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# PART 1 - GENERAL

#### 1. TITLE

- 1.1. This edition of the Rules repeals and replaces the first edition of the Free Zone and Administration Rules and Regulations issued in March 2010.
- 1.2. These Rules have been issued by His Highness Sheikh Ahmed bin Saeed Al Maktoum, pursuant to the authorities delegated to him in his capacity as the Chairman of the Corporation under Law No. (10) of 2015 Regarding Dubai Aviation City Corporation.
- 1.3. These Rules shall come into force on the date of their issuance.
- 1.4. These Rules set out the main rules and regulations applicable to the Free Zone. These include the necessary guidelines, requirements and restrictions for the establishment, operation, employment, development, leasing and other ancillary matters in respect of the Free Zone. These Rules have been updated to ensure conceptual, legal and procedural clarity.
- 1.5. These Rules will be reviewed and updated as and when considered appropriate. Any amendments or updates to these Rules will be issued by the Executive Chairman of the Corporation by way of resolutions and made available electronically on the Website.
- 1.6. These Rules (including any updated resolutions) apply to all Persons and must be read in conjunction with the Policies.
- 1.7. The Executive Chairman may also issue additional Policies from time to time to regulate and conduct activities within the Free Zone. All Persons must comply with these Policies in addition to the Rules. In the event of any inconsistency or conflict between the Rules and the Policies, the Rules shall prevail, and such inconsistency shall be determined by the Corporation.
- 1.8. The Corporation shall also issue the Companies Regulations to supplement these Rules in respect of corporate matters and the conduct of business activities by any Person within the Free Zone.
- 1.9. Any Person who commits (either intentionally or unintentionally) violations of these Rules will be subject to the penalties set out in the Violations Code.

# 2. GOVERNANCE OF THE FREE ZONE

### **Dubai South Free Zone**

2.1. Dubai South Free Zone was established as a Free Zone in 2006, formerly known as Dubai World Central, and in 2015, it was renamed as "Dubai South". Dubai South covers a 145 km2 area that is comprised of multiple zones (hereafter referred to as Dubai South Zones and discussed in detail in Section 5) and are managed collectively by the Corporation and DWCC.

# **Dubai Aviation City Corporation and Dubai World Central Corporation**

- 2.2. The Corporation has been established pursuant to Dubai Law No. (8) of 2006 which has been repealed by Dubai Law No. (10) of 2015. The Corporation is an independent public government entity with various strategic roles. It also functions as the licensing and regulatory body for the Free Zone.
- 2.3. The DWCC has been established pursuant to Law No. (11) of 2015 and is an affiliated government entity of the Corporation. DWCC is responsible for the development, management, and promotion of the Free Zone as a strategic hub for aviation, logistics, trade, and commerce.
- 2.4. The licensing and regulatory functions of the Free Zone are undertaken by the Corporation whereas the management and operation of the Free Zone is overseen by DWCC. This arrangement ensures an effective separation of the roles for best governance practice.
- 2.2. This edition of the Regulations repeals and replaces the provisions in relation to company matters in the first edition of the Free Zone and Administration Rules and Regulations issued in March 2010.
- 2.3. These Regulations shall be read in conjunction with the Dubai South Free Zone Rules 2025, Second Edition and any amendments thereof.

- 2.4. The licensing and regulatory functions of the Free Zone are undertaken by the Corporation whereas the management and operation of the Free Zone is overseen by DWCC. This arrangement ensures an effective separation of the roles for best governance practice.
- 2.5. The Corporation is responsible for:
  - (a) establishing a regulatory framework and issuing Rules and Policies for the governance of the Free Zone;
  - (b) issuing Licenses to Persons within the Free Zone;
  - (c) development, control and management of the building and construction activities;
  - (d) urban planning and zoning; and
  - (e) the implementation of OHSE policies and standards across the Free Zone.
- 2.6. DWCC is responsible for:
  - (a) the development, management and operation of Free Zone;
  - (b) managing the real estate portfolio of the Dubai South Zones and Dubai South Products, which includes selling, leasing properties and development;
  - (c) enhancing air transport, cargo and navigation services;
  - (d) attracting and managing customers as well as supporting their activities in the Free Zone; and
  - (e) issuing any Policies in respect of gates and access passes, security, customs, and other operation matters applicable to the Free Zone from time to time.
- 2.7. The Corporation and DWCC shall govern the Free Zone in a manner that best promotes the long-term economic and strategic potential of the Free Zone.
- 2.8. The Corporation may at its discretion waive any requirement or condition contained in these Rules for any Person if it deems necessary. Such waiver shall be issued by the Executive Chairman or whomever is authorised by the Executive Chairman.
- 2.9. The Corporation or DWCC (as applicable) may issue a notification in relation to any matter provided in these Rules.
- 2.10. The Corporation or DWCC may appoint any third party as its authorised representative, with such authorities it deems necessary, for the implementation of these Rules or any part thereof.

# 3. **DEFINITIONS**

3.1. In these Rules the following terms have the corresponding definition unless the context requires otherwise:

"AED"	means the UAE dirham, the lawful currency of the UAE.
"Affiliate"	means a company or entity that, directly or indirectly, controls, is controlled by, or is under common control of a Free Zone Entity (for example a branch, parent, or sister company).
"Articles"	means the articles of association of a Company.
"Asset Management Department"	means the department of DWCC that oversees and manages the infrastructure, property and facilities of the Free Zone as described in Section 4.6.
"BCC"	means the building completion certificate.
"Bonded Area"	has the meaning given to it in Section 82.1.

"Branch"	means a branch of any company (established inside or outside the UAE) registered in the Free Zone.
"CCTV"	means closed-circuit television systems.
"Chairman"	means the chairman of the Corporation.
"Code of Practices for Dangerous Goods"	<ul> <li>means all rules and regulations pertaining to Dangerous Goods in the UAE, including but not limited to: <ol> <li>OHSE Rules;</li> <li>Control of Substances Hazardous to Health and Dangerous Goods (COSHH);</li> <li>Federal Law 24 of 1999 concerning the Protection and Development of the Environment;</li> <li>the Code of Practice for the Management of Dangerous Goods in the Emirate of Dubai;</li> <li>Technical Guidelines No. 46 concerning the Clearance of Dangerous Goods;</li> <li>Technical Guidelines No. 61 concerning the Development of Emergency Response Procedures for Accidents Involving Dangerous Goods; and</li> <li>any other UAE Laws that may be applicable from time to time.</li> </ol> </li> </ul>
"Companies Regulations"	means the Dubai South Companies Regulations and Procedures 2025.
"Company"	means a limited liability company incorporated in the Free Zone and shall include the term "Companies" and shall be construed accordingly.
"Company Management"	means the manager, director and/or secretary of a Company and Branch (as applicable).
"Corporation"	means Dubai Aviation City Corporation, a public corporation governed by Law No. (10) of 2015 as described in Section 2.2.
"CT"	means the corporate tax applicable to all corporate entities in the UAE (or persons) in accordance with the CT Regime.
"CT Regime"	means the CT governed by Federal Decree-Law No. (60) of 2023 and amending certain provisions of the Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses, as may be amended from time to time.
"Dangerous Goods"	means any goods that are classified as dangerous under the Code of Practices for the Dangerous Goods in the Emirate of Dubai, or any other rules and regulations issued by the Municipality or any other Regulatory Authority from time to time.

"DC Guidelines"	means the planning regulations and development guidelines published on the Website and updated periodically.
"Development Control Department"	means the department of the Corporation that oversees and manages the building and development affairs in the Free Zone as described in Section 4.3.
"DEWA"	means the Dubai Electricity & Water Authority.
"Dubai Customs"	means the Regulatory Authority responsible for overseeing and facilitating custom related activities in the Emirate of Dubai in the UAE.
"Dubai Police"	means the police force of the Emirate of Dubai.
"Dubai South Products"	has the meaning given to it in Section 25.2.
"Dubai South Zones"	has the meaning given to it to in Section 5.
"Dubai Rescue Authorities"	means the Dubai Civil Defense, Dubai Firefighting Services or Dubai Airport Rescue.
"DWCC"	means Dubai World Central Corporation, a public corporation established by Law No. (11) of 2015 which is an affiliated government entity of the Corporation as described in Sections 2.3, which is responsible for the management and operation of Dubai South Zones. It is commonly known and also referred to as "Dubai South".
"Employee"	means a person permitted to work in the Free Zone for a Free Zone Entity or a Non-Dubai South Company in accordance with these Rules.
"Employment Agreement"	means the Free Zone template employment agreement entered into by the Free Zone Entity and the Employee.
"Employment Card"	means the approval, or permit provided at the discretion of Free Zone Management, to enable an Employee to work for a Free Zone Entity.
"Entities"	means Free Zone Entities and/or Non-Dubai South Companies and shall include the term "Entity" which shall be construed accordingly.
"Executive Chairman"	means the executive chairman of the Corporation.
"EZDubai"	has the meaning given to it in Section 5.1(b).
"EPI Scheme"	has the meaning given to it in Section 60.1.

"Free Zone"	means all the Dubai South Zones which fall under the jurisdiction and management of the Corporation and DWCC.
"Free Zone Departments"	means the following departments or sections that govern the Free Zone, and which are business units within the Corporation or DWCC:  1. Registration and Licensing Department 2. Free Zone Management 3. Development Control Department 4. OHSE 5. Free Zone Operations 6. Asset Management Department  The definition shall include the term "Free Zone Department".
"Free Zone Entities"	means a Company, Branch, and/ or a Sole Establishment, that is registered and authorised to undertake commercial activities in or from the Free Zone and shall include the term "Free Zone Entity" which shall be construed accordingly.
"Free Zone Management"	means the section under the management of the Corporation that provides employment residency and visa related services described in Section 4.2.
"Free Zone Operations"	means the department of DWCC that is authorised to oversee and manage operation and security affairs of the Free Zone as described in Section 4.5.
"Freelancer"	means a natural person who has the License for a Sole Establishment to carry out Freelancer services.
"GCC"	means the gulf cooperation council.
"GCC Common Customs Law"	means the Federal Decree-Law No. (15) of 2022 regarding the Common Customs Law.
"GDRFA"	means the General Directorate of Residency and Foreign Affairs in the Emirate of Dubai, UAE.
"Gratuity"	has the meaning given to it in Section 65.4.
"HSE"	means health, safety, and environment.
"IFRS"	means the International Financial Reporting Standards.

"Incident"	means any HSE related incident, including but not limited to fire, flood, accidents, emergencies, serious personal injury or any unplanned event resulting in, or having a potential for injury, ill health, damage or other loss.
"Intern"	means a student or trainee who works for a Free Zone Entity, with or without pay, in order to gain work experience.
"Lease"	means a flexi desk, office space, business center, retail, warehouse, plot or development land within the Free Zone (and may be a Dubai South Product or third-party offering) specified in its License(s) and shall include the term "Leased" which shall be construed accordingly.
"License"	means the commercial license, Operation Permit, Storage Permit, commercial permit, or any permit or authorisation granted to undertake commercial activities in or from the Free Zone.
"Non-Dubai South Companies"	means companies established in UAE (whether in the mainland or a free zone anywhere in the UAE) which intend to apply for an Operation Permit to conduct certain business activities in or from the Free Zone and/ or a Storage Permit and shall include the term 'Non-Dubai South Company' which shall be construed accordingly.
"Masary"	has the meaning given to it in Section 81.1.
"MBRAH"	means the Mohammed Bin Rashid Aerospace Hub within the Free Zone.
"Ministry of Health"	means the UAE Ministry of Health and Prevention.
"Ministry of Interior"	means the UAE Ministry of Interior.
"MOHRE"	means the UAE Ministry of Human Resources and Emiratization.
"MSDS"	has the meaning given to it in Section 76.5.
"Municipality"	means the Dubai Municipality.
"NOC"	means a no-objection certificate.
"Non-Bonded Area"	has the meaning given to in Section 82.1.

"Non-Sponsor Work Permit"	means an employment permit that is issued to an Employee having his/her own UAE residence visa (not sponsored by the Free Zone Entity) and residing in any Emirate other than Dubai.
"Occupational Disease"	means work-related harm that an Employee suffers (including but not limited to death, disease, injury, or ill health) as a result of employment work or any Incident.
"OFC"	means the operational fitness certificate issued by the Development Control Department.
"OHSE"	means the department of the Corporation that oversees and manages the health and safety affairs of the Free Zone as described in Section 4.4.
"OHSE Rules"	means the regulations and guidelines in relation to HSE that are published on the Website and updated periodically.
"Operation Permit"	means the business operation permit as described in Section 23.
"Outsourced Individual"	means an individual temporarily working in the Free Zone for one or more Free Zone Entities under an outsourcing agreement but is not sponsored by the Free Zone Entity.
"Persons"	means any natural person or corporate entity (including any, contractors, visitors, Employees, service providers, suppliers and sub-developers) that conducts business or commercial activities, has a commercial permit, resides, works, operates or has a Lease (or owns real estate) in the Free Zone and shall include Free Zone Entities and Non-Dubai South Companies.
"Policies"	means any, policies, procedures, guidelines, manuals, or circulars, decisions (including any amendments) in respect of the Free Zone from time to time.
"Premises"	means the workplace, office or location of the Free Zone Entity or Non-Dubai South Companies in the territory of the Free Zone.
"Prohibited Goods"	mean any goods for which the import or export is prohibited in accordance with the provisions of the GCC Common Customs Law or under any applicable UAE Laws.
"Register"	means the register of Free Zone Entities, including information on their shareholders, Company Management, License activities, Leases, and such other information concerning the Free Zone Entities as may be considered necessary.

"Registered Office"	means the Lease of the Free Zone Entity referenced on its License (and may exclude a Sole Establishment).
"Registration and Licensing Department"	means the department of the Corporation that provides License and registration related services described in Section 4.1.
"Regulatory Authority"	means any governmental, semi-governmental, or regulatory authority in the UAE other than the Corporation.
"RERA"	means the Dubai Real Estate Regulatory Agency.
"Restricted Goods"	mean any goods for which the import or export is restricted in accordance with the provisions of the GCC Common Customs Law or under any applicable UAE Laws.
"RTA"	means the Dubai Road Transport Authority.
"Rules"	means these Dubai South Free Zone Rules 2025.
"Secondee"	means an individual working in the Free Zone for a Free Zone Entity on a secondment basis, but is not sponsored by the Free Zone Entity, and the term "Seconded" shall be construed accordingly.
"SIRA"	means the Security Industry Regulatory Agency.
"SMEs"	means any small and medium-sized enterprises.
"Sole Establishment"	means an entity owned and operated by a natural person that is issued a sole establishment License for conducting Freelancer services in the natural person's own name.
"South Energy"	means South Energy DWC-LLC is the energy provider for district cooling within the Free Zone.
"Student Visa"	means a visa issued to students enrolled at qualified educational institutions and universities registered in the Free Zone.
"Storage Permit"	has the meaning given to in Section 24.1.
"Sub-Lessor"	has the meaning given to it in Section 28.1.
"Sub-Tenant"	has the meaning given to it in Section 28.1.
"Tariff"	means the schedule of fees that the Corporation or DWCC publishes periodically for the provision of various corporate and commercial services in the Free Zone.

"Temporary Work Permit"	means an employment permit that is issued to an Employee having his/her own UAE residence visa (not sponsored by the Free Zone Entity) and residing in Dubai.
"Tenant Fit-Out Manual"	means the manual containing information and guidelines on fit-out works in respect of the Premises that is published on the Website and updated periodically.
"UAE"	means the United Arab Emirates.
"UAE Fire and Life Safety Code"	means the UAE Fire and Life Safety Code issued by the Ministry of Interior and General Headquarters of Civil Defense in 2018, and as may be amended from time to time.
"UAE Labour Law"	<ol> <li>the Federal Decree-Law No. (20) of 2023 Amending         Certain Provisions of Federal Decree-Law No. (33)         of 2021 Regarding the Regulation of Employment         Relationship;</li> <li>the Federal Decree-Law No. (33) of 2021         concerning the regulation of labour relations and its         implementing regulations Cabinet Resolution No. (1)         of 2022;</li> <li>all ministerial orders, decrees, resolutions, directions,         circulars or regulations issued by MOHRE to the         extent that they apply to the Free Zone; and</li> <li>any other related amendments or re-enactments from         time to time applicable in UAE.</li> </ol>
"UAE Laws"	means all federal and local laws, decrees, regulations, rules, decisions, circulars, orders, and practices promulgated in the UAE, as amended from time to time.
"UBO"	means the ultimate beneficial owner of a Company or Branch.
"VAT"	means the value added tax on the consumption or use of goods and services in the UAE in accordance with the VAT Legislation.
"VAT Legislation"	means the Federal Decree-Law No. 8 of 2017 on VAT and amendments to VAT Federal Decree-Law No. 18 of 2022, as amended from time to time.
"Violations Code"	means the schedule of fines and penalties published by the Corporation periodically for the enforcement of these Rules and Policies in the Free Zone.
"Website"	means the official website of the Free Zone (www.dubaisouth.ae) or any other website designated by the DWCC.

#### 4. FREE ZONE DEPARTMENTS

# 4.1. Registration and Licensing Department

The Registration and Licensing Department provides the following services within the Free Zone:

- (a) registration, amendment, or cancellation of registration for Free Zone Entities;
- (b) issuance, renewal, amendment, cancellation, suspension or revocation of License, Operation Permit, and any other permits issued for Entities;
- (c) amendment to Company shares;
- (d) change of Company Management;
- (e) redomicile and transfer of Company registrations;
- (f) registration of mergers in the context of a Company;
- (g) termination, liquidation and deregistration of Free Zone Entities;
- (h) management of violations and breaches by Entities; and
- (i) any other services required to be performed in respect of Entities from time to time.

# 4.2. Free Zone Management

Free Zone Management provides the following services within the Free Zone:

- (a) management, issuance, approval and renewal of visa sponsorship;
- (b) issuance of various types of permits in respect of Employees or any Person;
- (c) issuance of various types of visas offered by the Free Zone;
- (d) registration, renewal, and cancellation of establishment card;
- (e) issuance of certificates and NOC for Employees;
- (f) refund and labour dispute management; and
- (g) any other services required to be performed in respect of Employees and immigration affairs from time to time.

# 4.3. **Development Control Department**

The Development Control Department are authorised to:

- (a) oversee building and development affairs in the Free Zone;
- (b) establish regulations, development guidelines and procedures for land planning, plots and zoning across all Dubai South Zones;
- (c) manage all municipal services, NOC for construction/completion, and operations projects within the Free Zone;
- (d) inspect projects and operational facilities against approved design plan;
- (e) issue permissions, OFC, and NOC for all fit-out projects in the Free Zone; and
- (f) oversee and manage any other matters pertaining to building and development in the Free Zone from time to time.

# 4.4. **OHSE**

The OHSE are authorised to:

- (a) develop the OHSE Rules and guidelines for health and safety management;
- (b) ensure fire, health, environment, and safety compliances are in line with the UAE Laws, the UAE Fire and Life Safety Code for all projects and operational facilities within the Free Zone;
- (c) inspect Entities, operational facilities, and construction sites, to ensure HSE compliances;
- (d) inspect all operational facilities and construction sites for any non-compliance to OHSE Rules or applicable UAE Laws in the Free Zone;
- (e) oversee and manage any other matters pertaining to HSE from time to time; and
- (f) issue NOC for OFC, BCC, fit-out, chemical storage and other activities.

# 4.5. Free Zone Operations

The Free Zone Operations are authorised to:

- (a) issue gate passes for shipments and access passes for Persons;
- (b) provide logistics and security services involving any violation, including preventing entry or exit of any Person who fails to comply with these Rules or Policies;
- (c) issue the guidelines, Policies and procedure for the import, export, transport, storage and handling of goods in the Free Zone;
- (d) manage and regulate matters pertaining to road and traffic in the Free Zone; and
- (e) oversee and manage any other matters pertaining to logistics, operation, and security in the Free Zone from time to time.

# 4.6. Asset Management Department

Asset Management Department is authorised to:

- (a) manage infrastructure and assets of the Dubai South Products in the Free Zone, which shall include but not be limited to buildings, infrastructure such as landscape, ponds, roads, streetlights, traffic signals, road cleaning and litter picking, plumbing, electrical & mechanical works, elevators maintenance, extra low voltage system, CCTV, security, fire alarm systems, housekeeping such as cleaning, garbage chute services, building waste management, water features upkeeping and pest control services; operation and maintenance of sewage treatment plant and various pump stations;
- (b) conduct inspections of Premises upon termination of any Dubai South Product in the Free Zone; produce snagging lists, receive hand over deliverables and take over Premises, appoint or manage service providers; and
- (c) generally, oversee and manage the infrastructure, property and facilities of the Free Zone.

# 5. **DUBAI SOUTH ZONES**

# 5.1. Logistics District

- (a) the logistics district aims to provide solutions to the global supply chain system. The district also offers advanced infrastructure and flexible storage systems to support the seamless flow of goods, products, and services.
- (b) the district also, features, a specialised zone for e-commerce activities that spans nine hundred and twenty thousand (920,000) square meters ("EZDubai"). EZDubai caters to the diverse needs of e-commerce businesses, from multinationals to SMEs, with its range of business solutions. It has six (6) dedicated areas that serve different functions, such as last mile centres, e-fulfilment centres, repair and return centres, supply centres, and office solutions.

# 5.2. Mohamed Bin Rashid Aerospace Hub.

The MBRAH is a zone that specialises in aviation and aerospace activities. It is located near Al Maktoum International Airport in Dubai. The MBRAH offers a diverse range of services and facilities for its customers.

### 5.3. **Business Park**

This is located at the entrance of the Free Zone and offers a range of office spaces for different types of businesses. The office spaces are designed to meet the corporate and administrative needs of start-ups, SMEs and multinationals alike. The buildings are surrounded by landscaped gardens, and they provide various amenities for the occupants. It has eleven (11) modern buildings which offer ready-to-move in offices and large shell and core options to support companies in their day-to-day operations. This also consists of business centres which provides all-inclusive business services together with cost-effective offices for both startups and SMEs.

#### 5.4. Residential District

It offers a diverse range of real estate options across residential and mixed-use properties, such as:

- (a) the Residential District: This is the location of the 'Pulse' that consists of one thousand four hundred (1,400) apartments and townhouses, a shopping mall, hotels, and retail outlets.
- (b) Sakany: This is the Free Zones' leasehold staff accommodation. It has sixteen (16) buildings that provide leisure, sports facilities, medical rooms, and self-cooking facilities for the residents.

#### 5.5. Commercial District

This district offers a range of commercial and retail infrastructure, such as leased office spaces, and a business centre for investment opportunities.

#### 5.6. Golf District

This district has a golf course surrounded by villas and townhouses. The golf course also provides residents with access to a range of facilities such as practice areas, driving ranges, putting greens, pro shops and luxury green house.

A portion of land from the golf district is also being developed with Emaar Properties PJSC under a joint venture partnership, known as Emaar South, that will house four thousand five hundred (4,500) residents and offer a variety of residential options.

#### 5.7. Additional Zones

In addition to the areas described in this Section 5, the Free Zone may also extend to include additional areas or sub-developments that may be created from time to time or possessed by the Corporation, either from the land currently owned and governed by the Corporation or any other land that may in the future be granted to it by the government of Dubai.

# PART 2 – LICENSING

### 6. GENERAL LICENSING RULES

- 6.1. All Free Zone Entities and Persons must comply with these Rules insofar as they apply to them, along with any other Policies.
- 6.2. All Persons before undertaking commercial activities within the Free Zone must have a valid registration and License or Operation Permit. All Licenses and Operation Permits must be renewed for the Entity to be able to continue to conduct its operations.
- 6.3. Every Non-Dubai South Company, Company and Branch must always have a valid Lease.
- 6.4. The Registration and Licensing Department has the sole and exclusive right to approve or decline any application for registration or the grant of a License and accepts no liability for any loss arising as a result of such decision.
- 6.5. All Entities registered or licensed to undertake commercial activities within the Free Zone may only conduct activities as are authorised by the terms of their License.
- 6.6. The Free Zone Entities must conduct all or a substantial part of their business or operations within the Free Zone to maintain a valid License and registration.
- 6.7. The Free Zone fees for License and registration are payable in advance in accordance with the rates and charges set out in the Tariff.
- 6.8. The Entities registered in any other jurisdiction in the UAE may lease Premises in the Free Zone subject to any License issued by the Registration and Licensing Department.

- 6.9. All Persons are required to abide by the UAE Laws as well as any international treaties entered into by the UAE in relation to intellectual property rights, fair trade, transparency, anti-money laundering, and combatting the financing of terrorism policies as well as any other obligation on part of the UAE. The Registration and Licensing Department reserves the right to take any appropriate action or notify the relevant Regulatory Authority in case of any violation of the UAE Laws.
- 6.10. Free Zone Entities wishing to operate outside the Free Zone shall do so subject to the applicable laws of that jurisdiction.

### 7. LICENSES

7.1. The categories of License activities available within the Free Zone are as follows:

ACTIVITIES	DESCRIPTION
(a) Logistics	To carry out specified logistics services such as storage, transportation, distribution, sorting, forwarding and clearing activities, order and inventory management or any other similar activity as specified on the License.
(b) Industrial	To carry out light manufacturing activities such as blending, mixing, purifying, assembling, repacking, or wrapping of products or any other similar activity as specified on the License.
(c) Trading	To carry out importation, exportation, sale, distribution, and storage of items specified in the License including general trading.
(d) Service	To carry out various service activities as specified on the License within the Free Zone.
(e) Freelancer	To carry out freelancing activities as specified on the License.
(f) E-commerce	To carry out the activities of marketing, buying, or selling goods or services over the internet as specified on the License.
(g) General Trading	To carry out trading activities as per general trading terms and conditions prescribed by the Registration and Licensing Department from time to time.

# 8. REGISTRATION

- 8.1. Any Person seeking to conduct a business activity, or Lease space within the Free Zone must register and secure an appropriate License from the Registration and Licensing Department.
- 8.2. Any corporate entity such as a company, society, establishment, corporation, association, partnership, foundation, trust, or natural legal person or a combination of the foregoing may apply to register a Company in the Free Zone.

- 8.3. The Free Zone provides for the following legal forms for a Free Zone Entity:
  - (a) limited liability company;
  - (b) branch;
  - (c) sole establishment; and
  - (d) any other legal form introduced in the Free Zone from time to time.
- 8.4. The application process for establishing a Free Zone Entity will involve the following:
  - (a) initial approval application submitted through the Free Zone e-service portal along with information on the proposed Company name (in case of a Branch, the name will be the same as the parent company), legal form selected, License activities and payment of application fees;
  - (b) arranging for appropriate Lease applicable to the License activities or as prescribed by the Registration and Licensing Department;
  - (c) completing the registration application through the Free Zone portal along with information and documents of the incorporator, Company Management, UBO and legal representative (as applicable);
  - (d) submission of documents to the Registration and Licensing Department;
  - (e) securing additional Regulatory Authority approvals (if applicable based on the License activities selected);
  - (f) signing the Articles (this is not applicable in case of a Branch or Sole Establishment); and
  - (g) payment of applicable fees to the Registration and Licensing Department as specified in the
- 8.5. The Registration and Licensing Department will review all applications by considering the registration criteria applicable from time to time. The Registration and Licensing Department will endeavour to complete its review of an application within seven (7) business days from the date the application was received. However, in certain situations, a longer period of review may be required. As part of the review process, applicants may be required to clarify aspects of their applications or submit additional information or documentation in a specified format or manner.
- 8.6. Applicants will be notified in writing if their application is granted or rejected. If an application is rejected the Registration and Licensing Department may, at its sole discretion, decide to disclose the reasons for such rejection but it shall have no liability towards the applicant(s) or any other third party should it choose not to do so.
- 8.7. In certain cases, an application to establish a Free Zone Entity may require additional approvals from a Regulatory Authority other than that of the Registration and Licensing Department. In the instance such approval is not forthcoming, the Registration and Licensing Department may reject the application for establishing the Free Zone Entity.

# 9. LICENSE RESTRICTIONS

- 9.1. A Free Zone Entity must only conduct the activities that are listed on its License.
- 9.2. The Registration and Licensing Department may at any time after the grant of a License impose or change any conditions or restrictions on the License if it believes to be necessary or desirable along with the reasons for doing so in writing.
- 9.3. To modify or remove any conditions or restrictions on the License, a Free Zone Entity may request the Registration and Licensing Department in writing, that the restrictions or conditions are no longer necessary or relevant, or that necessary steps have been taken to address the concerns that led to them.
- 9.4. The Registration and Licensing Department has the final authority to decide whether to apply, change or remove any conditions or restrictions on the License, and its decision is final and binding.

#### 10. LICENSE RENEWAL AND VALIDITY

- 10.1. Licenses must be renewed within ninety (90) days prior to the date of expiry as mentioned on the License. Failure to do so will attract a fine as set out in the Violations Code and in case of continuous default may lead to cancellation of the License, de-registration or such other action that the Registration and Licensing Department may deem appropriate.
- 10.2. A License is renewable, provided that the Free Zone Entity:
  - (a) has a valid Lease (unless it's a Sole Establishment);
  - (b) provides the audited financial statements for the last financial year;
  - (c) complies with all UAE Laws, the Rules and the Policies;
  - (d) confirms the existing or provides updated UBO details;
  - (e) provides a valid registration or good standing certificate for its corporate shareholder or parent company (upon request);
  - (f) pays all the fees and dues for the renewal, as per the Tariff;
  - (g) pays any applicable fees, or penalties that may be outstanding; and
  - (h) provides such other information or documents and complies with any other requirement that the Registration and Licensing Department may impose at the time of renewal.

### 11. SHARES AND SHARE CAPITAL

- 11.1. The minimum share capital of a Company shall be AED 300,000 with a par value of AED 1.00.
- 11.2. The Company can create and issue different classes of shares, such as ordinary, preference, bonus, or non-voting shares or any other class of shares, provided that the Articles define their rights and obligations, and are subject to the approval of the Registration and Licensing Department.
- 11.3. The Registration and Licensing Department shall issue share certificates to the shareholders of the Company.
- 11.4. The Company can issue shares for cash or non-cash consideration, provided that in case of non-cash consideration, the auditors of the Company are able to certify that the nominal value of the shares is not less than the fair market value of the non-cash consideration at the time of issuance of the shares.

# 12. ARTICLES

- 12.1. A Company must ensure that its Articles are in compliance with the Companies Regulations and these Rules.
- 12.2. The Articles may be amended in compliance with the Companies Regulations subject to the prior approval of the Registration and Licensing Department, and upon payment of applicable fees as per the Tariff.

# 13. NAMING POLICY

- 13.1. The name of a Free Zone Entity must follow the naming policy as prescribed in the Companies Regulations and must be approved by the Registration and Licensing Department, which has absolute discretion in relation to its approval.
- 13.2. Subject to approval of the Registration and Licensing Department, a Free Zone Entity may change its name any time after its incorporation provided it complies with the requirements of the Companies Regulations.
- 13.3. The application for a change of name shall be approved and the new name will be reserved in the Register after completion of the fourteen (14) days publication period, or such other period as may be prescribed by the Registration and Licensing Department.

#### 14. REGISTERED OFFICE

- 14.1. All Free Zone Entities must hold and maintain a registered Lease within the Free Zone unless it is a Sole Establishment, in which case having a Lease is optional. The Registration and Licensing Department will record the Lease details as part of the Free Zone Entity's registration and licensing process.
- 14.2. Any change in the Registered Office must be communicated in writing to the Registration and Licensing Department within five (5) working days of such change.
- 14.3. A Free Zone Entity must ensure that it has a name plate always affixed to the Registered Office in the Free Zone (even if temporary). The name plate should be clear and legible and of the type and size specified by the Registration and Licensing Department and be in a conspicuous and unobstructed position. In addition, a copy of the License should also be affixed on the Premises to be visible to third parties.

#### 15. AMENDMENT OR VARIATION OF LICENSE

- 15.1. A Free Zone Entity may request the Registration and Licensing Department to change the details on its License. A written notice specifying such change must be submitted to the Registration and Licensing Department along with the payment of the applicable fee as per the Tariff.
- 15.2. A Free Zone Entity may apply to the Registration and Licensing Department to add, amend, or remove any License activities upon submission of a formal application and subject to payment of applicable fees as per the Tariff.
- 15.3. Similarly, a Free Zone Entity intending to conduct any additional activity that falls under a different category of License, may submit a request to the Registration and Licensing Department supported by a business plan (if required) and payment of applicable fees as per the Tariff for issuance of an additional and separate License.
- 15.4. A Free Zone Entity must not engage in any activities that are covered by a change of activity application until the Registration and Licensing Department has approved the amendment and issued a new License.

# 16. SHARE PLEDGE

- 16.1. A share pledge is a security interest created by a shareholder over their shares in a Company to secure a debt or obligation and must be registered with the Registration and Licensing Department within thirty (30) days of its creation, otherwise it will be void against the Company and any third parties.
- 16.2. A Company is permitted to register a pledge of shares upon the satisfaction of the procedures and requirements set out in the Companies Regulations and will be issued a certificate of registration for the share pledge upon payment of the applicable fee as set out in the Tariff.
- 16.3. The share pledge will be effective from the date of registration and will remain valid until it is released, cancelled, or enforced in accordance with the share pledge agreement and the Companies Regulations.

# 17. TRANSFER OF COMPANIES (REDOMICILIATION)

- 17.1. The Registration and Licensing Department shall permit companies to transfer or redomicile to and from the Free Zone, subject to the satisfaction of the process, requirements and payment of the applicable fee as set out in the Tariff.
- 17.2. The Registration and Licensing Department shall evaluate the company's application based on various factors, such as its reputation, financial situation, and economic feasibility, before approving the application for moving into the Free Zone.
- 17.3. The transfer of a company into (or outside of) the Free Zone will not change the legal personality or create a new identity, but will preserve all that company's assets, rights, properties, and privileges acquired before such transfer subject to the applicable law of the transferring jurisdiction.
- 17.4. A company must adhere to all Rules, Policies and UAE Laws upon its transfer into the Free Zone.

#### 18. NET ASSETS

18.1. If the net assets of a Company fall to fifty per cent (50%) or less than its share capital, the Directors of the Company must notify the Registration and Licensing Department in writing within five (5) days of becoming aware and take such steps as may be economically reasonable to remedy the situation. If the Directors of such Company believe that it is unable to remedy the situation or that a remedy is not economically reasonable, it must immediately notify the Registration and Licensing Department in writing.

# 19. ACCOUNTS AND AUDITORS

- 19.1. All Free Zone Entities must keep proper records of the accounts which must be prepared in accordance with IFRS. This must include a balance sheet and a profit and loss account (as of the last day of the financial year) and will form part of the financial statements.
- 19.2. The records for accounts must be kept available for inspection by the Registration and Licensing Department. Failure to cooperate with the request for inspection may attract a fine from the Registration and Licensing Department as stipulated in the Violations Code.

# 20. TAX ELIGIBILITY

20.1. Free Zone Entities are subject to the UAE tax laws and regulations unless they qualify for specific exemptions or exclusions. The main taxes that currently affect Free Zone Entities are CT and VAT.

# **CT** Regime

20.2. Unless exempt or excluded, all Free Zone Entities are required to register for the UAE CT and comply with the CT Regime. They may be eligible to apply for different taxable rates if they meet the necessary criteria under the CT Regime.

# **VAT**

- 20.3. Unless exempt or excluded, Free Zone Entities are required to register for VAT if they have an annual taxable turnover that exceeds the mandatory registration threshold under the VAT Legislation. Goods and services supplied in the UAE by Free Zone Entities will be subject to a general VAT rate of five per cent (5%) or any other rate as may be introduced from time to time unless they are specifically zero-rated under the VAT Legislation.
- 20.4. Free Zone Entities must comply with the relevant tax laws and regulations introduced in the UAE that may apply to them and keep abreast of any changes that may affect their tax obligations and liabilities.

# 21. ELECTRONIC SIGNATURES AND VERIFICATIONS

- 21.1. The Registration and Licensing Department has the authority to issue Policies and procedures for electronic signing or verification of documents, and the Person signing the document electronically must comply with them.
- 21.2. A Person signing the document electronically must adopt the electronic signature or the verification method set out by the Registration and Licensing Department, which may be subject to change from time to time.
- 21.3. In the event of a breach of any requirements and procedures, falsifying or altering the document, the Person signing the document electronically may face legal action or penalties in accordance with the UAE Laws.

#### 22. COMMERCIAL PERMIT

- 22.1. A commercial permit allows the holder to conduct specified commercial activities within the Free Zone.
- 22.2. The Registration and Licensing Department may issue commercial permits to any Person upon request and payment of the applicable fee.
- 22.3. The commercial permit is valid for the period specified by the Registration and Licensing Department, which may vary depending on the type and nature of the commercial activities and may be renewed prior to its expiry along with submission of the required documents, information and payment of the applicable fees.
- 22.4. The Registration and Licensing Department may impose terms and conditions on the commercial permit, such as reporting obligations, compliance standards, and restrictions on certain activities, and may revoke or suspend a commercial permit for any breach of such terms and conditions or upon violation of these Rules and Policies.

# 23. OPERATION PERMIT

- 23.1. The Registration and Licensing Department may issue an Operation Permit to Non-Dubai South Companies that want to extend their operations in the Free Zone.
- 23.2. The Operation Permit will allow the Non-Dubai South Companies to conduct business activities in both the Free Zone and their designated jurisdiction subject to compliance with applicable requirements of the Registration and Licensing Department.
- 23.3. The Operation Permit must be renewed within thirty (30) days prior to the date of its expiry along with fulfilment of requirements set out by the Registration and Licensing Department or any other Free Zone Department as deemed applicable.

### 24. STORAGE PERMIT

24.1. The Registration and Licensing Department may issue a Storage Permit to a Non-Dubai South Company that wants to lease a warehouse or open yard in the Free Zone for storage purposes only. Such Storage Permit will be issued subject to the satisfaction of necessary information and requirements and payment of applicable fee and as set out in the Tariff.

# PART 3 - LEASING AND DEVELOPMENT

#### 25. GENERAL

- 25.1. To apply for a License, the applicant must reserve a Registered Office within the Free Zone, unless it is a Sole Establishment, in which case having a Lease is optional.
- 25.2. The applicant can select from the leasing options offered by DWCC ("Dubai South Products") as set out in Section 26, or from third parties.
- 25.3. The rent payment of the Lease must be in accordance with the terms and conditions of the Lease.
- 25.4. The Lease will be registered with the RERA once the application for registration and License has been approved by the Registration and Licensing Department, the Lease agreement has been signed and the applicant has paid applicable fees.

# 26. TYPES OF LEASES - DUBAI SOUTH PRODUCTS

# 26.1. Office Space

- 26.2. The Entities requiring an office space can select from the following options offered by Dubai South:
  - (a) Business Park These include office space.
  - (b) Business Centre The business centre include flexi desk solutions.

- 26.3. Office space Leased on a "shell and core" basis must obtain an OFC prior to commencing business operations and adhere to the terms agreed under the Lease agreement.
- 26.4. Short term leases can be offered for a short duration of not less than one (1) year, for marketing activities or temporary use. Such leases shall be subject to the same terms and conditions as regular Leases, except for the rent. The Corporation and DWCC may impose additional requirements or restrictions on short term leases, such as security deposits, insurance, maintenance, or any such other compliance as deemed appropriate.

### 26.5. Warehouses

An Entity can also opt for warehouses available from the range of options.

# 26.6. Development Plots

All Entities wishing to construct facilities as per their own specification and design can do so by leasing a plot in Dubai South logistics district that varies in size. All construction works within Dubai South must comply with DC Guidelines and OHSE Rules as available on the Website.

# 26.7. Open Yard Storage

An Entity can be offered a Lease of undeveloped land (with or without services) for the open storage of vehicles, goods, materials, plant or other equipment in accordance with the procedures and Policies of the Free Zone.

#### 27. LEASING

- 27.1. An Entity shall use its Premises for conducting the business objectives in accordance with its License and abide by the terms and conditions of the Lease. The Lease shall commence on the date of the Lease agreement, or on a date specified therein.
- 27.2. Entities that lease Dubai South Products should ensure that the Premises are operational within the time stipulated in the Lease agreement.
- 27.3. Once operations commence it is the responsibility of the Entity to ensure that the Premises are kept functional and well maintained. The Entity must not abandon the Premises or leave them in a state of disrepair or uncleanliness. Failure to maintain the Lease in good order may attract a fine as stipulated in the Violations Code.

#### 28. SUBLEASING

- 28.1. A Free Zone Entity ("Sub-Lessor") may sub-lease any Dubai South Products to another Free Zone Entity ("Sub-Tenant") upon approval of the Corporation or DWCC as applicable and upon payment of applicable fees. When considering a request to sub-lease, the following conditions should be satisfied:
  - (a) the Sub-Lessor must be in possession of a valid Lease and OFC;
  - (b) the Sub-Tenant is either:
  - (i) a subsidiary of the Sub-Lessor, whereby the Sub-Lessor holds shares in the Sub-Tenant;
  - (ii) an Affiliate of the Sub-Lessor; or
  - (iii) any other party as may be approved by the Development Control Department.
  - (c) Any other condition as may be prescribed by the Development Control Department from time to time.
- 28.2. A copy of the signed sublease agreement must be included with the Sub-Tenant's application for the Free Zone registration and License.
- 28.3. The Sub-Tenant shall possess a License for its activities and shall be carrying on its business in conformity with these Rules.
- 28.4. The Lease is sufficient and appropriate for the activities of both Sub-Lessor and Sub-Tenant and does not jeopardise or create hazards in the operations of either Sub-Lessor or Sub-Tenant.

- 28.5. Unless otherwise specified by the Registration and Licensing Department, the visa allocation for the Sub-Tenant shall depend on the size of the subleased space (every eight (8) square meters of Leased space as prespecified under Section 63.1). The Sub-Lessor shall be responsible to monitor the number of employment visas allowed to their Sub-Tenant. If additional visas are required by the Sub-Tenant, the subleased area must be increased proportionally.
- 28.6. The Sub-Lessor undertakes to be fully responsible for the activities of the Sub-Tenant as far as the terms and conditions of the Lease agreement are concerned.

### 29. UTILITIES AND INFRASTRUCTURE

- 29.1. All Entities leasing an office space or warehouse from Dubai South will be responsible for the costs of consumption and connection for utilities (DEWA), chilled water charges (South Energy) and telecommunication (Etisalat/ Du). Responsibility for such costs will be as specified and agreed in the Lease agreement.
- 29.2. In case of development of land, where an Entity shall apply for a NOC from the Development Control Department to allow the Entity's contractor to connect to the Free Zone sewerage main line, and any costs relating to the NOC will be payable to the Development Control Department.
- 29.3. Entities leasing developed land from Dubai South, in addition to the above, will also be required to pay an electrical infrastructure charge (based on the agreed estimated KVA usage requirements) for connection to the electrical infrastructure in accordance with the terms of the Lease agreement.

# 30. BUILDING COMPLETION CERTIFICATE

- 30.1. The Entities that construct their own facilities must comply with the requirements of DC Guidelines and Development Control Department requirements, Policies and the OHSE Rules and obtain approvals from the Development Control Department after completing the construction work.
- 30.2. The Development Control Department will issue a BCC when the construction work is completed and upon payment of the applicable fee. However, if there are any outstanding fees for re-submission or related matters, the BCC will not be issued.
- 30.3. The BCC will enable procuring the necessary connection of all services, such as utilities, sewage, and telecommunications.
- 30.4. If an Entity has received approval to build additional structures or to alter or extend its existing Premises, it must apply for a BCC after completion of the relevant construction works.
- 30.5. The Entities that require any extensions or alterations to an already developed land will be required to secure a BCC from the Development Control Department after completing the construction work and upon payment of applicable fees.

# 31. OPERATION FITNESS CERTIFICATE

- 31.1. An Entity must not conduct any business operations unless it has secured a valid OFC, which is required if it has:
  - (a) constructed its own facilities on development land;
  - (b) fitted out warehouse space; or
  - (c) shell and core office space.
- 31.2. An Entity can apply for an OFC upon completion of all fixtures, fittings, plant and machinery or land preparation. The Development Control Department will issue the OFC in accordance with DC Guidelines and the OHSE Rules and Policies.
- 31.3. All OFCs are valid for twelve (12) months from the date of issue and must be renewed within thirty (30) days prior to the date of its expiry, to be able to renew the License.

- 31.4. The Entities requiring OFCs must arrange with the Development Control Department for re-inspection and renewal of the OFC.
- 31.5. The Entities that hold an OFC must re-apply for an inspection for issuance of a new OFC if they make any of the following changes to the Lease:
  - (a) internal civil modifications;
  - (b) build additional structures;
  - (c) installation of additional plant or machinery; or
  - (d) application to add or amend any activity listed in their License (subject to NOC from OHSE on certain activities).
- 31.6. The Development Control Department may grant temporary permission to such Entities to continue their business operations based on the original OFC during the re-application process to minimise disruption to their activities. However, the temporary permission will be subject to certain conditions that the Development Control Department may impose in each case.

#### 32. FIT- OUT WORKS

- 32.1. All fitted office spaces will be supplied with lighting fixtures, clean walls (either painted or wallpaper), carpet tiles, floor boxes in a standard layout and name plates free of charge.
- 32.2. The Entities leasing office space that is not provided on a shell and core basis may only upgrade the fixtures, and fittings or make any alterations to the standard layouts upon obtaining the prior written approval of the Development Control Department.
- 32.3. All approved alterations must be in accordance with the Tenant Fit-Out Manual and DC Guidelines and at the sole cost and expense of the Entity.

#### 33. TERMINATION OF A LEASE OF DUBAI SOUTH PRODUCTS

- 33.1. An Entity may terminate the Lease agreement before the expiry of the Lease term, provided it intends to relocate to another Premises within the Free Zone that is either smaller or larger than the current Premises in which case it must give a written notice of termination at least two (2) months before the intended date of relocation or such other period as may be specified in the Lease agreement.
- 33.2. In the instance there is no relocation of Premises by an Entity, the termination process for a Lease requires that all outstanding matters relating to that Lease must be settled regardless of whether the termination process was initiated by the Entity or the Free Zone, including but not limited:
  - (a) settlement of all outstanding payments and dues;
  - (b) return the physical keys to the landlord;
  - (c) return of any physical access cards;
  - (d) reconciliation of the inventory and cancellation of the Masary e-gate account (if applicable, as detailed in Section 81.1);
  - (e) NOC from all relevant Free Zone Departments;
  - (f) NOC from Dubai Customs (if applicable); and
  - (g) NOC from service provider of utilities (DEWA) and telecommunications (Etisalat / Du).
- 33.3. In the event of termination of a Lease, the Entity must ensure that the Premises are fully vacated and restored and handed back in their original condition (including removal of all furnishings, plant, equipment, debris, waste material and other tangible items) by the termination date (unless otherwise agreed with Asset Management Department or the relevant business unit at DWCC, as applicable). Any waste material must be properly and safely disposed of in accordance with the Municipality and OHSE requirements.

- 33.4. An Entity is required to notify Development Control Department or the relevant business unit in writing when it has vacated and cleared the Premises. Asset Management Department will inspect the Premises as soon as reasonably possible after receiving the notice but no later than fifteen (15) days from the date of notice. If the inspection team confirms that the Premises is in good condition, the Asset Management Department will inform the relevant business unit at DWCC to proceed with the termination of the Lease and to release the Entity from any further obligations or liabilities in respect of the Lease.
- 33.5. If the inspection conducted by Asset Management Department reveals that the Entity has not fully vacated or properly cleared the Premises, the Corporation and/or DWCC may pursue legal action against the Entity as well as have the right to seize and dispose of any goods on the Premises without any liability to the Entity. The Corporation and/or DWCC may also re-let the Premises to any other Free Zone Entity or Non-Dubai South Company on such terms and conditions as it deems appropriate, without prejudice to its rights to recover any rent or damages from the Entity for not having fully vacated or properly cleared the Premises.

# PART 4 – INSURANCE

### 34. INSURANCE FOR LEASE

- 34.1. An Entity is required to hold and maintain a valid insurance policy for its Lease against all risk insurance, including fire and perils subject to the terms of their Lease.
- 34.2. The Development Control Department is responsible for arranging the insurance for a Free Zone Entity that leases a fitted office space unless otherwise prescribed in the Lease agreement. In case of any damage to the fitted Lease that is covered by the insurance, the Entity has to pay a minimum deductible charge, as determined by the insurance company.
- 34.3. An Entity that constructs its own facility, shall be responsible for arranging the third-party liability insurance, in the joint names of the Entity and the Corporation and/or DWCC. The policy shall be sufficient to cover clearance and replacement costs of the facility, structure, fixtures, and fittings.
- 34.4. Insurance for the contents within the Premises shall be maintained and borne by the Entity, and the Free Zone will not be liable for loss or damage to the possessions of the Entity, for any reason, including theft or natural calamities.
- 34.5. A sub-contractor or any other legal or beneficial owners of plots of land under development must hold valid 'contractor's all risks' insurance policies as well as third party insurance policies on terms acceptable to the Development Control Department and provide a copy of such policy to the Development Control Department upon request.

# 35. THIRD PARTY LIABILITY/PUBLIC LIABILITY INSURANCE

- 35.1. All Entities having a physical office space, warehouse, plot, development land or any Lease from where operations are being conducted within the Free Zone must hold and maintain a valid third-party liability (or public liability) insurance policy in respect of their business operations which must be adequate and in accordance with the requirements of the Lease agreement.
- 35.2. The third-party liability (public liability) policy must be renewed on an annual basis, and the evidence of premium payment receipt must be submitted to the Free Zone Operations and Free Zone Management together with the certificate issued by the insurance provider specifying the date of expiry.

### 36. WORKMAN'S COMPENSATION INSURANCE

36.1. All Free Zone Entities must hold and maintain a valid workman's compensation policy for their Employees which must be sufficient to cover death, permanent injury, disability, compensation, and all related medical expenses in accordance with the provisions of UAE Labour Law and these Rules.

- 36.2. The value of insurance cover required for Employees shall be in accordance with limits advised by the Free Zone Management from time to time.
- 36.3. The workman's compensation policy must be renewed on an annual basis and a copy of the policy must be submitted to Free Zone Management together with the certificate issued by the insurance provider specifying the date of expiry. Upon request of the Free Zone Management, the Free Zone Entities must also furnish a copy of the premium payment receipt from time to time.
- 36.4. This requirement to hold and maintain a valid workman's compensation policy does not apply to Non-Dubai South Companies.

# PART 5 – HEALTH SAFETY AND ENVIRONMENT

#### 37. GENERAL

- 37.1. All Entities operating in the Free Zone must comply with the rules, guidelines and requirements of the Municipality, Development Control Department and OHSE.
- 37.2. All Entities have a duty to, as far as is reasonably practicable to prevent Incidents, ill health, dangerous occurrences, and environmental damage within the Free Zone.
- 37.3. The Entities constructing their own facilities or conducting operations that may have pollutant discharges or generate hazardous and/or industrial waste are required to conduct environmental impact assessments prior to commencement of development works which will be subject to review and approval by OHSE.

#### 38. SUSTAINABLE DEVELOPMENT

- 38.1. The Entities are expected to monitor their operations to be able to demonstrate that their operations meet or improve upon the standards for sustainability established by the Development Control Department, OHSE and Municipality from time to time.
- 38.2. The Entities are generally expected to comply with and address the following sustainable concepts while conducting operations:
  - (a) conservation of water and energy;
  - (b) usage of renewable energy sources, where possible;
  - (c) use of use of eco-friendly products;
  - (d) use of intelligent building systems; and
  - (e) reduction in waste generation.

# 39. APPROVAL AND PERMITS

- 39.1. All Entities shall obtain all requisite certificates, permits, NOCs and/or other approvals prior to undertaking any activities within the Free Zone, and ensure all activity is conducted in accordance with the DC Guidelines and OHSE Rules.
- 39.2. A contractor engaged by an Entity must provide a detailed HSE plan to OHSE prior to commencing work, in accordance with the Development Control Department requirements and OHSE Rules as applicable.
- 39.3. An Entity involved in processing or packaging edible or health products (e.g., pharmaceutical, cosmetics, etc.), must have a valid authorisation and be kept readily available for inspection.
- 39.4. No pet animals, birds, or livestock are allowed to be kept or fed in the Premises without prior approval.
- 39.5. An Entity must seek approvals from Free Zone Operations and OHSE to deal with controlled or prohibited chemicals or substances listed under OHSE Rules or applicable UAE Laws.



39.6. For import and export of any radioactive sources, a License from the Federal Authority for Nuclear Regulation (or any other Regulatory Authority) along with prior approval of all relevant Free Zone Departments will be required including OHSE.

#### 40. COMMON AREAS

- 40.1. Subject to any prior approval from Free Zone Operations, an Entity must not obstruct any road, footpath, or other public access point within the Free Zone.
- 40.2. Entities are prohibited from displaying, storing or abandoning goods, containers or vehicles, or carrying out any sort of activity outside of their Premises and must ensure that the footway fronting the Premises is clear, clean, and safe for passage.
- 40.3. No activities shall be carried out by any Entity that shall cause a potential hazard or nuisance to any other Entity in the Free Zone and/or the public, including but not limited to air pollution/emissions, noisy operations, improper storage, poor housekeeping, waste discharges and odorous releases.
- 40.4. An Entity must ensure that all operations are carried out safely and in an environmentally sustainable manner with due consideration to public health.

### 41. RISK AND PRECAUTIONARY MEASURES

- 41.1. An Entity shall as far as reasonably practicable:
  - (a) identify all HSE related hazards and risks related to its activities carried out within the Free Zone and take preventative measures to suitably manage and prevent any Incidents from occurring;
  - (b) ensure adequate systems are in place to minimise risks to health and safety in connection with the use, handling, storage and transport of dangerous articles and substances;
  - (c) take such steps as may be reasonably practicable to eliminate or mitigate against any hazard or potential hazard to health and safety;
  - (d) provide the necessary information, instructions, and supervision to ensure the health and safety of persons within the Free Zone;
  - (e) provide and maintain adequate and safe access to and from the Free Zone; and
  - (f) meet any other necessary requirements prescribed under the OHSE Rules and UAE Laws.
- 41.2. Any specific work-related hazards and potentially hazardous activities shall be identified by the relevant Entity prior to the commencement of any work activities. A risk assessment must be undertaken by a person or organisation qualified and competent to do so, in which the risk assessment shall define the hazards, recommended control measures and method statement, and a copy of any such risk assessment shall be made available on-site during an inspection by the Development Control Department and OHSE.
- 41.3. Periodic reviews of risk assessments must be conducted to ensure control measures are working as intended to reduce risks and to ensure no new hazards have been introduced. Risk assessments must be reviewed in case of any changes in the workplace, including but not limited to:
  - (a) following an Incident;
  - (b) changes to work patterns or Persons;
  - (c) changes to machinery or equipment;
  - (d) changes in the processes;
  - (e) changes in the location;
  - (f) changes of materials or substances;
  - (g) an investigation; and
  - (h) updates to UAE Laws, Development Control Department and OHSE requirements.

#### 42. PREVENTION AND PROTECTION

- 42.1. All Entities must have first aid or access to adequate health and medical facilities.
- 42.2. First aid treatment records must be retained for inspection and audit by OHSE.
- 42.3. An Entity that constructs its own facility must demonstrate suitable HSE procedures, which shall include but not be limited to the following:
  - (a) risk management;
  - (b) contractor management;
  - (c) operational controls;
  - (d) audit and inspection;
  - (e) performance management;
  - (f) HSE objectives;
  - (g) management review;
  - (h) Incident reporting and investigation;
  - (i) training and competency; and
  - (j) emergency preparedness and response.
- 42.4. An Entity shall establish and stipulate operating criteria where they are necessary for the prevention of injury or ill-health to Employees and others. Operating criteria should be specific to the activities of the Entity and operational requirements.
- 42.5. An Entity conducting industrial activities shall have a HSE plan for the management of HSE of their facility, including but not limited to:
  - (a) risk assessments;
  - (b) legal and other requirements;
  - (c) roles and responsibilities of key project personnel;
  - (d) training requirements to ensure the competency of personnel;
  - (e) occupational safety, health and welfare requirements;
  - (f) waste management;
  - (g) emergency preparedness and response;
  - (h) Incident reporting and investigation;
  - (i) non-conformance, corrective and preventative action;
  - (i) audit
  - (k) management review program; and
  - (I) improvement process.
- 42.6. An Entity shall not intentionally or recklessly interfere with or misuse anything which is provided by the Development Control Department, OHSE and/ or the facility owner.

# 43. WASTE MANAGEMENT

- 43.1. All Entities operating within the Free Zone must develop and implement an integrated waste management strategy which covers the following:
  - (a) waste reduction;
  - (b) waste segregation at source;
  - (c) waste recovery and re-use; and
  - (d) waste recycling.
- 43.2. Waste must be recycled or reclaimed wherever possible and to the extent this is not possible disposed of in accordance with the Municipality requirements.

- 43.3. All municipal waste generated from normal office operations must be disposed of in authorised locations and appropriate containers provided by a waste management service provider managed by the Asset Management Department.
- 43.4. All Entities producing commercial waste, and goods disposal & recycling from a developed facility or warehouse space must arrange for collection, recycling, or disposal of such waste through a supplier approved by Free Zone Operations.
- 43.5. Any Entity found to be dumping waste, wastewater/storm water at an unauthorised location anywhere in the Free Zone will be liable for a monetary fine as stipulated in the Violations Code.

### 44. HAZARDOUS AND INDUSTRIAL WASTE MANAGEMENT

- 44.1. All industrial solid waste classified by Municipality as non-hazardous waste, can be disposed of in accordance with the OHSE and Free Zone Operations requirements. However, such industrial wastes shall be collected, stored, and/or disposed separately as per Municipality requirements.
- 44.2. All industrial solid waste which is classified by the Municipality as being hazardous or industrial waste must be handled and disposed of expressly in accordance with the requirements for such waste types established by the Municipality from time to time.
- 44.3. An Entity shall explore all possibilities to recycle, re-use and recover liquid waste prior to seeking approval for disposal of the same.
- 44.4. An Entity generating liquid industrial waste for discharge into industrial drainage lines will be required to provide a holding tank of a suitable size to be agreed by OHSE. The condition of effluents from such tanks will be subject to checks and monitoring programs as determined by OHSE.
- 44.5. All Entities that are producing or likely to produce hazardous waste must declare the same to the Development Control Department and/or OHSE in writing in the form and manner prescribed from time to time. Once such declaration has been reviewed and approved by the Development Control Department and/or OHSE, it must be submitted to the environment department at the Municipality for further processing.
- 44.6. Hazardous waste must be separated at the site and source from ordinary or general waste and should be disposed of at the Municipality's hazardous disposal site in accordance with the Municipality's requirements and procedures.
- 44.7. An Entity must use safe handling and storage procedures for any hazardous substances in accordance with their classification and requirements of Municipality, Development Control Department and OHSE.
- 44.8. An Entity permitted to store liquefied petroleum in gas cylinders inside buildings must do so in compliance with the requirements of OHSE.
- 44.9. Cooking is not permitted in the Premises of the Free Zone except in those places designed for cooking food in compliance with the requirements of OHSE.
- 44.10. For the importation of Dangerous Goods, the Entities must comply with the necessary requirements of the Municipality, OHSE and the Free Zone Operations.
- 44.11. The storage of hazardous substances in substantial quantities may create serious risks, therefore, an Entity must take precautions to achieve a reasonable standard of control and should consider the properties of the substances to be stored. Different hazardous substances create different risks, it is important that the standards adopted are based on an understanding of the physical and chemical properties of the substances concerned and the potential reactions between substances.
- 44.12. Other important factors are the overall quantities of the substances to be stored and the maximum size of individual packages. An Entity responsible for the storage of hazardous substances must prior to storage assess the risks and the control measures required to control these risks. An Entity should ensure that the risk assessment should be periodically reviewed and when the types of substance, total quantities, or storage conditions change.

- 44.13. Dangerous substance of any type can only be stored, handled, or manufactured at the Premises specially constructed for such purpose upon prior approval of Development Control Department and OHSE. In all cases, there should not be open storage of any type for dangerous substance or chemicals. Any such storage or placement shall be considered a serious violation and may attract a penalty as stipulated in the Violations Code.
- 44.14. All storage facilities shall be designed, fabricated and installed with adequate safety and protection in accordance with OHSE Rules. The degree to which measures are taken to ensure the integrity of a storage facility shall be dictated by the severity of the potential HSE effects of the loss of the product to be stored or possible subsequent fire and/or explosion.
- 44.15. Dangerous substances shall be separated from areas frequented by guests and visitors.
- 44.16. Chemicals and wastes can be hazardous to the environment if handled or stored improperly. To minimise environmental impacts, the relevant Entity shall have an emergency preparedness plan to deal with events such as chemical spillage, fires, explosions, vandalism, and other emergencies. The plan shall address hazard identification, prevention measures, emergency planning, emergency response and remedial actions. In developing an emergency preparedness plan, consideration shall be given to:
  - (a) human health and safety, which shall take priority over environmental protection in cases of emergency;
  - (b) types of environmental emergencies or hazards that can reasonably be expected to occur, including their potential effects;
  - (c) description of the measures to be used to prevent or respond to an environmental emergency, including the location and type of firefighting and fire suppression systems and spills containment measures, such as spill kits, secondary containment berms and double-walled storage tanks;
  - (d) contingency plans shall be established to deal with emergencies arising from the accidental discharge of hazardous materials;
  - (e) notification process to the relevant Free Zone Departments;
  - (f) assignment of roles and responsibilities for dealing with such emergencies;
  - (g) listing of emergency contact numbers of Employees or spill clean-up/response contractors, emergency responders and agency reporting requirements; and
  - (h) outline review and evaluation of the plan for effectiveness, including post-Incident review.

### 45. SEWERAGE, IRRIGATION AND WATER DRAINAGE

45.1. All Entities must comply with the sewerage, irrigation and storm drainage requirements of the Municipality and Development Control Department from time to time.

#### 46. EMPLOYER OBLIGATIONS

- 46.1. An Entity shall provide adequate protective measures, equipment, and conditions to protect Employees against the risk of injury or Occupational Disease that may occur during work activities, and also against fire hazards and other hazards that may result from the use of machinery and other equipment, handling of chemicals or toxic substances or performing any other task.
- 46.2. An Entity shall ensure adequate safety, cleanliness, and ventilation in each workplace and shall provide each workplace with adequate lighting, drinking water, employee amenities, sanitation and toilets.
- 46.3. An Entity shall at the time of recruitment inform its Employees of the dangers associated with the occupation and the protective measures to take based on risk assessment of the occupational hazards. The Entity shall also ensure that all training requirements are met before permitting Employees to work on any equipment.
- 46.4. Where appropriate for the protection and health of the Employees who may be exposed to a substance hazardous to health, the Entity shall ensure that such employees are provided personal protective equipment, under suitable health surveillance and their medical record is maintained.



46.5. In the event of an Employee suffering from injury or an infectious disease, the Entity shall be required to promptly notify Free Zone Operations and/or OHSE and to fully co-operate with the management and avoidance of the re-occurrence of such Incident.

### 47. INCIDENTS REPORTING

- 47.1. In addition to contacting the relevant Regulatory Authorities in case of an Incident, an Entity must inform Free Zone Operations and/or OHSE of any Incident within three (3) days of its occurrence with a full report or as per the reporting procedures highlighted in the OHSE Rules.
- 47.2. The Incident report shall detail the following:
  - (a) written form account of the circumstances of the Incident;
  - (b) damage caused to the Premises or the Free Zone property (as applicable);
  - (c) name, copy of Emirates ID of the persons involved and details of any person needing medical attention; and
  - (d) note of medical aid provided (if any).
- 47.3. OHSE may choose to investigate the Incident at their discretion and to verify the report in order to determine:
  - (a) the cause behind the Incident;
  - (b) the severity and scale of the actual or potential harm;
  - (c) actions taken at the time of the Incident; and
  - (d) corrective and preventative actions that will be implemented.
- 47.4. If such investigation reveals that an Incident has occurred due to a breach of HSE requirements, OHSE may issue a violation notice and/or impose a monetary fine in accordance with the Violations Code.

# 48. EMERGENCIES

- 48.1. The Entities operating from a warehouse or that have constructed their own facility should prepare an emergency response plan to mitigate against foreseeable emergencies and Incidents and ensure that there is an adequate number of assembly points identified and provided on the Premises.
- 48.2. All Entities are required to provide details of an authorised person who may be contacted 24/7 in the event of any Incident or emergency. Such contact shall be the general manager of the Entity and in his/her absence any other designated authorised individual.
- 48.3. In the event an emergency situation or an Incident arises, and the Premises of the Entity is unmanned, unguarded, closed or locked, Development Control Department and/or OHSE reserves the right in its absolute discretion to make a forced entry if it is reasonably determined that there is an Incident which may result in a serious HSE risk or where a failure to act could result in significant losses or damage to other Entities, the Free Zone or the general public. Development Control Department and or OHSE shall not be liable for any damage or loss associated with the forced entry into the Premises.

#### 49. INSPECTION

- 49.1. All Entities or their relevant representative(s) shall, on demand, provide any officer of OHSE with immediate access to undertake an inspection and fully co-operate with investigating an area or the use of that area in compliance with HSE requirements.
- 49.2. The inspection process shall include but not be limited to:
  - (a) visiting the site of an Incident;
  - (b) inspecting the Premises, including any article, substance, plant, machinery and safety equipment;
  - (c) taking photographs of the relevant area or any other form of digitally stored record to evidence compliance/non-compliance with HSE requirements; and
  - (d) extending an invitation to appropriate experts or specialists to assist with the inspection.



49.3. An Entity shall not, in any way, restrict or hinder an officer appointed by of OHSE to access to any area within the Free Zone or performance of an inspection and shall offer all necessary and appropriate support to undertake the HSE inspection.

#### 50. FIRE PROTECTION AND PREVENTION

- 50.1. An Entity shall cooperate and comply with fire protection, fire prevention and fire/emergency control preventive and fire control measures taken in accordance with the current UAE Fire and Life Safety Code and practices of the Free Zone.
- 50.2. An Entity operating from a warehouse or that has constructed its own facility must ensure that fire protection systems comply with the UAE Fire and Life Safety Code or any other UAE Laws in place.
- 50.3. The Dubai Rescue Authorities are authorised to take full control of a firefighting situation where there is reasonable justification. The firefighting personnel are authorised to make a forced entry into any Premises if there is reasonable suspicion of a fire, and the Premises are unmanned, unguarded, closed or locked, or where failure to do so could result in significant loss and damage to any area and/or property in the Free Zone.
- 50.4. An Entity shall ensure that all fire and life safety equipment are maintained as per the UAE Fire and Life Safety Code requirements.

# 51. BREACHES AND VIOLATIONS

- 51.1. If inspections reveal any violations or unsafe HSE practices, OHSE may issue warnings, and notices to take adequate corrective measures and/or impose sanctions especially where it is established that adequate safeguards/measures were not taken to prevent the re-occurrence of Incidents. Such notice may be accompanied by a fine in accordance with the Violations Code depending on the severity of the violation. Further, OHSE shall arrange for the removal and disposal of any hazardous or unsafe goods as it sees fit. All costs and expenses incurred by the OHSE in doing so may be recharged to the relevant Entity or recovered through the insurance put in place.
- 51.2. There are three (3) broad types of unsatisfactory circumstances which shall be identified by OHSE:
  - (a) Minor: These are circumstances that could potentially cause an HSE impact when inspected or observed by the OHSE. In these circumstances, notification shall be provided either verbally or by letter to the Entity.
  - (b) Major: Where there is a major fault that can cause potential danger to the health or safety of Employees or members of the public, but where it is considered that time can be given for correction, a correction notice will be issued setting out the need for correction.
  - (c) Critical: Where there is a serious non-conformity and/or imminent danger to the health or safety of the Employees or members of the public, a prohibition notice will be issued requiring immediate closure of the Entity and/ or discontinuation of such operations until the fault is corrected.
- 51.3. An Entity that commits any type of violation under section 51.2 may also be fined. The amount of fine will depend on the type, frequency of the violation, and/or the seriousness of the non-compliance, as may be determined by the relevant Free Zone Department.
- 51.4. An Entity shall be liable to compensate for loss or damage to property due to design and implementation errors, or failure to comply with HSE requirements.

# PART 6 – EMPLOYMENT AFFAIRS

#### 52. GENERAL

- 52.1. All Employees must have approval from Free Zone Management to work in the Free Zone.
- 52.2. All Free Zone Entities will be issued with an establishment card by the GDRFA. The establishment card will allow all Free Zone Entities to apply for different GDRFA services in accordance with the requirements of UAE immigration law through the Free Zone Management. The fee for the establishment card will be as per the Tariff. The Free Zone Management will automatically apply for the establishment card on behalf of the Free Zone Entity once it has been issued with a valid registration and License.
- 52.3. Free Zone Management will be responsible for providing all employment and immigration related services to the Free Zone Entities.
- 52.4. All Free Zone Entities are required to have a valid License and establishment card to sponsor Employees and all applications for sponsorship must be submitted to Free Zone Management for approval. Free Zone Management reserves the right to reject applications for sponsorship at its absolute discretion.
- 52.5. A Free Zone Entity shall not have employees exceeding the quota approved by Free Zone Management.
- 52.6. Free Zone Management may provide some investors with an investor's visa subject to the prevailing UAE Laws.
- 52.7. An Employee is only allowed to work with another Free Zone Entity if that employee is Seconded to that Free Zone Entity.
- 52.8. A Free Zone Entity must not recruit, employ, engage or otherwise make use of an Employee who is already employed by another Free Zone Entity or any other entity registered in the UAE without prior consent of Free Zone Management.
- 52.9. A Free Zone Entity shall execute an Employment Agreement with every Employee that it employs.
- 52.10. The working conditions for Employees, including but not limited to the hours of work, leave, Gratuity and termination of employment shall be no less than as provided for in the UAE Labour Law.
- 52.11. Any aspect of the employment relationship that is not regulated in the Rules shall be governed by the relevant provisions of the UAE Labour Law.
- 52.12. Free Zone Management may issue NOCs and letters based on Free Zone Entities or Employees' requests for vehicle registration, salary certificate, employment certificate, or business travel letter.

#### 53. EMPLOYEE

- 53.1. These Rules apply to every Free Zone Entity that engages or intends to engage the following categories of individuals:
  - (a) an individual under the employment of a Free Zone Entity;
  - (b) Secondees:
  - (c) Outsourced Individuals; and
  - (d) Freelancers.
- 53.2. A Free Zone Entity is permitted to employ any person not under its sponsorship provided that person is:
  - (a) a UAE or GCC national;
  - (b) employed by an Affiliate registered in the UAE;
  - (c) sponsored through other means including but not limited to holders of golden visas; those on spouse visas or any other visa options introduced by the UAE government from time to time; and
  - (d) employed on a part-time basis by a UAE based employer.

- 53.3. A Free Zone Entity wishing to employ anyone under Section 53.1 must secure an appropriate permit as well as enter into an Employment Agreement with such individuals.
- 53.4. If a person between the ages of fifteen (15) and eighteen (18) is employed, the Free Zone Entity shall take all appropriate measures to ensure that conditions for that employment are safe, reasonable, and appropriate for their age and wellbeing in compliance with the UAE Labour Law.

#### 54. EMPLOYMENT COSTS

- 54.1. All costs of recruitment and other employment related services (including, but not limited to, the costs of obtaining a UAE residence visa, and Employment Card (Non-Sponsor Work Permit /Temporary Work Permit) must be borne by the Free Zone Entity, and under no circumstances shall all or any part of such charges be passed on to an Employee or deducted from their salary unless otherwise permitted for any specific instances under the UAE Labour law.
- 54.2. It shall be the responsibility of the Free Zone Entity to pay the Employee's remuneration and any other payments due to the Employee in accordance with the terms of the Employment Agreement, the UAE Labour Law, and these Rules. Free Zone Management shall not be responsible for any remuneration, Gratuity or any other payments to an Employee.

#### 55. EMPLOYMENT CARD AND VISAS

- 55.1. An Employee sponsored by the Free Zone Entity will be issued an Employment Card which serves as a permit to work in the Premises of the employing Free Zone Entity in the Free Zone.
- 55.2. Free Zone Management will, upon request, arrange for the procurement of an Employment Card, and residence visas for Employees on behalf of all Free Zone Entities. The fees applicable for processing such permits, and visas will be as per the Tariff and will be payable in advance at the time of submitting the application.
- 55.3. An Employment Card will be issued automatically at the time of issue of the UAE residence visa.
- 55.4. Subject to GDRFA approval, the Free Zone Management may issue a Student Visa and a visit visa (to the Free Zone Entity upon request of a Free Zone Entity).

# 56. TEMPORARY WORK PERMIT AND NON-SPONSOR WORK PERMIT

- 56.1. The Free Zone Management is authorised to approve, revoke or cancel a Temporary Work Permit or Non-Sponsor Work Permit.
- 56.2. A Free Zone Entity must apply for a Temporary Work Permit or Non-Sponsor Work Permit for any individual entering into an employment engagement.
- 56.3. To be granted a Temporary Work Permit or Non-Sponsor Work Permit, the individual, if not a UAE or GCC national, must hold a valid UAE residence visa which is valid for longer than the requested duration of the Temporary Work Permit or Non-Sponsor Work Permit.

# 57. EMPLOYMENT AGREEMENT

- 57.1. Every Free Zone Entity that has Employees, must enter into an Employment Agreement with each of its Employee. A Free Zone Entity and the Employee may agree upon additional employment terms that are dealt with outside of the Employment Agreement, provided they are not less favourable than the conditions and requirements set out in the Employment Agreement, UAE Labour Law and these Rules. Any changes to the Employment Agreement must be submitted to the Free Zone Management through the Free Zone Entity portal account.
- 57.2. All Free Zone Entities that wish to access the Employment Agreement template can do so through the Free Zone Entity's portal account.
- 57.3. Nothing prevents a Free Zone Entity from engaging an Employee on terms and conditions of employment that are more favourable to the Employee than the UAE Labour Law or these Rules.

#### 58. WORKING HOURS

58.1. All Free Zone Entities will be bound by the provisions of the UAE Labour Law in relation to working hours including provisions relating to overtime, Ramadan timing, public holidays, and summer working hours.

#### 59. MEDICAL INSURANCE

59.1. All Free Zone Entities must procure and maintain a medical insurance policy for their Employees to the extent required to do so under the UAE Labour Laws. Evidence of a valid medical insurance policy must be provided to the Free Zone Management upon request.

#### **60.** EMPLOYEE PROTECTION INSURANCE SCHEME

- 60.1. All Free Zone Entities must enrol their Employees for the employee protection insurance scheme ("EPI Scheme"). This EPI Scheme is a mandatory program for all Free Zone Entities that aims to safeguard the rights of their Employees in case a Free Zone Entity fails to fulfil its obligations.
- 60.2. The EPI Scheme aims to provide coverage benefits for the Employees such as unpaid wages and end-ofservice benefits, repatriation costs for themselves or their remains in case of death, and any expenses that a Free Zone Entity owes but has not reimbursed.
- 60.3. All Free Zone Entities must enrol their Employees in the EPI Scheme in accordance with the procedures and requirements set out by the Free Zone and pay the prescribed premium. The premium may vary depending on the number and type of Employees, the nature and duration of their contracts, and the level of risk involved in their work.
- 60.4. The EPI Scheme does not apply to the shareholders and Company Management, as they are not strictly considered Employees under these Rules on the basis of their statutory designation under the Companies Regulations. The EPI Scheme also does not apply to Freelancers, Student Visa holders and work permit holders who work in the Free Zone for a period of not more than one (1) year. However, a Free Zone Entity may choose to enrol such individuals in the EPI Scheme on a voluntary basis.

## 61. EMPLOYEE PASSPORT

61.1. No Free Zone Entity may withhold the official documents (including but not limited to the passport) of an Employee.

#### 62. SPONSORSHIP RENEWAL AND CANCELLATION

- 62.1. A Free Zone Entity is responsible for the timely renewal of all Employees' residence visas, Employment Card, Non-Sponsor Work Permits and Temporary Work Permits as applicable.
- 62.2. A Free Zone Entity and the Employee must cooperate to arrange the cancellation of the Employee's residence visa following the termination of the Employee's employment within thirty (30) calendar days from the date that the employment was terminated. In case of failure by a Free Zone Entity to cancel the visa within the thirty (30) calendar days, Free Zone Management reserves the right to cancel the Employee's residence visa directly with the cost for such cancellation to be recharged to the relevant Free Zone Entity.

### 63. VISA QUOTA

- 63.1. The number of UAE residence visas that a Free Zone Entity can obtain depends on the size of its Premises. The Free Zone Management will grant one (1) visa for every six (6) square meters of Leased space, or such area as may be determined from time to time (in accordance with internal Policies).
- 63.2. A Free Zone Entity can request more visas than its initial quota, subject to expanding its Premises. However, Free Zone Management has the authority to approve or adjust the visa allocation based on the Free Zone Entity's needs regardless of the size of its Premises.

#### 64. ABSCONDING EMPLOYEES

- 64.1. An Employee unexplainably absent for a period of more than seven (7) continuous calendar days (or such other period as may be prescribed by GDRFA) shall be deemed to be an absconding Employee. In such event:
  - (a) the Free Zone Entity shall within seven (7) days of an Employee being deemed to be absconding notify Free Zone Management in writing of the same; and
  - (b) Free Zone Management shall upon receiving such notification, and after internal investigation inform and submit the absconding request to the GDRFA.

### 65. TERMINATION OF EMPLOYMENT

- 65.1. An Employment Agreement may be terminated by the Free Zone Entity, or the Employee in accordance with the provisions of the Employment Agreement and the UAE Labour Law. The UAE Labour Law will also regulate disciplinary and termination procedures, end-of-service benefits and repatriation.
- 65.2. An Employment Agreement shall be deemed automatically terminated in either of the following cases:
  - (a) if the Employee dies during service; or
  - (b) if the Employee suffers an illness or an injury resulting in a total incapacity to work in accordance with UAE Labour Law.
  - however, this will not preclude the Free Zone Entity from payment of all dues applicable in accordance with the provisions of the Employment Agreement and the UAE Labour Law.
- 65.3. Except in the case of summary dismissal and probation, an Employee shall be entitled to a period of notice before termination of service as set out in the Employment Agreement. The minimum notice period stipulated in the Employment Agreement shall be one (1) month. The Employee shall be entitled to full pay during the prescribed notice period. It is for the Free Zone Entity to decide whether the Employee will be required to render the services during the notice period.
- 65.4. A Free Zone Entity must pay an Employee all the end-of-service entitlements ("Gratuity") that the Employee is eligible for under the UAE Labour Law and the Employment Agreement. Once eligible a Free Zone Entity may not refuse, withheld, reduce, or waive the payment of Gratuity. The Free Zone Entity must ensure that the Employee receives the Gratuity within the time frame specified by the applicable UAE Law or the Employment Agreement, whichever is shorter.
- 65.5. Where an Employment Agreement is terminated or expired and is not renewed, the Free Zone Entity must take necessary steps to electronically complete the relevant procedures for visa cancellation via the online Free Zone portal, including submission of the signed documents by the Employee and the authorised signatory of the Free Zone Entity, confirming that the employment of the Employee has been terminated and all sums due and owing to the Employee (including, without limitation, final dues and Gratuity payment (if applicable) and how these were calculated) have been received by the Employee.
- 65.6. Upon communication by the Free Zone Entity to the Free Zone Management of the termination of the Employee under the sponsorship of the Free Zone Entity, the Free Zone Management shall cancel the Employee's UAE residence visa.
- 65.7. A Free Zone Entity shall ensure that the Employee's UAE residence visa and the Employment Card are cancelled within thirty (30) days of the Employee's final day of employment.
- 65.8. Free Zone Management may cancel the residence permit of an Employee if a Free Zone Entity has failed to inform the Free Zone Management or intentionally delays the process without valid reason in which case the cost for such visa cancellation shall be recharged to the relevant Free Zone Entity.

#### 66. EMPLOYEE DISPUTES AND CLAIMS

- 66.1. Upon investigation by Free Zone Management of any claim by an Employee for payment to a Free Zone Entity towards fees or charges in relation to their UAE residence visa or otherwise, Free Zone Management may take any action it deems necessary, including but not limited to:
  - (a) imposing a fine upon the Free Zone Entity; and/or
  - (b) requiring the Free Zone Entity to immediately reimburse the respective Employee an amount equal to any fees or charges paid together with such compensation as Free Zone Management may consider to be fair and reasonable in the circumstances.
- 66.2. In case of any dispute between a Free Zone Entity and its Employee, this matter shall be referred to the Free Zone Management for review and mediation. If no, amicable solution is reached, the Free Zone Management will refer the matter to the competent authority.

### 67. COMPENSATION FOR ACCIDENTS AND OCCUPATIONAL DISEASES

- 67.1. A Free Zone Entity shall be responsible for paying for the complete medical treatment required by an Employee who has an Occupational Disease as prescribed under the UAE Labour Law.
- 67.2. In case of death or disability (wholly or partially) resulting from any Occupational Disease, the Free Zone Entity shall be liable to pay compensation to the Employee or the heirs as prescribed under the UAE Labour Law and applicable UAE Laws.
- 67.3. An Employee shall not be entitled to compensation if an investigation establishes that the Occupational Disease was caused by the Employee through:
  - (a) wilful negligence;
  - (b) violation of HSE rules;
  - (c) being under the influence of illicit drugs or alcohol;
  - (d) deliberate misconduct:
  - (e) self-harm; or
  - (f) unreasonably refusing medical treatment/check-up as prescribed by a medical professional.

## PART 7 – TRAFFIC AFFAIRS

### 68. DRIVER AND VEHICLE LICENSING

- 68.1. The roads in the Free Zone are treated as public roads and the Corporation will be responsible for imposing the Rules and Policies in respect of the same. The Free Zone Operations may request a Person to produce evidence that the drivers, operators, vehicles, and equipment are properly licensed and registered with RTA or by the relevant transport authority in the UAE.
- 68.2. All vehicles and trailers must be roadworthy and in compliance with all applicable laws, rules and regulations in the UAE pertaining to vehicle safety. Drivers violating any provisions of this Part 7 will be penalised in accordance with the fines prescribed in the Violations Code or as determined by the Free Zone Operations from time to time.
- 68.3. It is prohibited for learner drivers (of all categories) to practice driving on roads within the Free Zone.

### 69. VEHICLE CONDITION AND OPERATION

69.1. Vehicles and trailers must not be overloaded beyond the manufacturer's rated load capacity. All loads must be safely secured with the weight of the load distributed evenly throughout the vehicle. No vehicle may be driven carrying a load which unsafely extends beyond the dimensions of the vehicle. Vehicles in the Free Zone which are suspected of being overloaded, inappropriately secured or pulling a trailer of more than the authorised weight may be stopped, asked to produce weighing information and held until the situation is corrected.

- 69.2. Tires should always be inspected for proper inflation, damage, and wear before any loading. Any tires found to be damaged or worn below safe driving levels must be replaced to avoid fines.
- 69.3. All vehicles must be fitted with fully operational lighting. Vehicle lighting must be used when the vehicle is being driven at night or in conditions of reduced visibility such as fog or sand/dust storms. Vehicle lighting must not be used in such a way that would hinder or cause discomfort to other road users. The Front and rear fog lights must be used in conditions of reduced visibility. Such lights must be turned off when conditions improve so as not to hinder other road users.
- 69.4. Hazard lights must only be used on stationary vehicles which are temporarily obstructing traffic or to warn other road users of another hazard or obstruction ahead. Hazard lights must not be used when driving in conditions of reduced visibility or as an excuse for dangerous or illegal parking.
- 69.5. Drivers must always be fit to drive. Drivers should not operate any vehicle if the driver feels sleepy, tired, drowsy or under the influence of alcohol or drugs. All drivers and passengers must wear seatbelts.

#### 70. CARS FOR EMPLOYEES

- 70.1. Employees who enter the bonded areas in the Free Zone are required to register private cars on the portal subject to obtaining an NOC from the Free Zone Operations.
- 70.2. The Free Zone Operations will issue the necessary NOC addressed to the RTA for Employees to complete the relevant test and obtain a driving License in the emirate of Dubai.

## 71. VEHICLE ACCESS AND ROADS

- 71.1. Any Person working in the Free Zone is strictly prohibited from taking private vehicles into or around the cargo terminals.
- 71.2. Oversized trucks or trucks transporting very heavy equipment will not be allowed to enter, exit, or move around on public roads inside the Free Zone. All such truck movements should be arranged to be undertaken after business hours with a security escort to ensure the safe passage of vehicles and their cargo. All such truck movements must be notified to the Free Zone Operations at least twenty-four (24) hours in advance. Security escorts will be subject to the payment of the relevant fee as set out in the Tariff.
- 71.3. Loading bays in the Free Zone should not be used for storage or parking by any Person.
- 71.4. If construction work or any other activity will affect vehicle or pedestrian traffic, the Entity or contractor responsible for such construction work or activity must submit a traffic management strategy to Development Control Department and Free Zone Operations prior to commencing work.
- 71.5. No motor vehicle or trailer of any type shall be repaired on any roads or parking areas within the Free Zone (including within the boundary of an Entity's own facility) except for minor repairs or emergency repairs to the extent necessary to enable the vehicle or trailer to be moved to a proper repair facility.
- 71.6. No vehicle, trailer, boat or other recreational vehicle within the Free Zone shall be used as an office or living area by any Person.

#### 72. VEHICLE PARKING

- 72.1. All vehicles must adhere to the relevant rules concerning parking in the Free Zone. Vehicles may only be parked in those areas specified or designated for vehicle parking. Any vehicle found to be parked in breach of any rules or in an unauthorised location anywhere within the Free Zone will be penalised by the Free Zone Operations.
- 72.2. No loading or off-loading activities may be undertaken in public parking areas. Also loading bay should not be used for storage or parking.
- 72.3. All car parks within an Entity's facility must be used as the primary location for Employees and visitor vehicle parking. Car parks must not be used as a workshop area or for the storage of goods, materials or equipment.

- 72.4. Parking on pavements, any landscaped area or lawn or obstructing a fire hydrant is strictly prohibited. Offending vehicles may be immediately towed and impounded at the vehicle owner's risk and expense. The vehicle owner will also be liable to pay for any damage sustained to any landscaped area or lawn caused by illegal parking.
- 72.5. Handicapped parking bays may only be used by vehicles which are properly registered and authorised to use handicapped parking facilities. Vehicles found to be parked in a handicapped parking bay which does not clearly display registration and authorisation for handicapped parking will be towed and impounded at the vehicle owner's risk and expense.
- 72.6. Vehicles must not be parked illegally or in a haphazard manner or parked in such a way as to obstruct the entrance and exit either from access gates or parking areas. Offending vehicles will be towed and impounded at the vehicle owner's risk and expense.
- 72.7. Vehicles must not be parked unattended with the engine running. Where vehicles are stationary and likely to remain for more than a couple of minutes (other than in traffic or for the diagnosis of faults) drivers should apply the vehicle's parking brake and switch off the engine to reduce emissions and noise pollution.
- 72.8. Drivers and passengers must not throw anything out of a vehicle (such as cigarettes, cans, bags, paper, or other trash). All trash from vehicles must be disposed of properly.

#### 73. ROAD USAGE AND ROAD SAFETY

- 73.1. Drivers must always drive carefully, with due care, attention and with reasonable consideration for other road users. Vehicles must not be driven on or over a walkway or footpath except to gain lawful access to a property or in the case of an emergency. Pedestrians always have the right of way on all walkways, footpaths, and designated road crossings. Vehicles must not be parked or stationary over designated pedestrian crossings.
- 73.2. The maximum speed limit on all public roads within the Free Zone is as per the posted speed limit signs. The speed limit is the absolute maximum and does not mean that it is safe to drive at or above such speed irrespective of driving conditions. Drivers must always pay attention to construction works, road layouts and other conditions which may present hazards (such as shed loads, damaged roads, or sharp bends), other road users, and weather and lighting conditions and reduce driving speed accordingly.
- 73.3. Large trucks, vehicles towing trailers and other slow-moving traffic must keep to the lanes on far right of the road. In slow moving traffic drivers should not frequently change lanes to overtake traffic as this will lead to further congestion.
- 73.4. Drivers must also maintain safe stopping distances from the vehicle in front, even if in stationary or slow-moving traffic. Large vehicles need a greater distance to stop.
- 73.5. The operation of dirt bikes, quad bikes, sand buggies, off-road vehicles and non-licensed motor vehicles is strictly prohibited in the Free Zone.

## 74. DAMAGE AND OBSTRUCTION

- 74.1. Vehicles which break down must be moved off the road or manoeuvred to minimise obstruction to other road users (if possible). If a broken-down vehicle is causing an obstruction, appropriate warning should be given to other road users by activating the vehicle's hazard lights and situating a safety triangle or other warning device a safe distance behind the broken-down vehicle. Drivers should then immediately seek breakdown or recovery assistance if necessary. Drivers and passengers should remain at a safe distance from the road and the broken-down vehicle while waiting for assistance.
- 74.2. If anything falls from a vehicle on to the road the driver should stop the vehicle in a safe location and attempt to retrieve the obstruction only if safe to do so. Where it is unsafe to retrieve the obstruction, or the driver is unable to do so. the driver must seek assistance from Free Zone Operations or appropriate third-party service provider.

- 74.3. Vehicles must always give way to emergency or incident support vehicles (such as the police or ambulance or civil defense vehicles) that may be attending the scene of an Incident. Drivers which are involved in a traffic incident must stop where safe to do so (without causing an obstruction), turn off the vehicle's engine and report the traffic incident to Dubai Police or RTA. Persons without injury or only minor injury should be moved to safety away from the scene of the traffic incident. Injured persons should not be moved without the assistance of emergency services unless there is an immediate risk of danger.
- 74.4. If an Incident involves a vehicle carrying Dangerous Goods, information with labels or markings on the vehicle should be provided to the emergency services. Also, injured persons should only be moved by emergency services or medical personnel. Drivers approaching the scene of a traffic incident must follow any directions given by Dubai Police or other emergency services. Drivers passing the scene of a traffic incident should not, take photos, stop or slow down unnecessarily to observe the scene as this may cause a collision or contribute to further congestion.
- 74.5. Vehicles that drip fluids, spill waste, or otherwise cause damage to road surfaces must be removed from operation and repaired. The Free Zone Operations may recharge the cost of cleanup or repair of any damage to roads in the Free Zone to the owner of the offending vehicle.
- 74.6. No roads, walkways, or pathways (or any part thereof) within the Free Zone may be sealed off, obstructed, restricted, or excavated without the express written consent of the Free Zone. Any Person found to be in violation will be liable to pay all costs and expenses incurred by the Free Zone in rectifying any damage sustained by such violation.
- 74.7. Any Person caught violating any provision of this Part 7 will be reported to Dubai Police and shall also be subject to penalties imposed by Free Zone Operations, and Dubai Police.

# PART 8 – GOODS AND CUSTOMS

## 75. GENERAL

- 75.1. Goods brought into the Free Zone must be stored properly as soon as reasonably practicable. Goods may not be stored outside of a Free Zone Entity's Premises. Packaging of goods must always be safe, secure and fit for the purpose of the articles or substances to be contained within such packaging.
- 75.2. The Free Zone Entities may only import, export and trade in authorised goods in accordance with the commercial activities applicable to their License. To import and export goods, the Free Zone Entities must secure necessary registration with the Dubai Customs and abide by its policies and procedures.
- 75.3. A Non-Dubai South Company shall be able to import or export goods subject to seeking special approval from the Free Zone Operations.
- 75.4. An authorised person can act on behalf of the Free Zone Entity only if that individual obtains a 'representative card' from Dubai Customs.
- 75.5. Duty-paid goods (local goods) can be stored in the Free Zone for different periods depending on the goods involved and the purpose of storage. Goods that are stored, exported, or rented can be stored for up to one (1) year, while goods that are repaired, maintained, or re-filled have a storage validity of thirty (30) days.

#### 76. GOODS AND APPROVALS

76.1. It is prohibited to import, store, or transport any items in the Free Zone which are classified as Restricted Goods, Prohibited Goods or Dangerous Goods without the prior written approval of the Free Zone Operations. Dubai Customs have the power to detain anyone suspected to have committed or attempted to have committed an offence of smuggling or the acquisition, storage or transportation of Prohibited Goods or Dangerous Goods.

- 76.2. The Free Zone Entities that wish to import, export, transport or store Restricted Goods, Prohibited Goods or Dangerous Goods must first apply to the Free Zone Operations for a letter of NOC with the following particulars:
  - (a) it must be in writing and in the prescribed form;
  - (b) details for the Free Zone Entity;
  - (c) must specify the type of goods, with details of its use or consumption;
  - (d) include any other documentation or particulars required; and
  - (e) pay applicable fees as per the Tariff.
- 76.3. All Persons who are involved in the transport, storage or handling of Dangerous Goods must comply with the Code of Practices for Dangerous Goods.
- 76.4. A Free Zone Entity must obtain OHSE NOC for the storage of Dangerous Goods prior to storing the product.
- 76.5. The driver of any vehicle transporting Dangerous Goods must carry the material safety data sheet ("MSDS") for the hazardous materials or Dangerous Goods in question. A copy must also be retained by the transport company and be easily available in the event of an emergency or accident. The MSDS must include details concerning the nature and dangers of the goods in question, the hazards involved in the event of any leakage, spill or human exposure and the applicable emergency procedures. The MSDS must be produced to Free Zone Operations, and OHSE or the Dubai Police upon request.
- 76.6. Free Zone Operations may, at the cargo owner's cost and expense, confiscate and destroy any hazardous or Dangerous Goods which have not been properly declared.

## 77. PHARMACEUTICALS, FOOD AND BEVERAGE

- 77.1. Free Zone Entities that wish to import, store, or transport any pharmaceutical products, and medical goods must submit an application to secure NOC from the Ministry of Health and the Free Zone Operations in accordance with Section 76.2.
- 77.2. Free Zone Entities that wish to import, store, or transport any food, or beverages must submit an application to secure NOC from Municipality and the Free Zone Operations in accordance with Section 76.2.
- 77.3. All warehouses and vehicles involved in the storage or transportation of pharmaceutical products, medical goods food or beverages must have undergone the necessary inspection and received a clearance or certification from the relevant Regulatory Authority.

## 78. RESTRICTED BEVERAGES

- 78.1. The UAE has specific regulations for alcohol. Free Zone Entities can import and store alcohol in the Free Zone for re-export or for local distribution, subject to compliance with all UAE Laws. However, they must obtain an NOC from:
  - (a) the Free Zone Operations (in accordance with Section 76.2),
  - (b) OHSE; and
  - (c) both Dubai Police and Dubai Customs.

#### 79. TRADING OUTSIDE FREE ZONE

79.1. A Free Zone Entity with a trading License that would like to market its products directly to the local market/UAE mainland, must do so through a distributor or retailer that is properly authorised and registered locally.

#### 80. LOST PROPERTY AND ABANDONED GOODS

- 80.1. Any property lost within the common areas of the Free Zone should be reported to the Free Zone Operations in writing and in the form prescribed from time to time. The Free Zone Operations will take all reasonable steps to find the lawful owner of any lost property and return it to them. However, if the Free Zone Operations cannot identify a lawful owner or if the property remains unclaimed after a period of twelve (12) months from the date it was handed in, the Free Zone Operations may dispose of such property as it sees fit.
- 80.2. If any goods appear to be left and abandoned on the Premises of an Entity by another Entity, the former should report the same to the Free Zone Operations within twenty-four (24) hours of finding such item. The Free Zone Operations will issue a written notice to the latter of its intention to treat such goods as "abandoned". Such notice will specify a date by which such goods must be cleared and removed from the Premises, taking into consideration the nature of the goods (for example: refrigerated, perishable).
- 80.3. If the abandoned goods are not removed by the date specified in the notice, the title in such goods will automatically transfer to the Free Zone Operations, which shall arrange for the removal and disposal of the goods as it sees fit. All costs and expenses incurred by the Free Zone Operations in doing so may be recharged to the relevant Entity.
- 80.4. The Free Zone Operations may, at its discretion, auction the abandoned goods to expedite clearance of the Premises and to recover costs and expenses incurred in doing so.
- 80.5. Free Zone Operations may also charge the Entity for any costs or expenses towards the storage, inspection, removal, transportation, disposal or sale of such goods, and apply the proceeds of sale, if any, towards the satisfaction of any outstanding rent, charges or damages.
- 80.6. The Free Zone Operations shall upon the disposal of the goods shall have the rights to re-let the Premises to any other Entity on such terms and conditions as it deems appropriate.

#### 81. CUSTOMS

- 81.1. Free Zone Entities that need to move goods in or out of the Free Zone must register with the smart electronic system introduced by the Free Zone, called Masary. Masary is an e-gate account that allows the generation of gate passes for goods that are either local or subject to a bill of entry (the import, export, or trans-shipment of goods). This enables the Free Zone Entities to manage their operations throughout the supply chain and logistics world in real-time.
- 81.2. Documentation for import and export of goods must be retained by Free Zone Entities for at least a period of five (5) years.
- 81.3. Consignment of goods may be split between two (2) Free Zone Entities, provided that such splitting does not lead to:
  - (a) any loss in the customs revenue;
  - (b) reduction in the value of goods; or
  - (c) reduction in the proportion of fees in the case of classifying the contents of each consignment.

## PART 9 – SECURITY

## 82. ACCESS TO FREE ZONE

82.1. The Free Zone consists of two distinct areas: the customs bonded area (the "Bonded Area") and the Business Park (the "Non-Bonded Area"). A fence separates the Bonded Area from the Non-Bonded Area.

82.2. Only an authorised Person with an access pass can enter the Bonded Area for business purposes, and they must always display the pass clearly. Anyone who enters the Bonded Area without proper documentation or authorisation, or who fails to show the pass may be prohibited from entering the Bonded Area. The driver of any vehicle accessing the Bonded Area must also have an access pass for that area may be subject to search and inspection prior to entry into the Free Zone.

#### 83. ACCESS PASSES

- 83.1. The following categories of access passes and cards are issued by Free Zone Management upon application and payment of fees specified in the Tariff:
  - (a) Employment Cards: This pass is issued to Employees who are sponsored by a Free Zone Entity working in the Free Zone (but not to a Non-Dubai South Company). The Employment Card serves as a permit to work in specific areas inside the Free Zone, it allows access into the Free Zone and is the source of identification in lieu of the Employee's passport. The Employment Cards issued will be a different type based on Employees who are permitted to access the Bonded Area and those Employees who are limited to the Non-Bonded Area.
  - (b) frequent visitor pass access card: This pass is issued to Employees of Entities with Affiliates registered in the UAE. This pass enables Employees who are not sponsored by the Entity to work in Free Zone in the Premises of the Affiliate and includes Non-Dubai South Companies.
  - (c) contractor pass: This pass is applicable for service providers and enables them to conduct specific contractual activities within the Premises and is issued to contractors performing various services such as marketing, management consultancy, transportation, trading services, customs broking, except for facility management services.
  - (d) facility management contractor pass: This pass is applicable for service providers and contractors performing various services including cleaning, security, maintenance, plumbing, electrical services companies, as well as facility management.
  - (e) Non-Sponsor Work Permit and Temporary Work Permit: This pass is issued to Employees who are employed by a Free Zone Entity for a duration of one (1) year (but not to a Non-Dubai South Company). This permit is issued to three (3) categories of individuals:
    - (i) employees sponsored under the sponsorship of their spouse or parent;
    - (ii) UAE golden visa holders; and
    - (iii) Employees whose working hours correspond to the part-time number of hours defined by the UAE Labour Law.
  - (f) UAE or GCC Work Permit: This pass is issued to UAE or GCC nationals who are employed by a Free Zone Entity for a duration of one (1) year (but not to a Non-Dubai South Company).
  - (g) additional permit or pass: Free Zone Management may introduce and issue any other type of permit or pass(es) as may be deemed necessary from time to time.
- 83.2. The following categories of access passes and cards are issued by Free Zone Operations upon application and payment of fees specified in the Tariff:
  - (a) short term access pass: This pass is applicable for Persons requiring short-term access to the Free Zone.
  - (b) catering services pass: This pass is applicable for catering contractors engaged in providing catering services within their Premises inside the Free Zone.
  - (c) student pass: This pass is applicable for Interns working in the Free Zone.
  - (d) day pass: This pass is issued to Person for one (1) day access to the Free Zone. This pass is applicable for visitors and service providers on occasional basis to enter the Free Zone.
- 83.3. The Free Zone Department will review all applications and may, in its absolute discretion, reject an application based on security or other concerns.

83.4. All Entities shall apply for cancellation of the access pass once the assigned task is completed. If the access pass has expired, the system will automatically mark it as cancelled unless renewed. This does not apply to Employment Cards, GCC work permits, Non-Sponsor Work Permit, and Temporary Work Permit where the Free Zone Entity must apply for cancellation of the card though the portal.

#### 84. ACCESS TO PREMISES

84.1. An Entity that constructs its own facility or leases a warehouse in the Free Zone must deposit a spare key for the Premises with the Free Zone Operations. This ensures access in case of fire or any Incident. The Entity must also provide a new spare key if it changes the locks.

#### 85. SECURITY CHECKS

- 85.1. All Persons entering the Free Zone must produce access passes on demand at the point of entry or exit. They must also comply with the instructions of the security staff, or any authorised person appointed by the Free Zone Operations.
- 85.2. The security staff or any person authorised by the Free Zone Operations may search or check any vehicle entering or leaving the Free Zone at the various entry/exit gates.

#### 86. FENCING

86.1. All Entities that have constructed their own facility must erect and maintain suitable fencing or a walled enclosure around that facility in accordance with DC Guidelines.

## 87. SECURITY GUARDS

- 87.1. The Free Zone Operations shall have security personnel at designated areas throughout the Free Zone but shall not be liable or responsible for the security of an Entity's Premises.
- 87.2. Security personnel appointed by the Free Zone Operations provide security in the Free Zone and authorise the movement of vehicles and Persons in and out of the Free Zone.
- 87.3. All security guards engaged by an Entity must be trained, experienced, and properly licensed by SIRA, and must have a means of communication to raise an alarm or report an Incident.
- 87.4. Security guards appointed by an Entity must either be:
  - (a) an Employee of the Entity; or
  - (b) individual appointed by a service provider engaged by an Entity.

In either case, the Entity must provide the Free Zone Operations with written details of the security guards and the shift working arrangements to facilitate quick responses in the event of an Incident.

## 88. SECURITY SYSTEMS AND CCTV

- 88.1. All Entities must install and maintain security systems, such as CCTV in compliance with the requirements and guidelines of SIRA.
- 88.2. All Entities shall also display signs that warn of CCTV monitoring in any area where a CCTV system is operating.
- 88.3. The Free Zone Operations may require an Entity to provide recordings from its security system or CCTV in the event of an Incident or if it reasonably believes such recording is necessary to protect the Persons, Premises, or any property within the Free Zone.

#### 89. PHOTOGRAPHY AND FILM

- 89.1. Photography or video recording within the Free Zone is strictly prohibited. An Entity that wishes to conduct photography or a filming session must obtain prior authorisation from the Free Zone Operations and an NOC from OHSE. This does not apply to or restrict an Entity's ability to install and use of CCTV recording equipment.
- 89.2. The use of drones is also prohibited in the Free Zone unless authorised by each of the following prior to filming:
  - (a) Dubai Civil Aviation Authority;
  - (b) Film Dubai & TV Commission;
  - (c) Free Zone Operations; and
  - (d) OHSE.

#### 90. FIREARMS

90.1. Firearms, ammunition, and explosives will not be allowed in the Free Zone unless authorised by OHSE and the relevant Regulatory Authorities. Any violation will attract a fine as specified in the Violation Code and will be notified to the relevant Regulatory Authority for further action.

# PART 10 - RESTRICTIONS AND INSPECTION

#### 91. GENERAL RESTRICTION

- 91.1. Manufacturing, trading or marketing of contraband items is strictly forbidden. The following goods are forbidden from entry into the Free Zone unless expressly authorised by the relevant Regulatory Authority:
  - (a) flammable goods;
  - (b) radioactive materials;
  - (c) arms, ammunition and explosives;
  - (d) goods infringing the laws of protecting commercial and industrial property;
  - (e) illicit drugs or similar substances; and
  - (f) goods prohibited from entering the Free Zone or the UAE.

## 92. INSPECTION OF PREMISES

- 92.1. The relevant Free Zone Departments may conduct inspections or enter the Premises of an Entity with or without notice for any reason, including but not limited to:
  - (a) ensuring compliance with these Rules, Policies, UAE Law or other requirements of the Free Zone;
  - (b) ensuring compliance with the requirements of applicable laws and international treaties the UAE is party to, including international policies pertaining to anti-money laundering and combating the financing of terrorism;
  - (c) inspecting any work that, in the opinion of OHSE, is subject to the provisions of HSE requirements;
  - (d) ensuring that there are no damages to the walls warehouse, interior or exterior of the Premises;
  - (e) in case an Employee is found to be working on the Premises of an Entity that is not the Employee's employer and for ensuring compliance with general employment matters;
  - (f) ensuring compliance with the Lease and License terms and conditions;
  - (g) ensuring compliance with safety measures;

- (h) preventing illegal stays of employees or unauthorised persons in accommodations;
- (i) sub-lease of the Premises to third parties without approval; and
- (j) ensuring waste materials are not kept in common areas, corridors between offices and other Premises, open areas, unused land, or public areas.

### 93. OPERATIONS/MATERIALS/EQUIPMENT INSPECTION

- 93.1. The material and equipment of an Entity shall be used, maintained and stored in a responsible and safe manner considering the safety of Persons and the Free Zone. An Entity shall be particularly mindful of stored materials or waste materials being in common or public areas or behind warehouse Premises, in corridors between offices and other Premises, in open areas or on unused land. To ensure compliance with these Rules and Policies, the Premises will be thoroughly inspected by relevant Free Zone Departments, and in case of non-compliance may result in a warning, financial penalty, or any other penalty as may be determined or specified in the Violations Code. These shall include but are not limited to the following:
  - (a) minor waste or any kind of goods kept outside/inside warehouse/restaurants/shops for more than one (1) day;
  - (b) inappropriate storage and waste disposal practices; bulk waste or illegal open storage at an Entity's Premises;
  - (c) trading or storage, of Restricted Good, Prohibited Goods and Dangerous Goods unless permitted;
  - (d) unkempt Premises;
  - (e) discharge of any offensive substance;
  - (f) cooking in non-designated areas;
  - (g) waste of pallets, waste, wood cuttings, plastics, boxes, or any kind of goods at an Entity's Premises: or
  - (h) unrepaired damages to walls warehouse, interior or exterior of a Premises.
- 93.2. Only the relevant Free Zone Departments (and relevant Regulatory Authorities) are authorised to carry out inspections. Inspection by any other Persons or organisation not authorised by the Free Zone is strictly prohibited. An Entity that is approached by any other party for inspection or information should notify the Free Zone immediately.
- 93.3. An Entity, or its representative, shall provide the relevant Free Zone Departments (or Regulatory Authority) with the necessary facilities for entry, inspection, examination, and testing. An Entity that restricts or hinders the entrance or inspection shall be liable to a fine as specified in the Violations Code.

#### 94. AREAS OF FREE ZONE INSPECTION

- 94.1. All measures shall be taken by the Entities to conduct their operations in compliance with these Rules and Policies. The relevant Free Zone Departments may directly or through an authorised person or body carry out inspection in any area of the Free Zone, including but not limited to:
  - (a) Premises (including warehouses, plots, buildings, offices or any facility) of an Entity;
  - (b) food court, shops and restaurants;
  - (c) on-site accommodation;
  - (d) roads; and
  - (e) general landscape.
- 94.2. The relevant Free Zone Department may impose penalties or sanctions for any non-compliance with the above restrictions or for restricting an inspector from entering the Premises for hindering the inspector's tasks.

## PART 11 – TERMINATION

#### 95. SUSPENSION OF LICENSE

95.1. An Entity found to be in violation of these Rules and Policies may be subject to suspension of License for a period. The length of the suspension will depend on the nature and severity of the violation as determined appropriate by the Registration and Licensing Department.

#### 96. TERMINATION OF LICENSE

- 96.1. In the event of the termination, discontinuance or invalidity License, an Entity shall by or before the date of such termination, ensure the performance of the following to the extent applicable to their Entity:
  - (a) settle all outstanding operational issues, including financial, by or before the date of termination;
  - (b) undertake the necessary License cancellation process with the Registration and Licensing Department;
  - (c) cancel the sponsorship of Employees and surrender any permit or access passes obtained;
  - (d) ensure the Premises are fully vacated, i.e., furnishings and equipment are removed, the Premises are restored to their original condition, and key or access cards returned (where keys or physical cards are issued);
  - (e) dispose of waste in accordance with these Rules or DC Guidelines, for which NOC from the Development Control Department and OHSE should be obtained;
  - (f) ensure reconciliation of Masary portal inventory and its closing. All inventory to be moved out of Free Zone before cancellation of License; and
  - (g) obtain NOC from all the relevant Free Zone Departments.

## PART 12 - VIOLATION OF RULES

#### 97. GENERAL

- 97.1. A Person found to be in violation of these Rules, Policies or UAE Law and fails to correct the breach within the specified period shall be subject to fines as per the Violations Code as well as any other legal action that the relevant Regulatory Authority may determine.
- 97.2. Where the relevant Free Zone Department, in its absolute discretion, considers that there has been a breach of these Rules, it may impose all or any of the following sanctions based on the severity of the breach or violation:
  - (a) issue a warning and require remedy to the breach or cause the breach to be remedied;
  - (b) impose a fine in relation to the breach; and/or
  - (c) revoke the License, in case of failure to remedy a breach or pay the fine.
- 97.3. In the event a violation is repeated one (1) or more times in a period of twelve (12) consecutive months, the following will apply:
  - (a) First violation formal warning letter.
  - (b) Second violation issue of fine as per the Violations Code.
  - (c) Third violation doubling of fine as per the Violations Code.
  - (d) Fourth violation potential cancellation of License.
- 97.4. The relevant Free Zone Department will notify the Person in writing of the violation and may specify a period within which it must remedy the breach, if possible, to avoid or reduce the sanction or avoid the penalty imposed.

- 97.5. Persons that have committed a violation deemed as "serious" by the relevant Free Zone Department will be automatically subject to a fine as specified in the Violations Code. Where an offence is not explicitly covered in the Violations Code, the relevant Free Zone Department may levy a fine or penalty that reflects the seriousness of the breach and the harm, loss, damage or inconvenience it caused. The payment of any fine or penalty shall be in addition to and not in substitution of any civil and/or criminal penalties that may apply.
- 97.6. All fines or penalties imposed upon a Person in accordance with these Rules, if unpaid after a period of ninety (90) days from the date of notice, may be set off from any money owed by the relevant Free Zone Department to the Entity, or added to the renewal fees or recovered from the Entity as a debt.
- 97.7. Sanctions and /or fines may be issued against any Persons who cause nuisance, disturbance, or disruption within the Free Zone. The Free Zone Operations reserves the right to issue fines and sanctions for any behaviour or activity following reasonable warning, even if such behaviour or activity is not specifically prohibited under any published Policies.
- 97.8. The Free Zone Operations reserves the right to ban the entry or exit of the staff and/or goods of Entities who fail to remedy violations of these Rules.
- 97.9. Any delay in imposition of fines or failure to enforce these Rules shall not operate as a waiver in respect of any breach of these Rules.
- 97.10. Nothing contained in these Rules shall prevent the relevant Free Zone from taking action through competent courts to enforce these Rules or any part thereof against any Person.

## 98. ACTIVTIY VIOLATION

- 98.1. An Entity carrying out activities other than those appearing on its License without the approval of the Registration and Licensing Department shall be subject to a fine as set out in the Violations Code.
- 98.2. The Registration and Licensing Department reserves the right to take stringent measures, including termination of License, fine and closure of the operations of an Entity, in case unauthorised activities are of a serious nature resulting in violation of these Rules, Policies or any UAE Laws.

#### 99. CONSTRUCTION VIOLATION

- 99.1. An Entity shall be liable to penalties as set out in the Violations Code in the event of any of the following violations:
  - (a) contravention of DC Guidelines and Tenant Fit-Out Manual;
  - (b) commencement of any construction without prior approval for a project;
  - (c) commencement of operation without securing an OFC;
  - (d) operating without a valid renewed OFC;
  - (e) commencement of operations of additional/amended activities;
  - (f) commencement of operations from additionally installed machinery/ equipment without obtaining an OFC;
  - (g) sub-leased Premises or obtained an additional License, operating without an OFC; or
  - (h) barring inspection of Premises or hindering inspection in any way.

## 100. INCIDENT REPORTING VIOLATION

100.1. Failure of any Person to report an Incident as prescribed under Section 47 or maintain records of such Incident, including a minor one, shall be subject to a fine as stipulated in the Violations Code.

#### 101. UNAUTHORISED ENTRY VIOLATION

101.1. A Person shall not assist or facilitate the entry of any person into the Free Zone without the proper authorisation (such as an access pass, license, or permit). Any person who enters the Free Zone without appropriate authorisation shall be detained and reported to the Dubai Police. The Free Zone Operations may issue a written warning to such Person for the first violation of this rule and may impose further fines for subsequent or repeated violations as set out in the Violations Code.

#### 102. HSE VIOLATION

## 102.1. Minor HSE Violations

Minor HSE violations are violations of HSE rules and regulations which do not necessarily cause or lead to physical injury or damage to property such as (without limitation):

- (a) unavailability of a first aid kit;
- (b) working without appropriate personal protective equipment;
- (c) failure to renew maintenance contracts for fire alarm and firefighting systems, pest control services or similar HSE services for compliance with OHSE requirements or UAE Laws;
- (d) causing noise pollution;
- (e) unsafe storage of goods and materials; or
- (f) failure to maintain cleanliness.
- 102.2. The escalation provisions set out in Section 97.3 will apply to all minor HSE violations.

## 102.3. Major HSE Violations

Serious HSE violations are any violation of HSE rules and regulations which causes or contributes to (without limitation):

- (a) loss or destruction of damage;
- (b) negligence leading to death or serious injury;
- (c) discharge of untreated, industrial waste or hazardous materials without prior approval;
- (d) mishandling, abandonment or unsafe storage of hazardous goods or materials;
- (e) carrying on any construction, operating equipment, machinery, or conducting activity without prior approval; and
- (f) violations in respect of Restricted Goods, Prohibited Goods or Dangerous Goods.

102.4. All major HSE violations are automatically subject to a fine as specified in the Violations Code and/or suspension of License. The escalation provisions set out in Section 97.3 shall not apply to major HSE violations.