

Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates

Federal Law No. (2) of 2008
In Respect of
The National Societies and Associations of
Public Welfare

We, Khalifa Bin Zayed Al Nahyan, the President of the United Arab Emirates,

- Upon reviewing the constitution,
- The Federal Law No. (1) of 1972 regarding the ministries' jurisdictions, ministers' authorities, and the laws amending thereof,
- The Federal Law No. (12) of 1972 regulating the societies and associations operating in the field of youth care,
- The Federal Law No. (6) of 1974 in respect of the public welfare societies, and the laws amending thereof,
- The Federal Law No. (25) of 1999 related to the Youth Welfare and Sports General Authority,
- And based on the presentations submitted by the minister of Social Affairs, and the approvals of the Council of Ministers, as well as the Federal National Council, and on the sanction of the Supreme Council of the Federation ,

We do hereby enact the following law:

Preamble Chapter
Definitions
Article (1)

For the purpose of implementing the provisions of this law, the following phrases and words shall have the meanings assigned opposite each of them as shown hereunder unless otherwise is required by the context .

The State	The United Arab Emirates
The Ministry	The Ministry of Social Affairs
The Minister	The Minister of Social Affairs
The Society	The Society of Public Welfare
The Union	An assembly having more than one Society of Public Welfare
The Board	The Union or Society's Board of Directors
The Member	The Society's Member
The Foundation	Any foundation having one founder or a group of founders, established for a limited or an unlimited period by allocating certain funds for the achievement of one of the purposes stipulated under Article (2) herein, without seeking financial profits.

Article (2)

In implementation of the provisions of this law, the society of public welfare means any assembly (group) having a regulation valid for a limited or unlimited period, comprising natural or artificial persons, for the purpose of achieving a social, religious, cultural, scientific, educational, professional, feminine, innovative, or an artistic activity, or provision of humanitarian services, or for serving a charity or consolidation purpose, whether through financial or moral assistance, or by know-how, seeking in all its activities achievement of Public Welfare without obtaining financial profit, and having its membership open for everybody under the provisions of this law. The importance of specifying the objective of the society is represented by the chief purpose for which it has been established.

Chapter One
Incorporation of the Society
Article (3)

To incorporate the society, the following requirements shall be met:

1. Number of the founders shall not be less than twenty members. However, the Minister may apply exceptions in this condition, permitting the number of such founders to be not less than five members.
2. The age of the member should not be less than Eighteen Years.
3. The member should enjoy good conduct and reputation and never been convicted of imprisonment due to committing a felony or a misuse of trust or honor misdemeanor unless he / she is already rehabilitated.
4. All the founder members and staff shall be holders of the United Arab Emirates citizenship.

The aforesaid conditions shall be applied to the societies comprising artificial persons to the extent such conditions can be applied thereto.

Article (4)

The founders shall hold an assembly for setting out the society's Articles of Association including the following details:

1. The name of the society derived from its objective, place of its headquarters and scope of activity in the State, provided that such a name does not arouse confusion with another society operating within the scope of its activity.
2. Objectives of the Society.
3. Membership conditions and categories , with the procedures of its acceptance and forfeiture, as well as the rights and duties of members.

4. The manner of forming the board of directors, its functions and the work system therein.
5. Rules and principles for regulating the ordinary or extraordinary general assemblies, their functions , assembly invitation procedures and the conditions for valid convention.
6. Rules for amending the society's articles of association, establishing branches or centers affiliated thereto, or merging the same with other societies, in addition to rules of membership and participation in the bodies, organizations, and conferences outside the State.
7. Resources of the society and the manner of utilizing the same, disposing of them and the method of controlling of spending thereof, beginning and end of its fiscal year, the system for retaining advances and the values thereof for meeting the urgent expenditures, as well as the rules for raising donations.
8. The conditions for winding the society up voluntarily, rules of its liquidation and the decision regarding its funds.

The Ministry shall prepare a model society Articles of Association to be used for guidance .

Article (5)

The Society membership shall be in three Categories :

Active Membership – Associate Membership – Honorary Membership

Active Members:

They are the founder members and any United Arab Emirates national member joining the society according to its articles of association.

Associate Members:

They are the non- United Arab Emirates national members (Expatriates) residing in the State, and joining the society as per its articles of association.

Honorary Members:

They are any persons the board of directors deems desirable to be granted the membership due to their high positions and opinions having rendered valuable services to the State or to the society, or those who have highly valuable activity in the domain of public services and voluntary work.

Article (6)

The founders shall elect from among themselves an interim committee which shall nominate one of its members to represent it in taking the procedures of registration as stipulated under this law.

The said representative shall submit the society's registration application , in three copies , to the relevant authority at the Ministry , enclosed with the following documents :

1. The society's articles of association signed by the founder members, with a summary thereof.
2. The founders' minutes of meeting signed by the members attending the meeting .
3. The interim committee's minutes of meeting .
4. A list showing the founder members' names, titles, ages, professions, domiciles, and copies of their registration extracts or Identity Cards.
5. The interim committee's resolution thereby authorizing one of its members to submit the registration papers.

The Ministry shall keep a record wherein such applications shall be entered under serial numbers, and shall give the representative a receipt showing the date of submitting such application.

Article (7)

Within (60) sixty days from the date of submission of the application , the Ministry shall examine it and issue a decision approving or rejecting registration of the society. In case of rejection , the Ministry shall give the rejection reasons or shall request introducing any amendments it may deem proper onto the society's articles of association, or to refer such an application to other relevant authorities.

Article (8)

The interim committee shall have the right to file a grievance to the minister within (180) days One Hundred Eighty days from the date of receiving the notice of registration rejection or lapse of the prescribed period for disposing of such application without responding to it, whichever earlier.

The grievance shall be disposed of under a justifiable decision within (180) one hundred eighty days from the date of submitting it.

The decision issued by the minister in this regard shall be final, and the grievant shall be notified thereabout.

The grievant may resort to court within (180) days One Hundred Eighty days from the date of being notified about grievance rejection or elapse of the prescribed period for disposing of the grievance without responding thereto , which comes earlier.

Article (9)

The society shall be registered by entry in a special register at the ministry. Details of such register shall be stipulated under the executive bylaw of this law.

Article (10)

The society shall acquire the body corporate capacity upon completing its registration procedures as per article (9) hereof; with the registration resolution shall be published in the official gazette.

Article (11)

The interim committee shall invite the general assembly for convening within a period not exceeding three months from the date of registering the society. All the members being active as on date of convening the assembly shall be invited to attend the assembly for the purpose of electing the society's board of directors.

Article (12)

The society may establish branches and centers inside the State. The society's articles of association shall specify the manner of establishing such branches or centers and their functions and other relative provisions.

Article (13)

The societies registered under the provisions of this law may request establishing unions among themselves according to the executive bylaw hereof. However, none of such societies may give itself the name “*Union*” unless it consists of several societies unified under the provisions of this law. The existing unions shall adjust their situations according to this law provisions within the period fixed by the minister.

Article (14)

The union shall be considered as a society of public welfare subject to the provisions of the law regulating the incorporation and registration of the society and to other provisions to the extent related to its nature.

Article (15)

The union's mission towards the societies joining it shall be as follows:

1. Supervise their mutual interests, guide and instruct them towards achieving their mutual objectives.
2. Coordinate their efforts and work for improving the level of their services.
3. Render the technical, financial, and cultural services to them.
4. Settle any disputes that may arise among them.

Article (16)

The society may not deviate from the objectives stipulated under its articles of association. The Society and its members are prohibited to interfere in politics or in the matters that impair the State security and its ruling regime , nor to arouse sectarian, racial, or religious disputes.

Article (17)

1. The society may be represented in the events such as conferences, forums, assemblies, or meetings outside the State after obtaining the ministry's approval. The ministry shall reply to the approval application within two weeks from the date of submitting such an application.

The society's representatives' travel days to such events shall be deemed official work days for the employees of the government departments as well as those of the corporations and bodies belonging to government subject to the approval of the concerned administrative authority.

2. The society may associate , participate or join any society or body based outside the State, or it may deal with such society or body or may carry out any activities or execute any projects outside the State after obtaining prior license from the ministry.

The ministry shall reply to the license application within two weeks from the date of submitting such application.

Article (18)

The society may hold conferences, forums, meetings, or events attended by foreigners from other countries subject to the approval of the ministry.

The ministry shall reply to the approval application within two weeks from the date of submitting such application.

Article (19)

The ministry shall have the right to supervise the society's programs and projects within the scope of its objectives stipulated under its articles of association, and it may organize training courses and provide technical opinion and other kinds of sponsorship to enhance the level of the services and to realize the competence in performance.

Article (20)

The society shall be subject to the ministry's control regarding the financial matters in order to verify the expenditures and to ensure safe allocation of its financial and in-kind resources for the purposes and projects executed by the society under its articles of association.

In order to achieve that, the ministry shall have access to the society's books, records, and documents.

Article (21)

The ministry shall cooperate with other ministries and public departments, authorities, and corporations as it may deem necessary to realize the society's objectives. It may transfer to any of them some of its functions related to technical supervision and spending of subsidies.

Article (22)

The society shall keep, at its headquarter , all its records, books, instruments, and publications, particularly:

1. Records of members' names and the subscription fee they pay.
2. Books containing the board of directors' and the general assembly's minutes of meeting.
3. Books of revenues and expenditures accounts supported with certified documents.

The society's books, records, and publications shall include the society's name, its registration No., and its operation area.

Chapter Two Management of the Society Part One Board of Directors

Article(23)

Each society shall have a board of directors to manage its affairs and to provide the necessary means to carry out its activity and to realize its objectives. This board of directors shall be elected through secret poll . The society's articles of association shall specify the functions of its board of directors and the requirements to be satisfied by its members, their numbers, and termination of their membership, procedures of convening the board's assembly, validity of its assemblies and its resolutions, and the election of the board's chairman.

Number of the board of directors members shall not be less than five, with the board's term shall not exceed four years. The member may be re-elected according to the society's articles of association.

However, the age of the board member shall not be less than twenty one (21) years.

Article 24

The board of directors may designate a director from among its members or non-members to carry out the internal executive duties of the society, particularly recruitment of employees, applying disciplinary penalties against them, approving the payment notes and supervising the execution of the resolutions of the general assembly and the board of directors, unless the society's articles of association stipulate otherwise.

Article 25

The member of the board of directors may not act as a member in more than one society working in the same business activity except for the union membership. However, the minister may exempt some members from this prohibition whenever it is deemed justified.

Article 26

The board of directors may offer financial incentives to any member of the society, who renders distinguished services to the society in compensation of his efforts and as a motivation towards further work and as an encouragement to others, subject to the provisions of society's articles of association.

Through a proposal by the board of directors and under the approval of the general assembly, the board member may receive a remuneration in consideration of performing any services related to his duties in the board of directors.

Chapter Two **General Assembly** **Article 27**

The general assembly shall comprise all the active members satisfying the conditions and requirements of the membership with their membership is not less than three months old up to the date of convening the society's general assembly. However , the assembly meeting mentioned under

article 11 hereof shall be exempted from this three months condition .
The associate members may attend the society's general assemblies, but they shall not be counted for the purpose of the quorum, neither they shall vote nor be elected.

The ministry shall send a delegate to attend the society's general assembly meeting .

Article 28

The members shall be invited and the ministry shall be notified to attend the general assembly meeting at least fifteen days prior to its convention date. The executive bylaw hereof shall specify the manners of invitation and enclosures thereof.

Article 29

The general assembly shall hold an ordinary meeting once every year within the four months following the end of the fiscal year to examine the issues of interest to the society, within the scope of its objectives, particularly the following issues :

1. Approving the society's previous general assembly minutes.
2. Approving the board of directors report about its businesses in the expiring year , the activity programs and the action plan for the new year.
3. Approving the budget draft for the new year and the final account of the expiring fiscal year.
4. The proposals submitted by the members within the date fixed in the society's articles of association.
5. Electing a board of directors or filling up the vacant offices.
6. Nominating an accounts auditor and fixing his remuneration.

7. Any emerging issues .

Article 30

The society's ordinary general assembly meeting shall be deemed valid if attended by at least more than half of the number of the active members. If the required number is not available, the assembly shall be postponed to another date after not less than 15 fifteen days nor more than 30 thirty days from the date of the first meeting. The second assembly shall be deemed valid regardless of the number of the attending members.

The general assembly shall issue its resolutions by absolute majority of the number of the attending members.

Article 31

The general assembly may be invited to extraordinary meetings based on a justifiable request by the ministry ,the board of directors or by a quarter of the active members. If the board of directors does not invite the general assembly based upon the request of the ministry or the members , then the ministry may take over such invitation at the expense of the society.

Article 32

The extraordinary general assembly shall have jurisdiction to examine the following issues :

1. Dispose of the resignations served by all or some board of directors' members if such resignations may affect the legal quorum of the board.
2. Forfeiture of the membership of one or more members of the board.
3. Filling the vacant offices if necessary to maintain the legal quorum of the board.

4. Proposing the amalgamation of the society in another similar society having the same objectives. The merge proposal shall be deemed as a joining application to be approved by the society's extraordinary general assembly in which the merge is wanted to be made through similar procedures. The approval decision for such amalgamation shall include the procedures of execution and its effects.
5. Nullifying any of the board of directors' resolutions.
6. Amending the articles of association of the society after the ministry's approval. The ministry shall reply to such amendment application within thirty days from date of its submission.
7. The voluntary winding up of the society .
8. Any urgent matters affecting the business operation at the society entailing inviting the general assembly for meeting.

Article 33

The society's extraordinary general assembly meeting shall be deemed valid by attendance of three-thirds (75%) of the active members. However, if the quorum is not satisfied , the meeting shall be postponed for at least 15 fifteen days but not exceeding 30 thirty days from the date of the first assembly. The second assembly shall be deemed valid by attendance of half (50%) of the number of the active members. If such quorum is not satisfied , then a third assembly meeting shall be invited within a period similar to the date of the second assembly meeting . The third assembly meeting shall be valid by attendance of any number of the active members. In these cases, the general assembly's resolutions shall be issued by the majority of three thirds of the number of the attending active members.

Article 34

The extraordinary general assembly may not examine matters not included in its business agenda.

Article 35

The society's member may authorize another member by virtue of a written authorization letter, to represent him in attending the general assembly according to articles of association in this regard. Such authorized member shall not represent more than one member. The authorization letter shall be approved by the society's board of directors.

Chapter Three Resources of the Society

Article 36

The society's financial resources shall comprise the following:

1. Members' Subscriptions
2. Returns of activities, services, and investments
3. Donations, gifts, wills, and subsidies received by the society under the provisions of this law.
4. All other revenues

Article 37

Without prejudice to the provisions pertaining to consolidation funds and the private proprietary institutions , the society funds shall be deemed its property, where its members do not have right therein. The withdrawing or terminated members shall not have any right in such funds.

Article 38

The society shall deposit its cash funds in its name in one or more national banks in the State, and it shall notify the ministry thereabout.

The society shall notify the ministry upon changing the bank wherein its funds are deposited, within ten 10 ten days from the date of such change.

Article 39

The society shall spend its funds in a manner achieving the objectives for which it has been established. The society may not get engaged in trading nor into financial manipulations (Mudharabat). However, the society may, subject to the ministry's approval, invest its funds surplus to its needs, in a manner generating financial returns helping it to realize its objectives.

Article 40

The society's board of directors shall provide the ministry with a copy of the final account of the previous year and the budget draft of the new year within a period not exceeding 15 fifteen days from the date of being approved by the general assembly.

Article 41

A provision shall be allocated in the ministry's budget to subsidize the societies. Forms of subsidies and the manner of utilizing them shall be organized under the minister's resolution.

Article 42

Upon Ministry's consideration of granting , increasing, decreasing , or ceasing the subsidies to societies, all or some of the following criteria shall be observed :

1. The provisions (funds) allocated for subsidies in the ministry's annual budget.
2. To what extent the society needs such subsidy.
3. To what extent the society is successful in realizing its objectives
4. The periodical reports on the society's activity, and the extent of its compliance with the provisions of its articles of association.

Article 43

The donations may not be raised except through the societies registered under the provisions of this law and under a prior license from the ministry.

Moreover, the non-licensed societies may not accept any gifts, wills, or subsidies, nor may they raise donations from any person or entity outside the State, nor may they grant the same before obtaining a license from the ministry in this concern .

The minister shall issue a resolution regarding the rules and procedures organizing this issue .

Chapter Four

The Private Fund

Article 44

The founders shall set out articles of association of the Private Fund , including the following information:

1. Name of the Fund with its geographical scope of operation , and its headquarters inside the State.
2. The objective for which the Fund is incorporated
3. A detailed statement on the funds allocated for realizing the objectives of the Fund.
4. Organization of the Fund's management including the manner of appointing the chairman and the members of the Board of Trustees as well as appointing the director.

The Private Fund may be incorporated under an official instrument (document) or under an authenticated will, where both shall be deemed as articles of association for such a Fund . A model statute of the Private Funds shall be enclosed with the executive bylaw of this Law to be used as a reference.

Article 45

The Private Fund shall be managed by a board of trustees according to its articles of association, and shall be represented by the Chairman of the board of trustees before the courts and third party.

Article 46

The Private Funds shall be subject to the provisions stipulated under this law and its executive bylaw , as may be appropriate to their nature , for any matters not stipulated for under this chapter,.

Chapter Five Liquidation and Amalgamation

Article 47

1. The minister may issue a resolution dissolving and liquidating the society, based on a proposal by a committee to be formed under his decision, and to be chaired by the undersecretary with a member of its senior staff and a representative from the Ministry Of Justice to be nominated by the Minister Of Justice with two members from the public welfare societies, not to be members of the society subject of dissolution and liquidation, to be chosen by the minister, in one of the following cases:
 - A. If it contravenes the provision of article (11) hereof.
 - B. If its members are less than the number shown under item 1 of article 3 hereof
 - C. If it is found that its business has not actually realized the objectives for which it was incorporated, or found to be unable to realize such objectives
 - D. If it disposed of its funds in a manner other than the manners specified for it.
 - E. If it becomes unable to meet its financial undertakings.
 - F. If it refused to be subject to inspection or gave misrepresentations for the purpose of misleading.
 - G. If it committed a grave violation to its articles of association or to the provisions of this law.

- H. If its General assembly failed to convene for two successive years.
- 2. The resolution of dissolution and liquidation shall be published in the official gazette. Five joint members of the society may file a grievance against the resolution of dissolution and liquidation within thirty days from the date of its publication. Such grievance shall be disposed of under a reasoned decision within thirty days from the date of its submission , with the grievant notified of such a decision as per the provisions of the executive bylaw.
- 3. Instead of dissolving and liquidating the society, and for the common interest , the minister may:
 - A. Nominate , under a reasoned decision, an interim board of directors from the society's active members, as such board shall take over the authorities of the elected board of directors, for a period of 6 months, renewable for a similar period. The existing members of the society's board of directors and the staff shall submit all the society's funds, records, documents, and books once the said interim board is formed.
 - B. Merge the society in another society having similar objectives, provided that the merging decision is issued by both societies according to article 32 hereof.

Article 48

Without prejudice to article 51 hereof, the society may be liquidated voluntarily under a resolution by the extraordinary general assembly, provided that the ministry is notified of the venue of convening this assembly meeting at least 15 fifteen days before the date of the session.

Article 49

The persons in-charge of the affairs of any society for which a liquidation resolution, whether voluntarily or compulsorily, is issued, may not dispose of its funds and documents except by virtue of a decision by the

ministry. Such a decision shall specify the manner of liquidation according to the regulations specified in the executive bylaw hereof. The minister shall issue a decision thereby specifying the manner of liquidation and the manner of disposing of such funds, as well as the entity to which such funds shall devolve if the society's articles of association does not provide for that or if such provision in the articles of association can not be executed.

Article 50

In all events, if the society is dissolved and liquidated, its corporate body shall remain to the extent necessary to complete the liquidation process. The minister shall issue a resolution thereby crossing off the society's name from the register after completing the liquidation process in the required manner .

The crossing-off resolution shall be published in the official gazette.

Chapter Six Final Provisions Article 51

The ministry shall assume registering and recording the social consolidation funds according to the rules and procedures to be issued under a resolution by the council of ministers upon recommendation of the minister.

Article 52

Provisions of this law shall not be applied to the various activities referred to under article (2) hereof, carried out by schools and institutes, as well as the unions, societies, youth and sports clubs and centers concerned with youth affairs from the social, cultural, and sports aspects , as they are organized under Law No. 25 of 1999 in respect of the General Authority for Youth Welfare and Sports.

Article 53

The society shall be exempted from the following financial obligations:

1. Taxes and Custom duties for the items and equipment imported on its account being necessary to carry out its activity. It is prohibited to dispose of such items and equipment to another entity which does not have exemption from taxes and custom duties before elapse of one year from date of importing them unless due taxes and duties are paid against them.
2. Taxes and fees payable for the various activities carried out by them.
3. Consumption charges of water, electricity, and natural gas provided by the government authorities.

Article 54

No society or entity may carry out any of the activities assigned to societies unless it is in compliance with the provisions of this law and after completing the procedures of registering the same. In case of any violation , the ministry shall issue a resolution ceasing such activity or shutting down the violating entities. The relevant authorities in the State shall execute that resolution with force when necessary. However, this procedure shall not prejudice the civil and penal liability .

Article 55

The ministry is the sole authority being in charge of registering the societies of public welfare or licensing them to carry out their activities. Hence, all the societies registered or licensed under special regulations or under local orders shall adjust their regulations and shall apply for their registrations as per the provisions of this law within 6 six months from the date of its implementation ; otherwise, such societies shall be deemed as dissolved, and the ministry shall liquidate their funds and designate the entity to which such funds to devolve.

Article 56

The ministry's objection or rejection to the applications submitted thereto in accordance with the provisions of this law shall be through a letter with receipt acknowledgment received by the applicant within the period fixed under this law.

Article 57

Any violation to the provisions of this law and the resolutions implementing hereof shall be subject to a penalty not exceeding 10.000 Ten Thousand Dirhams without prejudice to any stricter penalty stipulated under another law.

When any violation is committed against any provision of article **43 hereof** , the court shall rule confiscation of the funds the society obtained without a license.

Article 58

The ministry employees, nominated under a resolution by the Minister Of Justice in conjunction with the Minister, shall have the capacity of Judicial investigation officers for investigating the violations committed against the provisions of this law and the bylaws and resolutions implementing hereof.

Article 59

Any text contrary to or contradicting with the provisions of this law shall be nullified. Also, the Federal Law No.6 of **1974** referred to shall be nullified, while the executive bylaws and resolutions issued thereby shall continue in application until the executive bylaws and resolutions hereof are issued, in a manner not conflicting with its provisions.

Article 60

The Minister shall issue the bylaws and resolutions necessary for implementation of this law provisions .

Article 61

This law shall be promulgated in the official gazette, and it shall be applicable one month after its promulgation .

Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates
(Signature)

This law is issued by us at the Presidential Palace in Abu Dhabi:
On 13 Muharram 1429 H
Corresponding to: 21 January 2008