



## UAE FOUNDATIONS | ONGOING OBLIGATIONS

The basic ongoing obligations of a foundation do not vary much from those of a corporate vehicle – i.e. appointing key controllers and ensuring that the entity remains in compliance with its regulatory status.

The table below will help you identify and navigate your foundation’s compliance duties!

*For the rest, get in touch with us!*



**Kath Zagatti I.De Moura**  
Partner – Private Clients  
✉ [zagatti@m-hq.com](mailto:zagatti@m-hq.com)



**Yann Mrazek**  
Managing Partner  
✉ [mrazek@m-hq.com](mailto:mrazek@m-hq.com)

### Who we are

We are a multi-services platform catering to a broad spectrum of clients – from individual entrepreneurs and local SMEs to wealthy international families, to established blue-chip companies and multinationals. Our one-stop-shop offering is unique in the Middle East: a holistic and cross-disciplinary combination of a market-leading corporate services firm, a law firm’s specialist expertise and a regulatory & compliance services practice, all through one single platform.

We have broad experience advising successful individuals and international families on a broad range of legacy planning and wealth structuring issues, including structuring of operational and non-operational assets. We particularly assist in relation to establishing foundations, drafting charter and by-laws, advising on the foundation objects and structuring of foundation assets, and guiding the founder on the foundation governance strategy and implementation.

Headquartered in the UAE, we are an entrepreneurial firm for entrepreneurial clients.

	Upon Incorporation	Annual Obligations	Ongoing Ad Hoc Obligations
Appointment of Members	<p><b>DIFC</b> <b>ADGM</b> <b>RAKICC</b></p> <ul style="list-style-type: none"> <li>At least <b>two (1) Council Members</b></li> <li><b>Beneficiary/ies</b> (can be <i>post</i> incorporation)</li> <li><b>Guardian</b> (<i>optional</i>)</li> </ul>		<p><b>DIFC</b> <b>RAKICC</b></p> <p>Any <b>material changes</b> of members [resignation/appointment] must be notified to registrar within <b>30 days</b> from the occurrence of the change</p> <p><b>ADGM</b></p> <p>Any <b>material changes</b> of members [resignation/appointment] must be notified to registrar within <b>14 days</b> from the occurrence of the change</p>
License Renewal		<p><b>DIFC</b> <b>ADGM</b> <b>RAKICC</b></p> <p>At anniversary date of license issuance</p>	
Data Protection	<p><b>DIFC</b></p> <p>Data Protection Notification [as part of application]</p> <p><b>ADGM</b></p> <p>Data Protection Registration upon incorporation <b>only if/when data is processed</b> by Foundation according to ADGM regulations</p>	<p><b>DIFC</b> <b>ADGM</b></p> <p>Data Protection Notification/Registration filed/renewed annually as part of license renewal</p>	<p><b>DIFC</b></p> <p>Any <b>material changes</b> related to data protection [resignation/appointment of Data Protection Officer] must be notified to registrar within <b>14 days</b> from the occurrence of the change</p> <p><b>ADGM</b></p> <p>Any material changes related to data protection [resignation/appointment of Data Protection Officer] must be notified to registrar within <b>one (1) month</b> from the occurrence of the change</p>



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Books of accounts		<p><b>ADGM</b> <b>RAKICC</b></p> <ul style="list-style-type: none"> <li>Annual accounts must be maintained and approved by Council;</li> <li>No annual audit obligations; however, Registrar has discretion to request Foundation to audit/submit its financial statements to the Registrar.</li> </ul> <p><b>DIFC</b></p> <ul style="list-style-type: none"> <li>Annual accounts must be maintained and approved by Council <b>within six (6) months from the Foundation's Financial Year's end</b>;</li> <li>No annual audit obligations, unless Foundation's annual turnover exceeds USD 5,000,000 (including Foundation's subsidiaries' turnover, if any).</li> </ul>	
Governance			<p><b>DIFC</b> <b>ADGM</b> <b>RAKICC</b></p> <ul style="list-style-type: none"> <li>Strategic decision making via: <ul style="list-style-type: none"> <li>Council Minutes of Meeting</li> </ul> </li> <li>Ancillary documents: <ul style="list-style-type: none"> <li>Letter of Wishes [Founder]</li> <li>Resignation/appointment Letter [Council members, Guardian]</li> <li>By-Laws amendment (where appropriate)</li> </ul> </li> </ul>
Addition/ Exclusion of Assets			<p><b>DIFC</b> <b>ADGM</b> <b>RAKICC</b></p> <ul style="list-style-type: none"> <li>Documented via: <ul style="list-style-type: none"> <li>Council Minutes of Meeting</li> <li>Asset Registrar [update]</li> <li>Deed of Addition (settlement of Assets onto Foundation)</li> </ul> </li> <li>Ancillary document: <ul style="list-style-type: none"> <li>Letter of Wishes [Founder]</li> </ul> </li> </ul>