



RAKEZ OPERATING RULES OF 2018

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RAK ECONOMIC ZONE AUTHORITY OPERATING RULES 2018

PART 1: GENERAL

1. TITLE

These Rules may be cited as the "RAK Economic Zone Authority Operating Rules".

2. LEGISLATIVE AUTHORITY

- 2.1 These Rules have been issued by the Board of Directors of RAK Economic Zone Authority, pursuant to Law No. 2 of 2017, promulgated by H.H. Sheikh Saud Bin Saqr Bin Mohammed Al-Qasimi, Ruler of Ras Al Khaimah.
- 2.2 The Authority may issue amendments, guidelines, circulars, directives and policies in relation to any matter provided in these Rules.

3. THE AUTHORITY'S JURISDICTION

- 3.1 The Authority's jurisdiction extends to the Free Zone Area and the Non-Free Zone Area, for which the Authority may issue a licence to Free Zone Entity and a Non-Free Zone Entity, respectively.
- 3.2 A Free Zone Entity shall be governed by regulations and rules issued by the Authority, including these Rules, as well as applicable federal and local laws and decrees.
- 3.3 A Non-Free Zone Entity shall be governed by these Rules, as well as all federal and local laws and decrees. In addition, a Non-Free Zone Entity shall abide by all requirements of RAK DED. A Non-Free Zone Entity shall liaise with RAK DED through the Authority.

4. APPLICATION OF THE RULES

- 4.1 These Rules apply in the Free Zone Area and Non-Free Zone Area of the Authority's Zone, to Free Zone Entities and Non-Free Zone Entities, as well as to an Employee or a person working in the Authority's Zone.
- 4.2 These Rules shall apply in addition to the applicable federal decrees, laws, rules and regulations of UAE and the applicable local laws, decrees and resolutions of Ras Al Khaimah.

5. COMMENCEMENT

These Rules shall come into effect on the date of issue.

6. REPEAL

These Rules shall repeal notifications, circulars and directives issued by the Authority in relation to the subject matter of these Rules, prior to the date of issuance of these Rules.

7. LIMITATION OF LIABILITY

The Authority nor its officers, employees or agents shall be liable for any loss suffered by a person as a result of an act or omission by the Authority or its officers, employees or agents in the performance or non-performance of their functions under these Rules.

8. DEFINITIONS

In these Rules the terms listed below shall have the corresponding definition, unless the context requires otherwise:

Approved List	a list of building contractors and engineering consultants approved by the Authority to perform Building Works (and other related services) in the Authority's Zone.
Associated Company	a company shall be an associated company of another company when 51% or more of both companies' shareholding is held by the same shareholders.
Authority	RAK Economic Zone Authority established pursuant to Law No. 2 of 2017, promulgated by H.H. Sheikh Saud Bin Saqr Bin Mohammed Al-Qasimi, Ruler of Ras Al Khaimah.

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Building Permit	a building permit issued by the Authority to a Licensee under these Rules, authorizing the Licensee to undertake Building Works.
Building Regulations	building regulations, standards, rules and requirements of the Authority.
Building Works	the building works performed (or proposed to be performed) by a building contractor on the Approved List, for the construction of a building or for the alteration of an existing structure at Leased Premises in accordance with the Building Regulations.
Completion Certificate	a 'Building Completion Certificate' issued by the Authority under these Rules, confirming that a building has been constructed in accordance with the Building Regulations.
Court	the court of law in RAK.
Design	designs, drawings, specifications, plans, models, reports and calculations for Building Works.
Employee	an employee of the Licensee who may be a Sponsored Employee or a Non-Sponsored Employee.
Employment Agreement	includes the Authority's Employment Contract and any supplemental employment agreement between the Licensee and the Employee.
Employment Contract	the employment contract prescribed by the Authority between a Sponsored Employee and a Licensee containing the minimum conditions of employment.
Free Zone Area	an area designated by the Authority offering Premises to be leased by a Free Zone Entity under a Lease Agreement (or its equivalent).
Free Zone Entity	has the meaning given to it in Rule 9.1(a)
Labour Law	UAE Labour Law Federal Law No. 8 of 1980, as amended.
Lease Agreement	an agreement between the Authority and a Licensee for a lease of a Premises.
Leased Premises	a Premises for which a lease has been granted to a Licensee by a Lease Agreement, Sub-Lease Agreement or Musataha Agreement.
Licensee	a Free Zone Entity, a Non-Free Zone Entity, a branch of a company or such other entity licensed by the Authority to operate in the Authority's Zone.
Licence	a licence issued by the Authority to a Licensee to conduct a licensed activity in the Authority's Zone.
Musataha Agreement	an agreement between the Authority and a Licensee pursuant to which a right of musataha, as defined in Article (1353) of the UAE Civil Code, is granted in respect of a Leased Premises.
Non-Sponsored Employee	an employee of a Licensee who is not sponsored by the Authority but is approved by the Authority to be employed by a Licensee pursuant to Rule 14.4.
Non-Free Zone Area	an area designated by the Authority offering the Premises to be leased by a Non-Free Zone Entity under a Lease Agreement (or its equivalent).
Non-Free Zone Entity	has the meaning given to it in Rule 9.1(b).
Operation Fitness Certificate	certificate issued by the Authority in accordance with these Rules authorizing occupation of a pre-built warehouse or customized facility built on a plot of land.
Personnel Secondment Agreement	the agreement between a Licensee and the Authority pursuant to which the Authority arranges and facilitates visas of an Employee under the Authority's sponsorship, for employment with a Licensee.
Premises	a premises in the Authority's Zone, including an office space, warehouse, factory, retail store, plot of land and labor accommodation.
Registrar	the Registrar of Companies duly appointed by the Authority.
RAK	the Emirate of Ras Al Khaimah.
RAK DED	the Department of Economic Development of Ras Al Khaimah.
Security Interest	has the meaning given to it in Rule 11.1.
Security Register	a register for the registration of a Security Interest maintained by the Registrar.
Services	utilities services including, electricity, water and sewerage.

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Sponsored Employee	an employee of a Licensee who is sponsored by the Authority pursuant to a Personnel Secondment Agreement and is employed with a Licensee pursuant to an Employment Agreement.
Sub-Lease Agreement	an agreement between a Licensee and another Licensee for the sub-lease of a Leased Premises.
Subsidiary	a company is a subsidiary of another company when 51% or more of its shareholding is held by the other company.
UAE	United Arab Emirates.
UAE Civil Code	The Law of Civil Transactions of the United Arab Emirates.
Visa Security Deposit	the amount deposited by the Licensee for an Employee sponsored by the Authority.
Zone	the area under the jurisdiction of the Authority, including the Free Zone Area and Non-Free Zone Area.

PART 2: SUBSTANTIVE PROVISIONS

9. TYPES OF ENTITIES AND LICENCES

9.1 These Rules recognize the following entities:

- a. Free Zone Entity: a limited liability entity, or a branch, as permitted by the Authority, incorporated in the Free Zone Area. A Free Zone Entity shall obtain a Licence from the Authority; and
- b. Non-Free Zone Entity: a limited or unlimited liability entity, or a branch, as permitted by the Authority and RAK DED, to be incorporated in the Non-Free Zone Area. In addition to a Licence from the Authority, a Non-Free Zone Entity shall obtain a Licence from RAK DED.

9.2 A certain number of activities in a category, as prescribed by the Authority, can be combined under a Licence. Activities under a category different to the one licensed to a Licensee, may require the issuance of a separate Licence.

9.3 Free Zone Licences issued by the Authority are valid only in the Free Zone Area.

9.4 A Licensee shall not carry on activities other than those for which it is licensed in terms of a Licence.

9.5 The Authority may impose restrictions or conditions on a Licence. A Licensee may request in writing a waiver on such restrictions or conditions, which the Authority may grant in its absolute discretion.

9.6 Licensees, Employees and other persons in the Authority's Zone shall at all times comply with the rules, regulations and procedural requirements of the Authority and other authorities that have jurisdiction in the Authority's Zone, such as Customs, Civil Defense and Environment Protection and Development Authority (EPDA).

9.7 Categories of Licence

The categories of Licence available within the Free Zone Area are as follows:

a. Industrial Licence

An Industrial Licence may be issued for activities such as manufacturing of goods including import of raw materials, processing, manufacturing and assembling the same, packaging and ultimately exporting the finished product.

b. National Industrial Licence

A National Industrial Licence may be issued to carry out manufacturing activities where at least 51% of the ownership of the Licensee is of national(s) of the GCC.

c. Commercial Licence

A Commercial Licence may be issued for activities such as trading in goods including import, storage, warehousing, supply and export of permitted goods.

d. Service Licence

A Service Licence may be issued for activities such as provision of services including consultancy services in management, legal, insurance, accounting, human resource, marketing and other services.

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e. General Trading Licence

A General Trading Licence may be issued for activities such as trading in goods including import, storage, warehousing, supply and export of permitted goods, of any number of similar or different product categories.

f. E-Commerce Licence

E-Commerce Licence may be issued for activities such as trading in goods and services over electronic networks via electronic means.

g. Educational Licence

Educational Licence may be issued for education providers such as universities, schools and nurseries and educational support services and professional and management training.

h. Media Licence

A Media Licence may be issued for media-related activities such as broadcasting, publishing of titles such newspapers and magazines and event management,

i. Individual/Professional Licence

An Individual/Professional Licence is a single-owner licence that may be issued to carry out one activity in a specific specialty or expertise.

j. Freelance Permit

A Freelance Permit may be issued to individuals such as editors, composers, actors and commentators on a sole practitioner basis to conduct the business in the birth name.

The categories of Licence available within the Non- Free Zone Area are as follows:

a. Industrial Licence

An Industrial Licence may be issued for activities such as manufacturing of goods including import of raw materials, processing, manufacturing and assembling the same, packaging and ultimately exporting the finished product.

b. Commercial Licence

A Commercial Licence may be issued for activities such as trading in goods including import, storage, warehousing, supply and export of permitted goods.

c. Professional Licence

A Professional Licence may be issued to service providers and professionals to carry out activities such as provision of services including, medical services, consultancy services in management, legal, insurance, accounting and auditing services, human resource, business, industrial development, marketing and other services.

9.8 Application Process

A Free Zone Entity or Non-Free Zone Entity shall be incorporated in the following manner and order:

a. An application for a Licence shall be made to the Authority specifying:

- i. the name and details of the applicant and shareholders;
- ii. the category of the Licence and proposed activities;
- iii. the name and details of the proposed manager; and
- iv. the other information required by the Authority.

b. An application for a Licence shall be accompanied with:

- i. an application for lease of a Premises, which shall be suitable for the category of Licence applied for and the number and type of Employees proposed to be employed and, if required, an application to enter into a Musataha Agreement;
- ii. documents specified by the Authority for the Licence and lease of a Premises;

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- iii. a business plan detailing the proposed business, required financial investment, evidence of sufficient liquidity of the prospective shareholders or their access to funding, number of employees, their job description and proposed salaries, anticipated consumption of Services, nature of Premises required, waste disposal measures, and other material information.
- c. On receipt of the applications, the Authority may, subject to availability, offer a Premises to be leased which may be reserved by the applicant on terms and conditions offered by the Authority;
- d. Once the Premises is reserved and if the Authority approves the application for the Licence, the applicant shall:
 - i. execute the Lease Agreement, Sub-Lease Agreement or Musataha Agreement, as the case may be; and
 - ii. make payment for the lease of the Premises under the Lease Agreement, Sub-Lease Agreement or Musataha Agreement, and make full payment for the Licence and any other fees and charges of the Authority.
- e. On completion of the process in Rules 9.8(a) to 9.8(d), the Authority shall issue the Licence. The Licence for a Non-Free Zone Entity shall be issued before RAK DED issues its licence.

9.9 Manager

A Licensee shall appoint a natural person as a manager who shall be a natural person, and whose name appears on the trade licence. A manager shall have such authority as granted by the Licensee. A manager shall be deemed to be an authorized representative of the Licensee in dealings with the Authority.

9.10 Authorized signatory

- a. A Licensee shall submit to the Authority a certificate containing the:
 - i. name, designation and passport copy of each authorized signatory; and
 - ii. specimen signature of each authorized signatory, (the “**Certificate of Authorization**”).
- b. A Licensee must ensure that a change to the Certificate of Authorization is notified to the Authority by submitting a new Certificate of Authorization. A change to the Certificate of Authorization shall take effect on such notification to the Authority.
- c. An authorized signatory shall have the authority granted to it by the Licensee with respect to representing the Licensee before third parties. Each authorized signatory shall be deemed to be an authorized representative of the Licensee for purposes of dealing with the Authority.

9.11 Variation of a Licence

- a. A Licensee shall apply to the Authority to effect a change in information contained in a Licence, which change shall take effect on issuance of an amended Licence by the Authority.
- b. An application under Rule 9.11(a) shall:
 - i. be in the format and manner specified by the Authority;
 - ii. detail the proposed amendment and be accompanied by a relevant shareholders' resolution and other supporting documentation, particularly where the variation affects the business plan submitted to the Authority; and
 - iii. be accompanied the applicable fee as specified by the Authority.

9.12 Licence Term

- a. A Licence shall be valid for at least twelve (12) months.
- b. Renewal
 - i. A Licensee shall apply for renewal of a Licence no later than thirty (30) days prior to the date of its expiry. Failure to renew the Licence within the stipulated time may result in penalties determined by the Authority.
 - ii. An application for renewal of Licence shall be accompanied by:
 - (A) valid Operation Fitness Certificate for warehouses and customized facility built on a plot of land;
 - (B) valid registration or good standing certificate from the place of incorporation;
 - (C) no objection certificate from the competent government authorities, if applicable;

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- (D) copies of valid requisite insurance policies;
- (E) evidence of payment of rent, service and other charges due and payable in connection with the Leased Premises;
- (F) the renewal fee as specified by the Authority; and
- (G) any other requirement imposed by the Authority at the time of renewal.

Grant of renewal of Licence shall be subject to the Authority's discretion.

10. LEASE

10.1 General

A Free Zone Entity shall obtain a Premises in the Free Zone Area A Non-Free Zone Entity shall obtain a Premises in the Non-Free Zone Area

10.2 Types of Agreements

- a. The Authority permits the lease of a Premises through a Lease Agreement, Sub-Lease Agreement or Musataha Agreement. A Musataha Agreement shall be governed by the UAE Civil Code.
- b. The Authority may prescribe the form of a Lease Agreement, Sub-Lease Agreement or Musataha Agreement.

10.3 Types of Premises

a. Office Space

A Licensee shall ensure that a Leased Premises that is an office space is operational within sixty (60) days from the commencement date of the Lease Agreement, or any other period as may be prescribed therein. A Licensee leasing an office space shall ensure that the office space is functional and attended by its employees during normal office hours.

b. Vacant Land

- i. A Licensee wishing to construct a facility on its Leased Premises to its specification and design can do so by entering into a Lease Agreement or Musataha Agreement subject to the Authority's approval. All construction works must be carried out and completed in accordance with the Lease Agreement or Musataha Agreement, and the rules and regulations in relation to planning and construction as issued by the Authority. The construction shall be completed and Leased Premises shall be operational within eighteen (18) months from the date of Lease Agreement or Musataha Agreement, or any other period as may be prescribed therein.
- ii. A Licensee shall register a Musataha Agreement with such authority that has the power to register the same and shall pay the applicable registration fees.

c. Warehouse Space

A Licensee shall ensure that a Leased Premises that is a warehouse is operational within ninety (90) days from the date of the Lease Agreement, or any other period as may be prescribed therein.

d. Employee Accommodation

Accommodation for Employee is available in the Authority's Zone. A Licensee shall comply with regulations and rules, including these Rules, issued by the Authority in relation to Employee's Accommodation.

10.4 Assignment of Lease

- a. A Licensee with a Leased Premises which is a plot of land constructed thereon a partially or fully completed Building ("Assignor") may enter into Assignment of Lease Agreement with another Licensee ("Assignee") subject to the written approval of the Authority. In considering the request of the Assignor and Assignee to enter into Assignment of Lease Agreement, the Authority may require that:
 - i. the Assignor does not have dues outstanding towards the Authority;
 - ii. the Assignee must be of a financial status at least equal to that of the Assignor; and
 - iii. the Assignee, if not licensed by the Authority, must submit an application to be issued with a Licence;
- b. The Authority may specify pre-conditions to completing any Assignment of Lease including increase of lease rent rate and payment of any such administrative fees as may be determined by the Authority from time to time.

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- c. Any Assignment of Lease shall be completed by way of a tri-partite agreement (upon the Authority's form for such agreements) first signed by the Assignor and the Assignee. Until the Authority has signed such agreement the Lessee shall remain obliged to fulfill its obligations under the Lease contract in full.
- d. In case of Assignment of Vacant Plots, the original Lease Agreement shall be terminated, and the Assignor shall be liable to pay the penalty for early termination provided for in the Lease Agreement, and the Authority shall enter into a new Lease Agreement with the Assignee with such terms and conditions as may be agreed upon and shall have the right to increase the rent to the fair market value.

10.5 Sub-Lease of Vacant Plots

- a. A Licensee with a Leased Premises which is a plot of land ("Sub-Lessor") may enter into a Sub-Lease Agreement with another Licensee ("Sub-Lessee") subject to the prior written approval of the Authority. In considering the request of the Sub-Lessor and Sub-Lessee to enter into a Sub-Lease Agreement, the Authority may require that:
 - i. the Sub-Lessor holds a valid Lease and does not have dues outstanding towards the Authority;
 - ii. the Sub-Lessee shall possess a Licence in a manner that the Sub-Lessor is a Subsidiary of the Sub-Lessee or the Sub-Lessee is a Subsidiary of the Sub-Lessor, or the Sub-Lessor and Sub-Lessee are Associated Companies
 - iii. the Sub-Lessor and Sub-Lessee shall have sufficient space in the Premises for the activities for which they have been granted a Licence, without jeopardizing their respective operations; and
 - iv. the Sub-Lessor shall be jointly and severally responsible and liable for the activities of the Sub-Lessee.
- b. If the Authority approves a Sub-Lease, the Sub-Lessor shall be required to pay an annual fee, as per the Tariff.
- c. The Authority has the right to terminate the Sub-Lease Agreement where it deems it is not suitable for the Sub-Lessor and Sub-Lessee to continue with the Sub-Lease Agreement.
- d. A Sub-Lessee is prohibited to assign its rights under a Sub-Lease Agreement.
- e. A Sub-Lease Agreement shall not contradict the Lease Agreement and shall be deemed terminated on the termination of the Lease Agreement.

10.6 Sub-Lease of Buildings

- a. A Licensee with a Leased Premises which is a plot of land constructed thereon fully completed Building ("Sub-Lessor") may enter into a Sub-Lease Agreement with another Licensee ("Sub-Lessee") for all or part of the Building subject to the prior written approval of the Authority. In considering the request of the Sub-Lessor and Sub-Lessee to enter into a Sub-Lease Agreement, the Authority may require that:
 - i. the Sub-Lessor holds a valid Lease and does not have dues outstanding towards the Authority;
 - ii. the Sub-Lessee shall possess a Licence for its activities and shall be carrying on its business in conformity with the rules and regulations of the Authority including these Rules;
 - iii. the Sub-Lessor shall be jointly and severally responsible and liable for the activities of the Sub-Lessee.
- b. If the Authority approves a Sub-Lease, the Sub-Lessor shall be required to pay an annual fee, as per the Tariff.
- c. The Authority has the right to terminate the Sub-Lease Agreement where it deems it is not suitable for the Sub-Lessor and Sub-Lessee to continue with the Sub-Lease Agreement.
- d. A Sub-Lessee is prohibited to assign its rights under a Sub-Lease Agreement.
- e. A Sub-Lease Agreement shall not contradict the Lease Agreement and shall be deemed terminated on the termination of the Lease Agreement.

10.7 Termination or Expiration of Lease

- a. In the of termination of a Lease Agreement, Sub-Lease Agreement or Musataha Agreement:
 - i. a Licensee shall settle outstanding administrative issues (including payment of outstanding dues); and
 - ii. the Leased Premises shall be vacated and furnishings, fitting, plant, equipment, debris, waste material and other tangible items shall be removed, and the Leased Premises shall be restored to the condition in which the Leased Premises was on the date of commencement of the lease, unless otherwise agreed with the Authority. The waste and contaminated soil shall be disposed in accordance with the Authority's rules on waste disposal and RAK Municipality's regulations. In the event a Licensee fails to restore the Leased Premises as required, the Authority may do so at the cost of the Licensee.

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- b. In addition to Rule 10.7(a), in the event of termination or expiration of a Musataha Agreement, the construction built pursuant to the Musataha Agreement shall be handed over to the Authority in good and tenantable condition, unless otherwise instructed by the Authority. The Authority is not obliged to pay compensation to the Lessee for the value of the construction.
- c. The termination or expiration of the Lease Agreement, Sub-Lease Agreement and Musataha Agreement shall come into effect on issuance of a confirmation of termination or expiration by the Authority. Such confirmation shall be issued after the Authority inspects the Leased Premises. The Licensee shall invite the Authority to inspect the Leased Premises on completion of the Licensee's obligation in Rule 10.7(a)(ii). The Licensee shall be liable to pay rent for the Leased Premises till the date of the confirmation of termination or expiration issued by the Authority.

11. SECURITY INTEREST

11.1 Form of Security Interests

The Authority permits creation of the following security interests:

- a. a shareholder of a Licensee may, with prior written approval of the Authority, pledge or otherwise charge its shares in a Free Zone Entity or Non-Free Zone Entity to a creditor as security for a debt or other obligation incurred or to be incurred by the shareholder, Licensee or another person;
- b. without prejudice to the rights of the Authority, a Licensee may grant the following security interests to a creditor for a debt or other obligation incurred by or binding upon the Licensee or another person:
 - i. a conditional assignment over its rights and obligations under a Lease Agreement and Musataha Agreement;
 - ii. a mortgage over the building constructed on the Leased Premises and
 - iii. other security interest as permitted under regulations and rules of the Authority and the laws of UAE.

The security interests listed in Rule 11.1(a) and 11.1(b) above shall collectively be referred to as “**Security Interests**” and individually as “**Security Interest**”.

11.2 A Licensee shall not, without prior written approval of the Authority, create, or allow the creation of a Security Interest.

11.3 A Licensee may create one or more Security Interests over the Premises leased under a Lease Agreement or a Musataha Agreement. A Security Interest shall not be created over a Premises sub-leased under a Sub-Lease Agreement.

11.4 Security Register

- a. The Registrar shall maintain a Security Register where a Security Interest shall be recorded. The priority of the rights acquired in terms of a Security Interest shall rank according to time of registration in the Security Register.
- b. A Security Register shall be administered and maintained by the Registrar in accordance with regulations, rules, policies or directives issued by the Authority, including these Rules.
- c. A Security Interest shall be perfected once an application for the registration of a Security Interest is filed in the prescribed form with the Registrar along with documents required by the Registrar, and such interest is recorded in the Security Register. A Security Interest shall not be recognized by the Authority unless it is registered in the Security Register.
- d. A Security Interest shall only be created over assets or rights situated in, or are otherwise created or arise in, the Authority's Zone.
- e. A Security Interest shall be discharged or amended once:
 - i. an application for the discharged or amendment of a Security Interest is filed in the prescribed form with the Registrar along with documents required by the Registrar; and
 - ii. such discharged or amendment is recorded in the Security Register.
- f. Following registration, amendment or discharge of a Security Interest in accordance with these Rules, the Registrar shall, on payment of a fee, issue a certificate (“**Security Interest Certificate**”) confirming the registration, amendment or discharge of the Security Interest. The Security Interest Certificate will have a signature of the Registrar and official stamp of the Authority. A Security Interest Certificate shall be a public document and any person can obtain the same on payment of the Authority's fee.

11.5 Charges

A Licensee shall pay all charges and fees stipulated by the Authority and the Registrar for the registration, amendment, discharge or search of a Security Interest, registered in the Security Register.

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11.6 Enforcement

- a. Subject to the provisions of this Rule 11.6, an enforcement of a Security Interest registered in the Security Register shall require an order from a Court.
- b. Where a Licensee has granted the Security Interest of a conditional assignment over its rights and obligations under a Lease Agreement or Musataha Agreement, or a mortgage over the building constructed on the Leased Premises, to a secured party, and where such secured party presents a Court order for enforcement of such Security Interest, the Authority will enforce the Court order at the cost of the Licensee and deal directly with the secured party (to the exclusion of the Licensee) with respect to that Lease Agreement or Musataha Agreement.
- c. Exercise of a right by a secured party under a conditional assignment shall not prejudice the rights, powers and remedies of the Authority under the Lease Agreement or the Musataha Agreement.
- d. If the building (constructed on the Leased Premises) mortgaged to a secured party are sold pursuant to a Court order, the Authority reserves the right following such sale to deal directly with the purchaser (to the exclusion of the Licensee) with respect to the same and the associated Lease Agreement.

12. BUILDING AND OPERATION CONTROLS

12.1 General

- a. A Sponsored Employee, Non-Sponsored Employee or a person working or operating in the Authority's Zone, including a Licensee, a contractor and a sub-contractor, is required to comply with these Rules and Building Regulations in carrying out Building Work on a Leased Premises.
- b. Building Works shall be undertaken by contractors on the Approved List.

12.2 Drawings

- a. A Licensee shall obtain the Authority's approval on the Design prior to commencing Building Works.
- b. A Design for Building Works shall comply with Building Regulations

12.3 Building Permit

- a. A Licensee shall apply to the Authority for a Building Permit within two (2) months from the date of execution of the Lease Agreement or Musataha Agreement.
- b. To obtain a Building Permit, a Licensee shall retain the services of an engineering consultant from the Approved List, who shall be responsible for submitting a proposal to the Authority, which shall include the Design.
- c. Failure of a Licensee to commence construction of the Building Works within two (2) months from the date of issuance of a Building Permit may result in revocation of the Building Permit by the Authority.
- d. A Licensee shall complete the Building Works within one (1) year of obtaining the Building Permit, unless otherwise agreed by the Authority in writing.
- e. Subject to the Authority's written approval, including any conditions that the Authority may impose, a Licensee may construct labour accommodation within the Leased Premises, provided that such accommodation complies with all relevant safety regulations and firefighting measures as specified by Civil Defense Authority or by any other authority or body exercising jurisdiction over the Building Works.

12.4 Mobilization Permit

- a. Until a Licensee obtains a Building Permit, the Authority may in its sole discretion, grant the Licensee a Mobilization Permit for the purpose of initiating preliminary works (the extent of which shall be provided in the Mobilization Permit and subject to any conditions that the Authority may impose) on the Leased Premises. Preliminary works may include, without limitation but subject to the Authority's sole discretion, site levelling, fencing, and soil investigation. The Authority shall be under no obligation to issue a Building Permit where it has issued a Mobilization Permit.
- b. If a Mobilization permit is granted, a demarcation certificate will be issued by the Authority to the Licensee after marking the plot corners prior to plot levelling and back filling.

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12.5 Completion Certificate

- a. The Licensees doing Building Work shall liaise with the Authority to obtain the necessary inspections and approvals once the Building Works have been completed in compliance with the Authority's Building Regulations and approved drawings.
- b. On completion of the Building Works, a Licensee shall apply for a Completion Certificate which the Authority may grant in its sole discretion. The receipt of the Completion Certificate will allow installation of machineries, plant and equipment and the authorization to connect the Services.
- c. If a Licensee has received permission for the construction of additional structures or the alteration or extension of existing Leased Premises, under a separate Building Permit, the Licensee will also need to apply for a Completion Certificate for these Building Works, once the related construction works are completed.

12.6 Operation Fitness Certificate

- a. The Licensee shall not commence operation from a pre-built warehouse or a customized facility built on a plot of land without obtainment of an Operation Fitness Certificate from the Authority. The Authority may grant the Operation Fitness Certificate where:
 - i. Building Works have been completed in compliance with Building Permits;
 - ii. Completion Certificate has been issued;
 - iii. The installation of plant and machinery is complete;
 - iv. Clearance from the Civil Defense and EPDA has been obtained; and
 - v. Connection of the Services has been made.
- b. Operation Fitness Certificate is valid for one (1) year and shall be renewed each year on payment of fee and successful inspection by the Authority.

12.7 Service Connections

A Licensee is responsible for obtaining and paying for Services required for its operations.

13. PRODUCTS IN THE FREE ZONE AREA

13.1 A Free Zone Entity shall not:

- a. conduct retail trading of any of its products within Free Zone Area;
- b. manufacture or market or trade of any contraband items or products within or outside the Free Zone Area; or
- c. display or sell their products directly in mainland UAE.

13.2 A Licensee shall at all times abide by all international treaties entered into by UAE as well as all UAE federal and local laws, decrees, regulations, rules and practices in relation to intellectual property rights. the Authority may take appropriate action, in its discretion, against a Licensee found to be in violation of this Rule.

13.3 Trade in mainland UAE

A Free Zone Entity may trade its products outside the Free Zone Area and within the UAE, only through an agent, representative, distributor or its parent company holding a licence to conduct such activity in the UAE.

13.4 Marketing

A Free Zone Entity may display products in the Free Zone Area for potential customers for marketing purposes only.

14. EMPLOYEE AFFAIRS

14.1 Sponsored Employee

- a. The Authority may sponsor an Employee to be engaged by a Licensee. The Licensee will be entering into a Personnel Secondment Agreement pursuant to which the Authority may sponsor an Employee on the Authority's visa and second such Employee for employment to the Licensee.

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- b. A Sponsored Employee seconded to Licensee by the Authority shall sign the Authority's Employment Contract, which shall set out the minimum conditions of employment. In addition to the Authority's Employment Contract, a Licensee may enter into a detailed contract with the Sponsored Employee, which shall not contain provisions less favourable than the Authority Employment Contract and the Labour Law.
- c. A Licensee shall pay the remuneration, payments and dues of a Sponsored Employee in accordance with the Employment Agreement, the Labour Law and the Personnel Secondment Agreement. The Authority shall not be liable to pay remuneration, payments or dues to an Employee, be it under the Personnel Secondment Agreement or otherwise.
- d. A Sponsored Employee shall only work at the Premises of the Licensee with whom it has entered into an Employment Agreement. The Authority may, at the request of the Licensee, permit a Sponsored Employee to work outside the Premises of the Licensee in order to carry out specialist consultancy, advisory, installation, repair or maintenance work on behalf of the Licensee. In the event such permission is granted, the Licensee shall ensure compliance with the laws of the jurisdiction where the Sponsored Employee works. An Employee may however live and travel anywhere in the UAE.
- e. A Licensee shall not employ or otherwise make use of a Sponsored Employee who is employed by another Licensee, unless the Authority permits the same.
- f. The Authority may, in its absolute discretion, limit the number of Sponsored Employees for a Licensee.
- g. A Licensee shall pay the following costs of recruiting a Sponsored Employee:
 - i. cost of the air ticket from the Sponsored Employee's point of origin to RAK; and
 - ii. cost of processing the residence permit, entry permit, health card and Emirates Identity Card.A Licensee shall not recover these costs from the Sponsored Employee.

14.2 Transfer of Employees

- a. A Sponsored Employee may be transferred from one Licensee to another subject to the Authority's prior permission in writing. In granting the permission, the Authority may, in addition to any information, require:
 - i. written consent from both Licensees to the transfer of Employees;
 - ii. a Personnel Secondment Agreement with the Licensee who is the transferee of the Employee; and
 - iii. a confirmation from the Sponsored Employee that all dues, including remuneration and end of service gratuity, as provided in the Employment Agreement and Labour Law, have been paid to the Sponsored Employee.
 - iv. the Authority does not grant permission to transfer a Sponsored Employee from a Licensee to an entity that is not a Licensee, unless such entity is a Government organization.

14.3 Visa Security Deposit

- a. A Licensee shall provide the Authority with a refundable Visa Security Deposit for each Sponsored Employee who is not a GCC national.
- b. The value of the Visa Security Deposit shall be AED 2,000. The Authority has the right to increase the value of the Visa Security Deposit.
- c. The Authority may waive the requirement for a Visa Security Deposit in respect of a total number of five (5) Employees from the following grades: owner, partner, director, general manager, and manager.
- d. The Visa Security Deposit shall be forfeited if the Licensee closes down for any reason including winding up and/or if the sponsored employee does not receive his/her end of service dues for any whatever reason.
- e. The number of visas to be issued to a Licensee shall be determined at the absolute discretion of the Authority from time to time.

14.4 Employment of Non-Sponsored Employees

- a. Subject to the consent of the Authority, a Licensee may employ a Non-Sponsored Employee, temporarily or permanently. In granting such consent, the Authority will consider favourably if the Non-Sponsored Employee:
 - i. is a GCC national;
 - ii. resides in the UAE on the visa sponsored by a relative;

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- iii. is to be employed on a part time or temporary basis; and
- iv. works for a company incorporated in the UAE and where such company is a Subsidiary or Associated Company of the Licensee.
- b. Where the Authority approves a Licensee's application to employ a Non-Sponsored Employee permanently, the Licensee shall obtain an identity card for the Non-Sponsored Employee.
- c. Where the Authority approves a Licensee's application to employ a Non-Sponsored Employee temporarily, the Licensee shall obtain a temporary access card for the Non-Sponsored Employee.

14.5 Permits and Passes

- a. On payment of a fee, an Employee can have an identity card issued by the Authority. An Employee shall at all times carry the said identity card.
- b. An identity card shall serve as a means of Employee's identification in lieu of an Employee's passport.
- c. An identity card shall permit an Employee:
 - i. to enter in the Authority Zone; and
 - ii. to work in the Authority Zone for the Licensee.
- d. In the event an identity card is lost, the Licensee shall ensure that a new identity card is issued.
- e. the Authority may issue a temporary identity card in the following circumstances:
 - i. pending issuance of permanent identity card;
 - ii. pending issuance of a replacement identity card; or
 - iii. to a Non-Sponsored Employee who is employed temporarily.
- f. Where a person wishes to enter the Authority's Zone to visit a Licensee, the Licensee shall apply to the Authority for a visitor's day pass. The Licensee shall provide such identification information to the Authority as requested.
- g. The Authority may charge a fee for passes, permits and visas issued in respect of a Licensee's Employee or visitor.
- h. The Licensee shall return to the Authority the permit and pass of such Employee and shall process cancellation of the Employee's visa where:
 - i. an Employee ceases to be employed with a Licensee; and
 - ii. an Employee is deemed to be absconding – when the whereabouts of an Employee are unknown for more than seven (7) continuous days.
- i. the Authority may in its discretion deny any person entering into the Authority Zone on grounds of policy or security.

14.6 Employees' Passports

A Licensee shall not retain the passport of an Employee.

14.7 Employee and Licensee Dispute

- a. In the event a dispute arises between a Licensee and an Employee the Authority may act as a mediator in the first instance in an attempt to settle the dispute.
- b. Where a settlement is not reached, the dispute may be referred to the Court by issuing a no objection certificate.

14.8 Salary Certificates

- a. The Authority may request a Licensee to provide evidence that an Employee's salary has been paid.
- b. The Authority may in its absolute discretion introduce measures to ensure prompt payment of Employees' salaries.

15. INSURANCE

15.1 Insurance of Buildings

- a. A Licensee shall comply with its insurance obligations under the Lease Agreement, Sub-Lease Agreement and Musataha Agreement.
- b. Without limiting or affecting other obligations and liabilities of a Licensee, a Licensee shall, before commencing the performance of any Building Works, take out (or have taken out on its behalf) the following insurance policies for the Building Work ("Construction Insurance"):

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- i. insurance for the relevant Building Works (together with the plant, materials and equipment used for or in connection with the relevant Building Works) for not less than the full reinstatement cost of the Building Works and the full replacement value of such plant, materials and equipment plus an additional 10% of such insured amount until the date of issue of the Operation Fitness Certificate for the relevant Building Works;
 - ii. public and third party liability insurance covering liability for:
 - (A) damage to or loss of any real or personal property belonging to the Authority or any third parties; and
 - (B) injury to, or death of, any person, arising out of or otherwise in connection with the performance of the Building Works with a limit of liability of not less than an amount prescribed by the Authority, for any occurrence during a period of three (3) years from the date of issue of the Operation Fitness Certificate for the relevant Building Works; and
 - iii. workers' compensation insurance covering legal liability for a personal injury, disease, illness and death of a personnel of a contractor (and its subcontractors) performing the Building Works resulting from or in connection with the performance of the Building Works with a limit of liability of not less than an amount prescribed by the Authority for any one occurrence during a period of three (3) years from the date of issue of the Operation Fitness Certificate for the relevant Building Works.
- c. Prior to commencing the Building Works and, upon the Authority's request, a Licensee shall provide the Authority a copy of each insurance policy relating to the Construction Insurance. The Authority may suspend a Building Permit if a Licensee fails to have all Construction Insurances in place prior to the issue of the Completion Certificate.
 - d. Upon issuance of an Operation Fitness Certificate, a Licensee shall take out and maintain, for the duration of a Lease Agreement, a Sub-Lease Agreement or a Musataha Agreement, insurance against destruction, loss or damage to a Licensee's plant, equipment and machinery at the Leased Premises ("Content Insurance"). Such Content Insurance shall be for the full replacement value of such plant, equipment and machinery and the issue of the Operation Fitness Certificate shall be subject to a Licensee providing the Authority a copy of the insurance policy for the Content Insurance. Upon request, the Licensee shall provide the Authority with a copy of any renewed or replacement policy for Content Insurance. An Operation Fitness Certificate may be suspended if a Licensee fails to have Content Insurance in place during its occupancy of the Premises.
 - e. All insurance policies for the Construction Insurance and the Content Insurance shall be on terms acceptable to the Authority.

15.2 Employee's Insurance

A Licensee shall provide worker's compensation insurance to its Employees. The worker's compensation insurance shall include cover for every employment injury, disability and related medical expenses in accordance with the Labour Law. The Authority may require a copy of these insurances.

16. CUSTOMS

- a. A Free Zone Entity engaging in trading activities by import of goods into the Free Zone Area or export of goods from the Free Zone Area is required to have a code from the Department of Customs and Ports (the "Customs"). A Free Zone Entity's representative shall obtain a 'Representative Card' from Customs in order to represent the Free Zone Entity before the Customs.
- b. A Free Zone Entity shall abide by the rules, regulations and practices of the Customs.

17. ABANDONMENT

17.1 Abandonment of Operations

- a. Where a Licensee ceases to operate under a Licence for a period of three (3) consecutive months, without notifying the Authority of the reason of cessation, and where the Authority, after inspecting the Leased Premises of the Licensee, determines in its discretion that a Licensee has abandoned its operations, such Licensee shall be deemed to have abandoned operations.
- b. Where a Licensee has abandoned operations, the Authority may serve a written notice at the registered address of the Licensee to resume operations within thirty (30) calendar days of receipt of such notice, failing which the Authority may:
 - i. cease, close or padlock the Leased Premises of the Licensee;
 - ii. prohibit a person, including a representative or an Employee of the Licensee, from entering the Leased Premises unless such person holds a valid order from a Court or a government authority;

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- iii. cancel visas and work permits of the Licensee's Employees; and
- iv. repatriate the Licensee's Employees to the Employees' home country. Costs for such repatriation shall be deducted by the Authority from the Visa Security Deposit.

17.2 Abandonment of Goods

- a. Where a Licensee abandons goods in the Authority's Zone, the Authority may serve a written notice on the Licensee at its registered address to clear such goods within a specified time, failing which, the Authority may treat such goods as "abandoned".
- b. The Authority will prepare a list of the abandoned goods.
- c. The Authority may, at the expense of the Licensee, remove abandoned goods and auction the same.
- d. The Licensee shall be responsible for liability arising due to the abandoned goods.

PART 3: PROCEDURAL PROVISIONS

18. SIGNAGE

A Licensee shall display its signage and name, in accordance with standards (size, colour and design) of the Authority, on the Leased Premises, subject to the written permission of the Authority. A Licensee shall make sure that its signage does not infringe the rights of third parties.

19. EMPLOYEE ACCOMMODATION

- a. A Licensee may build accommodation for Employees on suitable Leased Premises, with the written consent of the Authority.
- b. The accommodation shall be built in accordance with Rule 12.
- c. A Licensee shall not share, transfer, or sub-lease the accommodation without prior approval of the Authority.
- d. A Licensee shall ensure that the accommodation is suitable for occupation and has connections for the Services.
- e. The Authority may inspect the accommodation to ensure compliance with these Rules.

20. HEALTH, SAFETY AND ENVIRONMENT (HSE)

20.1 General

- a. Paved grounds around a warehouses, corridors between offices, open areas between plots of land and other common areas in the Authority's Zone, shall not be used for storage of goods, equipment, waste, or other items, unless the area has been designated for such purpose.
- b. Cooking is not permitted in the Premises, except for areas designated by the Authority for cooking.
- c. A Licensee shall ensure that an Employee directly involved in processing, manufacturing or packaging edible goods or health products, shall have a valid 'Occupational Health Card', issued by the relevant authority, and shall be carried by such Employee at all times.
- d. A Licensee shall at all times operate in an environmentally safe and clean manner and shall minimize pollution in all its forms. Ensuring a safe and healthy environment in the Authority's Zone shall be a prime consideration of a Licensee in conducting its operations.
- e. A Licensee shall ensure compliance with applicable federal and local health and safety laws, rules, regulations and standards.

20.2 Compliance from other Government Authorities

- a. A Licensee shall comply with the guidelines and regulations of EPDA to ensure environmental pollution is minimized (if not eliminated).
- b. A Licensee shall implement appropriate fire preventive and fire control measures in accordance with the requirements of Civil Defense.
- c. A Licensee with a Licence relating to food and health activities shall comply with the requirements of RAK Municipality, Ministry of Health and Prevention and other relevant authorities.

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20.3 Reporting

A Licensee shall immediately report a health emergency be it an accident or contagious or serious illness of an Employee to a health service provider. A written report of serious illness shall be filed with the Authority.

20.4 Waste Collection and Disposal

A Licensee shall ensure that waste of any nature originating from the Leased Premises is regularly and systematically collected and disposed in a manner prescribed by the relevant authority including RAK Municipality and the Authority.

20.5 Domestic Sewage

- a. A Licensee shall subscribe to the sewerage collection system for its Leased Premises.
- b. A Licensee shall pay a monthly fee for the sewerage collection service.
- c. A Licensee shall keep back up sewerage storage tanks when the sewerage collection system is unavailable.
- d. Where the Leased Premises is not connected to a drainage network, a Licensee must have a suitable holding tank with level indicator, buzzer and an appropriate arrangement for disposing waste in the holding tank. The waste shall not be discharged in the Authority's Zone.

20.6 Industrial Waste

Industrial discharge and waste, be it in solid, liquid or gas state, shall be stored in a suitable storage area and separated as per EPDA requirements. A clearance from EPDA shall be obtained before disposal of such waste.

21. SECURITY

- 21.1 Vehicles entering and exiting the Free Zone Area shall obtain a permit from the Authority and shall be subject to security checks.
- 21.2 A Licensee shall report to the Authority and to the relevant authority an incident of fire, criminal activity, security breach, environmental hazard or such other incident that may cause harm to a person in the Authority's Zone.
- 21.3 A Licensee shall provide the Authority the name and details of a person who may be contacted in the event an emergency.
- 21.4 A Licensee shall inform the Authority of shift working arrangements for its Employees.
- 21.5 No firearms shall be allowed in the Authority's Zone. Violation of this restriction shall be reported to the authorities for immediate action.

22. VEHICLES

22.1 Driving Licence

A driver or an operator of a vehicle must be licensed by a relevant authority.

22.2 Parking of Vehicles

A Licensee shall ensure that its vehicles and mobile equipment are not parked outside the Leased Premises.

22.3 Purchase of Commercial Vehicles

A Licensee shall not, without prior written approval of the Authority, purchase any commercial vehicle.

PART 4: INSPECTION AND VIOLATIONS

23. INSPECTION OF LICENSEE'S PREMISES

- 23.1 The Authority may inspect a Leased Premises to monitor compliance with regulations and rules of the Authority, including these Rules, and any agreements entered into with the Authority. The Authority will endeavor to arrange any such inspection so that disturbance or disruption to the Licensee's business is minimized. However, the Authority reserves the right to enter a Licensee's Leased Premises at any time and without prior notice:
 - a. in the event of fire or any other matter which presents an actual or suspected threat to the safety and security of the Authority's Zone or any person or property within those areas;

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- b. in the event there is a discharge of substances from the Leased Premises which are or are believed to be noxious or otherwise offensive;
- c. if the Authority has reason to suspect that a Licensee is in serious breach of the terms of the Licence, Lease Agreement, Sub-Lease Agreement, Musataha Agreement or any of the provisions of these Rules; or
- d. if the Authority reasonably believes such entry is justified in order to protect the interests of the Authority or any other Licensee.

23.2 The Authority shall not be liable for any loss or damage caused by the Authority conducting its inspection.

23.3 Inspection of the Leased Premises shall only be carried out by the Authority or an entity authorized by the Authority in writing.

23.4 A Licensee and its Employees shall cooperate and assist the Authority with the inspection of the Leased Premises.

24. VIOLATIONS

24.1 General

- a. Ignorance of these Rules shall not be a reason or justification for non-compliance of these Rules by a Licensee.
- b. Where a Licensee repeats a violation, the Authority shall have the right to increase the prescribed fine on each subsequent occurrence of the violation and take such other remedial measures as determined by the Authority.
- c. Determination of a fine by the Authority, if required, shall be final.
- d. The imposition on any Licensee of any penalty under this Rule (24) shall be without prejudice to any other liability which such Licensee may incur, or may have incurred, under any other laws for the time being in force.

24.2 Licence Violations

- a. A Licensee carrying out activities other than those permitted by the Licence shall be subject to a fine of AED 5,000 for each violation.
- b. The Authority may revoke, cancel or suspend a Licence on occurrence of any of the following events, by serving a notice in writing to the Licensee:
 - i. contravention of these Rules;
 - ii. termination of the Lease Agreement, Sub-Lease Agreement or Musataha Agreement;
 - iii. misrepresentation to the Authority;
 - iv. failure to pay any amounts owed to the Authority, be it a fee, fine, penalty, dues or charges;
 - v. abandonment of operations by the Licensee in accordance with Rule 17.1;
 - vi. conduct of activities other than those permitted by the Licence;
 - vii. assignment of the benefit or control of the Licensee to a third party without the written approval of the Authority; and
 - viii. order of a Court or law enforcement authority.
- c. The Authority may revoke, cancel or suspend a Licence where the same is in public interest, for the protection of the reputation of the Authority or other grounds specified by the Authority.
- d. In the event a Licence is cancelled by the Authority, a Licensee shall pay all outstanding fees, penalties, expenses and costs that may be payable to the Authority or any other authority or body, as well as the dues payable to the Employees of the Licensee.

24.3 Employment Violations

- a. The Authority may impose the prescribed fine on a Licensee on occurrence of any of the following events:
 - i. a fine of AED 5,000 per Employee, for employment by a Licensee of a person who is an Employee of another Licensee, without the approval of the Authority;
 - ii. a fine of AED 7,500 per employee, for:
 - (A) illegal employment of a person not sponsored by the Authority under Rule 14.1;
 - (B) illegal employment of a person not approved by the Authority under Rule 14.4; and

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(C) allowing an Employee to work for an entity other than the Licensee, without obtaining the prior written approval from the Authority and other concerned authorities.

- b. The Authority may, on a repetition of any of the violations by a Licensee, as set out in Rule 24.3(a):
 - i. impose an additional fine of AED 10,000; and
 - ii. suspend the Licence.

24.4 Construction Violations

The Authority may impose a fine of AED 5,000 per breach of the any of the following and AED 20,000 for any subsequent breach of the following:

- a. Building Regulations;
- b. Building Permit;
- c. Rule 12 of these Rules; or
- d. Rule 15 of these Rules.

24.5 Operation Fitness Certificate Violations

A Licensee operating without a valid Operation Fitness Certificate will be liable to a fine of AED 5,000 per day.

24.6 Health, Safety and Waste Disposal Violations

- a. The following fines shall be payable by a Licensee for disposal of waste in a manner other than as prescribed in Rule 20.4:
 - i. for the first offence - a fine of AED 5,000;
 - ii. for the second offence - a fine of AED 25,000; and
 - iii. for the third offence – a fine and such other remedial measures determined by the Authority.
- b. The Authority may impose a fine of a maximum of AED 200,000 on the Licensee for serious violations of EPDA regulations, with severe effects such as:
 - i. direct negligence leading to death or serious injury;
 - ii. discharge of untreated or industrial waste or hazardous materials without EPDA approvals; and
 - iii. mishandling, abandonment or unsafe storage of dangerous products or materials.
- c. Prior to determining the fine under Rule 24.6(b) above, the Authority may investigate the circumstances leading to the violation.

24.7 Unauthorized Entry

In the event an individual enters the Authority's Zone without appropriate authorization, and where such entry is a result of a Licensee aiding or abetting such entry, then the Licensee shall be warned in the first instance. Any subsequent violations shall result in a fine of AED 1,000 per unauthorized entry per person.

24.8 Other Violations

- a. A fine up to AED 5,000 fine for a violation of a Rule not specifically provided in this Rule 24.
- b. In the event of a violation of the Rules in respect to Sub-Lease Agreements, the Sub- Lessor and Sub-Lessee shall be jointly liable to pay a fine of AED 10,000 on each violation.

25. BAN FOR ENTRY OR EXIT

- 25.1 The Authority may ban the entry of a personnel of a Licensee, including an Employee and products and entry or exit of products of a Licensee, who has failed to remedy violations of these Rules.
- 25.2 The intention to impose a ban will be notified to a Licensee in writing and in all cases giving a Licensee a period of fifteen (15) days to remedy the violation contemplated under these Rules.
- 25.3 It is understood that once imposed, a ban will not be lifted until the violation has been rectified by the Licensee.

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25.4 In the event of failure to remedy a violation as mentioned under this Rule 25, the Authority may repossess the Leased Premises of the breaching Licensee.

25.5 The measures mentioned in this Rule 25 are without prejudice to the Authority's rights to take such other legal actions as it may deem proper to protect its rights and interest.

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TARIFFS