

**Decree No. 57 for 2009  
Establishing a Tribunal to decide  
the Disputes Related to the Settlement of the Financial Position of  
Dubai World and its Subsidiaries**

**We, Mohammed Bin Rashid Al Maktoum, Ruler of Dubai**

**After perusal of:**

Federal Law No. (8) of 1984, Concerning Commercial Companies and its Amendments;  
Federal Law No. (18) of 1993 Concerning Commercial Transactions and its Amendments;  
Law No. (3) of 1992 Concerning the Formation of Courts in the Emirate of Dubai and its Amendments;  
Law No. (9) of 2004 Concerning the Establishment of Dubai International Financial Centre;  
Law No. (12) of 2004 Concerning the Establishment of the Judicial Authority at the Dubai International Financial Centre;  
Dubai International Financial Centre Law No. (10) of 2004 Concerning the Law of the Court of Dubai International Financial Centre;  
Law No. (3) of 2006 Establishing Dubai World;  
Dubai International Financial Centre Law No. (3) of 2009 Concerning the Law of Insolvency;  
Federal Decree No. (35) of 2004 Concerning the Establishment of a Free Financial Zone in the Emirate of Dubai.

**Do hereby decree as follows:**

**Article (1)**

The following words and expressions wherever used in this Decree shall have the meaning indicated opposite each of them, unless the context otherwise implies:

Emirate:	The Emirate of Dubai.
Ruler:	His Highness the Ruler of Dubai.
Government:	The Government of Dubai.
Tribunal:	The Tribunal formed by virtue of this Decree.
DIFC:	Dubai International Financial Center.
Corporation:	Dubai World and/or its Subsidiaries.
Courts:	The competent courts in the Emirate, including the DIFC Courts.

### **Article (2)**

There shall be established in the Emirate a Tribunal composed of:

- |                       |          |
|-----------------------|----------|
| 1- Sir. Anthony Evans | Chairman |
| 2- Michael Hwang      | Member   |
| 3- Sir. John Chadwick | Member   |

The Chairman may recommend to the Ruler further persons for appointment by the Ruler to the Tribunal. The Tribunal shall not comprise more than 5 members.

### **Article (3)**

The Tribunal has jurisdiction to:

- 1- Hear and decide any demand or claim submitted against:
  - a- The Corporation, including hearing and deciding any demand to dissolve or liquidate the Corporation; and
  - b- Any person related to the settlement of the financial obligations of the Corporation, including the Chairman and members of the Board of Directors, as well as all the employees and workers of the Corporation.
- 2- Issue the interim and interlocutory orders and decisions, including injunctions to any person to act or not to act, or other order as the Tribunal considers appropriate.

The Tribunal may, as it considers appropriate, assign or appoint as experts persons having expertise and competence in the matters submitted to it.

### **Article (4)**

Subject to the provisions of this Decree, the Tribunal shall decide the demands and claims submitted to it by virtue of:

- 1- DIFC Law No (3) of 2009 Concerning the law of Insolvency, according to the amendments stated in the Schedule hereto;
- 2- The Regulations Issued by the Board of Directors of the DIFCA Concerning DIFC Insolvency Regulation, according to the amendments stated in the Schedule hereto;
- 3- DIFC Law No (10) of 2004 Concerning the Court of DIFC, according to the amendments stated in the Schedule hereto;
- 4- Legislation in force in the Emirate;
- 5- Commercial custom; and
- 6- Principles of justice, and rules of righteousness and equity.

### **Article (5)**

- 1- The Tribunal shall have its seat and hold its hearings in the DIFC .
- 2- All proceedings before the Tribunal shall be open to the public unless the Tribunal decides otherwise for considerations relating to the conduct of justice or to protect confidentiality of information.
- 3- The Tribunal shall issue its decisions and orders (i) by the unanimous or majority votes of its members, and (ii) in the name of the Ruler.

- 4- The decisions and orders of the Tribunal shall be final, irrevocable and not subject to any appeal or review.
- 5- The Registrar of the Court of the DIFC shall act as the registrar for the Tribunal.

**Article (6)**

The decisions and orders issued in the Emirate by the Tribunal shall be executed by a competent execution judge. The execution judge shall not take any action that may hinder the execution of the decision or order issued by the Tribunal.

**Article (7)**

No member of the Tribunal, nor any employee or agent of the Tribunal, shall be held liable for anything done or omitted to be done in the performance or purported performance of the functions or in the exercise or purported exercise of any powers under this Decree. This Article does not apply if the act or omission is found by the Courts to have been in bad faith.

**Article (8)**

- 1- The Government and the DIFC shall provide the necessary administrative and financial support to the Tribunal for it to discharge its duties under this Decree.
- 2- The Chairman of the Tribunal or the Tribunal member, to whom he delegates such responsibility, shall undertake the task of supervising all the administrative and financial affairs relating to the work of the Tribunal.

**Article (9)**

The Courts shall not hear or decide any demand, claim or other matter which is within the jurisdiction of the Tribunal by virtue of this Decree.

**Article (10)**

This Decree shall come into force from the date of its issuing and shall be published in the Official Gazette.

**Mohammed Bin Rashid Al Maktoum  
Ruler of Dubai**

**Schedule: The Law Related to the Settlement of the Financial Position of Dubai World  
and its Subsidiaries**

In this Schedule, the following words and phrases shall have the meanings respectively assigned to them hereunder, unless otherwise indicated by the context:

“**Claims Bar Date**” has the meaning given to it in Article 23 of Section 2 of this Schedule;

“**Committee**” has the meaning given to it in Article 24 of Section 2 of this Schedule;

“**Corporation**” has the meaning given to it in the Decree;

“**Decree**” means Decree No. 57 of 2009 Establishing a Tribunal to decide the Disputes Related to the Settlement of the Financial Position of Dubai World and its Subsidiaries;

“**DIFC Court Law**” means Dubai International Financial Centre Law No. (10) of 2004 Concerning the Law of the Court of the Dubai International Financial Centre;

“**DIFC Insolvency Law**” means Dubai International Financial Centre Law No. (3) of 2009 Concerning the Law of Insolvency;

“**DIFC Insolvency Regulations**” means the regulations issued by the Board of the Directors concerning DIFC Insolvency Regulation;

“**Directions Hearing**” has the meaning given to it in Article 12 of Section 2 of this Schedule;

“**Exclusive Periods**” means the Initial Exclusive Period and any Extended Exclusive Period;

“**Experts**” has the meaning given to it in Article 24 of Section 2 of this Schedule;

“**Extended Exclusive Period**” has the meaning given to it in Article 9 of Section 2 of this Schedule;

“**Initial Exclusive Period**” has the meaning given to it in Article 9 of Section 2 of this Schedule;

“**Nominee**” has the meaning given to it in Article 10 of Section 1 of this Schedule;

“**Notification Date**” has the meaning given to it in Article 8 of Section 1 of this Schedule;

“**Post Arrangement Hearing**” has the meaning given to it in Article 15 of Section 2 of this Schedule;

“**Tribunal**” has the meaning given to it in the Decree; and

“**Voluntary Arrangement Notification**” has the meaning given to it in Article 8 of Section 1 of this Schedule.

### **Section 1. Application of the DIFC Insolvency Law to the Corporation**

*Article 1.* The DIFC Insolvency Law shall apply to each Corporation as if it were a “Company” as that expression is used in the DIFC Insolvency Law, subject to the amendments and modifications set out in this Section 1 of this Schedule. For the avoidance of any doubt, Dubai World, a corporation established pursuant to Law No. 3 for the Year 2006 Establishing Dubai World, and/or any indirect and direct subsidiary of Dubai World shall be taken to be a “Corporation”.

*Article 2.* References in the DIFC Insolvency Law to the “Court” and the “Registrar” shall be taken to be references to the “Tribunal” and the “registrar of the Tribunal” respectively, *mutatis mutandis*.

*Article 3.* References in the DIFC Insolvency Law to the “Law” and the “Regulations” shall be taken to be references to the DIFC Insolvency Law and the DIFC Insolvency Regulations respectively, as modified and amended by this Schedule.

*Article 4.* To the extent that there is any inconsistency between this Schedule and the DIFC Insolvency Law, this Schedule shall prevail.

*Article 5.* The numbering and the sub-headings below correspond to the numbering and the sub-headings as they appear in the DIFC Insolvency Law.

## **PART 1: GENERAL**

*Article 6.* Part 1 of the DIFC Insolvency Law shall not apply to the Corporation except for Article 6.

## **PART 2: COMPANY VOLUNTARY ARRANGEMENTS**

*Article 7.* The following Articles of Part 2 of the DIFC Insolvency Law shall not apply to the Corporation: (a) Article 8(3); (b) Article 9(2); (c) Article 10(1); (d) Article 10(3); (e) Article 11(2); (f) Article 12(3)(b); (g) Article 12(4); (h) Article 13(3); and (i) Article 13(6).

*Article 8.* Where the board of the Corporation notify the Tribunal in writing (the date of such notification, the “**Notification Date**”) together with such other documents as may be prescribed by the registrar of the Tribunal that they intend to make a proposal to the Corporation’s creditors for a voluntary arrangement (a “**Voluntary Arrangement Notification**”), the Tribunal shall convene and an automatic moratorium shall immediately apply to all creditors, secured or unsecured and without their consent, in respect of such Corporation and its assets wherever located from the time of the Voluntary Arrangement Notification until the conclusion of proceedings or such earlier time as ordered by the Tribunal for cause. The moratorium shall have effect as specified in the DIFC Insolvency Regulations (as modified by this Schedule) and shall also preclude a creditor of such Corporation from exercising any right of set-off in respect of any obligation due from such Corporation.

*Article 9.* (a) Upon application of the Corporation, and upon no less than 20 days notice and a hearing at which creditors and equity interest holders shall be entitled to participate, the Tribunal shall be authorised to apply a moratorium to any Corporation, affiliate of a Corporation or other entity on such terms and conditions as the Tribunal finds to be equitable in the circumstances upon finding the following:

- (1) there is a likelihood of successful reorganisation of the Corporation;
- (2) there is an imminent irreparable harm to the Corporation in the absence of a moratorium;
- (3) the balance of harms tips in favor of the moving party; and
- (4) the public interest weighs in favor of a moratorium.

(b) Upon application of the Corporation, on shortened notice or on an *ex parte* basis, the Tribunal shall be authorised to apply a moratorium to any Corporation, affiliate of a Corporation or other entity on such terms and conditions as the Tribunal finds to be equitable in the circumstances until such time as notice and a hearing may be conducted

pursuant to Article 9(a) of Section 1 of this Schedule upon a finding that the standards set forth in Article 9(a)(2) of this Schedule are satisfied.

(c) Upon application by the Corporation, the Tribunal may grant a temporary restraining order giving effect to a moratorium which may be sought by the Corporation under this Article 9 pending the outcome of any hearing requested by the Corporation under this Article 9.

*Article 10.* The board of the Corporation shall appoint one or more nominee(s) (“**Nominee**”) immediately prior to the Voluntary Arrangement Notification and the name and qualification of each Nominee must be set out in the Voluntary Arrangement Notification. Where more than one Nominee is appointed, each Nominee may exercise its functions independently. The Nominee will have the authority to perform such functions as are given to him under this Schedule and otherwise as the Tribunal may from time to time order on application by the Corporation with the consent of the Nominee.

*Article 11.* Each Nominee must be found by the Tribunal to be a leading restructuring practitioner.

*Article 12.* If requested by the Corporation after a Voluntary Arrangement Notification, as soon as reasonably practicable following the Notification Date, the Tribunal shall issue to the Corporation, the Nominee or a representative selected by the Corporation and approved by the Tribunal a certificate affirming the existence of proceedings before the Tribunal under this Schedule and the appointment by the Corporation of the Nominee or another person or body selected by the Corporation as the representative of the Corporation and its assets, and the proceedings initiated in respect of the Corporation pursuant to this Decree, in foreign jurisdictions. In addition, in the event that insolvency proceedings are opened with respect to the Corporation in foreign jurisdictions, if requested by the Corporation after a Voluntary Arrangement Notification, the Tribunal may authorise the implementation of protocols to coordinate insolvency proceedings in respect of the Corporation before the Tribunal and before the courts of foreign jurisdictions and may provide such other relief in connection with insolvency proceedings in respect of the Corporation as the Tribunal deems appropriate.

*Article 13.* If the Post Arrangement Hearing does not sanction the voluntary arrangements in accordance with Article 15 of Section 2 of this Schedule following a vote of creditors and equity interest holders on such voluntary arrangements, the Tribunal shall immediately proceed to take steps to wind up the Corporation in accordance with Chapter 5 of Part 4 of the

DIFC Insolvency Law unless the Tribunal finds that it is in the interests of the Corporation and its creditors for the Tribunal to decline to initiate the winding up of the Corporation.

*Article 14.* Any voluntary arrangement sanctioned by the Tribunal under Article 15 of Section 2 of this Schedule shall bind all parties in interest, including without limitation all holders of claims or equity interests in the Corporation, any other party ordered by the Tribunal and every person who in accordance with this Schedule: (a) was entitled to vote at that meeting (whether or not he was present or represented at it); or (b) would have been so entitled if he had notice of it, as if he were a party to the voluntary arrangement.

*Article 15.* The Corporation is authorised to continue managing its affairs notwithstanding the commencement of a voluntary arrangement proceeding pursuant to this Schedule.

### **PART 3: RECEIVERSHIP**

*Article 16.* Part 3 of the DIFC Insolvency Law shall not apply to the Corporation.

### **PART 4: WINDING UP**

#### **CHAPTER 1 - GENERAL**

*Article 17.* The following Articles of Chapter 1 of Part 4 of the DIFC Insolvency Law shall not apply to the Corporation: (a) Article 23; (b) Article 24; and (c) Articles 25(2) and 25(3).

*Article 18.* Except for the mode of winding up set out in Article 13 of Section 1 of this Schedule, the Corporation shall not be wound up.

#### **CHAPTER 2 - VOLUNTARY WINDING UP**

*Article 19.* Chapter 2 of Part 4 of the DIFC Insolvency Law shall not apply to the Corporation.

#### **CHAPTER 3 - CREDITORS VOLUNTARY WINDING UP**

*Article 20.* Chapter 3 of Part 4 of the DIFC Insolvency Law shall not apply to the Corporation.



## **CHAPTER 4 - PROVISIONS APPLYING TO BOTH KINDS OF VOLUNTARY WINDING UP**

*Article 21.* Chapter 4 of Part 4 of the DIFC Insolvency Law shall not apply to the Corporation other than as ordered by the Tribunal on a winding up of the Corporation under Article 13 of Section 1 of this Schedule.

## **CHAPTER 5 - COMPULSORY WINDING UP**

*Article 22.* The following Articles of Chapter 5 of Part 4 of the DIFC Insolvency Law shall not apply to the Corporation: (a) Articles 50 to 53 (inclusive); (b) Article 57; (c) Article 66; and (d) Article 67(2).

*Article 23.* The Tribunal may only wind up the Corporation if the Tribunal does not sanction the voluntary arrangements in accordance with Article 15 of Section 2 of this Schedule following a vote of the creditors on such voluntary arrangements and the Tribunal finds that it is in the interests of the Corporation and its creditors for the Tribunal to do so.

## **PART 5: PROTECTION OF ASSETS IN LIQUIDATION**

*Article 24.* The following Articles of Part 5 of the DIFC Insolvency Law shall not apply to the Corporation: (a) Article 79; and (b) Article 81.

*Article 25.* The reference to “administrative receiver” in Articles 80 and 88(1) shall be deleted.

## **PART 6: RECOGNISED AND FOREIGN COMPANIES**

*Article 26.* Part 6 of the DIFC Insolvency Law shall not apply to the Corporation.

## **PART 7: OTHER TYPES OF COMPANY**

*Article 27.* Part 7 of the DIFC Insolvency Law shall not apply to the Corporation.

## **PART 8: APPLICATION OF THE LAW TO LIMITED PARTNERSHIPS**

*Article 28.* Part 8 of the DIFC Insolvency Law shall not apply to the Corporation.

## **PART 9: INSOLVENCY PRACTITIONERS**

*Article 29.* The following Articles of Part 9 of the DIFC Insolvency Law shall not apply to the Corporation: (a) Articles 89(2), (3), (4) and (5); and (b) Article 91(c).

## **PART 10: MISCELLANEOUS**

*Article 30.* The following Articles of Part 10 of the DIFC Insolvency Law shall not apply to the Corporation: (a) Article 93; (b) Article 101; and (c) Article 103.

## **SCHEDULE 1: INTERPRETATION**

*Article 31.* The following Articles of Schedule 1 of the DIFC Insolvency Law shall not apply: (a) Article 2; and (b) Article 4(1).

*Article 32.* The defined terms set out in Article 3 of Schedule 1 of the DIFC Insolvency Law shall apply where required, provided that, to the extent that there is any inconsistency between terms defined in this Schedule and terms defined in Article 3 of Schedule 1 of the DIFC Insolvency Law, this Schedule shall prevail.

## **SCHEDULE 2: POWERS OF ADMINISTRATIVE RECEIVER**

*Article 33.* Schedule 2 of the DIFC Insolvency Law shall not apply to the Corporation.

### **Section 2. Application of the DIFC Insolvency Regulations to the Corporation**

*Article 1.* The DIFC Insolvency Regulations shall apply to each Corporation as if it were a “Company” as that expression is used in the DIFC Insolvency Regulations, subject to the amendments and modifications set out in this Section 2 of this Schedule. For the avoidance of any doubt, Dubai World, a corporation established pursuant to Law No. 3 for the Year 2006 Establishing Dubai World, and/or any indirect and direct subsidiary of Dubai World shall be taken to be a “Corporation”.

*Article 2.* References in DIFC Insolvency Regulations to the “Court” and the “Registrar” shall be taken to be references to the “Tribunal” and the “registrar of the Tribunal” respectively, *mutatis mutandis*.

*Article 3.* References in the DIFC Insolvency Regulations to the “Law” and the “Regulations” shall be taken to be references to the DIFC Insolvency Law and the DIFC Insolvency Regulations respectively, as modified and amended by this Schedule.

*Article 4.* To the extent that there is any inconsistency between this Schedule and the DIFC Insolvency Regulations, this Schedule shall prevail.

*Article 5.* The numbering and the sub-headings below correspond to the numbering and the sub-headings as they appear in the DIFC Insolvency Regulations.

## **PART 1: INTRODUCTION**

*Article 6.* The following Regulations of the DIFC Insolvency Regulations shall not apply to the Corporation: (a) Regulation 1.4; and (b) Regulation 1.5.2.

## **PART 2: VOLUNTARY ARRANGEMENTS**

*Article 7.* The following Regulations of the DIFC Insolvency Regulations shall not apply to the Corporation: (a) Regulation 2.1.2; (b) Regulation 2.5; and (c) Regulation 2.7.2.

*Article 8.* The board of a Corporation may propose to initiate a voluntary arrangement under Article 8 of the DIFC Insolvency Law by submitting a Voluntary Arrangement Notification.

*Article 9.* During the first 120 days following the Notification Date (the “**Initial Exclusive Period**”), the Corporation shall have the exclusive right to propose a voluntary arrangement. If prior to the end of the Initial Exclusive Period, the Corporation has proposed a voluntary arrangement for approval by its creditors, the Initial Exclusive Period shall be extended by an additional 180 days from the end of the Initial Exclusive Period (the “**Extended Exclusive Period**”).

*Article 10.* If prior to the expiration of the Initial Exclusive Period or any Extended Exclusive Period, the Corporation requests the Tribunal to extend the Initial Exclusive Period or the Extended Exclusive Period, the Tribunal shall consider such request upon no less than 20 days notice to creditors of the Corporation at an open hearing at which creditors and equity interest holders of the Corporation shall be given an opportunity to attend and be heard. Following such a hearing, the Tribunal may extend the Initial Exclusive Period or the

Extended Exclusive Period (on one or more occasions) by a reasonable period, which extension shall not exceed 90 days (in respect of each extension).

*Article 11.* Prior to the expiration of the Initial Exclusive Period or any Extended Exclusive Period, the Tribunal may terminate such exclusive period on request of a creditor of the Corporation and upon notice and hearing for cause shown, including bad faith.

*Article 12.* When the Corporation, or any creditors or equity interest holders after the termination of the Exclusive Periods, have a voluntary arrangement proposal that they are satisfied is ready to be proposed to creditors and equity interest holders, the Corporation or such creditors or equity interest holders shall propose to the Tribunal notice and voting procedures, which shall separately classify secured creditors, unsecured creditors and equity interest holders for the purposes of voting, for a meeting of creditors and equity interest holders to vote on the voluntary arrangement proposal. In connection with any such proposal, the Nominee shall file with the Tribunal a statement from the Nominee concerning whether, in his opinion, (a) the proposed voluntary arrangement has a reasonable prospect of being approved and implemented, (b) the Corporation is likely to have sufficient funds available to it during the moratorium to enable it to carry on its businesses and (c) meetings of the Corporation and its creditors and equity interest holders should be summoned to consider the proposed voluntary arrangement. The Tribunal shall hold a hearing at which creditors and equity interest holders shall be entitled to be heard upon no less than 20 days notice to consider approval of the Corporation or such creditors' proposed notice and voting procedures (the "**Directions Hearing**"). At the Directions Hearing, the Tribunal may order that the proposed notice and voting procedures are approved or rejected, or that the proposed notice and voting procedures are approved as modified by the Tribunal.

*Article 13.* Prior to the occurrence of any meeting for creditors and equity interest holders of the Corporation to vote upon any arrangement, creditors and equity interest holders of the Corporation shall be provided with reasonable notice of the occurrence of such meeting in a manner approved by the Tribunal following no less than 20 days notice to creditors and equity interest holders of the Corporation and a hearing. Any notice of a meeting of creditors and equity interest holders of the Corporation to vote upon any arrangement shall be sent in writing to all creditors and equity interest holders and shall include a copy of the arrangement to be voted upon by creditors and equity interest holders of the Corporation.

*Article 14.* (a) If at least two-thirds in value (of claims agreed to by the Corporation or otherwise allowed by the Tribunal) of any class of creditors or equity interest holders,

present and voting either in person or by proxy at the meeting, or voting through such other procedure as is approved by the Tribunal, agree to any arrangement, the arrangement, if sanctioned by the Tribunal, shall be binding on all persons within such class that have or could have a claim against or interest in the Corporation before the date the Tribunal sanctions the voluntary arrangement.

(b) Notwithstanding any other provision of this Schedule, a class of creditors or equity interest holders that is not impaired under any voluntary arrangement, and each holder of a claim or interest of such class, are conclusively deemed to have accepted the voluntary arrangement, and solicitation of votes from such class is not required. A class of creditors or equity interest holders, and each holder of a claim or interest of such class, shall be unimpaired if the voluntary arrangement:

(1) leaves unaltered the legal, equitable and contractual rights to which such claim or interest entitles the holders of such claim or interest; or

(2) provides for payment in full of such claims or interests, including without limitation by payment in cash, transfer of property, including without limitation a financial instrument, of equal value of such claims or interests on the effective date of the voluntary arrangement, or otherwise any transfer that entitles the holder to realise the indubitable equivalent of such claims or interests;

(3) notwithstanding any contractual provision or applicable law that entitles the holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default:

(A) cures any such default that occurred before or after the commencement of the proceeding under this Schedule, other than a default of a kind specified in Article 19 of Section 2 of this Schedule or of a kind that Article 19 of Section 2 of this Schedule expressly does not require to be cured or a default of a kind that does not result in actual pecuniary loss;

(B) reinstates the maturity of such claim or interest or profit as such maturity existed before such default;

(C) compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law;

(D) if such claim or such interest arises from any failure to perform a nonmonetary obligation, compensates the holder of such claim or such interest (other than the debtor or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and

(E) subject to subparagraphs (A) through (D) of this

subsection, does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

(c) Notwithstanding any other provision of this Schedule, a class is deemed not to have accepted a voluntary arrangement if such arrangement provides that the claims or interests of such class do not entitle the holders of such claims or interests to receive or retain any property under the plan on account of such claims or interests.

*Article 15.* Upon no less than 20 days notice to creditors and equity interest holders of the Corporation and an open hearing at which creditors and equity interest holders may be heard (the “**Post Arrangement Hearing**”), the Tribunal shall sanction the voluntary arrangement approved by the required majority of each class of creditors or equity interest holders under Article 14 of Section 2 of this Schedule upon a finding by the Tribunal that:

- (a) the voluntary arrangement proposal complies with this Schedule;
- (b) the voluntary arrangement has been proposed in good faith;
- (c) the arrangement is not unfairly prejudicial to each class of creditors and equity interest holders, and the Corporation’s general body of creditors, taken as a whole;
- (d) either (1) all classes of creditors and equity interest holders have voted to accept or are deemed to accept the voluntary arrangement, or (2) if a class of claims or interests is impaired under the voluntary arrangement, at least one impaired class of creditors has voted to accept the voluntary arrangement;
- (e) there has been no material violation of the notice and voting procedures approved by the Tribunal at the Directions Hearing in relation to the relevant meeting;
- (f) any class of creditors or equity interest holders voting against the voluntary arrangement or deemed to vote against the voluntary arrangement has received at least as much value as such class would have received in a winding up of the Corporation pursuant to this Schedule; and
- (g) with respect to any class of unsecured claims, either (1) the voluntary arrangement provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the voluntary arrangement, equal to the allowed amount of such claim, (2) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the voluntary arrangement on account of such junior claim or interest any property or (3) such class has voted to accept the voluntary arrangement.

*Article 16.* If following the vote of each class of creditors and equity interest holders on a voluntary arrangement under Article 14 of Section 2 of this Schedule, any member of a class considers that:

- (a) the arrangement is unfairly prejudicial to it; or
- (b) that the voluntary arrangement was not proposed in good faith; or
- (c) that there has been material violation of the notice and voting procedures

approved by the Tribunal at the Directions Hearing, then the creditor or equity interest holder may make a written application to the Tribunal of its objection to the arrangement until the date that is 10 days prior to the Post Arrangement Hearing. In the event of any such objection, any responses shall be filed at least five days prior to the Post Arrangement Hearing, and the Tribunal shall consider such objection, and any responses, and order such relief as it deems just and appropriate at the Post Arrangement Hearing.

*Article 17.* Upon 20 days notice (or such shorter period as may be permitted by the Tribunal) and a hearing before the Tribunal at which creditors and equity interest holders may be heard, following a Voluntary Arrangement Notification the Corporation may obtain secured or unsecured credit and incur secured or unsecured debt which debt has: (a) priority over unsecured debt existing as of the commencement date; (b) is secured by a lien on property of the Corporation that is not otherwise subject to a lien; or (c) is secured by a junior lien on property of the Corporation that is subject to a lien. Nothing in this Article 17 shall limit the ability of the Corporation to obtain unsecured credit in the ordinary course of its business.

*Article 18.* If the Corporation is unable to obtain credit pursuant to Article 17 of Section 2 of this Schedule, upon 20 days notice (or such shorter period as may be permitted by the Tribunal) and a hearing before the Tribunal at which creditors may be heard, the Tribunal, after a Voluntary Arrangement Notification, may authorise the obtaining of credit or the incurring of debt secured by a senior or equal lien on property of the Corporation that is subject to a lien only if there is adequate protection of the interest of the holder of the lien on the property of the Corporation on which such senior or equal lien is proposed to be granted or if with the consent of the holder of the lien on the property of the Corporation on which such senior or equal lien is proposed to be granted. For the purpose of this Article 18, “**adequate protection**” shall mean an interest reasonably sufficient to protect the holder of a valid security interest in property of the Corporation against a diminution in the value of such security interest to the extent such diminution is occasioned by the moratorium, any grant of a lien pursuant to this Article 18 or the Corporation's use, sale, or lease of the property subject to such security interest following the Voluntary Arrangement Notification.

*Article 19.* (a) (1) Subject to approval of the Tribunal, the Corporation may assume or reject any executory contract or unexpired lease of the Corporation.

(2) Notwithstanding any term of an unexpired lease of real property, any unexpired lease of real property covering more than one parcel of real property shall be severable with respect to each parcel of real property. Subject to approval of the Tribunal, the Corporation may assume an unexpired lease relating to more than one parcel of real property either in whole or in part, as it relates to any one or more of such parcels of real property, and simultaneously reject such unexpired lease in whole or in part as it relates to any one or more of such parcels of real property, as if such unexpired lease was comprised of separate unexpired leases with respect to each parcel of real property.

(3) Notwithstanding any other term of an executory contract or unexpired lease, or any other term of this Schedule, without approval of the Tribunal, an executory contract or unexpired lease may be modified in a manner favorable to the Corporation upon mutual agreement of the parties thereto.

(b) (1) If there has been a default in an executory contract or unexpired lease of the Corporation, the Corporation may not assume such contract or lease unless, at the time of assumption of such contract or lease, the Corporation:

(A) cures, or provides adequate assurance that the Corporation will promptly cure, such default;

(B) compensates, or provides adequate assurance that the Corporation will promptly compensate, a party other than the Corporation to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease.

(2) Paragraph (1) of this subsection does not apply to a default that is a breach of a provision relating to:

(A) the insolvency or financial condition of the Corporation at any time before the closing of the proceedings;

(B) the commencement of a case or proceedings seeking any relief under any insolvency, restructuring, reorganisation or bankruptcy law;

(C) the appointment of or taking possession by a receiver or similar person under any insolvency, restructuring, reorganisation or bankruptcy law; or

(D) the assumption or rejection in part, severance, modification or other alteration of the terms of an unexpired lease relating to more than one parcel of real property pursuant to Article 19(a)(2) of Section 2 of this Schedule.



(c) The Corporation may not assign any executory contract of the Corporation, whether or not such contract or lease prohibits or restricts assignment of rights or delegation of duties, if such contract is a contract to make a loan, or assume other debt financing or financial accommodations, to or for the benefit of the Corporation, or to issue a security of the Corporation.

(d) The Corporation may assume or reject an executory contract or unexpired lease of residential real property or of personal property of the Corporation at any time before the sanctioning of a voluntary arrangement by the Tribunal.

(e) (1) Notwithstanding a provision in an executory contract or unexpired lease, or in applicable law, an executory contract or unexpired lease of the Corporation may not be terminated or modified, and any right or obligation under such contract or lease may not be terminated or modified, at any time after the Notification Date solely because of a provision in such contract or lease that is conditioned on:

(A) the insolvency or financial condition of the Corporation at any time before the closing of the proceedings;

(B) the commencement of a case or proceedings seeking any relief under any insolvency, restructuring, reorganisation or bankruptcy law; or

(C) the appointment of or taking possession by a receiver or similar person under any insolvency, restructuring, reorganisation or bankruptcy law.

(2) Paragraph (1) of this subsection does not apply to an executory contract or unexpired lease of the Corporation, whether or not such contract or lease prohibits or restricts assignment of rights or delegation of duties, if:

(A) (i) applicable law excuses a party, other than the Corporation, to such contract or lease from accepting performance from or rendering performance to the Corporation or to an assignee of such contract or lease, whether or not such contract or lease prohibits or restricts assignment of rights or delegation of duties; and

(ii) such party does not consent to such extension or assignment; or

(B) such contract is a contract to make a loan, or assume other debt financing or financial accommodations, to or for the benefit of the Corporation, or to issue a security of the Corporation.

(f) (1) Except as provided in subsections (b) and (c) of this Article 19, notwithstanding a provision in an executory contract or unexpired lease of the Corporation, or in applicable law, that prohibits, restricts, or conditions the assignment of such contract or

lease, the Corporation may assign under paragraph (2) of this subsection: (A) such executory contract, (B) such unexpired lease or (C) with respect to an unexpired lease relating to more than one parcel of real property, such unexpired lease in whole or in part, as it relates to any one or more of such parcels of real property, as if such unexpired lease was comprised of separate unexpired leases with respect to each parcel of real property.

(2) The Corporation may assign an executory contract or unexpired lease of the Corporation only if:

(A) the Corporation assumes such contract or lease in accordance with the provisions of this Article 19; and

(B) adequate assurance of future performance by the assignee of such contract or lease, or the relevant portion of such lease, is provided, whether or not there has been a default in such contract or lease.

(3) Notwithstanding a provision in an executory contract or unexpired lease of the Corporation, or in applicable law that terminates or modifies, or permits a party other than the debtor to terminate or modify, such contract or lease or a right or obligation under such contract or lease on account of an assignment of such contract or lease, such contract, lease, right, or obligation may not be terminated or modified under such provision because of the extension or assignment of such contract or lease by the Corporation.

(g) The rejection of an executory contract or unexpired lease, or any part of an unexpired lease, of the Corporation constitutes a breach of such contract or lease:

(1) if such contract or lease, or any such part of an unexpired lease, has not been assumed under this Article 19 or under a voluntary arrangement, immediately before the commencement date; or

(2) if such contract or lease, or any such part of an unexpired lease, has been assumed under this Article 19 or under a voluntary arrangement:

(A) if before such rejection the Tribunal has not initiated the winding up of the Corporation, at the time of such rejection; or

(B) if before such rejection the Tribunal has initiated the winding up of the Corporation:

(i) immediately before the date such winding up was initiated, if such contract or lease was assumed before such winding up; or

(ii) at the time of such rejection, if such contract or lease was assumed after such winding up.

(h) Assignment by the Corporation to an entity of a contract or lease, or any such part of a lease, assumed under this Article 19 relieves the Corporation from any

liability for any breach of such contract or lease, or such part of a lease, occurring after such assignment.

*Article 20.* The Tribunal, at its own initiative or upon request of the Corporation may authorise procedures with respect to administration of proceedings with respect to the Corporation pursuant to this Schedule, including without limitation procedures governing notice to creditors and creditor participation in hearings, as it deems appropriate under the facts and circumstances.

*Article 21.* Upon receipt of a Voluntary Arrangement Notification, the Tribunal shall convene and may grant such relief at request of the Corporation without notice as is required under the circumstances, including without limitation procedures for notification of creditors of the commencement of proceedings pursuant to this Schedule, procedures for administration of proceedings pursuant to this Schedule and appointment of a representative of the Corporation and its assets, and the proceedings conducted pursuant to this Schedule, to seek recognition of the proceedings pursuant to this Schedule in foreign jurisdictions. The Tribunal shall issue no relief that affects or modifies the rights of creditors and other parties in interest for at least 20 days following receipt of a Voluntary Arrangement Notification unless the Tribunal finds that immediate and irreparable harm would result without such relief.

*Article 22.* (a) The Corporation may, subject to approval of the Tribunal, dispose of property subject to a lien or other security and property in the possession of the Corporation which is the subject of a hire purchase contract or retention of title contract, as if it were not subject to the security hire purchase contract or retention of title contract.

(b) The Tribunal shall grant approval for a disposal pursuant to subparagraph (a) of this Article upon finding that disposal of the property is a reasonable exercise of the Corporation's business judgment and would be likely to promote the purpose of this Law in respect of the Corporation.

(c) An order under this article is subject to the condition that the net proceeds of disposal of the property applied towards discharging the sums secured by the security or owned under the hire purchase contract or retention of title contract.

(d) If an order under this paragraph relates to more than one security or claim, application of money under subparagraph (c) shall be in the order of the priorities of such securities or claims.

*Article 23.* Upon application of the Corporation, the Tribunal may establish procedures for the submission of proofs of claim by any and all creditors of the Corporation, including

without limitation a deadline for submission of proofs of claim such that any claims not submitted prior to such date (the “**Claims Bar Date**”) shall be forever barred and extinguished. The Claims Bar Date shall be 60 days after the Notification Date, unless extended with the approval of the Tribunal.

*Article 24.* Persons appointed by the Tribunal under Article 3 of the Decree (the “**Experts**”) shall be required to facilitate the formation of a committee of unsecured creditors, the membership of which shall be voluntary and approved by the Tribunal to ensure adequate and fair representation of unsecured creditors. The Experts may make recommendations to the Tribunal in relation to the formation of any other committees of creditors, and the Tribunal may approve such committees the membership of which shall be voluntary. The Corporation shall bear the reasonable costs and expenses, including professional fees, of any such committee formed pursuant to this Article 24 (each a “**Committee**”), provided such costs and expenses relate to the proceedings in respect of the Corporation initiated under this Schedule. The Committee shall have the right to appear and be heard on any matter where rights of creditors are affected, and, following termination of the Exclusive Periods, shall have the right to propose a voluntary arrangement, but no Committee shall otherwise have any right, power, or authority of individual creditors, indenture trustees, the Corporation or the Nominee. The Committee, and all members of such Committee, shall be deemed to have undertaken fiduciary duties to the creditors represented by the Committee, and to have consented to the jurisdiction of the Tribunal for the purposes of enforcing the Decree, including the moratorium, and orders of the Tribunal. Neither the Committees nor any member of such Committee shall bring action against the Corporation or its assets, directors, officers, employees, agents, secondees or representatives or the Nominee in any forum or jurisdiction other than the Tribunal as a condition to approval by the Tribunal.

### **PART 3: MORATORIUM**

*Article 25.* The following Regulations of the DIFC Insolvency Regulations shall not apply to the Corporation: (a) Regulation 3.1; (b) Regulation 3.2; (c) Regulation 3.3; (d) Regulation 3.4; (e) Regulation 3.6.2 and (f) Regulations 3.7.1 through and including 3.7.6.

*Article 26.* A moratorium shall automatically apply immediately on the Notification Date by virtue of filing of a Voluntary Arrangement Notification by the Corporation and shall apply to all creditors, secured or unsecured and without their consent, in respect of such Corporation and its assets wherever located from the Notification Date until the conclusion of proceedings or such earlier time as ordered by the Tribunal for cause. The moratorium shall have effect as

specified in the DIFC Insolvency Regulations (as modified by this Schedule) and shall also preclude a creditor of such Corporation from exercising any right of set-off in respect of any obligation due from such Corporation.

*Article 27.* The automatic moratorium shall apply for the duration of the voluntary arrangement and winding up proceedings before the Tribunal (if ordered by the Tribunal).

*Article 28.* (a) Upon application of the Corporation, and upon no less than 20 days notice and hearing at which creditors and equity interest holders shall be entitled to participate, the Tribunal shall be authorised to apply a moratorium to any Corporation, affiliate of a Corporation or other entity on such terms and conditions as the Tribunal finds to be equitable in the circumstances upon finding the following:

- (1) there is a likelihood of successful reorganisation of the Corporation;
- (2) there is an imminent irreparable harm to the Corporation in the absence of a moratorium;
- (3) the balance of harms tips in favor of the moving party; and
- (4) the public interest weighs in favor of a moratorium.

(b) Upon application of the Corporation, on shortened notice or on an *ex parte* basis, the Tribunal shall be authorised to apply a moratorium to any Corporation, affiliate of a Corporation or other entity on such terms and conditions as the Tribunal finds to be equitable in the circumstances until the such time as notice and a hearing may be conducted pursuant to Article 28(a) of Section 2 of this Schedule upon a finding that the standards set forth in Article 28(a)(2) of Section 2 of this Schedule are satisfied.

(c) Upon application by the Corporation, the Tribunal may grant a temporary restraining order giving effect to a moratorium which may be sought by the Corporation under this Article 9 pending the outcome of any hearing requested by the Corporation under this Article 9.

*Article 29.* Immediately following the coming into force of the moratorium, the Corporation shall advertise the coming into force of the moratorium in at least two international newswire services designed to provide notice that its coming into force comes to the attention of the Corporation's creditors. The Tribunal may direct, at its own initiative, the Corporation to issue such other notice of the coming into force of the moratorium as it deems appropriate under the facts and circumstances.

*Article 30.* The Tribunal may, in its discretion, authorise the Corporation to pay or otherwise honor obligations outstanding as of the Notification Date as may be necessary or appropriate to facilitate the Corporation's restructuring.

#### **PART 4: RECEIVERSHIP**

*Article 31.* Part 4 of the DIFC Insolvency Regulations shall not apply to the Corporation.

#### **PART 5: WINDING UP**

*Article 32.* The following Regulations of the DIFC Insolvency Regulations shall not apply to the Corporation: (a) Regulation 5.1; (b) Regulation 5.2; (c) Regulation 5.3; (d) Regulation 5.31; and (e) Regulation 5.53.

*Article 33.* The Corporation may only be wound up by the Tribunal. The Corporation may only be wound up by the Tribunal if the Post Arrangement Hearing does not sanction the voluntary arrangements in accordance with Article 15 of Section 2 of this Schedule and the Tribunal finds that it is in the interests of the Corporation and its creditors for the Tribunal to do so.

#### **PART 7: FINANCIAL MARKETS**

*Article 34.* Part 7 of the DIFC Insolvency Regulations shall not apply to the Corporation.

#### **ANNEX 1: MEETINGS**

*Article 35.* The following Regulations of Annex 1 of the DIFC Insolvency Regulations shall not apply to the Corporation: (a) Regulation 1.1; (b) Regulation 1.7.4; (c) Regulation 1.9; and (d) Regulation 1.14. The convenor (as referred to in Annex 1) of any meeting shall be the Nominee or such other person appointed by the Tribunal under Article 12 of Section 2 of this Schedule.

#### **ANNEX 2: THE CREDITORS' COMMITTEE**

*Article 36.* Annex 2 of the DIFC Insolvency Regulations shall not apply to the Corporation.

#### **ANNEX 3: REQUIRED CONTENT FOR A STATEMENT OF AFFAIRS**

*Article 37.* Regulation 3.1.13 of Annex 3 of the Regulations of the DIFC Insolvency Regulations shall not apply to the Corporation.

**Section 3. Application of the DIFC Court Law to the Tribunal**

*Article 1.* Part 7 and Part 10 of the DIFC Court Law shall govern the practice, procedure and evidentiary rules of the Tribunal, subject to the amendments and modifications set out in this Section 3 of Schedule.

*Article 2.* References in Part 7 and Part 10 of the DIFC Court Law to the “DIFC Court” shall be taken to be references to the Tribunal.

*Article 3.* References in Part 7 and Part 10 of the DIFC Court Law to the “Rules of Court” shall be taken to be references to the rules applied by the Tribunal. The rules applied by the Tribunal shall be the Rules of the DIFC Court as may be amended by the Tribunal.

*Article 4.* References in Part 7 and Part 10 of the DIFC Court Law to a “Judge” shall be taken to be references to a member of the Tribunal.

*Article 5.* The following Articles of Part 7 of the DIFC Court Law shall not apply to the Tribunal: (a) Article 31; (b) Article 32; (c) Article 38; (d) Article 42; (e) Articles 45(3) and 45(4); (f) Article 46(2); (g) Article 47; and (h) Article 52.

**Mohammed Bin Rashid Al Maktoum  
Ruler of Dubai**