

About the Dubai Creative Clusters Private Companies Regulations 2016

The DCC Private Companies Regulations 2016 came in to force on 1 February, 2017.

The [Dubai Creative Clusters Private Companies Regulations](#) (the **DCC Private Companies Regulations 2016**) replaced the *Dubai Technology and Media Free Zone Private Companies Regulations*, issued on 9 April 2003, and its amendments (the **Repealed Regulations**) in addition to other Decision No. 3 of 2004, Decision No. 1 of 2005 and Decision No. 2 of 2010, which were largely incorporated in the DCC Private Companies Regulations 2016.

All companies incorporated under and branches to which the Repealed Regulations apply shall adjust their position and come into compliance with the DCC Private Companies Regulations before 31st December, 2018.

Based on international best practices and using straightforward language, the DCC Private Companies Regulations 2016 is drafted to be commercially savvy, addressing market needs and offering an enhanced governance regime to enable businesses to operate efficiently, while remaining in line with Dubai Creative Clusters Authority's core values.

Key features of the DCC Private Companies Regulations 2016 include:

- A new Register of Security that sets out a transparent and complete share pledge process, including registration, perfection and release
- A new standard Articles of Association (AOA) form that combines the previous Memorandum of Association and Articles of Association in one document
- Provision of flexibility in case of dispute, enabling parties to agree on court jurisdiction, including Dubai Courts, DIFC, or any other competent forum as agreed by the relevant parties (and subject to the rules and procedures of the forum)
- The allowance for new forms of companies to be prescribed by the DCCA according to the needs of the market, thus enabling 'rapid response' regulation in line with the fast pace of today's ever-evolving economic landscape

In addition to the introduction of new provisions, the DCC Private Companies Regulations 2016 provides enhancements to provisions featured in the Repealed Regulations, including:

- Increased flexibility for foreign companies to operate in the zone without the need to open a branch office or set up a new company in accordance with the rules issued in 2010 concerning continuation of incorporation which have been further amended and consolidated under the DCC Private Companies Regulations 2016
- The process and requirements for companies to, for example, reduce the share capital and issue different classes of shares have been clarified

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