

Law No. (5) of 2009
Establishing
Meydan City Corporation¹

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

After perusal of:

Law No. (18) of 2006 Concerning Management and Realisation of the Public Funds of the Government of Dubai; and

Law No. (11) of 2006 Establishing the Investment Corporation of Dubai and its amendments,

Do hereby issue this Law.

Title of the Law
Article (1)

This Law will be cited as "Law No. (5) of 2009 Establishing Meydan 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:

Emirate:	The Emirate of Dubai.
Ruler:	His Highness the Ruler of Dubai.
Government:	The Government of Dubai.
City:	Meydan City.
Free Zone:	The free zone in the City.
Corporation:	Meydan City Corporation.

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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.*

Board of Directors:	The board of directors of the Corporation.
CEO:	The chief executive officer of the Corporation.
Establishments:	Sole establishments and companies licensed to operate in the Free Zone.

Establishment of the City, the Free Zone, and the Corporation
Article (3)

Pursuant to this Law, the following are established:

1. a city named "Meydan City" in which a free zone will be established. The Site Plan attached to this Law specifies the location, area, and boundaries of the City and the Free Zone; and
2. a public Corporation wholly owned by the Government named "Meydan City Corporation" with its head office in the City, for the purpose of owning and managing the City. It will have financial and administrative autonomy and the full legal capacity to enter into contracts and undertake the legal dispositions required for the achievement of its objectives. The Corporation will be managed on commercial basis, and will be affiliated to the Investment Corporation of Dubai.

Objectives of the Corporation
Article (4)

The Corporation will have the following objectives:

1. to promote the Emirate as an international centre for all types of equestrian sports, and to develop relevant scientific research and studies;
2. to encourage and participate in promoting and developing equestrian sports at the local and international levels;
3. to attract capital for investment in the equestrian industry and sports;
4. to attract companies and industries specialised in equestrian sports to base their business in the City and the Emirate;
5. to encourage the use of environment-friendly energy sources and resources of the City through using natural resources which are not harmful to the environment; and
6. to attract exhibitions and conferences specialised in equestrian sports.

Duties and Functions of the Corporation
Article (5)

For the purpose of achieving its objectives, the Corporation will have the duties and functions to:

1. subdivide areas, land, and real property; construct buildings, utilities, and facilities for commercial, professional, residential, industrial, media, sports, or entertainment purposes as well as retail outlets to serve the equestrian industry; and lease out or sell the same in accordance with the provisions of this Law;
2. construct and develop the infrastructure required to conduct the activities of the Free Zone, including grandstands, race tracks, training areas, stables, breeding and fodder farms, hotels, health resorts, marinas, golf courses, residential and commercial buildings, and audio-visual broadcasting, press, and other media facilities;
3. invest, operate, fund, purchase, sell, lease out, rent, and manage the facilities relating to equestrian industry and sports;
4. establish schools and centres specialising in equestrian coaching, training, and qualification;
5. organise and participate in holding exhibitions and conferences specialised in equestrian sports;
6. establish companies or acquire shares in existing companies;
7. license Establishments, regulate procedures and matters relating thereto, and set the conditions and rules governing their work;
8. supply Establishments, upon their request, with administrative staff, technicians, and craftsmen in accordance with regulations issued pursuant to this Law, and in accordance with any conditions agreed upon between the Corporation and these Establishments; and
9. conduct any activities or provide any services, whether directly or indirectly, that contribute to the achievement of the objectives of the City or to generating profits.

Management of the Corporation
Article (6)

The management of the Corporation will be comprised of the Board of Directors, the CEO, and an executive body.

Board of Directors of the Corporation

Article (7)

1. The Corporation will be managed by a Board of Directors comprised of a chairman, a vice chairman, and no less than three (3) members who will be appointed, and their remuneration determined pursuant to a decree issued by the Ruler.
2. The Board of Directors will convene at the invitation of the chairman, or the vice chairman in his absence, at least once every three (3) months or where necessary. Meetings of the Board of Directors will be valid if attended by the majority of its members provided that the chairman or vice chairman is in attendance.
3. 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 a casting vote. Resolutions of the Board of Directors will be recorded in minutes of meeting signed by the chair of the meeting and attending members.

Duties of the Board of Directors

Article (8)

The Board of Directors will have the duties and functions to:

1. set the strategies, plans, policies, and procedures required for the achievement of the objectives of the Corporation;
2. adopt the organisational, administrative, and financial structure of the Corporation;
3. regulate business and activities within the City, and approve regulations, bylaws, and regulatory resolutions relating to work in the City;
4. set rules and provisions relating to issuing licences and registration of Establishments;
5. propose fees and determine charges for services provided by the Corporation and the Free Zone, and submit these to the Executive Council of the Emirate for approval;
6. invest the funds of the Corporation and dispose of them in any legal manner;
7. approve the draft annual budget and the final accounts of the Corporation;
8. approve the annual report on the activities and financial position of the Corporation, and its final accounts;
9. impose fines and civil penalties, revoke licences, and deregister affiliated entities and Establishments which violate the laws, regulations, and bylaws;
10. appoint auditors and determine their remuneration at the beginning of each financial year; and

11. provide all types of services which relate or conform to the objectives of the Corporation.

CEO
Article (9)

A CEO will be appointed to the Corporation pursuant to a resolution of the Board of Directors. The CEO will have the duties and powers to:

1. manage the Corporation and submit the relevant periodic reports to the Board of Directors;
2. implement the strategic plan of the Corporation, apply its policies, and propose development plans and projects;
3. prepare the draft annual budget and final accounts of the Corporation, and submit the same to the Board of Directors for approval;
4. prepare the regulatory, administrative, and financial bylaws, and submit the same to the Board of Directors for approval; and
5. enter into the contracts and agreements required for the achievement of the objectives of the Corporation.

Appointment of Members of the Executive Body
Article (10)

Employees of the executive body of the Corporation will be appointed and the terms of their employment, dismissal, salaries, duties, rights, and all other matters relating to them will be determined pursuant to a special regulation issued by the Board of Directors.

Financial Resources of the Corporation
Article (11)

The financial resources of the Corporation will consist of:

1. movable and immovable assets allocated to the Corporation by the Government;
2. proceeds of charges for services provided by the Corporation;
3. proceeds of the lease or sale of real property of the City;
4. profits and proceeds of investments undertaken by the Corporation and projects in which it participates directly or through entities fully or partly affiliated with it; and

5. any other financial resources approved by the Board of Directors and not conflicting with the objectives of the Corporation and the laws in force.

Budget and Accounts of the Corporation

Article (12)

1. The Corporation will have an independent budget which reflects its actual financial position.
2. In regulating its accounts and records, the Corporation will apply the rules and principles of commercial accounting, in accordance with internationally recognised standards.
3. Accounts and records of the Corporation will be audited by an approved audit firm appointed by the Board of Directors.
4. The financial year of the Corporation will commence on 1 January and will end on 31 December of each year, except that the first financial year will commence on the day on which this Law comes into force and will end on 31 December of the following year.

Financial Audit

Article (13)

The Financial Audit Department will audit the accounts of the Corporation.

Exemption from Customs Duties

Article (14)

Goods which are brought into the Free Zone; manufactured, produced, developed, stored, or used therein; or used in manufacturing any product in the Free Zone, will be exempt from customs duties.

Products Exported to the Customs Zone

Article (15)

Products brought from the Free Zone into the customs zone in 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 in force.

Supervisory Powers of the Corporation

Article (16)

The Corporation will be responsible for the supervision and inspection of the activities of Establishments which are suspected of violating the provisions of this Law or of any other

legislation. Within the Free Zone, the Corporation will, in cooperation with the competent Government entities in the Emirate, have the power to audit, investigate, and record violations in respect of goods, products, and activities which contravene intellectual property laws.

Exemptions and Exceptions

Tax Exemption

Article (17)

Establishments, individuals, and workers based 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 Establishments, individuals, or workers commence their work in the Free Zone.

Exemption from Compliance with Certain Laws

Article (18)

With the exception of environment laws and regulations, neither the Corporation, nor the Free Zone, nor any natural or legal person will, in respect of their operations in the Free Zone, be subject to the laws, regulations, authorities, and powers of Dubai Municipality or the Department of Economic Development.

Exemption of the Government from Liability

Article (19)

The Government will not be liable to third parties for any debts or obligations claimed from the Corporation or the entities affiliated to it. The Corporation will be solely liable for such debts or obligations.

Establishing Legal Persons

Article (20)

1. Limited liability companies or Establishments with legal personality may be established in the Free Zone whether they are wholly owned by a UAE or non-UAE national natural or legal person.
2. The companies or Establishments mentioned in paragraph (1) of this Article will have an independent legal personality and financial autonomy, and the liability of their owners will be limited to the paid up capital.

Limited Liability Companies

Article (21)

1. A name of a company established pursuant to the preceding Article must, in all transactions, contracts, advertisements, invoices, correspondence, and publications, end with an indication that it is established in the Free Zone pursuant to this Law and that it is a limited liability company.
2. Failure to comply with the provisions of paragraph (1) of this Article will render the owner or owners of the company personally liable without limit for the obligations of the company.

Exemption from Liability

Article (22)

Except in cases of fraud and gross fault, neither the members of the Board of Directors nor the CEO will, in the course of managing the Corporation and its operations, be liable to third parties for any act or omission relating to such management and operation. The Corporation will be solely liable to third parties for such act or omission.

Prohibited Goods

Article (23)

All goods, products, and services prohibited pursuant to the laws in force in the Emirate will also be considered prohibited in the Free Zone. The Corporation will have the power to specify or amend the list of prohibited goods and services under the legislation in force in the Emirate, and will also have the power to grant exemption from such prohibition.

Sanctions and Penalties

Article (24)

The Board of Directors will issue a bylaw determining the civil penalties prescribed for violation of any of the provisions of this Law, the regulations and bylaws issued in pursuance hereof, or any of the terms of licences issued by the Corporation. The bylaw will also specify the entity authorised to implement such penalties.

Repeals

Article (25)

Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Law.

Commencement
Article (26)

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 24 February 2009
Corresponding to 29 Safar 1430 A.H.