

Law No. (10) of 2015
Concerning the
Dubai Aviation City Corporation¹

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (8) of 2006 Establishing the Dubai Aviation City Corporation and its amendments;

Law No. (22) of 2007 Establishing the Dubai Air Navigation Services Corporation;

Law No. (23) of 2007 Establishing the Dubai Airports Corporation;

Law No. (24) of 2007 Repealing the Order Establishing the Department of Civil Aviation;

Law No. (7) of 2008 Concerning Public Debt Procedure;

Law No. (35) of 2009 Concerning Management of the Public Funds of the Government of Dubai and its amendments;

Law No. (19) of 2010 Concerning the Dubai Civil Aviation Authority; and

Law No. (2) of 2012 Establishing the Dubai Aviation Engineering Projects Corporation,

Do hereby issue this Law.

Title of the Law

Article (1)

This Law will be cited as "Law No. (10) of 2015 Concerning the Dubai Aviation City Corporation".

Definitions

Article (2)

The following words and expressions, wherever mentioned in this Law, will have the meaning indicated opposite each of them unless the context implies otherwise:

UAE: The United Arab Emirates.

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¹*Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.*

Law No. (10) of 2015 Concerning the Dubai Aviation City Corporation

Emirate:	The Emirate of Dubai.
Ruler:	His Highness the Ruler of Dubai.
Government:	The Government of Dubai.
DAC:	The Dubai Aviation City.
DACC:	The Dubai Aviation City Corporation.
Chairman:	The chairman of the DACC.
Board of Directors:	The board of directors of the DACC.
Executive Chairman:	The executive chairman of the DACC.
Affiliated Company:	A company in which the DACC holds not less than ten percent (10%) of the capital, and which conducts its business within the DAC or elsewhere.
DAC Zones:	This includes the Airport, the Free Zone, and non-free zones.
Airport:	The Dubai International Airport, the Al Maktoum International Airport, or any other airport added to DAC Zones.
Free Zone:	The free zone within the DAC.
Affiliated Corporation:	Any public corporation affiliated to the DACC including the Dubai Air Navigation Services Corporation, the Dubai Airports Corporation, the Dubai Aviation Engineering Projects Corporation, and any other corporation affiliated to the DACC pursuant to any legislation.

Scope of Application **Article (3)**

- a. This Law will apply to:
1. the Dubai Aviation City established pursuant to the above-mentioned Law No. (8) of 2006; and
 2. the Dubai Aviation City Corporation as a public corporation managed on commercial basis, which has legal personality, financial and administrative autonomy, and the legal capacity required to undertake all acts and dispositions that ensure the achievement of its objectives.

- b. The location, boundaries, and area of the DAC will be determined pursuant to a resolution of the Ruler. The boundaries of the Free Zone and of non-free zones within the DAC will be demarcated in maps approved by the Chairman. The DAC Zones will be managed by the DACC and governed by its regulatory legislation. The resolutions issued by the Chairman in this respect must be published in the Official Gazette of the Government.

Head Office of the DACC

Article (4)

The head office of the DACC will be located in the Emirate, and the DACC may establish branches within and outside of the Emirate.

Objectives of the DACC

Article (5)

The DACC aims to:

1. keep up to date with the continuing growth witnessed by the Emirate in air traffic, aviation, and all related activities;
2. contribute to creating various economic and commercial opportunities with a view to boosting economic development in the Emirate;
3. promote the Emirate as an international hub for air transport, air freight, and related services;
4. support aviation investments in commercial, real estate, services, and industrial fields; and create a favourable environment to attract such investments to the Emirate; and
5. contribute to promoting the Emirate as a prime destination for hosting and organising aviation exhibitions, conferences, and events at the local and international levels.

Functions of the DACC

Article (6)

- a. For the purposes of achieving its objectives, the DACC will have the duties and powers to:
 1. approve the strategic plans required to develop the services and activities related to its business, and coordinate among Affiliated Corporations to ensure that the operational plans of each of these corporations are in line with the objectives of the general strategic plan of the DACC;
 2. audit and supervise Affiliated Corporations without prejudice to the functions of each of them, and ensure that coordination and cooperation among them are achieved;
 3. in coordination with concerned Government Entities, determine land and real property use within the DAC Zones; allocate such land and real property for commercial, professional, residential, and industrial use; and invest, manage, and

- dispose of such land and real property in line with the objectives and activities of the DACC;
4. design and develop the information technology, e-commerce, telecommunications, and media industries within the DAC Zones;
 5. establish wholly-owned companies or hold shares in existing companies or in companies under incorporation;
 6. invest its property in commercial, industrial, or financial fields or in any other field from which the DACC derives profits;
 7. conclude, in coordination with Affiliated Corporations, the contracts and agreements required for developing and supporting aviation activities and services in the Emirate, and supervise the performance of such contracts and agreements;
 8. in coordination with Affiliated Corporations, determine and collect fees and charges in return for the services it provides within and outside of the DAC in accordance with the legislation in force in the Emirate;
 9. approve its own projects and those of Affiliated Corporations, and finance the implementation of such projects through borrowing or any other available means or financial instruments as appropriate for its activities. For this purpose, the DACC may grant Affiliated Corporations the right to provide any security or effect any mortgage or lien, in accordance with the approved means of finance and the relevant legislation in force;
 10. audit the budgets and performance of Affiliated Corporations and Affiliated Companies; and
 11. perform any other duties required for the achievement of the objectives of the DACC.
- b. The DACC may, pursuant to an agreement concluded in this respect which determines the rights and obligations of the parties, delegate any of the duties and powers stipulated in paragraphs (a)(3), (a)(4), (a)(5), (a)(6), and (a)(7) of this Article to any of the Affiliated Corporations.

Organisational Structure of the DACC

Article (7)

The organisational structure of the DACC will comprise:

- a. the Chairman;
- b. the Board of Directors;
- c. the Executive Chairman; and
- d. the executive body.

Appointment and Functions of the Chairman
Article (8)

- a. A Chairman will be appointed to the DACC pursuant to a decree of the Ruler.
- b. The Chairman will undertake the general supervision of the DACC and Affiliated Corporations, and for such purpose, he will have the duties and powers to:
 1. approve the general policy and the strategic and development plans of the DACC;
 2. approve the resolutions regulating the administrative, financial, and technical work of the DACC;
 3. approve the services, works, projects, and activities that the DACC intends to perform;
 4. approve the organisational structure of the DACC;
 5. approve the draft annual budgets of the DACC and Affiliated Corporations, and submit these to the competent entities for final approval; and approve the final accounts of the DACC and of Affiliated Corporations;
 6. approve the general policy and the financing and borrowing plans and programmes required for conducting the business of the DACC and of Affiliated Corporations, which are referred to him by the Board of Directors; and
 7. approve the rules required for establishing Affiliated Companies.
- c. The Chairman may delegate any of his powers stipulated in paragraph (b)(3) of this Article to the vice chairman or any member of the Board of Directors, or to the Executive Chairman, provided that such delegation is specific and in writing.

Board of Directors
Article (9)

- a. The DACC will be supervised by a Board of Directors. The Board of Directors will be presided over by the Chairman, and will comprise a vice chairman and at least five (5) other members from among experts and specialists.
- b. The vice chairman and members of the Board of Directors will be appointed pursuant to a resolution of the Chairman for a renewable term of three (3) years.
- c. In the absence of the Chairman, the vice chairman of the Board of Directors will act as the Chairman, and will exercise all the Chairman's functions under this Law.

Functions of the Board of Directors
Article (10)

- a. The Board of Directors will have the duties and powers to:

1. approve the general policy and the strategic and development plans of the DACC, and submit them to the Chairman for final approval;
 2. submit the draft annual budgets and final accounts of the DACC and Affiliated Corporations to the Chairman for approval;
 3. approve the organisational structure of the DACC and submit the same to the Chairman for final approval;
 4. review the policies and strategic and operational plans of Affiliated Corporations, and present the relevant recommendations to the Chairman to take the appropriate action in this respect;
 5. approve the resolutions regulating the administrative, financial, and technical work of the DACC and submit the same to the Chairman for final approval;
 6. approve the services, works, projects, and activities that the DACC intends to perform, and submit the same to the Chairman for final approval;
 7. form permanent and temporary committees and work teams, and determine their duties and powers;
 8. develop the general policy and the financing and borrowing plans and programmes required for conducting the business of the DACC and Affiliated Corporations, and submit the same to the Chairman for approval;
 9. develop the rules required for establishing Affiliated Companies, and submit them to the Chairman for approval;
 10. conduct periodic reviews of the performance reports of the DACC and Affiliated Corporations, and submit the relevant recommendations to the Chairman to take the appropriate action in this respect; and
 11. perform any other duties required for the achievement of the objectives of the DACC.
- b. The Board of Directors may delegate any of the powers stipulated in paragraphs (a)(6), (a)(7), and (a)(9) of this Article to any of its members or to the Executive Chairman, provided that such delegation is specific and in writing.

Meetings of the Board of Directors
Article (11)

- a. The Board of Directors will be convened by the Chairman, or in his absence by the vice chairman of the Board of Directors, at least twice a year or where required. Meetings of the Board of Directors will be valid if attended by the majority of its members, provided that the Chairman or vice chairman of the Board of Directors is in attendance.
- b. Resolutions of the Board of Directors will be passed by majority vote of attending members, and in the event of a tie, the chair of the meeting will have the casting vote.

Resolutions of the Board of Directors will be recorded in minutes of meetings signed by the chair of the meeting and attending members.

- c. The Board of Directors may seek assistance from the experts and specialists it deems appropriate to attend its meetings, but they will have no vote.

Appointment and Functions of the Executive Chairman

Article (12)

- a. An Executive Chairman will be appointed to the DACC pursuant to a resolution of the Chairman.
- b. Under the supervision of the Chairman, the Executive Chairman will manage the DACC and run its affairs in accordance with the provisions of this Law and the resolutions issued in pursuance hereof. For this purpose, the Executive Chairman will have the duties and powers to:
 - 1. propose the general policy and the strategic and development plans of the DACC, submit these to the Board of Directors for approval, and take necessary action for implementation of the same upon final approval;
 - 2. propose the resolutions regulating the administrative, financial, and technical work of the DACC, and submit the same to the Board of Directors for approval;
 - 3. propose the services, works, projects, and activities that the DACC intends to perform, and submit the same to the Board of Directors for approval;
 - 4. prepare the draft annual budget and the final accounts of the DACC, and submit the same to the Board of Directors;
 - 5. review the annual budgets and the final accounts of Affiliated Corporations, and submit his relevant recommendations to the Board of Directors;
 - 6. prepare the organisational structure of the DACC, and submit the same to the Board of Directors for approval;
 - 7. supervise the executive body of the DACC and audit its administrative, technical, and financial performance;
 - 8. represent the DACC before third parties and conclude the contracts and agreements required for the achievement of its objectives, in accordance with the resolutions approved by the DACC in this respect;
 - 9. subject to approval of the Chairman, open and manage bank accounts in accordance with the legislation in force;
 - 10. ensure that the strategic plans of Affiliated Corporations are in line with the strategic and development plans of the DACC; and

11. perform any other duties assigned or delegated to him by the Chairman or the Board of Directors.
- c. The Executive Chairman may delegate any of his powers stipulated in paragraphs (b)(3), (b)(7), (b)(8), and (b)(9) of this Article to any of the DACC employees, provided that such delegation is specific and in writing.

Financial Resources of the DACC

Article (13)

The financial resources of the DACC will consist of:

1. fees and charges collected in return for the services provided by the DACC;
2. returns on the investment of its property; and
3. gifts, donations, and any other financial resources approved by the Chairman.

Budget and Accounts of the DACC

Article (14)

- a. The DACC will have an independent budget which reflects its actual financial position.
- b. In regulating its accounts and records, the DACC will apply commercial accounting rules and principles in accordance with recognised international standards.
- c. The financial year of the DACC will commence on 1 January and will end on 31 December of each year.

Establishing Legal Entities

Article (15)

- a. Limited liability legal entities wholly owned by one (1) natural or legal person, whether a UAE national or a foreigner, may be established within the Free Zone.
- b. Each of the entities referred to in paragraph (a) of this Article will have legal personality and Financial Autonomy, and the liability of its owner will be limited to its paid up capital.

Limited Liability Companies

Article (16)

- a. The name of a company established in accordance with Article (15) of this Law must, in all its transactions, contracts, advertisements, invoices, correspondence, and publications, be followed by an indication that it is established in the Free Zone in accordance with this Law, and that it is a limited liability company.

- b. Where the owner of a company fails to comply with paragraph (a) of this Article, he will be personally liable to settle his company's obligations from all his moveable and immoveable property.

**Assignment of Licence
Article (17)**

An assignment to any other party or entity of the licence issued by the DACC will be deemed null and void if it is made without first obtaining the written approval of the DACC.

**Goods, Services, and Activities
Article (18)**

- a. In the Free Zone, all commercial, financial, industrial, and professional activities may be conducted, all services may be provided, and all goods may be produced or imported, except the following:
1. perished goods;
 2. services, products, activities, and goods violating commercial, industrial, literary, artistic, and intellectual property laws, including the laws and rules related to trademarks, patents, copyrights, and design rights;
 3. services, goods, and products that feature inscriptions, drawings, ornamentations, marks, or figures that conflict with the doctrines, teachings, and beliefs of heavenly revealed religions; or that breach public order or morality;
 4. products, services, and goods prohibited by the legislation in force in the UAE, or which are provided, produced, or imported in breach of the legislation in force in the Free Zone;
 5. any activities or processes which are illegal or performed in breach of the legislation in force in the Free Zone; and
 6. military goods and ammunition, except those in respect of which a permit is issued by the competent authority in the UAE.
- b. The Board of Directors will, from time to time, issue an updated list of activities and goods which are prohibited under the legislation in force.

**Supervisory Powers of the DACC
Article (19)**

The DACC will be responsible for monitoring and inspecting the activities of Free Zone corporations which are suspected of violating the provisions of this Law and the legislation in force in the DAC Zones. Within the Free Zone, the DACC will, in cooperation with the

concerned entities in the Emirate, have the audit, investigation, and law enforcement powers in respect of goods, products, and activities which contravene intellectual property laws.

Exemption from Customs Duties

Article (20)

- a. Goods brought into the Free Zone, or manufactured, produced, or developed therein will be exempt from customs duties; and when exported outside of the UAE, no customs duties will be levied on these goods.
- b. Products stored in the Free Zone, or used in any process within the Free Zone, will be exempt from customs duties.
- c. Products exported from the Free Zone to the customs zone within the Emirate will be deemed as if imported from abroad for the first time, and customs duties will apply to these products in accordance with the customs tariff provisions in force.

Tax Exemption

Article (21)

Natural and legal persons working in the Free Zone will be exempt from all taxes, including income tax, in respect of their operations in the Free Zone, for a period of fifty (50) years renewable for the same period pursuant to a resolution of the Ruler. This period will commence on the day on which these natural or legal persons commence their work in the Free Zone.

Immunity from Limitation of Ownership Measures

Article (22)

Neither corporations nor companies licensed within DAC Zones, nor their property, nor the property of their employees may be subject to any nationalisation or limitation of private ownership measures throughout the period of their work within the DAC Zones.

Exemption from Compliance with Certain Laws

Article (23)

- a. With the exception of laws and regulations relating to public health and safety, food control, and the environment, neither DAC Zones, nor any natural or legal person working therein will, in respect of their operations in the DAC Zones, be subject to the laws, regulations, authorities, and powers of Dubai Municipality or the Department of Economic Development.
- b. Sole establishments and companies operating within the DAC and the Free Zone will conduct their activities in accordance with the licences issued to them pursuant to the regulations and resolutions issued by the Chairman for this purpose.

Liability
Article (24)

The Government will not be liable to third parties for the debts or obligations of the DACC, Affiliated Corporations, or Affiliated Companies. The DACC will not be liable for the debts or obligations of Affiliated Corporations or Affiliated Companies.

Exemption from Liability
Article (25)

Except in cases of fraud or gross fault, neither the Chairman, nor the vice chairman of the Board of Directors, nor any member of the Board of Directors, nor the Executive Chairman, nor any employee of the executive body of the DACC will be personally liable for any obligations arising from any act or omission related to exercising his powers under this Law. The DACC will be solely liable to third parties for such acts or omissions.

Cooperation with the DACC
Article (26)

All Government Entities in the Emirate must cooperate with the DACC to enable it to achieve its objectives and perform the duties assigned to it under this Law and the resolutions issued in pursuance hereof.

Penalties
Article (27)

The Chairman will issue a bylaw determining the administrative penalties prescribed for violating this Law, the resolutions issued in pursuance hereof, or any of the terms of the licence issued by the DACC. This bylaw will also determine the entity authorised to impose and enforce these penalties.

Transfer of Assets
Article (28)

Pursuant to this Law, the ownership of moveable and immovable assets owned by Affiliated Corporations will be transferred to the DACC. The DACC may, after the transfer of ownership or possession of assets, reallocate such assets to any of the Affiliated Corporations in accordance with the rules approved by the Chairman in this respect.

**Issuing Implementing Resolutions
Article (29)**

The Chairman will issue the resolutions required for the implementation of this Law.

**Repeals
Article (30)**

- a. This Law supersedes the above-mentioned Law No. (8) of 2006. Any provision in any other legislation will also be repealed to the extent that it contradicts the provisions of this Law.
- b. The regulations and resolutions issued in pursuance of the above-mentioned Law No. (8) of 2006 will continue in force, to the extent that they do not contradict this Law, until new superseding regulations and resolutions are issued.

**Publication and Commencement
Article (31)**

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 11 April 2015

Corresponding to 22 Jumada al-Thaniyah 1436 A.H.