

**Abu Dhabi Global Market launches public consultation on laws and regulations**

Abu Dhabi Global Market (ADGM), Abu Dhabi's nascent financial free zone, has published consultation papers on the laws and regulations that will apply to companies operating within the zone.

ADGM was established as a financial free zone pursuant to Abu Dhabi Law No. 4 of 2013. Since then ADGM has been working to build the regulatory infrastructure that will govern the free zone, principally an independent regulator, registrar and courts. The publication of the core consultation papers is the most significant step so far in this process, but it is far from the final step. For example, financial services legislation must still be drafted and consulted on.

It is proposed that English common law will apply in the free zone to govern matters such as contracts, torts, trusts, equitable remedies, unjust enrichment, damages, conflict of laws, security and personal property. Certain specified English statutes that modified or codified aspects of English common law, such as the Contracts (Rights of Third Parties) Act 1999 and the Partnership Act 1890, will also apply.

ADGM's proposed approach is generally to follow the Hong Kong and Singapore method of applying English common law directly, rather than codifying it. This will be done through regulations that list the UK acts that will apply and explain any exceptions or amendments.

There are 6 consultation papers in total, covering:

1. Application of English Law Regulations
2. Companies Regulations
3. Operating Regulations
4. Insolvency Regulations
5. Employment Regulations
6. Real Property Regulations & Strata Title Regulations

The draft Companies Regulations (based closely on the UK Companies Act 2006, with some enhancements) and the Insolvency Regulations (based closely on the UK Insolvency Act 1986 and related rules and regulations) are of particular interest. Being based on well-developed UK regimes, they offer the prospect of a robust set of regulations in these areas within the ADGM.

The consultation papers and draft regulations are available on the ADGM website: <http://www.adgm.com/about-us/overview/>. The deadline for responding to the consultation papers is 5 February 2015. Should you have any questions about the consultation papers, or should you wish to submit comments, please get in touch with your regular contacts at the firm or, in the Abu Dhabi office, Gamal Abouali ([gabouali@cgsh.com](mailto:gabouali@cgsh.com)), Matteo Montanaro ([mmontanaro@cgsh.com](mailto:mmontanaro@cgsh.com)) or Chris Macbeth ([cmacbeth@cgsh.com](mailto:cmacbeth@cgsh.com)).

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