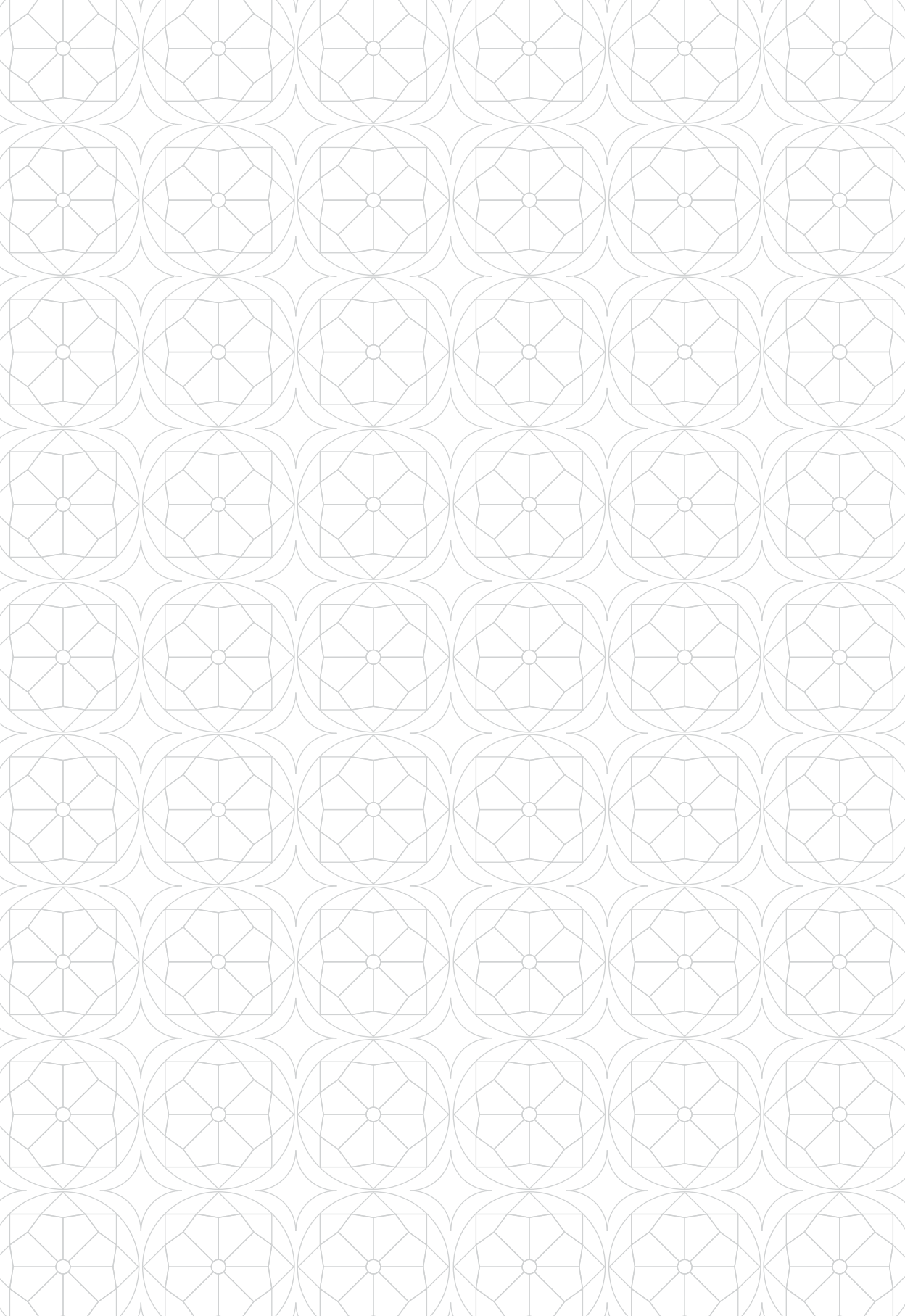
The Official Gazette

The Seventh Edition - The Forty Third Year

Contents

Laws	Pages
Law No. (6) of 2014 Concerning the Establishment of Etihad Airways Group“Public Joint Stock Company”	2
Law No. (7) of 2014 Concerning the Reorganisation of the International Fund for Houbara Conservation	9
Amiri Decrees	
Amiri Decree No. (9) of 2014 Concerning the Reformation of the Board of Directors of Etihad Airways	19
Crown Prince Resolutions	
Crown Prince Resolution No. (36) of 2014 Concerning the Reformation of the Board of Trustees of Khalifa Award For Education	21
Circulars	
Circular No. (8) of 2014 Concerning Contracts Renewal	23
Circular No. (9) of 2014 Concerning the Training on Taresh System for Correspondence between the Governmental Entities	24
Circular No. (10) of 2014 Concerning Eid Al Fitr Holiday	25
Circular No. (11) of 2014 Concerning the Standard Musataha Contract	26
Musataha Contract	
Musataha Contract	27

Laws



Law No. (6) of 2014 Concerning the Establishment of Etihad Airways Group “Public Joint Stock Company”

We, Khalifa bin Zayed Al Nahyan, Ruler of Abu Dhabi,

Having reviewed:

- Law No. (1) of 1974 concerning the reorganisation of the Governmental Body in the Emirate of Abu Dhabi and its amendments;
- Law No. (2) of 1971 concerning the National Advisory Council and its amendments;
- Law No. (1) of 2003 concerning the establishment of Etihad Airways and its amendments;
- Federal Law No. (8) of 1984 concerning the Commercial Companies and its amendments; and
- Based on what presented to and approved by the Executive Council;

Issued the following Law:

Article (1)

In the implementation of the provisions of this law, the following words and phrases shall have the meanings corresponding thereto unless the context requires otherwise:

Country	: The United Arab Emirates.
Emirate	: The Emirate of Abu Dhabi.
Executive Council	: The Executive Council of the Emirate.
The Company	: Etihad Airways Group.
Board of Directors	: The Company's Board of Directors.

Affiliate : A company where the majority of the shares or stocks are directly or indirectly owned by the Company.

Article (2)

A company shall be established pursuant to the provisions of this Law under the name of “Etihad Airways Group” PJSC – having an independent legal personality and enjoying financial and administrative independency and full legal capacity to practice its activities and achieve its objectives.

Article (3)

The Company's main office shall be in the city of Abu Dhabi. The Board of Directors may establish offices, branches or agencies for the Company inside or outside the Country.

Article (4)

The capital of the Company shall be AED 1,429,000,000 divided into 14,290,000 shares with a nominal value of AED 100 per share, fully owned by the Government of Abu Dhabi.

- The Board of Directors may increase, decrease or restructure the Company's capital so as to achieve its purposes, after the approval of the Executive Council.
- Transfer, sale, conversion, mortgage, disposition and assignment of the Company's shares may be conducted according to its Articles of Association and after obtaining the approval of the Executive Council.

Article (5)

The Company aims at conducting the following acts inside and outside the Country, whether directly or through any of the companies that are wholly or partially owned thereby:

1. Owning, developing, building, funding, investing, operating, managing, maintaining, rehabilitating, assigning, acquiring, expanding, mortgaging, leasing and renting any of the air transport projects and activities of persons, cargo, mail and passenger aircrafts, including ground handling services, air services, distributing, joint services, flight management, travel and tourism, hospitality services and hotels, restaurants and catering (including aircraft catering), air training services and aviation, transportation services, asset management services, airport services for passenger and cargo aircrafts , aircraft maintenance services, tanker and car rental, sales, marketing and advertising services and promotion programs services, provided that all the aforesaid is related to the Company's main objective, furthermore, conducting all other necessary activities related to the Company's objective.
2. Investing in all commercial, industrial and real estate projects and aviation and air transport projects, and participating in them, including the establishment of such projects and acquisition of shares therein; and Ownership of companies and projects that may help the Company in achieving its objectives, or consolidating work or merging with such companies or sale thereof, all within the scope of the Company's purposes.
3. Developing, owning, registering and licensing of the rights related to the intellectual property, trademarks, trade names, patents as well as all the rights and designs related to the Company's business.

For the purpose of achieving its objectives, the Company may carry out all operations and acts that are required for the proper conduct of its business inside and outside the Country, including without limitation:

- Owning, renting and mortgaging movable and immovable property, aircrafts, ships and tankers. The Company may conduct mortgages and offer securities on any of these properties.
- Borrowing and lending money for its affiliated companies; owning or issuing debt securities and Islamic Bonds of whatsoever type (as the Board of Directors deems necessary and even if the Company's capital is exceeded); Investing money and carrying out all banking and financial transactions related to the activity of the Company or any of its affiliates; Opening and managing bank accounts, withdrawing, accepting and negotiating on tradable treasury bills, issuing guarantees as well as concluding loans and financial derivatives contracts, in coordination with the Public Debt Office should the borrowing be backed by the Government of the Emirate after the approval of the Executive Council.
- Developing the special regulations regarding employment, retirement and remunerations of the employees of the Company and its affiliates taking into account the legislations governing the retirement of U.A.E Nationals.
- Contributing in as well as encouraging the support of projects, work and activities that help the Company strengthen its position inside and outside the Country.
- Instituting all lawsuits including judicial procedures, agreeing on conciliation, settlement as well as the arbitration and mediation procedures.
- Conducting all other work linked or related to the Company's objectives and activities or which are deemed by the Board of Directors as necessary or required to enable the Company or its affiliates to achieve their goals.

Article (6)

- The Company shall be managed by a Board of Directors consisting of at least five members, including the Chairman, who are appointed by virtue of a resolution of the Chairman of the Executive Council.
- The term of the Board's membership shall be three years renewable for similar period(s).

Article (7)

The Board of Directors shall have the competency to develop the general policy strategy of the Company and its affiliates and to follow-up their implementation to achieve their objectives. The Board may assume all competences needed for this purpose, particularly the following:

- Developing the Company's Articles of Association as well as its financial, administrative and operational regulations altogether with the tenders and bids systems of the Company and its affiliates so as to achieve its objectives.
- Restructuring the ownership of any assets, shares or stocks in the companies owned by Etihad Airways and transferring any of these assets, shares or stocks to the Company or to any of the companies which are wholly or partially owned by the Company or any of its affiliates under the conditions agreed upon between the Company and Etihad Airways.
- Approving the Company's budget, final accounts and financial statements for each fiscal year.
- Laying down the systems related to the procedures of contracting of the Company or its affiliates with natural and legal persons to sell or buy the goods and services, as well as with the persons authorised to do so.

- Laying down the regulations and bylaws related to the employees and users of the Company, taking into account the legislations governing the retirement of U.A.E Nationals.

Article (8)

The term of the Company shall be (99) Gregorian years as of the date of its registration in the Commercial Register, and this term may be renewed for similar period(s) after obtaining the approval of the Executive Council.

Article (9)

The Company shall have one accredited auditor or more to audit its accounts and financial statements, who shall be appointed by virtue of a decision issued by the Board of Directors specifying as well the term of appointment and the annual remuneration.

Article (10)

The fiscal year of the Company shall begin from the first of January and end on December 31st of each year, with the exception of the first fiscal year which shall begin from the date of registration of the Company in the Commercial Register and end on December 31st of the same year.

Article (11)

The Company shall undertake to execute an effective plan and a training and recruitment program for U.A.E Nationals to work for it or for its affiliates to technically and administratively qualify them to run the work and activities of the Company and its affiliates.

Article (12)

The Company and the companies fully owned thereby shall be exempt from all local taxes and fees.

Article (13)

This Law shall be effective from the date of its issuance and published in the Official Gazette.

Khalifa bin Zayed Al Nahyan
Ruler of Abu Dhabi

Issued by us in Abu Dhabi

On: 09 July 2014

Corresponding to: 11 Ramadan 1435 Hijri

Law No. (7) of 2014 Concerning the Reorganisation of the International Fund for Houbara Conservation

We, Khalifa bin Zayed Al Nahyan, Ruler of Abu Dhabi,

Having reviewed:

- Law No. (1) of 1974 concerning the reorganisation of the Governmental Body in the Emirate of Abu Dhabi and its amendments;
- Law No. (2) of 1971 concerning the National Advisory Council and its amendments;
- Law No. (16) of 2005 concerning the reorganisation of the Environment Agency - Abu Dhabi, amended by Law No. (5) of 2009;
- Law No. (22) of 2005 concerning the organisation of Hunting in the Emirate of Abu Dhabi;
- Crown Prince Resolution No. (71) of 2008 concerning the reorganisation of the International Fund For Houbara Conservation, and
- Based on what was presented to and approved by the Executive Council;

Issued the following Law:

Article (1)

In the implementation of the provisions of this law, the following words and phrases shall have the meanings corresponding thereto unless the context requires otherwise:

Emirate	: The Emirate of Abu Dhabi.
Crown Prince	: The Crown Prince of Abu Dhabi
Executive Council	: The Executive Council of the Emirate.

Fund : The International Fund for Houbara Conservation.
Board of Directors : The Fund's Board of Directors.
Central Database : A written or electronic log for the collection, storage, update and classification of all geographical, biological and environmental information on Houbara Bustards as well as worldwide organisations, institutions, researchers and individuals who are interested in Houbara-related researches and its conservation, in order to facilitate communication and information exchange.

Article (2)

The Fund is a public authority having a legal personality and enjoying full legal capacity to act as well as having financial and administrative independency.

Article (3)

The Fund's main office shall be in the city of Abu Dhabi. Other branches or offices of the Fund may be established inside or outside of the Emirate by virtue of a decision of the Board of Directors, following the approval of the Executive Council.

Article (4)

The Fund shall aim at achieving the following objectives:

1. Saving Houbara Bustard from extinction across their global distribution range.
2. Protecting the diversity and pure genetic origins of Houbara Bustard species across all their global distribution range (Genes, environmental and behavioral characteristics)
3. Managing wild Houbara Bustards populations in order to conserve them in numbers corresponding to the expectations of falconers.

4. Finding a mechanism for international cooperation concerning the hunting of Houbara Bustards in order to manage their populations in their natural habitats, in cooperation with the international and regional organisations and institutions concerned with the preservation of Houbara Bustards and the heritage of falconry, as well as coordinating activities therewith.
5. Increasing the numbers of Wild Houbara Bustards through captive breeding and releasing them throughout their global habitat.
6. Encouraging the establishment of a comprehensive administrative system for Houbara Bustard populations in their habitats, including without limitation, the breeding and release programs, and organising sustainable use of these populations.
7. Raising awareness concerning Houbara bustard-related issues locally, regionally and internationally.

Article (5)

For the purpose of achieving the aforesaid objectives, the Fund may assume the following:

1. Establishing and managing conservation and breeding centres.
2. Conducting scientific and field studies and researches; submitting the necessary recommendations to manage the sport of falconry, eliminate illegal trapping and wild Houbara Bustard trading, and encouraging the implementation of a series of protection measures in places of release as well as captivity breeding.

3. Establishing or contributing in the establishment of a research centre or more and control points in order to study and collect information on the biological and social characteristics of Houbara Bustard birds as well as their natural environment where they breed or to which they immigrate, and providing training and advice for those interested in this field.
4. Taking part in the protection efforts made regionally and internationally, encouraging and supporting them as well as taking initiatives aiming at the protection of Houbara Bustards and their habitats across their global territories.
5. Creating a Central Database to facilitate communication and information exchange.
6. Developing and implementing plans and projects aiming to protect Houbara Bustard birds and maintain the continuity of the Arabian heritage of falconry on the long term, including the establishment of captivity breeding centres for endangered Houbara Bustards species to enhance their reproduction and release in their natural environment.
7. Cooperating and coordinating with any regional or international institution concerned with the conservation of Houbara Bustards and maintaining the Arabian heritage of falconry.

Article (6)

- The Fund shall be managed by a Board of Directors consisting of at least five members, including the Chairman, whose appointment and allowances are determined by virtue of a Crown Prince Resolution.

- The term of the Board's membership shall be three years renewable for similar period(s).

Article (7)

The Board of Directors shall have the competency to develop the general policy of the Fund and to follow-up its implementation to achieve their objectives. The Board may assume all competences needed for this purpose, particularly the following:

1. Approving the plans and priorities of the work that should be executed in order to achieve the Fund's objectives.
2. Approving the annual and long-term plans as well as the necessary programs to enable the Fund to achieve its objectives.
3. Forming the permanent and temporary committees from among its members and others, or delegating any of its members to complete specific tasks according to the regulations in force at the Fund.
4. Approving the organisational structure of the Fund and submitting the same to the Executive Council for approval.
5. Issuing the administrative and financial regulations governing work progress at the fund, including the Human Resources Regulations.
6. Issuing the bylaws governing the Board's meetings, the procedures for convening its meetings and the manner of voting on its decisions.
7. Determining the banks with which the money of the Fund shall be deposited inside or outside the Emirate, the controls and rules of money deposit, operation and withdrawal as well as the mechanism of investing the Fund's monies in general.

8. Approving the Fund's annual draft budget and final accounts and submitting the same to the Executive Council for adoption.
9. Examining the periodic financial reports related to the Fund's business and approving the same according to the rules in force in the Fund.
10. Approving the training programs needed to provide sufficient numbers of qualified personnel.
11. Creating the Central Database, organising, storing and using content thereof as well as protecting and continuously updating such database.
12. Submitting periodic reports to the Executive Council concerning the tasks and duties entrusted to the Fund and the work progress therein.
13. Any other tasks entrusted to the Board by the Crown Prince or the Executive Council.

Article (8)

The Fund shall have a Director-General whose appointment and allowances shall be determined by virtue of a decision issued by the Board of Directors. The Director-General shall run the daily work of the Fund and particularly assume the following:

1. Suggesting plans and priorities of the work that should be completed as well as the projects and programs necessary for that and presenting the same to the Board of Directors.
2. Overseeing the implementation of the plans, programs, projects and activities supervised, managed or implemented by the Fund according to the provisions of this Law and the regulations issued by the Board of Directors.

3. Developing plans and programs for the qualification and training of national personnel specialised in assuming the functions and responsibilities of the Fund and presenting the same to the Board of Directors for approval; supervising the implementation thereof.
4. Overseeing the administrative activities of the Fund. For this purpose, the Director-General may take any measures to ensure the proper progress of work and increase the performance efficiency and the speed of achievement, and follow up the implementation of the decisions of the Board of Directors and the regulations approved according to the provisions of this Law.
5. Preparing the annual draft budget and final accounts and submitting the same to the Board of Directors.
6. Suggesting the organisational structure of the Fund.
7. Signing contracts and agreements concluded by the Fund.
8. Representing the Fund before the courts and others.
9. Approving the programs, seminars and all activities of the Fund within the limits of the budget allocated for the Fund.
10. Preparing the draft financial and administrative regulations required for the organisation of the functioning of the Fund, altogether with the human resources regulations and training programs, and submitting the same to the Board of Directors for approval.
11. Coordinating between the Fund and governmental entities concerned with the conservation and propagation of wildlife.

12. Stimulating and encouraging the private sector to contribute in the development of resources of the Fund or in the financing of the projects adopted thereby, in coordination with the governmental entities.
13. Appointing the employees of the Fund and ending their services pursuant to the human resources regulations.
14. Disbursing from the approved budget pursuant to the administrative and financial regulations approved by the Board of Directors.
15. Communicating with the local, regional and international centres, authorities and institutions concerned with the conservation of Houbara Bustards and their natural environment, for cooperation and exchange of experiences and information in various aspects of activity therewith.
16. Any other tasks entrusted thereto by the Board of Directors.

The Director-General may delegate any of the senior employees to assume some of his tasks, provided that such delegation is made in writing.

Article (9)

The following centres shall be consolidated with the Fund:

National Birds Research Centre – Abu Dhabi

Emirates Center for Wildlife Propagation (ECWP) – Morocco

Sheikh Khalifa Houbara Breeding Centre (SKHBC-AD), Abu Dhabi

Sheikh Khalifa Houbara Breeding Centre (SKHBC-KZ), Kazakhstan

All rights, obligations, assets and properties of the aforesaid centres shall devolve to the Fund.

The employees of the aforesaid centres who are appointed by a decision of the Board of Directors shall be transferred to the fund under the same conditions and privileges of their positions.

Article (10)

The financial resources of the Fund shall consist of the following:

1. Appropriations set apart by the Government for the Fund.
2. Return on investments
3. Donations and grants accepted by the Board of Directors following the approval of the Executive Council.

Article (11)

The monies of the Fund shall be considered public funds.

Article (12)

The Board of Directors shall appoint an accredited external auditor or more to verify the Fund's accounts and financial statements, by virtue of a decision issued by the Board of Directors specifying their remunerations as well.

Article (13)

The fiscal year of the Company shall begin from the first of January and end on December 31st of each year.

Article (14)

The Fund shall be exempt from all local taxes and fees.

Article (15)

- The employees of the fund shall be subject to the civil service law and regulations in force in the Emirate, concerning what was not provided for in this Law as well as the regulations, rules and decisions issued in implementation thereof.

- The Nationals among the employees shall be subject to the Retirement Pensions and Benefits Law in force in the Emirate.

Article (16)

The general rules and provisions of procurement, tenders, bids and warehouses, in force in the Emirate, shall not be applied to the Fund's procurement and contracts. However, these rules and provisions shall be used for guidance concerning what was not provided for in the regulations of the Fund.

Article (17)

The aforesaid Crown Prince Resolution No. (71) of 2008 shall be repealed as well as any provision contrary to the provisions of this Decree.

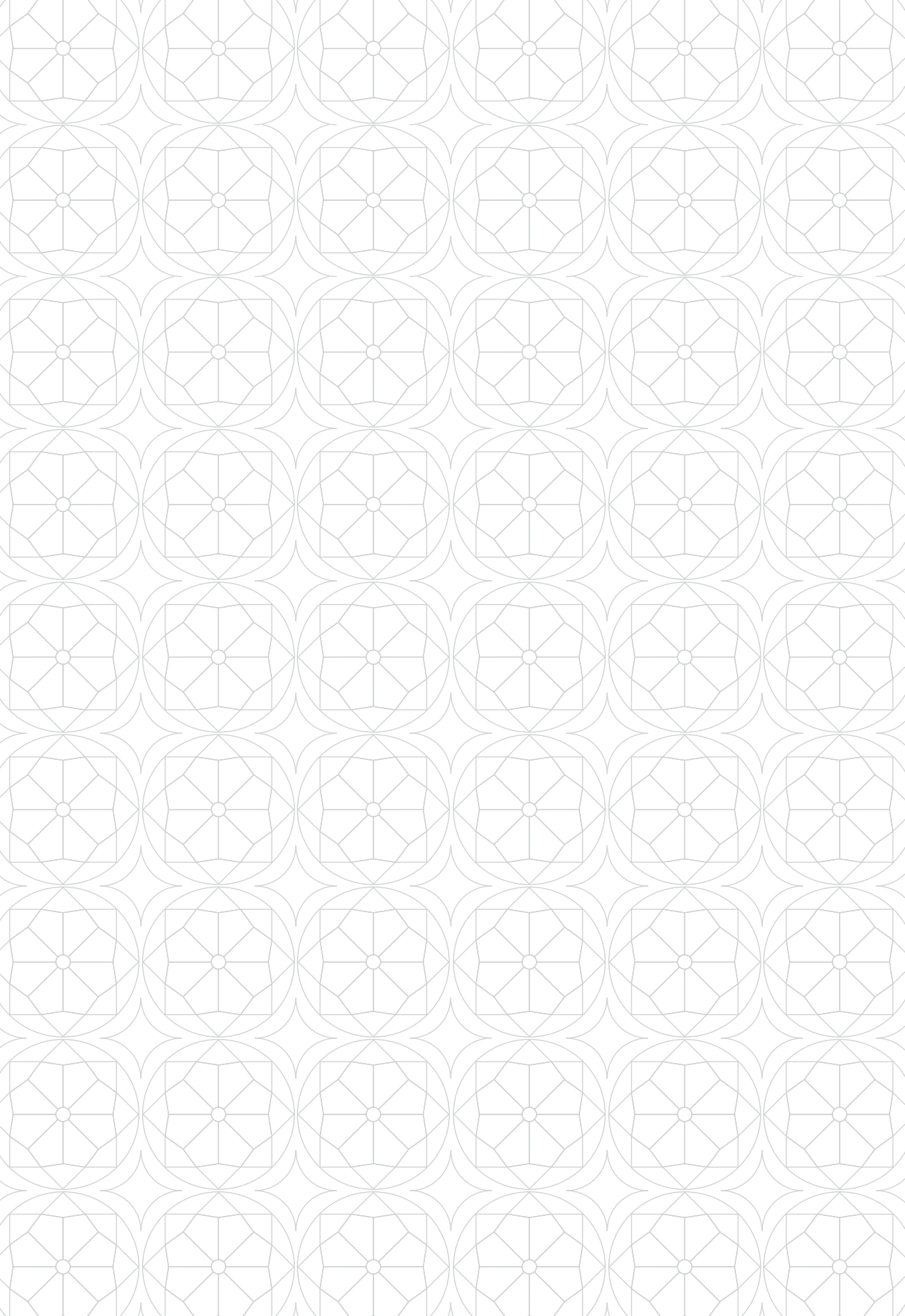
Article (18)

The present Law shall be effective from the date of its issuance and published in the Official Gazette.

Khalifa bin Zayed Al Nahyan
Ruler of Abu Dhabi

Issued by us in Abu Dhabi
On: 16 July 2014
Corresponding to: 18 Ramadan 1435 H

Amiri Decrees



Amiri Decree No. (9) of 2014 Concerning the Reformation of the Board of Directors of Etihad Airways

We, Khalifa bin Zayed Al Nahyan, Ruler of Abu Dhabi,

Having reviewed:

- Law No. (1) of 1974 concerning the reorganisation of the Governmental Body in the Emirate of Abu Dhabi and its amendments;
- Law No. (1) of 2003 concerning the establishment of Etihad Airways and its amendments;
- Amiri Decree No. (5) of 2009 concerning the reformation of the Board of Directors of Etihad Airways; and
- Based on what was presented to and approved by the Executive Council,

Issued the following Decree:

Article (1)

The Board of Directors of Etihad Airways shall be reformed under the chairmanship of H.E Mohammed Mubarak Al Mazrouie and the membership of their Excellencies and gentlemen:

1. Dr. Hamed bin Ahmed Al Hamed
2. Hamad Abdullah Rashid Obeid Al Shamsi
3. Mohammed Ibrahim Mahmoud Al Mahmoud
4. Mohammed Jumaa Rashid Al Shamsi
5. Mohammed Hamad Ghanem Al Muhairi
6. Ahmed Khalifa Mohamed Al Muhairi

Article (2)

The term of the Board's membership shall be three renewable years.

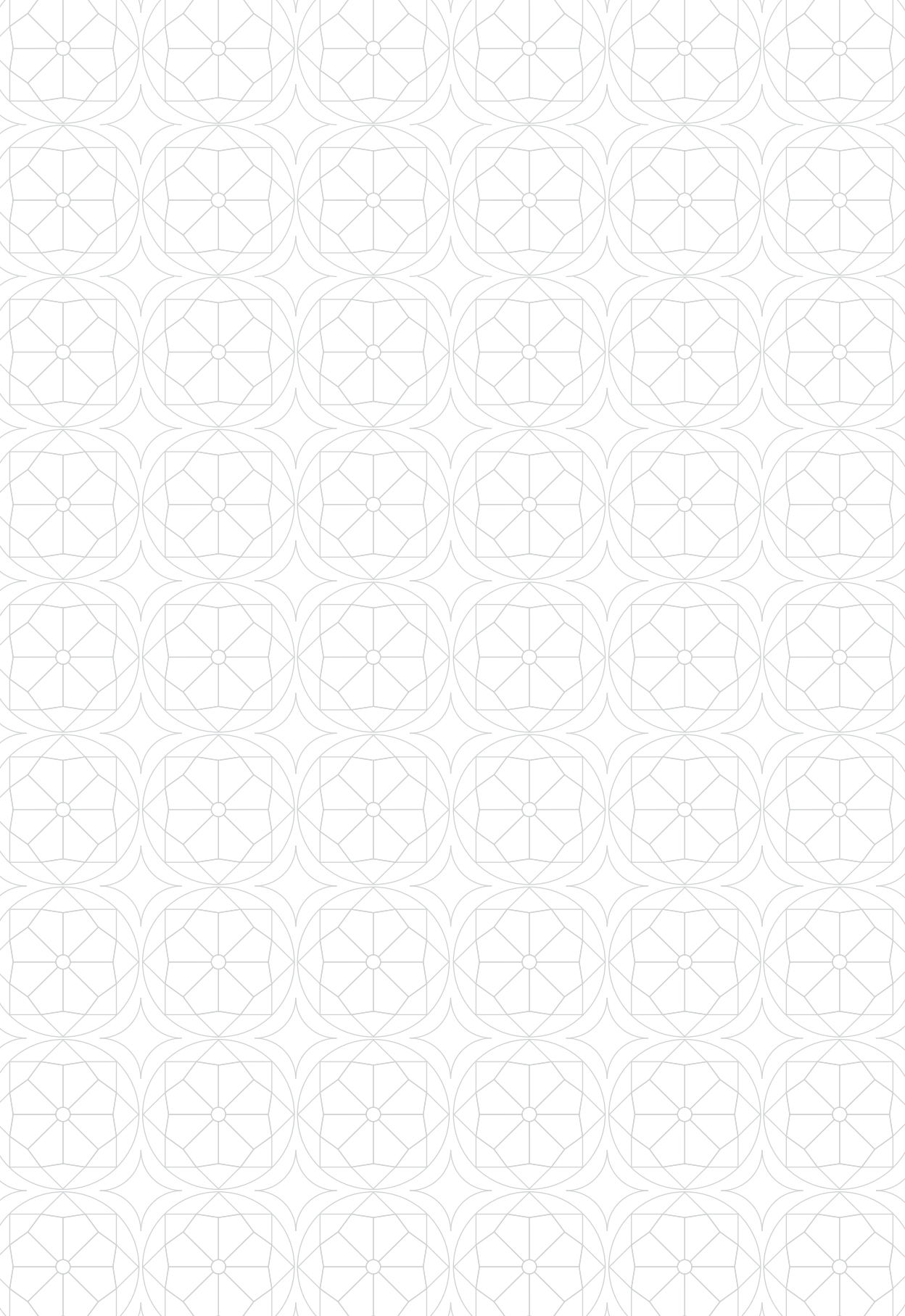
Article (3)

This Decree shall be effective from the date of its issuance and published in the Official Gazette.

Khalifa bin Zayed Al Nahyan
Ruler of Abu Dhabi

Issued by us in Abu Dhabi
On: 10 July 2014
Corresponding to: 12 Ramadan 1435 H

Crown Prince Resolutions



Crown Prince Resolution No. (36) of 2014 Concerning the Reformation of the Board of Trustees of Khalifa Award For Education

We, Mohamed bin Zayed Al Nahyan, Crown Prince, Chairman of the Executive Council,

Having reviewed:

- Law No. (1) of 1974 concerning the reorganisation of the Governmental Body in the Emirate of Abu Dhabi and its amendments;
- Crown Prince Resolution No. (6) of 1996 concerning Khalifa Award for Teachers as amended by Resolution No. (6) of 2007;
- Crown Prince Resolution No. (55) of 2010 concerning the reformation of the Board of Trustees of Khalifa Award For Education; and
- Based on what was presented to and approved by the Executive Council,

Issued the following Resolution:

Article (1)

The Board of Trustees of Khalifa Award For Education shall be reformed under the chairmanship of H.H. Sheikh Mansour bin Zayed Al Nahyan and the membership of:

- | | |
|---|--|
| 1. H.E. Sheikh Nahyan bin Mubarak Al Nahyan | : Minister of Culture, Youth and Community Development |
| 2. H.E. Sheikh Hamdan bin Mubarak Al Nahyan | : Minister of Higher Education and Scientific Research |
| 3. H.E. Engineer Hussein Ibrahim Al Hammadi | : Minister of Education |
| 4. H.E. Dr. Amal Abdullah Al Qubaisi | : Director-General of Abu Dhabi Education Council |

5. H.E. Khaled Abdul Aziz Al Karaki : Member of the Jordanian Senate-
The Hashemite Kingdom of Jordan
6. Mr. Mohammed Salem Al Dhaheri : Executive Director -
Abu Dhabi Education Council

Article (2)

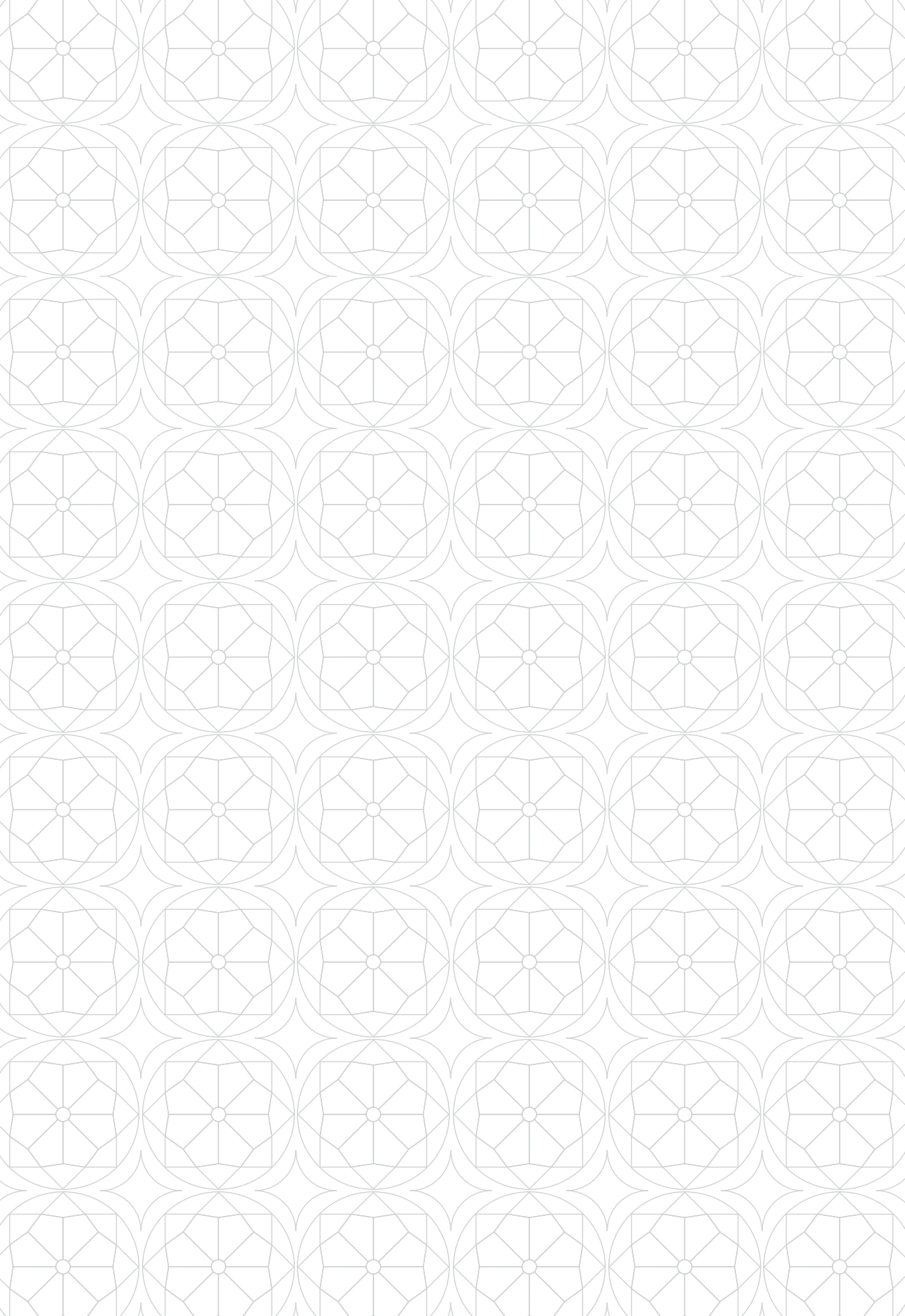
The term of the Board's membership shall be three renewable years.

Article (3)

This Resolution shall be effective from the date of its issuance and published in the Official Gazette.

Mohamed bin Zayed Al Nahyan
Crown Prince
Chairman of the Executive Council

Circulars



Circular No. (8) of 2014 Concerning Contracts Renewal

**To all governmental entities in the Emirate of Abu Dhabi,
Peace and Allah's mercy and blessings be upon you,**

The Executive Council is pleased to greet you and to extend its sincere gratitude for your continuous cooperation in achieving public interest.

Within the frame of the efforts made by the government of Abu Dhabi to achieve the best financial management of government resources, we urge you to launch tenders within a sufficient period prior to the end of concluded contracts in order to avoid going through time extensions to which the government is bound.

Thank you for your efforts and cooperation.

For your necessary action

May Allah guide you

Dr. Ahmed Mubarak Al Mazrouei
Secretary-General

Date: 06/07/2014

For enquiries: Please contact Mr. Khalifa Ahmed Al Mazrouei –Financial Analysis Specialist in the Economic Development Sector at the General Secretariat of the Executive Council on telephone number: 050/8703300 – 02/6688362 or by email: kaalmazrouei@ecouncil.ae.

Circular No. (9) of 2014
Concerning the Training on Taresh System for
Correspondence between the Governmental Entities

**To all governmental entities in the Emirate of Abu Dhabi,
Peace and Allah's mercy and blessings be upon you,**

The Executive Council is pleased to greet you and express its sincere gratitude for your continuous cooperation in achieving public interest.

We urge you to coordinate with Abu Dhabi Systems and Information Centre to designate four national employees, to qualify them to supervise and manage Taresh system and provide the rest of the employees with sufficient training thereon, provided that the designated employees are selected from the following departments:

- 2 Managers from the Information Technology and Human Resources Departments.
- 2 Managers from the Department of Support Services or Training or from the Executive Secretariat at the Director General Office (or the like).

Thank you for your efforts and cooperation.

For your necessary action

May Allah guide you

Dr. Ahmed Mubarak Al Mazrouei
Secretary-General

Date: 13/07/2014

For enquiries: Please contact Mr. Mohamed Saeed Al Mansoori, Abu Dhabi Systems and Information Centre, on telephone number: 02/6961679 or by email: Mohamed.almansoori@adsic.abudhabi.ae

Circular No. (10) of 2014 Concerning Eid Al Fitr Holiday

To all governmental entities in the Emirate of Abu Dhabi,

Peace and Allah's mercy and blessings be upon you,

On the near occasion of Eid Al Fitr, may Allah return it with prosperity and blessings, and pursuant to the provisions of the Executive regulations of Civil Service Law No. (1) of 2006, it has been decided that Eid Al Fitr shall be from Sunday 29 Ramadan 1435 H Corresponding to 27 July 2014 until Thursday the 31st of July 2014. The official working hours shall resume as of Sunday the 3rd of August 2014.

On this blessed occasion, we are pleased to express our sincere congratulations and best wishes to His Highness Sheikh Khalifa bin Zayed Al Nahyan, President of the United Arab Emirates, may Allah protect him, and His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi, Deputy Supreme Commander of the UAE Armed Forces, Chairman of the Executive Council, may Allah protect him, and the respected members of the Executive Council, asking Allah Almighty to return it while they are in good health and wellness.

We also congratulate the people of the United Arab Emirates and both the Arab and Islamic nations on this gracious occasion, asking Allah Almighty to return it with prosperity and blessings.

Many Happy Returns

Dr. Ahmed Mubarak Al Mazrouei
Secretary-General

Date: 21/7/2014

Circular No. (11) of 2014 Concerning the Standard Musataha Contract

To all governmental entities and companies fully owned by the government in the Emirate of Abu Dhabi

Peace and Allah's mercy and blessings be upon you,

The Executive Council is pleased to greet you and to extend its sincere gratitude for your continuous cooperation in achieving public interest. We urge you to commit to the Standard Musataha Contract here-enclosed in order to implement as a minimum the terms and conditions stipulated therein, provided that such contract is registered at the concerned Municipality.

Thank you for your efforts and cooperation.

For your necessary action

May Allah guide you

Dr. Ahmed Mubarak Al Mazrouei
Secretary-General

Date: 21/7/2014

Enclosed:

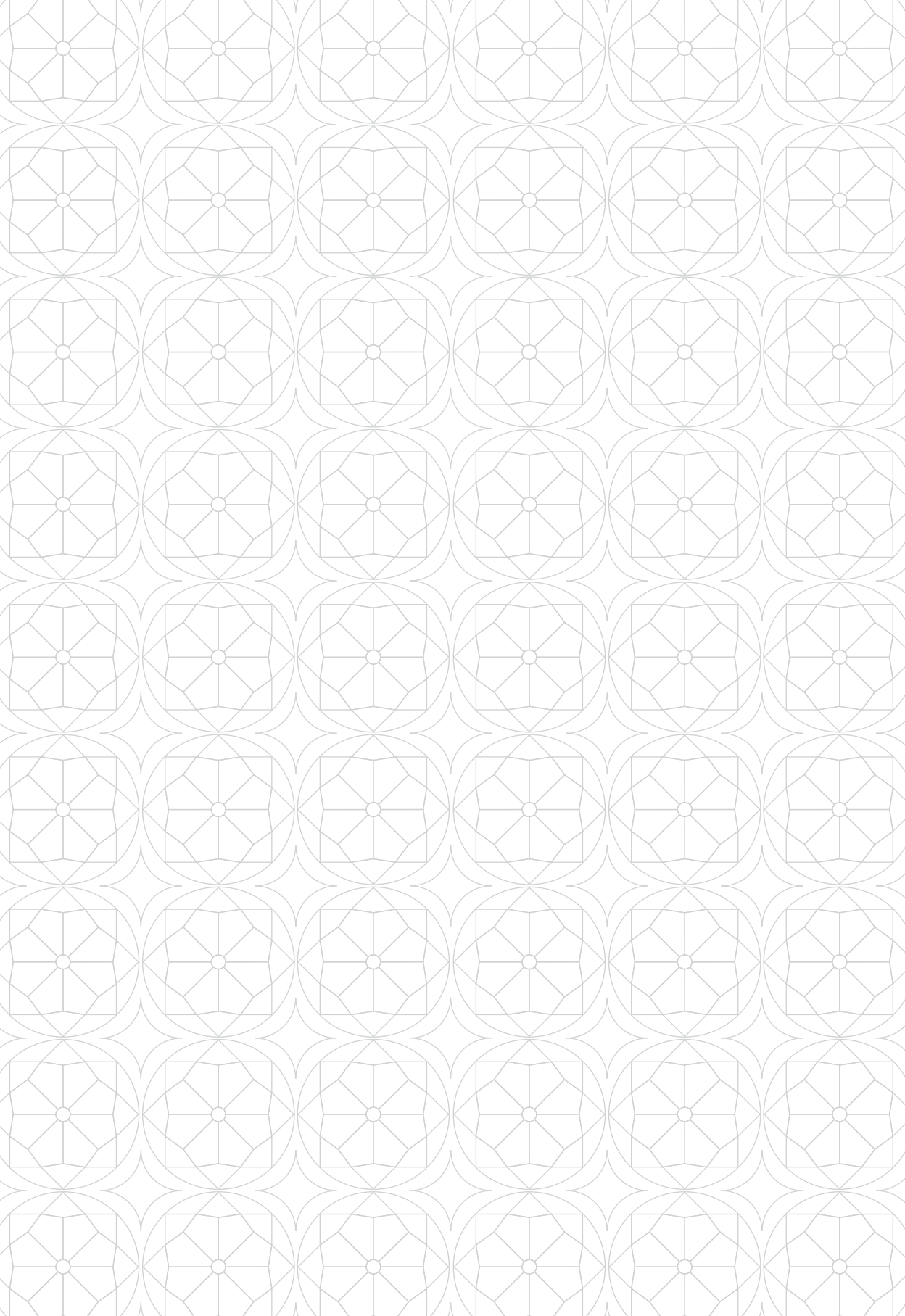
The Standard Musataha Contract

For enquiries: Please contact the following Gentlemen:

1-Advisor/Yousef Saeed Al Kuwaiti - Manager of the Department of Regulations and Registration of Lands and Properties / Lands and Properties Sector / Department of Municipal Affairs, on telephone number: 050/4442281 or by email: Y.AIKuwaiti@dma.abudhabi.ae

2-Jassem Mubarak Al Dhaheiri - Investment Counsel at the Director General Office - Abu Dhabi City Municipality on telephone number: 050/6131033 or by email: j.dhaheiri@adm.abudhabi.ae

Musataha Contract



Musataha Contract

By and between

Government of Abu Dhabi

Represented by

(.....)

Owner (First Party)

and

(.....)

Musateh (Second Party)

Subject:.....
.....

Table of Contents	Page
Title 1: Introduction.	3
Title 2: Preamble.	4
Title 3: General Conditions of the Contract:	5
1. Definitions	5
2. Right and Objective of Musataha.	6
3. Contract Validity and Duration.	6
4. Renewal of the Contract.	6
5. Musataha Fees.	7
6. Taxes and Fees.	7
7. Benefits and Services.	7
8. Approval of the Plan.	7
9. Making Improvements.	7
10. Project's Infrastructure.	8
11. Disposal of the Musataha right.	8
12. Preservation of the Environment.	9
13. Exploitation and Transfer of Improvements.	9
14. Undertakings of the Owner.	9
15. Undertakings of the Musateh.	10
16. Other Obligations on the Musateh.	11
17. Compensation.	11
18. Insurance.	12
19. Termination and Compensatory Measures.	13
20. Right of the Owner to address Violations.	14
21. Notices.	14
22. General Provisions.	15
23. Dispute Settlement.	15
24. Applicable Law.	15
Title 4: Special Conditions of the Contract.	17
Title 5: Annexes.	18
A.Annex No. 1: Site Plan of the Property.	19
B.Annex No. 2: Developmental Plans.	20

Title 1: Introduction

a)Particulars of the Owner (First Party) :

- Owner: Government of Abu Dhabi, represented by the Department of Municipal Affairs (.....Municipality) or (Government Entity/Company)

- Authorized Signatory:

Name : Capacity :

Address :

Telephone : Fax :

E-mail :

b) Particulars of the Musateh (Second Party): (Name) :

Authorized Signatory (Name): Capacity :

Address :

Telephone : Fax :

E-mail :

Commercial License No.: Expiry Date :

Licensed Activity :

ID No. :

Date of Issue :

c)Property:

Plot of Land No.: Region.....	Area:
Nature of the licensed use:	

d)Musataha:

Duration (s) of Musataha: A total not exceeding fifty years	
With effect from:	Ending on:
Annual Musataha fees:	Method of Payment:

Title 2: Preamble:

On Corresponding to / ofa Musataha Contract was concluded

by and between: Government of Abu Dhabi, represented by,
located in P.O. Box (.....), United Arab Emirates, hereinafter
referred to as (Owner) or First Party.

Represented by His Excellency /
and
..... located in P. O. Box. (.....), United Arab Emirates,
hereinafter referred to as

(Musateh) or Second Party.

Both parties shall be referred to separately as (Party) and jointly as (Parties).

Pursuant to the following:

- a. The introduction with all its clauses shall form an integral part of this Contract.
- b. The Owner wishes to grant Musataha right to the Musateh on the property and declares being authorized to conclude this Contract.
- c. The Musateh wishes to obtain the Musataha right for the objectives set forth in this Contract.
- d. The Owner accepts to grant the Mustaha right, as defined in Article 1.5 hereof, to the Musateh for the development of the property pursuant to the clauses and conditions stated in this Contract.
- e. Both parties acknowledge that the Musataha right granted under this Contract is a real right registered pursuant to Law No. (3) of 2005 concerning the regulation of Real Estate Registration in the Emirate of Abu Dhabi and its Executive Regulations.

Accordingly, the Owner and the Musateh agreed upon the following :

Title 3: General Conditions of the Contract

1. Definitions

- 1.1 Owner:** Government of Abu Dhabi in its capacity as the owner of the public lands in the Emirate, represented by the Chairman/Director of the concerned government entity who shall sign on its behalf.
- 1.2 Musateh:** The natural person, legal or juristic entity that is the owner of the real right in the Musataha in this Contract.
- 1.3 Third Party:** Any party to whom the Musateh gave the Musataha right as subcontractor, to whom it mortgaged or leased the Musataha right.
- 1.4 Government-owned Company:** Any company wholly owned by the Government of the Emirate of Abu Dhabi.
- 1.5 Musataha Right:** A real right enabling its holder to erect a building or plant on the land of others, by means of an agreement between such holder and the owner of the land. Such agreement shall determine the rights and obligations of the Musateh.
- 1.6 Musataha Fees:** The cash amount paid by the Musateh pursuant to Clause (d) of the Introduction of this Contract.
- 1.7 Contract Period:** The term of this Contract is as specified in Clause (d) of the Introduction of this Contract, including the period of extension thereof, in case the Contract was extended pursuant to Article 4.
- 1.8 Commencement Date:** The commencement date of the term of this Contract pursuant to Clause (d) of the Introduction of this Contract.
- 1.9 Property:** The land that the Musateh wishes to develop and already described in Clause (c) of the Introduction and of which the limits or landmarks are specified in the property scheme in Annex No. 1.

- 1.10 Competent Authorities:** Any authority, body or entity specialized in the issuance of a permit or license or the application of any of the legislations.
- 1.11 Project:** Development project decided to be established on the property by the Musateh pursuant to the approved plans, including all that is amended and approved by the Owner and the competent authorities.
- 1.12 Financier (Pledgee):** The bank(s) or financial institutions that the Musateh concludes contracts therewith concerning the financing of the Project or any part thereof.
- 1.13 Site Plan of the Property:** The plan showing the geographical site, the dimensions, form and area of the plot of land covered by the Contract, the general assets or natural landmarks to be preserved therein as stated in Annex 1 of this Contract.
- 1.14 Plans:** Plans of the design idea and the construction plans to be submitted to the Owner and the competent authorities for approval thereof.
- 1.15 Permits:** Every permit, license or approval to be obtained from the competent authorities related to the Project's works.
- 1.16 Improvements:** The Project, infrastructure and all buildings, constructions, utilities, additions, installations and any other improvements made to the property.
- 1.17 Infrastructure:** All structures referred to in Article 10 and all other infrastructures inside the property, created on the latter for the service of the Project.
- 1.18 Utilities:** Sanitary drainage and sewerage, and provision of water, cooled water, electricity, gas, telecommunications and trash removal systems (if applicable) or other services.

1.19 Legislations: All applicable laws, rules, regulations and orders in force in the Emirate of Abu Dhabi and the United Arab Emirates.

1.20 Standards: The rules, regulations and standards applicable in the construction sector in the Emirate of Abu Dhabi and the United Arab Emirates, related to any of the aspects of the design, construction, demo-operation, completion, operation and maintenance of the Project.

1.21 Working Day: Any day except Fridays, Saturdays and any official holidays in the Emirate of Abu Dhabi and the United Arab Emirates.

2. Right and Objective of Musataha

2.1 The Owner agrees to grant the Musateh the Musataha right on the property in return of the Musataha fees and pursuant to the conditions, obligations and commitments that the Musateh shall implement under this Contract.

2.2 The Musateh shall use the property for the purpose of creation of the project pursuant to the provisions of this Contract.

2.3 The Musateh shall not use the property or any part thereof for an objective that is contrary to the objective permitted by the legislations and shall not allow others of the same.

2.4 The Musateh shall grant the Owner, under this Contract, without any charges, the right of construction, installation and operation of media materials, including banners, informational materials and optical advertisements in specific public places of the property, chosen by the Owner, provided that the right of the Musateh on the property covered by the Musataha, the nature of investment and the Project erected therein are not damaged.

3. Contract Validity and Term

3.1 This Contract shall become effective and binding to both parties from the date of signature thereof. The term of this Contract shall start on the commencement date set forth in Clause (d) of the Introduction of this Contract and shall continue, ————— taking in consideration the preparatory period (if any), the provisions of extension and early termination stated in this Contract, to be valid and effective until the expiry date thereof pursuant to Article (4).

3.2 The possession of the property shall be transferred from the Owner to the Musateh on the commencement date stated in the Introduction and the Musateh acknowledges receiving the property.

4. Renewal of the Contract:

4.1 Six months before expiry of the Contract term, the property (Musataha premises) may be offered in a bid pursuant to the provisions of Procurement, Tenders and Bids in force in the Emirate of Abu Dhabi, provided that the Musateh is notified of the same at the beginning of the second half of the last year of the Contract's term.

4.2 The Musateh shall notify the Owner in writing of its willingness to renew or not renew the Contract six months at least before expiry of the Contract term pursuant to Clause (d) of the Introduction of this Contract.

5. Musataha Fees:

The Musateh shall pay the Musataha fees to the Owner for the whole term of the Contract, and the payment shall be made annually, in whole, at the beginning of every year.

6. Taxes and Fees:

The Musateh shall pay, throughout the Musataha period, all the other taxes and fees of any description, imposed by any governmental entity on the property and on the improvements.

7. Benefits and Services:

The Musateh shall pay, throughout the Musataha period, all the fees related to all benefits and services associated to the property, for example without limitation, the water, electricity, gas, telephone and waste removal fees from the property.

8. Approval of the Plans :

8.1 The Musateh shall, within a period not exceeding sixty (60) days at most from the date of entry into force of this Contract, prepare the plans of the property and the Project decided to be established on the property to be submitted to the Owner and the competent authorities for approval thereof. The Owner may extend this period if it deems it appropriate.

8.2 The Owner shall, within thirty (30) days from the submittal of the Project's plans and permits issued by the competent authorities, notify the Musateh by means of a letter, of its approval or non-approval of the plans.

8.3 If the Owner deems it appropriate to approve the plans provided that some modifications are made, it shall notify the Musateh of the same in writing, and the Musateh shall introduce all amendments required by the Owner upon the plans and shall resubmit them for approval by the Owner and the competent authorities.

8.4 If the plans were approved pursuant to this Article, no main amendment shall be made to the plans without the prior written consent of the Owner.

9. Making Improvements:

- 9.1** The Musateh shall, on its own liability, carry out all construction and improvement works and shall alone bear the expenses thereof.
- 9.2** No improvements shall be initiated on the property related to the Project without the written consent of the Owner and the competent authorities on the plans, and the Musateh shall have obtained the required licenses and permits for the establishment of the project.
- 9.3** All the construction plans, permits, licenses and approvals necessary for the Project shall be the responsibility of the Musateh and at its own expense.
- 9.4** The Musateh shall verify that all the construction works related to the Project and all the works, materials, equipment, systems and procedures related thereto are compatible with the plans approved by the Owner and by the competent authorities.
- 9.5** The Musateh shall be responsible for the care of the property and all the activities carried out therein throughout the Musataha period. The Musateh shall make necessary arrangements inside and around the property concerning safety, environment, surety, fire protection, security, transport, supply of goods, materials, machines and equipment, control of pollution, labour relations and public services inside the property including access to the latter.
- 9.6** The Musateh acknowledges that it has inspected the property and its surrounding areas and that it is aware of the nature of the weather, groundwater and the general conditions of the property, nature of the land, soil, infrastructure, form and nature of the property and the nature of the designs, works and materials necessary for the implementation of the Project.

9.7 The Musateh shall provide the Owner with a copy of all the plans, designs, licenses and approvals related to the Project after their approval by the competent authorities.

9.8 The Musateh shall terminate all the construction works related to the construction of the Project within a period not exceeding twenty-four months from the date of signing this Contract. The chronological order stated in Title 4 (if any) shall be respected unless the Owner agrees in writing to extend this period for reasons deemed reasonable. Non-compliance with the specified dates shall be considered as a reason to terminate the Contract.

9.9 The Musateh shall not, in any case:

9.9.1.1 Establish residential buildings for the staff and workers at the property, unless the activity permitted under this Contract requires the same, pursuant to the consent of the Owner and the competent authorities.

9.9.1.2 Store any materials or throw any waste or trash outside the property.

10. Project's Infrastructure:

The Musateh shall be responsible, at its own expense, for the establishment, installation and maintenance of the infrastructure from the boundaries to the inside of the property and for operating the same pursuant to standards approved and accepted by the Owner and the competent authorities. These infrastructures include, without limitation, the communication systems (by virtue of the Laws in force), the roads, electric lighting and

their electrical installations, irrigation system, drainage system, liquid and solid waste treatment and all installations and other infrastructure in addition to those necessary for the transport of persons and vehicles and for the provision of services and benefits to the Project.

11.Disposal of the Musataha Right:

11.1 The Musateh may (provided that the Musataha right is for a period exceeding ten years), dispose of the Musataha right for a period not exceeding the Musataha period agreed upon in this Contract including its mortgage, throughout the Musataha period, provided that the disposal does not harm others or is not contradictory to the relevant laws, regulations and resolutions.

11.2 The Musateh shall, immediately upon entailing any other rights for others on the property, notify the Owner thereof through the address set forth in the Contract and provide it with a copy of any contracts or papers made in this regard.

12.Preservation of the Environment:

The Musateh undertakes to adhere to all the laws, rules and regulations related to the environment and in force at the Emirate of Abu Dhabi.

13.Exploitation and Transfer of Improvements:

13.1 The Musateh shall have the right, within the Musataha period, to possess the buildings erected by him on the property and may benefit from it and the Project, as well as exploiting the Project and lease the same for the purposes agreed upon in this Contract.

13.2 The Musateh shall be liable for all the costs or expenses related to the improvements and/or the exercise of any rights by the Musateh related to the Musataha right under this Contract.

13.3 Upon expiry of the Contract period, the provisions of Article 785 and Article 1360 of the Civil Transactions Law shall be applied.

13.4 In the event of expiry or termination of the Contract with a mortgage on the Musataha right, the creditor mortgagee shall have the right to implement the provisions of the mortgage contract signed by it and the Musateh as allowed by the laws in force. It shall also have the right to find another Musateh to complete the Contract term, provided that the Owner and the competent authorities agree upon the same. The new Musateh shall replace the Musateh in all contractual and non-contractual rights and obligations towards the Owner and the financier. The Owner shall cooperate with the creditor mortgagee to implement the provisions of this paragraph in the event of application thereof and conclude a contract with the new Musateh. In case of impossibility to conclude a contract with a new Musateh for any reason whatsoever, the rights of the financier shall be transferred to the compensation amount due to the Musateh pursuant to the provisions of this Contract.

13.5 In the event of termination or cancellation for any reason whatsoever without any mortgage on the Project, the Musataha right arising from this Contract and all the Musateh's rights, ownership and use of the property, the Project and the improvements, as well as all the other granted Musataha rights and rights arising under this Contract shall be automatically returned to the Owner and shall become its exclusive property thereof.

14.Undertakings of the Owner :

14.1 The Owner undertakes to the Musateh the following:

- a.The Musateh shall have the right, without prejudice to the provisions of this Contract, to possess the property and the Project in a quiet and stable manner throughout the term of this Contract without any interference from the Owner or its representative.
- b.The Owner shall, upon the Musateh's request and at its own expense, take all necessary actions against third parties to enable the Musateh to exercise its rights as a Musateh on the property.
- c.The Owner undertakes to notify the financier of any warnings or notifications between it and the Musateh. It recognizes the right of the financier to replace the Musateh in order to comply with any of the Musateh's contractual obligations.

15.Undertakings of the Musateh:

The Musateh undertakes to the Owner the following:

- a.To pay the Musataha fees on time and in the method specified in this Contract.
- b.To register this Contract at the Properties Registrar in the Emirate of Abu Dhabi as a Musataha right and a real right as known and indicated in Law No. (19) of 2005 concerning Real Estate Property and its amendments, and Law No. (3) of 2005 concerning the regulation of Real Estate Registration at the Emirate of Abu Dhabi, its executive regulations and any other legislation issued later.
- c.To be holder of all necessary licenses of the Project, provide all necessary data and applications, and pay all due fees.

- d. To preserve the property and the Project, at all times during the Musataha period, in a good, safe and clean condition and to maintain them at its own expense.
- e. To carry out the following, at all times throughout the period of this Contract and at its own expense:
 - 1. Make all changes, improvements or repairs in the property and the Project in accordance with all current or future legislations and standards.
 - 2. Take into account all the legislations and standards related to the property and the Project and adhere to the same.
 - 3. Compensate the Owner and bear any liability, loss, damages, penalty or claim resulting from the failure of the Musateh to comply with the requirements of this Article or the whole Contract and fulfil the same in a way exempting the Owner and the property of this liability.
- f. Not to use the property and the Project for an illegal purpose or for a purpose other than that allowed under this Contract.
- g. To maintain and repair the parts of the property, the improvements and the Project throughout the Contract term and preserve the same in a good condition, particularly all the machines, equipment, installations and their items or those erected therein or thereon at any time during the term of the Contract.
- h. To exert due diligence to verify that the other parties or persons having exclusive possession of any part of the Project maintain, repair and preserve the parts in their possession in a good condition.

- i. To comply with all current or future legislations that affect or are related to the use of the property and all legislations that may be issued or imposed by any authority having the right of jurisdiction or authority on the users of the property and the improvements and to compensate the Owner for any damages arising from the violation of these obligations.
- j. To allow the Owner, its agents, engineers, contractors and employees, at all reasonable times, to enter the property and the Project and examine the same in order to verify the compliance with the provisions of this Contract by the Musateh.
- k. To abide by all precautionary measures related to fire and safety and the provision of safe storage facilities of any chemical materials, flammable liquids, acetylene gas, alcohol, oil or volatile explosive materials that may invalidate any insurance cover - required to be obtained under the provisions of this Contract - or may reduce the same in any form whatsoever.
- l. To deliver the property and the improvements thereof to the Owner upon expiry or termination of this Contract without any material or legal impediments or burdening rights (such as mortgage and other). The Owner shall have the right to request the Musateh to remove all improvements and hand over the property in its initial condition upon taking over and at the expense of the Musateh upon expiry or termination of the Contract.
- m. To insure the property and the Project and to keep the insurance under the provisions of this Contract.
- n. To create a separate account for the Project showing accurately the total cost of the Project, with the relevant documents proving all the costs and expenses spent by the Musateh in the establishment of the Project.

16.Other Obligations on the Musateh:

The Musateh shall:

- a.If the Musateh is a juristic person, it shall be committed to have taken all internal procedures of the company or establishment (pursuant to the legal form of the Musateh) and the legal requirements allowing it to enjoy the Musataha right, conclude this Contract and meet the obligations thereof in a way compliant with the constituent documents, rules, regulations and laws in force.
- b.Implement the Project, the improvements and all the works at the property:
 1. At its own expense and liability;
 2. In conformity with the plans approved by the Owner and the competent authorities and all legislations and standards;
 3. In a sound and professional manner using materials of good quality;
 4. Pursuant to the requirements and principles of good faith.

17.Compensation:

17.1 With the exception of cases where any liabilities, claims, losses, compensation or expenses are the result of an act, failure or negligence to commit an act by the Owner or any of its authorized representatives, the Musateh shall compensate the Owner, in all other cases, and discharge it from all obligations, claims, losses, damages and expenses resulting from the occupation and use of the property by the Musateh, especially, for example but without limitation, any commitment, claim, loss, damages or expenses resulting from the following circumstances:

- a.Death or injury of any person, including the Musateh, or any person acting as employee, agent, worker, supplier or visitor to the Musateh or any other

person or because of any damage or injury occurring to the persons or properties, including the properties of the Musateh or any person acting as an employee, agent or visitor of the Musateh, as a result of any reason whatsoever, during the presence of this person or properties on or near the property, or any reason related to the property, the Project or the personal properties located on the property.

- b. The cost of establishment of the Project and all claims submitted by any contractor appointed by the Musateh or any supplier of goods or materials used in the Project, shall be borne by the Musateh without any liability on the Owner.
- c. All fines imposed by any governmental entity on the Owner or the Musateh as a result of the establishment or use of the Project in a way that is in contradiction with the legislations or as a result of any violation.
- d. Any claim against the Owner or the Musateh by others stating that the design or implementation of the Project or activities exercised violate their legal rights or cause damage, harm or inconvenience.

17.2 The compensation obligations incurred pursuant to this Article shall remain valid even after expiry or termination of this Contract.

18. Insurance:

18.1 The Musateh shall, at its own expense, provide a comprehensive civil liability insurance coverage in an expanded manner under the joint name of the Musateh and the Owner, throughout the period of the Contract, issued by an insurance company licensed to issue liability insurance policies in the United Arab Emirates, provided that it is approved by the

Owner, to insure the Musateh and the Owner jointly against any loss or obligation related or resulting from the occupation and use of the property and the Project by the Musateh under this Contract, with amounts not less than the following:

- a.AED One million (1,000,000) per claim for injury or death of one person or more without any limit to the number of claims.
- b.AED One million (1,000,000) per claim for damage caused to any property of others without any limit to the number of claims.

18.2 The Musateh shall preserve, at its own expense and cost, the insurance cover against fire and the expanded insurance cover of the Project in the joint name of the Musateh and the Owner. The Musateh shall review these coverages every year so that the aforesaid insurance covers the whole replacement value of the Project. All the proceeds resulting from the insurance coverage against fire and the expanded insurance coverage that become due at any time throughout the period of the Contract as a result of damage of any part of the Project, shall be paid to the Musateh and shall be used to cover the Musateh's costs for the repair of the damaged part of the Project in the method required in the Contract to return it to its initial condition.

18.3 The Musateh shall verify that all the construction contractors who carry out the improvement works on the property are committed to the following:

- a.Providing an insurance cover for all the risks of the Contractor in the joint name of the Musateh, the Owner and the Contractor to cover the total cost of the construction works to be undertaken by the Contractor.

b. Providing an adequate insurance cover for civil liability.

18.4 The Musateh shall pay all insurance premiums and fees of all insurance policies to be made under this Contract immediately on the due dates of these premiums and shall provide the Owner with a proof of payment of these premiums in a timely manner. The Owner shall be provided with copies of all the insurance policies that the Musateh shall conclude or with certificates thereof. The Musateh shall adhere, at its own expense, to all the requirements related to the property and the Project required by any insurance company, as a condition for the issuance, renewal and maintenance of any insurance cover that the Musateh shall conclude under this Contract.

18.5 Every insurance policy that the Musateh shall conclude under this Article, shall include a provision that it shall not be cancelled, amended, nor renewed or its insurance cover reduced for any reason except after giving prior notice of thirty (30) days to the Owner. All the insurance policies issued under this Article shall be made by companies approved by the Owner and such approval shall not be refrained from being granted for any unreasonable justification.

18.6 The commitment of the Musateh to issue and maintain the insurance coverage under this Article shall not exempt it from any other obligations under this Contract.

19. Termination and Compensatory Measures :

Without prejudice to the provisions of Clause 19.2 of the Contract, the Owner may terminate this Contract, recover the property or exercise any other compensatory measure granted to the Owner under Law upon violation of any of the Contract conditions by the Musateh unless :

- a. The Owner addresses to the Musateh and the financier, if any, a written notice of the violation of the Contract's conditions by the Musateh and specifies the period required for the rectification of such violation pursuant to Article 23.1.
- b. The violation by the Musateh or the financier, if any, has occurred and still continues on the date of the notice set forth in Clause (a).
- c. The Musateh or the financier, if any, fails to rectify such violation.

19.2 The Owner shall have the right to terminate this Contract with immediate effect by means of a written notice addressed to the Musateh and the financier, if any, without the need for a court ruling in the following cases:

- a. If the Musateh or the financier, if any, fails to pay any Musataha fees (60) days from the due date of the latter pursuant to this Contract.
- b. If the Musateh fails to complete the construction works pursuant to Clause (9.8).
- c. If the Musateh was declared bankrupt through a final judgment rendered by a competent court or was dissolved, liquidated, exercised works under receivership or in the presence of a trustee or manager in favour of its creditors, a receiver was appointed on an essential part of its monies/assets, when this Contract is automatically terminated upon occurrence of any of the previous cases without the need to a notice, a court order or any other action by both parties.

19.3 If this Contract was terminated under the above-mentioned clauses, the Owner shall have the right to confiscate the full value of the Musataha fees paid to the Owner before the date of termination.

19.4 Compensation for Termination: If the Owner, at any time before expiry of this Contract, terminates the latter without any violation by the Musateh, the Owner shall compensate the Musateh with a value calculated as follows:

- a. The cost of improvements (the Musateh shall prove the cost of the improvements through the account of the Project, registers and documents that the Musateh shall preserve).
- b. In case of the presence of a creditor mortgagee and the Project is valid and is still achieving profits, the commercial value of the Project shall be added to Clause (a) above, provided that it is not less than the profits estimated for the three years following the termination.
- c. Deduction of an amount equivalent to the consumption of the improvements, calculated pursuant to the international accounting standards prevailing at the time, plus the demolition cost.
- d. The compensation set forth in this Article shall not be paid to the Musateh without the latter obtaining an acquittal from the financier.

19.5 Upon expiry of the Contract or in case of its termination, the Owner shall have the absolute right to enter into any other contract or agreement or grant any right to others concerning the property, Project and improvements.

19.6 The Musateh shall, during the implementation period of the Project and in a periodic manner, provide the Owner with the documents on the cost of establishment of the Project and the improvements.

20. Right of the Owner to address Violations:

20.1 If the Musateh fails to remedy any violation or breach in its obligations - under one of the provisions of this Contract and apart from the obligations

of payment of the Musataha and construction fees - within thirty (30) days from the date of receipt of the written notice by the Owner stating the details of violation or breach, the Owner shall have the right to remedy the aforesaid violation or breach at the expense of the Musateh.

20.2 The Owner shall have the right to extend the period of remedy of the violation or breach set forth in Clause 20.1 above for another similar period (30 additional days).

20.3 If the Owner, at any time, and as a result of a violation by the Musateh, pays any amount or takes any action necessitating the payment of an amount of money related to this Contract, the amount paid by the Owner shall be considered due immediately from the Musateh to the Owner at the time of payment thereof. If the Musateh delays in the payment of this amount, a delay fee of nine percent (9%) shall be paid annually (calculated on a pro rata basis) on the amount paid by the Owner from the date of payment by the Owner until the Musateh pays this amount to the Owner.

21.Notices:

21.1 Every notice addressed under this Contract may be notified, sent or deposited through registered mail or sent by fax to the addresses of both parties stated in the beginning of this Contract or to any other address notified to both parties by each other in writing from time to time for this purpose. In the absence of a proof of receipt on an earlier date, the notices addressed under this Contract shall be considered delivered as follows:

- a. On the day following the delivery by hand (including for this purpose, delivery through a correspondent against a receipt); or
- b. Twenty four hours (24) from the date of sending by fax; or
- c. Seven (7) days from the date of sending by registered mail.

21.2 The notified party shall, within seven (7) working days from the date of receiving any notice or order issued, given or addressed under any legislation, notify the other party by giving it full details and showing the notice. Both parties shall, within the period specified in the notice, take all necessary actions to implement the provisions of the notice or order and submit any objection or clarification in its regard, each in its own concern, provided that in case such notice or order was issued because of any disposal, failure or violation by the Musateh to any of its obligations, the Musateh undertakes to compensate the Owner for all the costs and expenses spent by the Owner concerning the implementation of the obligations of the Owner under this Article.

22.General Provisions:

22.1 The preamble set forth in this Contract shall form an integral part thereof and shall be interpreted accordingly.

22.2 If the due date of the Musataha fees (pursuant to the definition) or any amount to be paid under this Contract does not fall on a working day, the Musataha fees or any amount due under this Contract shall be due on the first working day following the due date of the Musataha fees or any amount due under this Contract.

22.3 If the Musateh is a natural person, the Musataha right shall be registered in the names of the inheritors, in case of the Musateh's death, after submitting a legal notice to the Owner proving their inheritance of the Musateh and pursuant to the provisions of the Laws in force. This Contract shall be binding to the inheritors.

22.4 If any provision of this Contract becomes void or unenforceable, this shall not affect the interpretation, application or validity of any other provisions stated in this Contract.

22.5 The failure or delay of either party in requesting the other party to implement any provision of this Contract, shall not mean the waiver of the Party of his right and shall not prevent him from requesting the other party, at a later time, to meet its obligations under the Contract. In the event of a waiver of such right, the waiver shall be explicit and by means of a written notice to the other party.

22.6 Any amendment to this Contract shall not be considered valid unless made in writing and signed by both parties.

22.7 Thus, both parties agree and undertake to take all necessary steps for the legalization of the provisions stated in this Contract.

23. Dispute Settlement:

In the event of any disagreement or dispute due to, under or related to this Contract between the Owner and the Musateh, such dispute shall be referred to the competent Courts in the Emirate of Abu Dhabi.

24. Applicable Law:

This Contract shall be subject to the Laws of the Emirate of Abu Dhabi and the United Arab Emirates.

In witness whereof, both parties signed this Contract through their duly authorised representatives on the date stated in the beginning thereof.

In the Name and on behalf of the Owner (First Party)

In the Name and on behalf of the Musateh (Second Party)

Title 4
Special Conditions of the Contract
(if any)

Title 5: Annexes

- Annex (1) : Site Plan of the Property
- Annex (2) : Developmental Plans

Annex (1)
Site Plan of the Property

Annex (2)
Developmental Plans

(To be enclosed to this Agreement within sixty days from the date of signing
thereof)

United Arab Emirates
The Emirate Of Abu Dhabi
Issued By The General Secretariat of the Executive Council
of the Emirate Of Abu Dhabi
The Legal Affairs Division
The Official Gazette Section
Abu Dhabi - P.O.Box:19
Tel:+97126688446 Fax:+97126688940