

Under ADGM Companies Regulations 2020, Section 16, all ADGM companies must have Articles of Association prescribing company regulations. The ADGM Model Articles establish that companies operate under the Companies Regulations framework, meaning the Companies Regulations 2020. Articles must specify ADGM's exclusive jurisdiction and governing law. The Draft Model Jurisdiction Clause states: "This contract shall be governed by the law of the Abu Dhabi Global Market" and "Any dispute arising out of or in connection with this contract...shall be subject to the exclusive jurisdiction of the courts of the Abu Dhabi Global Market". Any reference to UAE Federal Courts constitutes a critical red flag as ADGM maintains its own autonomous court system under Abu Dhabi Law No. 4 of 2013.

Section 3 of ADGM Model Articles establishes that "the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company". Mandatory provisions include: shareholders' reserve power via special resolution to direct directors under Section 4, directors' delegation authority with revocation rights under Section 5, collective decision-making requirements with proper quorum, unanimous decision procedures under Section 8, and appointment methods via ordinary resolution or director decision under Companies Regulations Section 151. Conflict of interest provisions must prevent interested director participation, and casting vote rights for chairmen are specified under Section 13.

SCHEDULE 1 MEMORANDUM OF ASSOCIATION

ADGM has eliminated the traditional Memorandum of Association requirement. Instead, incorporation is evidenced by a written resolution signed by incorporating shareholders under Companies Regulations Section 5-14. The incorporating shareholder resolution must document: company formation intent and proposed name, share capital structure and allocation, director and officer appointments, and Articles of Association adoption. Section 28 of Companies Regulations 2020 requires a "Statement of company's objects" as part of registration documents, clearly defining the company's permitted activities and powers.

Under Companies Regulations Section 7 (Statement of capital and initial shareholdings), the following must be specified: total number of shares to be taken on formation, prescribed particulars of rights attached to each share class, total number of shares of each class, amount to be paid up and unpaid on each share. Section 7(4) requires information for each initial member including number and class of shares, amount paid/unpaid per share. ADGM companies have no minimum share capital for private companies, while public companies require USD 50,000 minimum allotted capital. Shares have no nominal/par value under Companies Regulations.

SCHEDULE 2 BOARD RESOLUTION

Companies Regulations 2020, Section 151 establishes valid appointment methods: "Any person who is willing to act as a director...may be appointed to be a director by ordinary resolution, or by a decision of the directors". Section 152 of Companies Regulations requires public company director appointments to be voted individually. Directors must provide "fit and proper declarations and consent to act confirmations". Section 153 mandates maintenance of a register of directors with prescribed particulars. Section 152 establishes validity of director acts even if appointment defects are later discovered.

Board resolutions must demonstrate proper execution by authorized signatories, quorum compliance under Model Articles Section 10, and specific authorizations including banking powers and corporate authority delegation. ADGM Courts Notary Public can notarize resolutions requiring Arabic translation and ADGM Registration Authority issuance of Notary Pack. Section 85 of Model Articles permits directors to "appoint any person...to be the attorney of the Company" and "designate authorised signatory(ies) to represent the Company". Missing director appointments, improper execution, or insufficient quorum constitute high-severity violations.

SCHEDULE 3 REGISTER OF MEMBERS/DIRECTORS

ADGM Beneficial Ownership and Control Regulations 2022, Schedule 1 defines beneficial owners as "any person who owns or controls...more than 25% of the shares or voting rights...any person who controls the company...or exercises control over management". Section 1 mandates ADGM Persons take reasonable steps to ascertain beneficial owner identity. Section 2 requires establishment of beneficial owner records within one month of company establishment. Required particulars include "full name, residential address, date/place of birth, nationality, occupation, passport information, appointment dates, and grounds for beneficial owner status".

Section 3 of Beneficial Ownership Regulations 2022 requires "reasonable steps to ensure record accuracy and currency". Section 5 mandates notification to Registrar within 15 days of beneficial ownership changes. "Relevant changes" include share transfers creating beneficial ownership, cessation of beneficial owner status, new beneficial owner appointments, or changes rendering recorded particulars incorrect. Section 4 requires submission of beneficial ownership records to Registrar within one month of establishment. Section 7 requires document retention following dissolution, and Section 6 mandates security and confidentiality of disclosed information.

SCHEDULE 4 Red Flag Severity Classifications

Critical Violations: UAE Federal Court jurisdiction references, non-ADGM registered office addresses, missing required signatures, failure to establish beneficial ownership records within prescribed timeframes.

High Violations: Incomplete beneficial ownership disclosure below 25% threshold, missing director appointments or improper procedures, document inconsistencies between Articles and resolutions, failure to notify Registrar of changes within 15 days.

Medium Violations: Formatting issues not meeting Section 16 requirements, missing optional governance clauses, unclear legal language affecting enforceability.

Low Violations: Minor documentation inconsistencies, administrative improvements to structure and organization.

ADGM has eliminated the traditional Memorandum of Association requirement. Under Companies Regulations 2020, Section 28, companies must include a "Statement of company's objects" in registration documents, stating: "Unless a company's articles specifically restrict the objects of the company, its objects are unrestricted". Instead of a Memorandum, incorporation is evidenced by a written resolution signed by incorporating shareholders that must approve

- The formation of the company and the company's proposed
- The number and class of shares that initial shareholders are subscribing
- The appointment of initial directors and other office holders
- The Articles of Association of the Company

The incorporating shareholder resolution serves as the constitutional document establishing company objects, powers, and incorporation authorization without requiring a separate Memorandum document.

Board resolutions must demonstrate proper execution with specific authorization requirements:

Quorum Requirements: Under ADGM Model Articles Section 11, "The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two". "At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

Execution Requirements: Resolutions must be properly executed by authorized signatories with Section 85 of Model Articles permitting directors to "appoint any person...to be the attorney of the Company" and "designate authorised signatory(ies) to represent the Company

Notarization Requirements: ADGM Courts Notary Public can notarize resolutions requiring Arabic translation and ADGM Registration Authority issuance of Notary Pack

Banking Authorizations: Resolutions must specify banking powers, corporate authority delegation, and specific authorizations for financial transactions and corporate actions.

ADGM Beneficial Ownership and Control Regulations 2022 establish comprehensive updating

requirements:

Currency Requirements: Section 3 requires ADGM Persons take "reasonable steps to ensure record accuracy and currency". "ADGM Persons must keep a record of beneficial owners up-to-date throughout the lifecycle of the ADGM entity

Notification Timelines: Section 5 mandates notification to Registrar within 15 days of beneficial ownership changes. "Relevant changes" include share transfers creating beneficial ownership, cessation of beneficial owner status, new beneficial owner appointments, or changes rendering recorded particulars incorrect

Maintenance Obligations: Section 4 requires submission of beneficial ownership records to Registrar within one month of establishment. Section 7 requires document retention following dissolution, and Section 6 mandates security and confidentiality of disclosed information

Record Particulars: Must maintain full name, residential address, date/place of birth, nationality, occupation, passport information, appointment dates, and grounds for beneficial owner status.