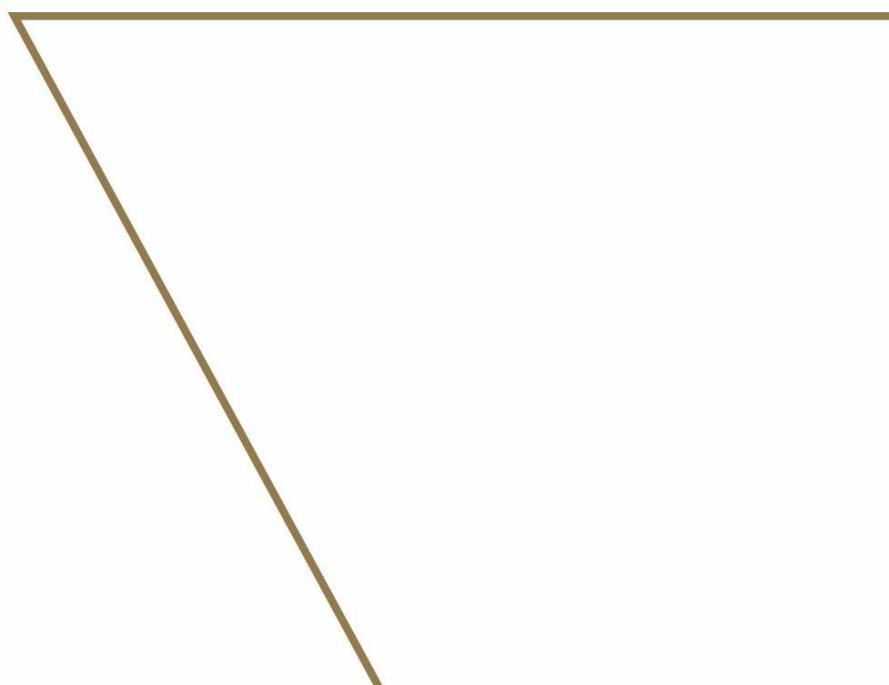


# Guidance for ADGM Entities during the Coronavirus (COVID-19) Pandemic

Registration Authority

May 2020



## Part 1 – General Information

### Introduction

The ADGM Registration Authority (“**RA**”) recognises that ADGM entities, their auditors, service providers and/or professional advisors are facing unexpected disruption and unprecedented operational and financial challenges due to the current COVID-19 pandemic. This may impact an entity’s ability to comply with its obligations under ADGM’s commercial regulations and rules.

This guidance (“**Guide**”) has been prepared by the RA to elaborate on measures/incentives put in place by the RA to help alleviate pressure on entities during the COVID-19 pandemic. This is a non-binding indicative guide and should be read together with the ADGM Regulations and their subordinate rules and any other relevant regulations and enabling rules, which may change over time without notice.

This Guide is issued under section 28 of the Commercial Licensing Regulations 2015.

This Guide does not refer to ADGM legislation governing the provision of financial services, including the ADGM Financial Services Regulatory Authority Regulations and Rules nor the procedures of the ADGM Courts and arbitration regulations.

## Part 2 – COVID-19 Support Measures for ADGM Entities

### Company Accounts – Three Month Filing Extension

Your company should take appropriate measures to ensure that accounts are filed on time. However, in response to the COVID-19 pandemic, **if accounts of private limited companies (“Companies”) and limited liability partnerships (“LLPs”) will be late because they are affected by COVID-19, they can apply for a 3 month filing extension provided the next filing deadline is before 1 January 2021 and the filing deadline has not yet passed.**

For specific guidance on this temporary support measure and the application form, please follow this [link](#).

Pursuant to CR 2020 and Limited Liability Partnership Rules 2020, Companies and LLPs ordinarily have nine months from the end of their last Accounting Reference Date to file accounts but the Registrar, with the changes recently made, may agree to extend the period for filing to up to 12 months rather than the ordinary 9 months (i.e. a 3 month extension).<sup>1</sup>

Any Company or LLP that does not file their accounts or obtain an extension within the required period is liable to a fine.

Account filings are an online service, available on the RA Online Registry Solution (“**ORS**”) (see Part 3 - “How to File Your Documents – Online Registry Solution” below). There is no fee for filing accounts.

For further guidance on accounts filing please follow this [link](#)

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<sup>1</sup> There are some exceptions, such as Restricted Scope Companies (RSCs).

## Commercial Licence and Business Activity Renewal - Fees Waived for Operational Entities

ADGM entities must maintain a valid commercial licence at all times.

In response to the COVID-19 pandemic and to provide economic support to ADGM operating entities such as financial, professional and retail businesses, **the RA is now waiving licence renewal and business activity fees until 25 March 2021.**

Commercial licence renewal is an online service available in the ORS. The renewal is simple to complete by following the steps online and once submitted the licence is renewed instantly.

There is no fee waiver for ADGM special purpose vehicles (“**SPVs**”) and foundations.

Please be reminded that, regardless of the current initiatives described above, all entity types are eligible for a one month grace period on the renewal of their commercial licence. This is an ongoing initiative of the RA.

## Data Protection Renewal - Fees Waived for all Entities

ADGM entities that are Data Controllers must maintain a data protection registration at all times. The data protection registration usually coincides with the anniversary of incorporation and commercial licence expiry.

To provide economic support to ADGM entities in response to the COVID-19 pandemic, **the RA has waived the data protection registration renewal fee until 25 March 2021.**

Data protection registration renewal is an online service, available in the ORS. It is simple to complete by following the steps online and once submitted the registration is renewed instantly.

## Reduction of Fees When Establishing New Entities

If your company is interested in expanding or setting up a new entity in the ADGM, the RA has reduced the set-up costs by 50%. This incentive will benefit new Category A - Financial, Category B - Non-Financial and Category C - Retail licenses (including branches) but excludes SPVs, foundations, venture capital firms, tech start-up applicants (seed and emergent), accelerators and incubators and professional associations, as these entities already have lower incorporation fees.

Furthermore, the RA has reduced the fee for transferring/continuing into the ADGM from another jurisdiction by 100% for all company types, regardless of their business activities (including SPVs).

For more information on the incentives for setting up new Companies or LLPs in the ADGM, please follow this [link](#).

## Part 3 – Useful Information during the COVID-19 Pandemic

### How to File Your Documents - Online Registry Solution

Please be reminded that most filings and applications may be submitted to the RA securely online. The ORS aims to provide a seamless and secure digital company registry. Users can access the ORS 24/7 from any location to complete services such as filing company notices and licence renewals online.

Further details regarding the ORS, as well as how to gain access can be located [here](#)

The ORS can be accessed here: [www.registration.adgm.com](http://www.registration.adgm.com)

For enquiries please email: [ors.support@adgm.com](mailto:ors.support@adgm.com)

For the small number of filings that are not currently part of the online service (e.g. Limited Partnership dissolution notices), the RA will accept a scanned copy or a photo of the document(s) by email for processing. However a document must be complete, signed (if necessary) and legible to be accepted.

These filings can be emailed to [ra@adgm.com](mailto:ra@adgm.com)

If a payment is required with an emailed filing, the RA will contact you to make arrangements. If a filing is emailed to the RA that has a service available through the ORS, it will be returned to be submitted through the ORS.

### Document orders

The RA is currently unable to offer corporate services for physical documents or original document collection services. We will update this guidance and the ORS users when the document order service resumes.

## Decision-Making

### Directors' Meetings – May be Held Remotely

Currently, there are remote working and physical distancing requirements in place in ADGM and in many locations and jurisdictions globally. Meanwhile, company boards may be required to make key business decisions on an urgent basis.

Please be reminded that the CR 2020 and ADGM's model articles of association (the "**Articles**") provide for directors' meetings to take place remotely. Therefore, directors' meetings may take place, for example, by teleconference, video conference and other digital platforms. This may assist in ensuring business continuity and in meeting your compliance requirements.

Please review the CR 2020 and your company's Articles to ensure your directors' meetings continue to be conducted in accordance with the relevant regulations and requirements.

## General Meetings – May be Held Remotely

As with directors' meetings (above), the CR 2020 and ADGM model articles of association also provide for **private limited Companies** to conduct general meetings remotely, such as by video conference.

Please review the CR 2020 and your Company's Articles to ensure your general meetings continue to be conducted in accordance with the relevant regulations and requirements.

## Directors' Duties

Despite the difficulties of the COVID 19 pandemic, the RA expects company directors to adhere to the duties that they owe to a company at all times. It is during periods of business disruption, operational challenge and financial stress that it is particularly important for directors to take positive steps to ensure they are able to perform their duties to the company.

For ease of reference, the duties owed by a company director to the company can be found in Part 10 of the CR 2020.

## Contact and Outreach

The RA remains fully operational and is committed to providing support to ADGM entities, including:

1. Responding to all email enquiries at the earliest;
2. Providing further guidance where helpful and appropriate during this period (see ADGM Support Measures – [link](#));
3. Conducting online webinars on various topics from current support measures for ADGM entities to filing obligations (invitations will be sent by email, please ensure that you have subscribed for updates);
4. Issuing notifications to registered users of the ACCESS ADGM platform regarding any changes to services in light of the pandemic; and
5. Making announcements via ADGM's accounts on social media channels, including LinkedIn, Twitter and Instagram.

## Part 4 – Further Information

### Guidance Duration

This guidance is intended to be temporary due to the disruption and operational challenges caused by the COVID-19 pandemic.

### Further Information

The RA is closely monitoring the impact of the pandemic on ADGM entities and their ability to comply with their obligations under ADGM's commercial legislation. Further updates will be added to this Guidance should additional matters arise that require attention.

In the interim should you have any questions on this Guide, or other compliance issues or concerns as a result of COVID-19, please contact either:

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Executive Director, Registration & Incorporation  
Email: [natella.safarali@adgm.com](mailto:natella.safarali@adgm.com)

Tim Land  
Executive Director, Monitoring & Enforcement  
Email: [tim.land@adgm.com](mailto:tim.land@adgm.com)

For additional COVID-19 related guidance, including on data protection and employment, circulars on precautionary measures and temporary restrictions in Al Maryah Island, ADGM services information and economic support details, please go to the ADGM COVID-19 Support page here: <https://www.adgm.com/adgm-support-measures>

### Contact Us

For further information, please do not hesitate to contact the RA via e-mail: [ra@adgm.com](mailto:ra@adgm.com)

## **Disclaimer**

This guidance is a non-binding indicative guide and should be read together with the relevant legislation, in particular the ADGM Companies Regulations 2020, Commercial Licensing Regulations 2015, Limited Liability Partnership Rules 2020 and any other relevant regulations and enabling rules, which may change over time without notice. Information in this guidance is not to be deemed, considered or relied upon as legal advice and should not be treated as a substitute for a specific advice concerning any individual situation. Any action taken upon the information provided in this guidance is strictly at your own risk and the Registration Authority will not be liable for any losses and damages in connection with the use of or reliance on information provided above. The Registration Authority makes no representations as to the accuracy, completeness, correctness or suitability of any information provided in this document.