

• • • • **Free Zone Regulations**

Dated 1 April 2015

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# 1. Definitions and Occupancy Chronology

## 1.1 Definitions

The following words and phrases wherever used in these Regulations shall have the meaning ascribed thereto hereunder, unless the context indicates otherwise:

1.1.1 “Applicant” shall mean either:

(a) A Company or Branch which has received approval from the QSTP Board of its Initial Application and is applying for a License under these Regulations; or

(b) A party, whether one or more natural persons or an entity, which has received approval from the Board Management of its Initial Application and is applying for a Restricted License or Service License under these Regulations.

1.1.2 “Application” shall mean an application to be granted a License, a Restricted License or a Service License, as the case may be, under these Regulations.

1.1.3 “Approved Bank” shall mean any bank operating in the State of Qatar. In the case of such a bank with one or more branches, the term “Approved Bank” refers only to branches located in the State of Qatar.

1.1.4 “Articles of Association” shall mean the articles of association submitted by a Company to the QSTP Management under the Company Regulations.

1.1.5 “Board of Directors” or “Manager” shall mean a group of persons (or, in the case of a Manager, one person) who manage, direct and supervise the affairs of a Company.

1.1.6 “Branch” shall mean any branch of an Originating Company, which branch is registered pursuant to these Regulations.

1.1.7 “Branch Listing” shall mean the section of the Register relating to the Branches.

1.1.8 “Company” shall mean any company incorporated pursuant to the Company Regulations.

1.1.9 “Company Listing” shall mean the section of the Register relating to the Companies.

1.1.10 “Company Regulations” shall mean those rules and regulations set forth in Schedule A to these Regulations regarding the incorporation, share capital, management and administration, merger and division, supervision and investigation, and winding-up of Companies.

1.1.11 “Conditions” shall mean any restrictions or conditions imposed by the QSTP

Management on the use of a License, Restricted License or Service License under Section 3.4.5 or Section 3.4.6.

1.1.12 "Court" shall mean a court or judicial tribunal of competent jurisdiction in the State of Qatar.

1.1.13 "Customs Law" shall mean the laws, decrees, rules and regulations in place in the State of Qatar, determining the customs of all goods which enter and exit the Customs Territory.

1.1.14 "Customs Territory" shall mean the point where goods enter and exit the State of Qatar.

1.1.15 "Exported Goods" shall mean those goods produced in the QSTP Free Zone by a Licensee or a Restricted Licensee, which are transported out of the QSTP Free Zone.

1.1.16 "Hazardous Materials" shall mean any hazardous or toxic substance or hazardous or toxic waste, contaminant, or pollutant as defined in or regulated by any environmental, health or safety-related laws, rules or regulations from time to time enforced or enacted in the State of Qatar.

1.1.17 "Immigration Status" shall mean the category of visa documentation allowing a particular non-Qatari person to lawfully reside in Qatar (e.g., residency or work permit, visit visa).

1.1.18 "Imported Goods" shall mean those goods which are transported into the QSTP Free Zone by a Licensee or a Restricted Licensee.

1.1.19 "Initial Application" shall mean the application submitted by a prospective Licensee, Restricted Licensee or Service Licensee to the QSTP Management in accordance with Section 3.1.1, as same may be supplemented by the QSTP Criteria.

1.1.20 "Lease" shall mean the lease, and any amendments thereto, entered into between the Licensee, the Restricted Licensee or the Service Licensee (as the case may be), as tenant, and QF, as landlord, covering premises within the QSTP Free Zone. A copy of the Tenancy Regulations to which each Lease is subject is attached hereto as Schedule B.

1.1.21 "License" shall mean the license issued by the QSTP Management to a Company or a Branch pursuant to these Regulations.

1.1.22 "Licensee" shall mean an entity, whether a Company or a Branch, which has been granted a License under these Regulations and whose License has not expired or been revoked.

1.1.23 "Licensee Manager" shall mean the natural person who is appointed by the Licensee, Restricted Licensee or Service Licensee to be its principal representative both within the QSTP Free Zone and in all matters before QF, the QSTP Board, QSTP Management and the .



1.1.24 "Originating Company" shall mean a company, whether incorporated inside or outside the State of Qatar, which seeks to register a Branch under these Regulations.

1.1.25 "Permitted Activities" shall mean those activities which a Licensee, Restricted Licensee or Service Licensee may undertake in the QSTP Free Zone in accordance with the terms of each of:

- (a) These Regulations;
- (b) The QSTP Criteria;
- (c) The License granted to the Licensee, the Restricted License granted to the Restricted Licensee or the Service License granted to the Service Licensee, as the case may be; and
- (d) The subject Lease.

1.1.26 "Prohibited Activity" shall mean those activities which cannot be carried out in any manner whatsoever by any Licensee, Restricted Licensee or Service Licensee in the QSTP Free Zone, and being more specifically described as follows:

- (a) Manufacturing, storing and trading in weapons, ammunition and explosives;
- (b) Manufacturing, storing and trading in radioactive or nuclear materials or other Hazardous Materials;
- (c) Manufacturing, storing and trading in drugs, other than such chemicals and medicines which may be required for the purposes of biochemical research and specifically approved in writing by the QSTP Management;
- (d) Printing money bills and currency of any country;
- (e) Developing and researching any genetic material to be used for the purposes of human and animal cloning; and
- (f) Any other activities prohibited pursuant to:
  - i) the laws of the State of Qatar, unless such laws are expressly deemed inapplicable to Licensees, Restricted Licensees or Service Licensees by virtue of the QSTP Free Zone Law or these Regulations;
  - ii) the QSTP Free Zone Law;
  - iii) the QSTP Criteria; or
  - iv) the subject Lease.

1.1.27 "Prohibited Goods" shall mean those goods specified in Chapter 5, which are prohibited, under any circumstances whatsoever, from entering into the QSTP Free Zone.

1.1.28 "QF" shall mean Qatar Foundation for Education, Science and Community Development.

1.1.29 "QSTP Board" shall mean the Board of Governors, as such term is defined in the QSTP Free Zone Law.

1.1.30 "QSTP Criteria" shall mean the document promulgated by the QSTP Management for the information of prospective Licensees, Restricted Licensees and Service Licensees and setting forth the entry criteria to, and permitted uses within, the QSTP Free Zone. A copy of the current version of the QSTP Criteria is attached hereto as Exhibit B.

1.1.31 “QSTP Management” shall mean the management of QSTP, which shall carry its functions pursuant to the directions of QSTP Board.

1.1.32 “QSTP Free Zone” shall mean the free zone established under the QSTP Free Zone Law as the Qatar Science & Technology Park.

1.1.33 “QSTP Free Zone Law” shall mean that certain Law No. (36) for the Year 2005 of the State of Qatar. An English translation of the QSTP Free Zone Law is attached as Exhibit A.

1.1.34 “Register” shall mean a register of the name of all the Companies and Branches who are Licensees and all parties who are Restricted Licensees and Service Licensees, and all pertinent information and particulars of the same, as maintained by the QSTP Management and more fully described in Chapter 3.

1.1.35 “Regulations” shall mean these Qatar Science & Technology Park Free Zone Regulations which have been promulgated by the QSTP Board pursuant to the QSTP Free Zone Law.

1.1.36 “Restricted License” shall mean the license issued by the QSTP Management to a Restricted Licensee pursuant to these Regulations.

1.1.37 “Restricted Licensee” shall mean a natural person (or persons) or an entity which has been granted a Restricted License under these Regulations and whose Restricted License has not expired or been revoked.

1.1.38 “Service License” shall mean the license issued by the QSTP Management to a Service Licensee pursuant to these Regulations.

1.1.39 “Service Licensee” shall mean a natural person (or persons) or an entity which provides services to tenants of the QSTP Free Zone (whether such tenants are Licensees, Restricted Licensees or other Service Licensees), which has been granted a Service License under these Regulations and whose Service License has not expired or been revoked.

1.1.40 “Shareholders” shall mean one or more natural person(s) or entity(ies), which may be Qatari or non-Qatari, who own shares in a Company. For purposes of clarity, a Company may be 100%-owned by non-Qatari natural person(s) or entity(ies).

1.1.41 “Tenancy Regulations” shall mean those rules and regulations set forth in Section 9 of these Regulations.

1.1.42 “Trade Name” shall mean a name (other than the full name of the Licensee or Restricted Licensee as it appears on its License or Restricted License) which:

- (a) the QSTP Management has approved in writing, in its sole discretion; and
- (b) is accompanied by a Trade Name Disclosure in all materials in which it is used, whether such materials consist of contracts, correspondence, receipts, notices or other papers, web site,

CD Rom, computer diskettes, samples, models, or drawings.

1.1.43 “Trade Name Disclosure” shall mean a disclosure by the Licensee or Restricted Licensee (which need appear only once in the subject materials unless said materials consist of a web site in which case the disclosure must be included on each page of the web site) confirming that the Trade Name used in said materials is a trade name for the Licensee or Restricted Licensee whose full name as it appears on its License or Restricted License is also contained in said disclosure.

1.1.44 “Visa Documentation” shall mean, collectively, the entry visa, work visa, business visa, transit visa, residency permit and all other travel documents and immigration permissions that are issued to any non-Qatari natural person, for the purposes of entering, lawfully residing in, or working in the State of Qatar.

## 1.2 Rules of Construction

### 1.2.1 References

References to Chapters and Sections in these Regulations are to Chapters 1 through 8 of these Regulations and the Sections in said Chapters. References to Chapters and Sections of the Company Regulations shall specifically refer to the Company Regulations.

### 1.2.2 Headings

The descriptive headings of the Chapters and Sections of these Regulations, as well as the Cover Page and Table of Contents of these Regulations, are included for convenience of reference only and shall not be used in any way in construing or interpreting any of the provisions of these Regulations.

### 1.2.3 Schedules and Exhibits

The Schedules and Exhibits attached to these Regulations are made a part hereof for all purposes as if fully set forth herein.

## 1.3 Table: Steps to QSTP Free Zone Occupancy

The following table is intended to provide:

- (a) a chronological summary of the steps for a prospective Licensee, prospective Restricted Licensee or prospective Service Licensee to secure occupancy in the QSTP Free Zone; and
- (b) a cross-reference to certain of the relevant Sections of these Regulations.

In the event of any conflict between the contents of this table and the remainder of these Regulations, the remainder of these Regulations shall control.

<b>Licensing process and references to sections (Sec.) of the Regulations</b>	<b>LICENSEE (COMPANY)</b>	<b>LICENSEE (BRANCH)</b>	<b>RESTRICTED LICENSEE</b>	<b>SERVICE LICENSEE</b>
STEP 1 Submit Initial Application to QSTP Management	Sec. 3.1.1	Sec. 3.1.1	Sec. 3.1.1	Sec. 3.1.1
STEP 2 QSTP Management endorse Initial Application and submit to QSTP Board for approval	Sec. 3.1.2	Sec. 3.1.2	Sec. 3.1.2	Sec. 3.1.2
STEP 3 Upon approval of Initial Application, submit application to either incorporate Company or register Branch	Sec. 2.1 Sec. 2.2 Schedule A	Sec. 2.1 Sec. 2.3	Not applicable	Not applicable
STEP 4 QSTP Management approves or disapproves application to either incorporate Company or register Branch	Schedule A	Sec. 2.3.3	Not applicable	Not applicable
STEP 5 If QSTP Management approves application to incorporate a Company, QSTP Management issues a certificate of incorporation and adds Company to Company Listing	Schedule A	Not applicable	Not applicable	Not applicable
STEP 6 If QSTP Management approves application to register a Branch, Executive Management issues a certificate of registration and adds Branch to Branch Listing	Not applicable	Sec. 2.3.3 Sec. 2.3.5	Not applicable	Not applicable
STEP 7 Submit Application for License, Restricted License or Service License	Sec. 3.1.2 Sec. 3.2 Sec. 3.3	Sec. 3.1.2 Sec. 3.2 Sec. 3.3	Sec. 3.1.2 Sec. 3.2 Sec. 3.3	Sec. 3.1.2 Sec. 3.2 Sec. 3.3
STEP 8 QSTP Management approves or disapproves Application for License, Restricted License or Service License	Sec. 3.4.1	Sec. 3.4.1	Sec. 3.4.1	Sec. 3.4.1
STEP 9 QSTP Management adds Licensee, Restricted Licensee or Service Licensee to Register	Sec. 3.7.1	Sec. 3.7.1	Sec. 3.7.1	Sec. 3.7.1
STEP 10 Licensee, Restricted Licensee or				

## 1.4 Rules and Implementing Regulations

### 1.4.1 Power to Make and Amend

(a) Without prejudice to the specific powers mentioned elsewhere in these Regulations and notwithstanding the absence of such powers in certain other sections of these Regulations, the QSTP Management may amend or supplement these Regulations.

(b) Without prejudice to the specific powers mentioned elsewhere in these Regulations to prescribe matters or issue decisions or implementing regulations and notwithstanding the absence of such powers in certain other sections of these Regulations, the QSTP Management may make rules and/or implementing regulations from time to time to prescribe any matter to be prescribed under these Regulations or for the better carrying out of these Regulations and, in particular, the QSTP Management may make implementing regulations to fix or amend fees and fines for any function or offence performed under these Regulations. The QSTP Criteria shall be deemed implementing regulations for these purposes.

### 1.4.2 Ineffectiveness or Delayed Effectiveness

Notwithstanding the provisions of Section 1.4.1 above, neither any amendment or supplement to these Regulations nor any rule or implementing regulation (or amendment or supplement thereto) issued by the QSTP Management shall be effective:

(a) If it contravenes the powers vested in the QSTP Board by the QSTP Free Zone Law;

(b) If it conflicts with the QSTP Free Zone Law (which, it is noted, neither the QSTP Management, QSTP Board nor QF has the power or authority to amend in any manner); or

(c) Prior to the expiration of the current License, Restricted License or Service License of any Licensee, Restricted Licensee or Service Licensee, as the case may be, if a material adverse effect would otherwise result to the Licensee, Restricted Licensee or Service Licensee, as the case may be, by virtue of the immediate effectiveness of such amendment or supplement to these Regulations, rule or implementing regulation (or amendment or supplement thereto).

## 1.5 Records

### 1.5.1 Form of Records

Any book or paper required by these Regulations or any other regulations, whether public or private, to be kept and maintained by the QSTP Management, Company, Branch, Licensee, Restricted Licensee or Service Licensee may be kept by recording the matters in question in bound books, held in electronic form or in any other permanent manner.

### 1.5.2 Copies of Records

The QSTP Management may, in the manner and upon payment of the fee prescribed by it, issue one or more certificates to any person showing the name of Licensees, Restricted Licensees and Service Licensees and any other items of information contained in the Register that the QSTP Management may from time to time consider appropriate.

### 1.5.3 Miscellaneous

- (a) Adequate precautions shall be taken for guarding against falsification and facilitating its discovery and where the book or paper is kept in a form otherwise than legible it shall be capable of being reproduced in a legible form.
- (b) Where provision is made in these Regulations for the inspection or reproduction of any book or paper then it shall be treated as a provision to allow inspection or reproduction in a legible form.
- (c) With respect to Companies, copies of minutes and financial statements referred to in the Company Regulations shall be preserved in the office of the Company for a period of not less than six years from the date when they were first required.

## 1.6 Suits and Actions

### 1.6.1 Good Faith Bar

No suit or action shall lie against QF, the QSTP Board and the QSTP Management, or any person acting on behalf of them, in respect of anything done or omitted to be done in their official capacity in good faith.

### 1.6.2 No Foreign Suits

Nether, QF, the QSTP Board, the QSTP Management, nor anyone acting on their behalf, shall be required to prosecute, defend or take part in any proceedings outside the jurisdiction of the Courts of Qatar.

### 1.6.3 Jurisdiction

All suits and actions between any parties (whether QF, the QSTP Board, the QSTP Management, a Company, Branch, Licensee, Restricted Licensee or Service Licensee, the managing agents, if any, of the foregoing, or any other parties) concerning the applicability, interpretation and any other issue pertaining to these Regulations shall be referred to and settled by the lower and higher Courts of the State of Qatar. All third parties, by submitting an Initial Application, hereby submit to the exclusive jurisdiction of the Courts of Qatar and waive any claim of inconvenient forum.

#### 1.6.4 Applicable Law

The governing law concerning all matters of dispute concerning these Regulations shall be that of the State of Qatar. Any applications made to the Courts of Qatar shall be done in the manner prescribed by the Qatar Code of Civil Procedure. Orders made by a Court of competent jurisdiction concerning these Regulations shall be enforced by the QSTP Management as orders made in an action pending therein.



## 2. Corporate Vehicle Alternatives for Licensees

### 2.1 Corporate Vehicle Alternatives

In order to be eligible to apply for a License, a prospective Licensee must either incorporate as a Company pursuant to [Section 2.2](#) below or register as a Branch pursuant to [Section 2.3](#) below.

### 2.2 Company Alternative

#### 2.2.1 Requirement of Limited Liability Companies

Any Company incorporated pursuant to these Regulations shall be a limited liability company.

#### 2.2.2 Company Regulations

The Company Regulations (being set forth in Schedule A to these Regulations) shall govern the incorporation of Companies and all other matters relating to Companies covered thereby.

### 2.3 Branch Alternative

#### 2.3.1 Bar on Application for License

No Originating Company shall be permitted to pursue any License under Chapter 3 of these Regulations unless such Originating Company is registered as a Branch under these Regulations.

#### 2.3.2 Requirements for Registration of Branches

(a) Any application by an Originating Company shall contain the following information and documentation:

- i) a notarised copy of the constituent documents of the Originating Company;
- ii) if so required by the qstp Management, a copy of the audited accounts of the Originating Company for the preceding two years, save where the applicant Originating Company has been in existence for less than two years in which case a copy of the most recent audited accounts;
- iii) a copy of a resolution of the board of directors of the Originating Company to establish a Branch in the QSTP Free Zone;
- iv) a power of attorney from the Originating Company in favour of the principal representative of the Branch;
- v) such other documents or information as the QSTP Management may in its absolute



discretion require from time to time, including, without limitation, such of the foregoing documentation with respect to the parent company (whether direct or indirect) of the Originating Company as the QSTP Management shall require; and

vi) such fees as may be prescribed from time to time by the QSTP Management .

(b) All documents submitted to the QSTP Management in connection with the registration of a Branch shall be written in Arabic or English.

### 2.3.3 Grant or Refusal of Application to Register a Branch

(a) The QSTP Management may on an application duly made in accordance with the above, grant or refuse such application.

(b) Where the QSTP Management grants an application to an Originating Company, it shall issue to the applicant a certificate of registration of the Branch in the QSTP Free Zone and such certificate shall be admissible in evidence in proceedings under these Regulations without further proof and shall be prima facie evidence of the facts certified or specified therein.

(c) Where the QSTP Management refuses to grant an application to establish a Branch it shall give written notice of that fact to the Originating Company but shall not be bound to provide any reason for its refusal.

### 2.3.4 Principal Representatives

(a) Every Branch shall appoint and maintain a principal representative in the QSTP Free Zone and shall give notice in writing to the QSTP Management of such particulars of its principal representative as the QSTP Management may require.

(b) If any particulars of a principal representative required to be notified to the QSTP Management are altered, the Branch shall give in writing to the QSTP Management particulars of the alteration.

### 2.3.5 Branch Listing

The QSTP Management shall keep a Branch Listing in such form as it shall determine but which shall show:

(a) The name of the Branch and, if different, the Originating Company;

(b) The address of the Branch in the QSTP Free Zone;

(c) The date and place of incorporation of the Originating Company; and

(d) A copy of its certificate of registration.

### 2.3.6 Records to be Kept by Branches

(a) Every Branch shall keep at the place of business in the QSTP Free Zone such records of

its acts and financial affairs as will show adequately the trade or business it is engaging in or carrying on or has engaged in or carried on in the QSTP Free Zone.

(b) The QSTP Management shall have the same power as in the case of Companies to appoint an inspector to investigate the affairs of a Branch and to empower such an inspection and require the co-operation of third parties with such an inspector, and to require the production of documents and records and the taking of copies thereof.

### 2.3.7 Letterhead and Contracts

Every Branch shall have the following particulars on all contracts, correspondence, receipts, notices and other papers issued by a Branch (other than materials of a nature described in Section 1.1.42):

(a) Its full name as appears on the License obtained from the QSTP Management to operate in the QSTP Free Zone; and

(b) The place of incorporation of the Originating Company for which it is a branch and the address of the Branch in the QSTP Free Zone.

### 2.3.8 Service of Process

For the purposes of these Regulations, any process or notice required to be served on an Originating Company shall be sufficiently served if served on any person named in the materials delivered by the Branch to the QSTP Management or if left at a place of business of the Branch in the QSTP Free Zone as notified to the QSTP Management.

### 2.3.9 Powers and Objects of a Branch - Ultra Vires

(a) No act of a Branch shall be invalid by reason only of the fact that the Branch was without capacity or power to perform the act.

(b) The objects of a Branch shall not include business activities requiring the carrying out of banking, insurance or the investment of monies for third parties, whether as a principal or agent.

(c) A Branch shall have its sole place of business in the QSTP Free Zone.

## 2.4 Requirements Concerning Names

### 2.4.1 Contents of Name

No Company or Branch shall, except with the express approval of the QSTP Management, be permitted to be registered with a name which:

(a) In the opinion of the QSTP Management is undesirable;

(b) Is identical to the name by which another Company is incorporated or another Branch is

registered under these Regulations or so nearly resembles that name as to be likely to deceive unless that Company or Branch signifies its consent in such manner as the QSTP Management may require;

(c) Contains words which in the opinion of the QSTP Management suggests or is likely to suggest the patronage of prominent local persons with no real connection, or connection with any government or authority whether in the QSTP, the State of Qatar or elsewhere, or could in any other manner be misleading to the public;

(d) Contains the word “Doha”, “Qatar”, “Science & Technology Park”, “Education City”, “Science City”, “Innovation Park”, “QSTP” or “STP” (except as set forth in (f) below), “municipal”, “chartered”;

(e) Consists of any name which the QSTP Management shall from time to time prescribe as “sensitive”;

(f) Does not contain the letters “QSTP-LLC” in the case of a Company or “QSTP-B” in the case of a Branch;

(g) The use of would breach international conventions and rules governing intellectual property rights or constitute a violation of the laws of the State of Qatar as per applicable intellectual property rights, or

(h) Specifies words or expressions for which approval is required from the QSTP Management for use by a Licensee in the QSTP Free Zone.

#### 2.4.2 Change of Name

(a) Subject to the generality of the Company Regulations and Section 2.4.1 above, a Company or Branch may by special resolution change its name if the QSTP Management has, on application, approved in writing the proposed name.

(b) The QSTP Management shall, on receipt of a certified copy of the Special Resolution referred to in Section 2.4.2 (a) above, together with such fees as may be prescribed:

i) enter the new name on the Company Listing or Branch Listing, as applicable, in place of the former name;

ii) enter on the Company Listing or Branch Listing, as applicable, the effective date of the change of name which shall be the date of entry of the new name on said listing; and

iii) issue a new certificate of incorporation or registration, as applicable, evidencing the change of name.

(c) The change of name of a Company or Branch shall not affect any of its rights or obligations, or render defective any legal proceedings by or against it, and any legal proceedings that might have been continued or commenced against it in its former name may be continued or commenced against it in its new name.

## 3. Licensing

### 3.1 Initial Application for License, Restricted License or Service License

#### 3.1.1 Contents of Initial Application

Before a prospective Licensee, Restricted Licensee or Service Licensee is entitled to apply for a License, Restricted License or Service License, respectively, it is required to submit the Initial Application to the QSTP Management to obtain approval by QSTP Management/QSTP Board, which shall include the following documentation and information and such other documentation and information as is required under the QSTP Criteria:

- (a) A brief description about the nature of the activities to be undertaken;
- (b) In the case of a License or a Restricted License, the amount in US Dollars projected to be expended in connection with said activities;
- (c) The expected duration (if any can be calculated) of the activities;
- (d) The likely number of people to be employed in the activities; and
- (e) Profile of the Applicant including financial information as well as information detailing its previous experience concerning similar types of activities to those proposed to be undertaken in the QSTP Free Zone.

Chapter 8 sets forth additional documentation and information to be submitted by prospective Restricted Licensees and Service Licensees.

#### 3.1.2 Discretion of QSTP Management to Proceed

- (a) If the QSTP Board approves the Initial Application in its sole discretion, QSTP Management shall notify the prospective Licensee, Restricted Licensee or Service Licensee that it is eligible to make an Application pursuant to Section 3.3 below.
- (b) If the QSTP Board disapproves the Initial Application in its sole discretion, the QSTP Management shall give written notice to the prospective Licensee, Restricted Licensee or Service Licensee, but such refusal notice need not state the reasons why the Initial Application was refused.

#### 3.1.3 Request for Information

The QSTP Management, acting reasonably, may at any time during this period request certain additional information from the prospective Licensee, Restricted Licensee or Service Licensee for the purposes of reaching a decision under Section 3.1.2 above.

## 3.2 Persons Entitled to Carry Out Business in the QSTP Free Zone

### 3.2.1 Requirement of License, Restricted License or Service License

No persons shall be entitled to enter into a Lease or carry out any Permitted Activity in the QSTP Free Zone without first obtaining a License, Restricted License or Service License from the QSTP Management. All Permitted Activities by the Licensee, Restricted Licensee or Service Licensee shall be in accordance with the License, Restricted License or Service License granted to it, as the case may be.

### 3.2.2 Categories of Permitted Activities

The QSTP Criteria shall set forth the categories of Permitted Activities for which a License, Restricted License or Service License may be issued.

## 3.3 Application Process

### 3.3.1 Nature of Applicant

Only a Company or Branch is eligible to make an Application for a License to the QSTP Management. Chapter 8 of these Regulations and the QSTP Criteria describe parties eligible to make an Application for a Restricted License or a Service License.

### 3.3.2 Details of Application to be Submitted

Any Application required by the QSTP Management shall be in the manner and form as may be prescribed by the QSTP Management from time to time, but shall at a minimum include;

- (a) A description of the type of Permitted Activity to be carried out in the QSTP Free Zone;
- (b) The original term of the intended Lease (exclusive of any extensions or renewals);
- (c) A designation of the Licensee Manager for all dealings with QF, the QSTP Board, QSTP Management and the QSTP Management and third parties;
- (d) Other information of the type and manner which the QSTP Management may require, including but not limited to financial information of the Applicant and any prior proficiency in activities similar to the proposed Permitted Activity; and
- (e) Any fees which may be prescribed by the QSTP Management for processing of the Application.

### 3.3.3 Power of QSTP Management to Request Further Information

The QSTP Management may, at any time during or after the submittal of the Application, make a written request to the Applicant, or any authorised officer therein, to make available any further

information and documentation which the QSTP Management , acting reasonably, considers pertinent for the purposes of processing any Application made by the Applicant. Any failure to provide information deemed reasonably necessary by the QSTP Management shall result in rejection of any Application.

#### 3.3.4 Withdrawal of Application

The Applicant may make a written request to withdraw any Application before the same is ruled upon by the QSTP Board. Any fees paid by the Applicant shall be non-refundable.

### 3.4 Ruling of QSTP Management on Granting or Refusal of License, Restricted License or Service License

#### 3.4.1 QSTP Management 's Discretion

The QSTP Management may after receiving an Application in approved form, in its absolute discretion, grant or refuse the same to any Applicant. The QSTP Management shall give written notice to the Applicant for any unsuccessful Application, but such refusal notice need not state the reasons why the Application was refused.

#### 3.4.2 Criteria for Determination

In determining whether to grant or refuse an Application, the QSTP Management may take into account, without limitation, the following matters:

- (a) Any entity that wishes to engage in any Prohibited Activity within the QSTP Free Zone;
- (b) Whether an entity is an affiliate with any person who may choose to exercise its influence at the detriment of the ability of QF, the QSTP Board, QSTP Management and the QSTP Management to supervise and regulate the activities of the Applicant in the QSTP Free Zone; and
- (c) The accurateness and veracity of the information supplied.

#### 3.4.3 Term of License, Restricted License or Service License

Where the QSTP Management has granted an Application, it will give written notice to the Applicant. The term of such License, Restricted License or Service License, which term shall be established by the QSTP Management in its sole discretion, shall be the period beginning on the date of issuance and ending on the date of expiry as set forth in the subject License, Restricted License or Service License.

#### 3.4.4 Information Contained in the License, Restricted License or Service License

The License, Restricted License or Service License shall contain the following information:

- (a) Name of the Licensee, Restricted Licensee or Service Licensee;
- (b) Date from which License, Restricted License or Service License shall take effect and the term thereof;
- (c) Name of the Licensee Manager;
- (d) Category or categories of Permitted Activity to be undertaken by the Licensee, Restricted Licensee or Service Licensee; and
- (e) Such other terms and conditions, including any restriction imposed on the Licensee, Restricted Licensee or Service Licensee as may be specified by the QSTP Board.

#### 3.4.5 Power to Impose Conditions

The QSTP Management may, acting reasonably, at any time on or after issuance of the License, Restricted License or Service License under these Regulations:

- (a) Impose Conditions which the QSTP Management considers necessary or desirable in respect of the Permitted Activity undertaken by the Licensee, Restricted Licensee or Service Licensee. An explanation regarding the imposition of the Conditions may be requested by the Licensee, Restricted Licensee or Service Licensee; thereupon the QSTP Management will provide a written statement of reasons on why the Conditions were imposed.
- (b) Vary or revoke any Condition so imposed.

The QSTP Management shall give the Licensee, Restricted Licensee or Service Licensee advance written notice of the QSTP Board's intent to impose, vary or revoke Conditions, such notice to designate a compliance date for the Licensee, Restricted Licensee or Service Licensee that is reasonable under the specific circumstances. While recognizing that different Permitted Activities may necessitate different Conditions, no Licensee, Restricted Licensee or Service Licensee will be unfairly discriminated against by the QSTP Management in connection with the imposition, variance or revocation of Conditions

#### 3.4.6 Types of Conditions to be Imposed

The QSTP Management through the QSTP Management may impose Conditions on the use of the License, Restricted License or Service License which include but are not limited to the following:

- (a) A Licensee, Restricted Licensee or Service Licensee shall not engage in any activity within the QSTP Free Zone which is not pursuant or compatible to the Permitted Activities;
- (b) A Licensee, Restricted Licensee or Service Licensee may not carry out any business outside the QSTP Free Zone, in the State of Qatar, solely on the basis of a License, Restricted License or Service License granted pursuant to these Regulations; and
- (c) No Licensee, Restricted Licensee or Service Licensee shall carry out any Prohibited Activity.

### 3.4.7 Revocation, Termination or Suspension of License, Restricted License or Service License

The QSTP Management may, if it thinks fit, advise a Licensee, Restricted Licensee or Service Licensee of its intent to suspend, terminate or revoke a License, Restricted License or Service License due to material breach of these Regulations or the License, Restricted License or Service License. If the Licensee, Restricted Licensee or Service Licensee does not comply or otherwise satisfy the QSTP Management that it is not in material breach or has remedied any material breach of these Regulations or the applicable License, Restricted License or Service License, the QSTP Management will terminate the applicable License, Restricted License or Service License. All Leases shall include a provision whereby the Lease is automatically terminated in the event that the License, Restricted License or Service License, as the case may be, of the tenant is terminated by the QSTP Management.

### 3.4.8 Grounds for Termination, Revocation or Suspension of a License, Restricted License or Service License

The License, Restricted License or Service License may be suspended, terminated or revoked under the following grounds:

- (a) Upon the request of the Licensee, Restricted Licensee or Service Licensee;
- (b) If the Licensee, Restricted Licensee or Service Licensee has violated any provision of these Regulations or any term of the License, Restricted License or Service License, as the case may be;
- (c) If the Licensee, Restricted Licensee or Service Licensee has furnished any misleading or inaccurate information for the purposes of obtaining a License, Restricted License or Service License, as the case may be, or satisfying any other obligation required of it under these Regulations;
- (d) If the Licensee, Restricted Licensee or Service Licensee has not commenced the Permitted Activity within six months of the issuance of the License, Restricted Licensee or Service Licensee, as the case may be, unless convincing reasons hindering the commencement of the Permitted Activity are provided;
- (e) Upon non-payment by the Licensee, Restricted Licensee or Service Licensee of any dues payable to the QSTP Management including but not limited to, the fee for the License, Restricted License or Service License, as the case may be, or any other fee including renewal and penalty fees;
- (f) If the Licensee, Restricted Licensee or Service Licensee has ceased to carry out the Permitted Activity in the QSTP Free Zone or, in the case of a Licensee, is carrying out a Permitted Activity or operating in any manner outside the QSTP Free Zone;
- (g) If the Licensee, Restricted Licensee or Service Licensee is carrying out work of a different nature and category to that of the Permitted Activity;
- (h) If the Licensee, Restricted Licensee or Service Licensee is carrying out the Permitted Activity in the QSTP Free Zone under a name other than that designated in its License, Restricted License or Service License, as the case may be, or other than a Trade Name in connection with a Trade Name Disclosure, it being specifically noted that the names of Licensees



and Restricted Licensees must conform with the naming provisions set forth in these Regulations;

(i) Upon assignment of benefit or control by the Licensee, Restricted Licensee or Service Licensee to any third party, or any change in the ownership of the Licensee, Restricted Licensee or Service Licensee, without the prior written consent of the QSTP Management;

(j) Upon termination of the subject Lease, whether by virtue of expiration of the term of the Lease without renewal or extension, termination by the landlord due to default, or otherwise; or

(k) Upon any order of any court of competent jurisdiction in the State of Qatar.

#### 3.4.9 Termination on Grounds of Public Interest

The QSTP Management may consider it desirable to revoke, terminate or suspend any License, Restricted License or Service License for the protection of the public and reputation of the QSTP Free Zone.

#### 3.4.10 Appointment of Licensee Manager

(a) Every Licensee, Restricted Licensee and Service Licensee shall appoint a Licensee Manager, who shall be a natural person, upon issuance of the subject License, Restricted License or Service License.

(b) The Licensee Manager shall be the principle representative of the Licensee, Restricted Licensee or Service Licensee, as the case may be, in the QSTP Free Zone, and shall represent the Licensee, Restricted Licensee or Service Licensee, as the case may be, or properly delegate to any authorised official, in all matters before QF, the QSTP Board, QSTP Management and the QSTP Management.

(c) The Licensee, Restricted Licensee or Service Licensee shall notify the QSTP Management in writing within 14 days of any change in the identity of the Licensee Manager.

### 3.5 Power of Investigation and Request for Information by the QSTP Management

#### 3.5.1 Power to Request Information

The QSTP Management may, upon written notice of the same, require the Licensee, Restricted Licensee or Service Licensee, as the case may be, to provide to the QSTP Management (at a time reasonably designated by the QSTP Management) any information either in the form of verbal representations before the QSTP Management or in the form of a written report which the QSTP Management may reasonably require for the exercise of its powers under these Regulations.

### 3.5.2 Power to Obtain Information and Documentation

The QSTP Management may by notice in writing require the Licensee, Restricted Licensee or Service Licensee, as the case may be, or any other person in possession of documents or information, to produce certain specified documentation within the manner prescribed in its notice; or authorise any officer or agent the right to require a Licensee furnish them with such information or documentation which may be specified. In all cases, the information or documentation must be reasonably required by the QSTP Management for the exercise of its powers under these Regulations.

### 3.5.3 Right of Entry to Procure Information and Documentation

An officer or agent of the QSTP Management may enter any premises occupied by a Licensee, Restricted Licensee or Service Licensee, as the case may be, on whom notice has been served under Section 3.5.2.

### 3.5.4 Ancillary Powers to Request Information

Any power requiring a Licensee, Restricted Licensee or Service Licensee to produce information or documentation, so requested, shall include the following powers:

- (a) Make copies of any documents so produced by the Licensee, Restricted Licensee or Service Licensee and require the Licensee, Restricted Licensee or Service Licensee, as the case may be, to certify the accurateness and validity of such copies; and
- (b) If such documents cannot be produced, to require the Licensee, Restricted Licensee or Service Licensee or any competent officer of the same to state to the best of his knowledge or belief where such documentation may be.

### 3.5.5 Investigations By QSTP Management

(a) The QSTP Management may appoint one or more persons, whose appointment shall be made known to the Licensee, Restricted Licensee or Service Licensee, as the case may be, to investigate and report to the QSTP Management on the following activities of the Licensee, Restricted Licensee or Service Licensee:

- i) the nature, conduct or status of the activity of the Licensee, Restricted Licensee or Service Licensee in the QSTP Free Zone or any particular aspect of it; and
- ii) ownership or control of the Licensee, Restricted Licensee or Service Licensee, as the case may be.

(b) An investigator may, for the purposes of his investigation, look into the affairs of any other body corporate which is an affiliate of the Licensee, Restricted Licensee or Service Licensee.

(c) An investigator may, for the purposes of his investigation and after written notice specifying a time and location, enter the premises of any Licensee, Restricted Licensee or Service Licensee, as the case may be, who is under investigation.

(d) An investigator shall, upon request, disclose the evidence of his authority to the Licensee, Restricted Licensee or Service Licensee.

### 3.5.6 Effect on Former Licensees, Restricted Licensees or Service Licensees

The provisions of Section 3.5 shall apply equally to any former Licensees, Restricted Licensees or Service Licensees. Any notice required herein shall for the purposes of these Regulations be served in any place of business of a former Licensee, Restricted Licensee or Service Licensee, as the case may be, which is located in the State of Qatar.

## 3.6 Prescribed Methods of Business

### 3.6.1 Power to Make Rules

The QSTP Management may make rules from time to time, regulating the conduct of business activities, advertising, financial resources, notification and employment of prohibited persons and any other category which it considers requires specific policies.

### 3.6.2 Conduct of Business Activities Rules

The QSTP Management may make rules which restrict the following type of activities within the QSTP Free Zone:

- (a) Any Prohibited Activity;
- (b) Work which is of a different nature or scale than that as notified to the QSTP Management;
- (c) Provision of services to persons other than those of a specified class or description;
- (d) Manner in which Licensees, Restricted Licensees or Service Licensees and their employees hold themselves out as providing work or conducting their business activities; and
- (e) The form and content of accounts and records to be kept by Licensees, Restricted Licensees or Service Licensees.

### 3.6.3 Regulation of Advertising

The QSTP Management may make the following rules and directives concerning the regulation of form and content of advertising within the QSTP Free Zone, and undertake the following actions pursuant to such rules and directives:

- (a) Issue directives to Licensees, Restricted Licensees or Service Licensees to retract any commercial or campaign which the QSTP Management considers misleading;
- (b) Make provisions as to matters which may or may not be included in advertising campaigns; and

- (c) Provide for any exemption from the prevailing rules issued under this Section 3.6.3.

#### 3.6.4 Financial Resources

The QSTP Management may require Licensees, Restricted Licensees or Service Licensees to have and maintain in respect of their work and business activities such financial resources as are required by rules issued pursuant to this Section 3.6.4. Such rules may include the following:

- (a) Imposition of requirements of accounting which comply with international standards, in terms of quality, scope and as may be determined by the QSTP Management from time to time; and
- (b) Specification of assets, liabilities and any other matters to be taken into account for the purposes of evaluating the financial resources of Licensees, Restricted Licensees or Service Licensees.

#### 3.6.5 Notification Rules

The QSTP Management may make rules requiring the Licensee, Restricted Licensee or Service Licensee, as the case may be, to provide notice to the QSTP Management of the occurrence of certain specified events.

- (a) Nature of business being carried out;
- (b) Any proposal to alter the nature or extent of the any business being carried on;
- (c) Any changes in key personnel; and
- (d) Any change in the financial position of any Licensee, Restricted Licensee or Service Licensee, as the case may be.

### 3.7 Register of Licensees, Restricted Licensees and Service Licensees and Disclosure of Information

#### 3.7.1 Register of Licensees, Restricted Licensees and Service Licensees

The QSTP Management shall maintain the Register setting forth all Licensees, Restricted Licensees and Service Licensees in accordance with Section 1.5.1 hereof. The Register shall include the name, address and any Trade Name of the Licensees, Restricted Licensees and Service Licensees, the Licensee Manager for each and any other pertinent information which the QSTP Management deems appropriate to record.

#### 3.7.2 Disclosure of Information

- (a) Subject to Section 3.7.2 (b) below, no person:
  - i) who receives information relating to any business or other affairs of any person under

these Regulations; and

ii) who obtains any such information directly or indirectly from a person who has so received the information,

shall disclose such information without the consent of the person to whom it relates, or from whom he has obtained it.

(b) Notwithstanding Section 3.7.2 (a) above, disclosure of information is permitted where such disclosure:

i) is of information that has already been made available or has become known to the public from alternative sources;

ii) enables the QSTP Board, QSTP Management or the QSTP Management to discharge the obligations conferred by it under these Regulations, including disclosure to the auditor of a Licensee, Restricted Licensee or Service Licensee, as the case may be, or to otherwise safeguard the public interest;

iii) is to any independent expert in the fields of law, accounting or other area which requires the engagement of persons with specialised skill, for whom the dissemination of such information is necessary for the expert to undertake the task that has been conferred on him;

iv) is made by the QSTP Board, QSTP Management or the QSTP Management and is for the purposes of marketing the QSTP Free Zone to potential customers;

v) assists a home regulator of any foreign company or foreign-owned company which is situated outside the QSTP Free Zone and the State of Qatar; or

vi) is for the purposes of investigating any criminal activity.

## 4. Visa Documentation

### 4.1 Ministry Representation Office

In order to facilitate the provisions of this Chapter 4, the Ministry of Interior may establish a representation office at the QSTP Free Zone. The QSTP Management shall, in coordination with the Ministry of Interior, have the power to issue Visa Documentation for employees of Licensees and Restricted Licensees.

### 4.2 Applications for Visa Documentation

All applications for Visa Documentation for employees of Licensees and Restricted Licensees, families of employees of Licensees and Restricted Licensees and business visitors to Licensees and Restricted Licensees shall be made to the Ministry of Interior, in the manner prescribed under Qatari law.

### 4.3 Issuing Authority

All Visa Documentation shall be processed and issued by the Ministry of Interior, under the rules governing immigration and visa requirements pronounced by the same (to the extent not contrary with the QSTP Free Zone Law), in the manner and procedure prescribed by Qatari law. If a representation office is established at the QSTP Free Zone by the Ministry of Interior, the processing and issuance of all Visa Documentation shall take place through such office.

### 4.4 Sanctions

Any Licensee or Restricted Licensee, as the case may be, or any of its employees who has committed any act or omission in violation of the terms of their Visa Documentation or their Immigration Status shall be subject to such sanctions and penalties that may be imposed by the Ministry of Interior under the prevailing law in the State of Qatar. If any Licensee or Restricted Licensee has been found to be complicit in any such violation, the QSTP Management may impose additional sanctions on the Licensee or Restricted Licensee (including fines) and, in cases of gross and repeated violations, may cancel the License of such Licensee or Restricted Licensee of such Restricted Licensee, as the case may be.

## 5. Customs

### 5.1 General Provisions

#### 5.1.1 Instructions and Ministry Representation Office

The QSTP Management shall, in coordination with The General Authority for Customs and Seaports of the State of Qatar, issue import and export instructions regulating the processes of importation and exportation of goods from and into the QSTP Free Zone and all matters related thereto. In order to facilitate the provisions of this Chapter 5, The General Authority for Customs and Seaports of the State of Qatar may establish a representation office at the QSTP Free Zone.

#### 5.1.2 Jurisdiction of Officials

All goods earmarked for the QSTP Free Zone shall remain sealed at the Customs Territory, and be transported for the purposes of custom proceedings to take place at the QSTP Free Zone. All customs inspections, procedures and inventory of goods to be admitted to or removed from the QSTP Free Zone shall take place at the QSTP Free Zone by the QSTP Management, or its designee, in coordination with The General Authority for Customs and Seaports of the State of Qatar. QF may designate an area in the QSTP Free Zone as the point through which all goods must enter or exit the QSTP Free Zone.

#### 5.1.3 No Duties

As set forth in the QSTP Free Zone Law, no import or export duties of any kinds shall be levied on any goods of Licensees (and Restricted Licensees if explicitly provided for in the subject Restricted License) entering or leaving the QSTP Free Zone or the State of Qatar.

#### 5.1.4 Declaration of Goods

(a) Goods entering or exiting the QSTP Free Zone shall be admitted to the QSTP Free Zone pursuant to an application made by Licensee or Restricted Licensee. Instructions issued by the QSTP Management shall prescribe the forms for the declarations and information to be included in the application, the documents to be attached thereto and any other provisions and procedures the QSTP Management deems necessary for the admission of goods into, or removal of goods from, the QSTP Free Zone.

(b) A cargo movement permit of goods subject to removal from the QSTP Free Zone or the Customs Territory shall be issued by the QSTP Management prior to its outward movement pursuant to an application made by the Licensee or Restricted Licensee. The QSTP Management shall issue instructions prescribing the conditions and procedures necessary to grant such a permit.

### 5.1.5 Inspections by the QSTP Management

The QSTP Management may order the inspection of any goods entering the QSTP Free Zone, whether or not it has reasonable grounds to assume that such goods are not those that have been declared or are Prohibited Goods.

### 5.1.6 Export and Import of Goods

All goods entering and leaving the QSTP Free Zone shall be treated as imported and exported respectively upon the signature of the Licensee or Restricted Licensee as importer or exporter, as the case may be.

### 5.1.7 Applicability of Laws

All issues of custom laws and rules not alluded to in this Chapter 5 shall bear the meaning and interpretation as prescribed under the Customs Law and the practice of the Chief of The General Authority for Customs and Seaports of the State of Qatar.

## 5.2 Prohibited Goods

### 5.2.1 Prohibited Goods

Unless specifically approved in writing by the QSTP Management (and accompanied by such licensing from the competent authorities in the State of Qatar as may be necessary), the following goods shall not be allowed to enter into the QSTP Free Zone under any circumstances:

- (a) Spoiled merchandise;
- (b) Radioactive or nuclear materials or other Hazardous Materials;
- (c) Weapons and war munitions of any type;
- (d) All types of drugs and their derivatives;
- (e) Merchandise whose origin or source is from banned countries as such may be designated from time to time by the State of Qatar;
- (f) Merchandise violating Islamic precepts and accepted standards of behaviour; and
- (g) Merchandise violating the laws of the State of Qatar regarding intellectual, commercial, industrial, literary or artistic property.

### 5.2.2 Abandoned, Prohibited and Confiscated Goods

The QSTP Management shall be authorised to take any of the following actions as it elects in its sole discretion:

- (a) Store goods that have been abandoned, left unclaimed or sequestered by the QSTP



Management under the terms of these Regulations;

- (b) Destroy, sell or otherwise dispose of abandoned goods; or
- (c) Confiscate and return to the original sender any Prohibited Goods.

### 5.2.3 Custom Violations

The following shall be considered customs violations under these Regulations:

- (a) Admitting, exiting, possessing or transporting any Prohibited Goods;
- (b) Obstructing the duties of any of the QSTP Management's officials or officers in the exercise of their powers under these Regulations, including their right to search and inspect goods; and
- (c) Submitting false or forged documentation to the QSTP Management regarding the nature and identity of the Imported Goods.

The Licensee or Restricted Licensee, as the case may be, shall be liable for any loss or damage arising out of committing any of the foregoing customs violations.

## 6. Taxation and Accounting

### 6.1 Tax Exemption

Pursuant to the QSTP Free Zone Law, Licensees (and Restricted Licensees if explicitly provided for in the subject Restricted License) shall be exempt from taxation.

### 6.2 Ministry Representation Office

With the approval of QF, the Ministry of Finance may establish a representation office at the QSTP Free Zone.

### 6.3 Annual Reports

Each Licensee, Restricted Licensee and Service Licensee shall submit annually to the QSTP Management, within three months from the end of its respective financial year, the following items prepared in accordance with generally accepted accounting principles:

6.3.1 balance sheet,

6.3.2 operating and trading accounts,

6.3.3 profit and loss statement or income statement,

6.3.4 statement of source and application of funds,

6.3.5 list of the capital assets which the value of their sale, or the value of their written off or appropriation paid up compensations, has been used for the purchase of new assets, and the date of the sale, the acquisition of the compensations, or the appropriation shall be noted on the list, together with their book value, the value of the achieved capital profits, and the purchase date and value of the new assets,

6.3.6 list of the asset depreciation including the new plant and equipment, purchase date and value, and the additional depreciation, and

6.3.7 list of the details of income and expenditures specified in the profit and loss statement.

## 7. Development and Management of the QSTP Free Zone

### 7.1 Duties of the QSTP Management

The QSTP Management shall be required to perform the following:

7.1.1 Design and implement plans related to the development of the QSTP Free Zone directly or through third parties.

7.1.2 Liaise and secure the participation of Licensees, Restricted Licensees and Service Licensees in the QSTP Free Zone.

7.1.3 Contract with experts, consultants, sub-contractors and contractors required to implement the development and management of the QSTP Free Zone.

7.1.4 Establish a management structure for the efficient operation of the QSTP Free Zone, including the hiring of the necessary personnel and establishment of the necessary infrastructure.

7.1.5 Liaise with and be the primary point of contact for all prospective Licensees, Restricted Licensees and Service Licensees during and after the Initial Application process and for all Licensees, Restricted Licensees and Service Licensees during and after the Application process.

7.1.6 Monitor and review the performance and quality of the Permitted Activities of the Licensees, Restricted Licensees and Service Licensees.

7.1.7 Monitor actions of the Licensees, Restricted Licensees and Service Licensees within the QSTP Free Zone in order to assure compliance with these Regulations.

### 7.2 Scope and Limitations of QSTP Management Authority

#### 7.2.1 Authority of the QSTP Management

Any order or decision of the QSTP Management shall be considered by the Licensees, Restricted Licensees and Service Licensees to be binding.

### 7.2.2 Limitations of Authority of the QSTP Management

Notwithstanding the provisions of Section 7.2.1 above, the QSTP Management shall not be authorised to, and shall not, do any of the following:

- (a) Hold or exercise any sovereign power not specifically delegated to it by the QSTP Free Zone Law or these Regulations;
- (b) Hold or exercise any power which cannot be lawfully exercised by or delegated to QF or the QSTP Management by the laws of the State of Qatar;
- (c) Arrange for the sale of any property in the QSTP Free Zone; or
- (d) Arrange for the lease of property in the QSTP Free Zone for a term exceeding twenty years.

### 7.2.3 Authority and Limitations Regarding QSTP Criteria

The QSTP Management may amend the QSTP Criteria from time to time in its sole discretion, provided, however, that the QSTP Management may not amend the QSTP Criteria so as to:

- (a) Conflict with the QSTP Free Zone Law or these Regulations; or
- (b) Cause a material adverse effect to any Licensee, Restricted Licensee or Service Licensee prior to the expiration of its current License, Restricted License or Service License, as the case may be.

## 8. Restricted Licenses and Service Licenses

### 8.1 Issuance and Benefits

#### 8.1.1 General

In addition to the Licenses, the QSTP Management may, in its sole discretion, issue Restricted Licenses and Service Licenses. Neither Restricted Licensees nor Service Licensees shall be required to incorporate as a Company or register as a Branch as a precondition to obtaining Restricted Licenses or Service Licenses, respectively. Unless specifically waived by the QSTP Management in its approval of an Application submitted by a prospective Restricted Licensee, the QSTP Management shall apply similar requirements regarding the name of Restricted Licensees as are set forth in Section 2.4.1 of these Regulations.

#### 8.1.2 Variable Free Zone Benefits to Restricted Licensees

From among the benefits to which a Licensee is entitled by virtue of the QSTP Free Zone Law and these Regulations:

- (a) The QSTP Management may, in its sole discretion, grant or deny all or some of such benefits as a condition to approving the Application for the Restricted License; and
- (b) No particular benefit shall be deemed to accrue to a particular Restricted Licensee unless such benefit is expressly detailed in the Restricted License which it receives from the QSTP Management.

#### 8.1.3 No Free Zone Benefits to Service Licensees

Service Licensees shall not be entitled to any of the benefits accruing to Licensees under and by virtue of the QSTP Free Zone Law and these Regulations.

### 8.2 Additional Initial Application Materials

The Initial Application to be submitted for approval by a prospective Restricted Licensee or Service Licensee to the QSTP Management shall include the following additional materials (except that some of the following may be waived by the QSTP Management in the case of a prospective Restricted Licensee or prospective Service Licensee consisting of a natural person):

8.2.1 A notarised copy of the constituent documents of the prospective Restricted Licensee or Service Licensee, as the case may be;

8.2.2 If so required by the QSTP Management, a copy of the audited accounts of the prospective Restricted Licensee or Service Licensee for the preceding two years, save where the

prospective Restricted Licensee or Service Licensee has been in existence for less than two years in which case a copy of the most recent audited accounts;

8.2.3 A copy of a resolution of the board of directors or other managing authority of the prospective Restricted Licensee or Service Licensee to undertake activity and lease space in the QSTP Free Zone;

8.2.4 Such other documents or information as the QSTP Management may in its absolute discretion require from time to time; and

8.2.5 Such fees as may be prescribed from time to time by the QSTP Board.

All documents submitted to the QSTP Management in connection with the Initial Application of a prospective Restricted Licensee or Service Licensee shall be written in Arabic or English.

## 9. Tenancy Regulations

### 9.1 Application of Tenancy Regulations

9.1.1 Each Lease, whether concluded before or after the issuance of these Regulations, shall be subject exclusively to:

- (a) the terms and conditions agreed to by the parties and set forth in the particular Lease; and
- (b) these Tenancy Regulations;

provided, however, that:

- (i) in the event that there is no provision in these Tenancy Regulations that deals with or regulates a specific matter not otherwise addressed in the particular Lease, only the relevant provisions of the Civil Code issued by Law No. 22 of 2004 of the State of Qatar shall apply; and
- (ii) the terms and conditions agreed to by the parties and set forth in the particular Lease shall control in the event of conflict with these Tenancy Regulations.

### 9.2 Rental and Fee Policy

9.2.1 The QSTP Management may determine, in its sole discretion, the rental rates of different premises within the QSTP Free Zone. Such rental rates may vary from one premises to the other due to various factors such as the location, the size of the building, the type of activity or mutual interests between the QSTP Board, as landlord, and the Licensees, Restricted Licensees, and Service Licensees, as tenants.

9.2.2 The Licensee, Restricted Licensee or Service Licensee shall pay to QF during the period of the Lease, the total fees (comprising the rent for the leased premises and the service charges) set forth in the particular Lease on the first date of each quarter.

9.2.3 The Licensee, Restricted Licensee or Service Licensee shall pay any and all other amounts payable to QF, if any, under the Lease at the times and in the manner specified in the particular Lease.

### 9.3 Commencement and Expiry of Leases

9.3.1 Each Lease shall be effective as of the date of its execution and, subject to earlier termination in accordance with the terms and conditions thereof and/or these Tenancy Regulations, shall expire on the expiry date stipulated in the particular Lease.

## 9.4 Termination of Leases

9.4.1 Termination of Leases and consequences thereof shall be subject exclusively to the terms and conditions set out in the Leases.





# SCHEDULE A - COMPANY REGULATIONS

## 1. Incorporation of Companies

### 1.1 Requirement of Limited Liability Companies

All Companies shall be limited liability companies incorporated and otherwise complying with these Company Regulations.

### 1.2 Number of Shareholders

A Company may consist of a single Shareholder. The liability of each Shareholder shall be limited to his shares in the Company. A Company shall not be permitted to raise capital or obtain loans by way of public subscription in Qatar.

### 1.3 Effects of Non-Incorporation

No Company shall have a legal personality until it has been incorporated in accordance with the provisions of these Company Regulations. The Shareholders shall be jointly and severally responsible for any damages sustained by a third party as a result of non-incorporation.

### 1.4 Contents of Application

The Manager or Board of Directors shall apply to the QSTP Management for the incorporation of the Company (and its listing in the Company Listing) only after it has received approval of the Initial Application from the QSTP Management . The application to incorporate shall be in such form and such manner as the QSTP Management may require from time, and shall otherwise include the following:

1.4.1 The Articles of Association of the Company;

1.4.2 Payment of the relevant incorporation fee as determined by the QSTP Management from time to time;

1.4.3 Details of the distribution of shares among the Shareholders;

1.4.4 Confirmation of the full payment of such shares;

1.4.5 Confirmation of the deposit of the Share payments in an Approved Bank; and

1.4.6 Documents indicating the Company's receipt of shares in kind (if any).

The QSTP Management may, on an application duly made in accordance with the above, grant or refuse such application. Where the QSTP Management refuses to grant an application to incorporate a Company, it shall give written notice of that fact to the Manager or Board of Directors of the Company but shall not be bound to provide any reason for its refusal.

## 1.5 Articles of Association

1.5.1 The Articles of Association shall be written and signed by all the Shareholders. The Articles of Association shall include such information as is required by the QSTP Management, including, without limitation, the following:

- (a) The Company type, name, object and address (which shall be within the QSTP Free Zone);
- (b) The name, nationality, place of residence and address of each Shareholder;
- (c) The amount of capital, the share of each Shareholder, a statement of shares in kind, their value and the names of those presenting the same (if any);
- (d) The names and nationalities of the Manager or Board of Directors, whether they are Shareholders or not;
- (e) The Company duration (if any);
- (g) The method of distribution of profits and losses;
- (h) Conditions of assignment of shares; and
- (i) The approved method in which notices to Shareholders are required to be communicated.

1.5.2 The administration of the Company shall also be regulated by the Articles of Association, which may also include provisions addressing, but not limited to, the following:

- (a) Transfer of shares and the registration of estate representatives of deceased Shareholders;
- (b) General Assembly at least once in every calendar year;
- (c) Keeping of its accounts and the laying of financial statements before General Assemblies;
- (d) Audited annual accounts by an auditor appointed at the General Assembly;
- (e) Duties of the secretary to the Company;
- (f) Number of Shareholders required to constitute a quorum at any General Assembly;
- (g) Appointment of a chairman for any General Assembly;

- (h) Regulation of the transfer of shares (subject to due compliance with the requirement of registration of any such transfers in accordance with these Regulations);
- (i) Regulation of the declaration and payment of dividends;
- (j) Regulation of the duties and responsibilities of its Board of Directors and of any other officers with special responsibilities or duties;
- (k) Regulation of the appointment, functions, duties, remuneration and removal of all agents, officers, and servants of the Company, and the security, if any, to be given by them to the Company;
- (l) Regulation of the date on which the annual General Assembly shall be held;
- (m) Regulation of the calling of General Assemblies, and of the Board of Directors, the requirements as to proxies and requisite majorities (save where the requisite majority is specified by these Regulations) in voting on any particular matter or class of matters and the procedure to be adopted at such meetings;
- (n) Regulation of the quorum at meetings of Board of Directors;
- (o) Regulation of the conduct in all other particulars of the affairs of the Company, as well as for the application of its funds and profits; and
- (p) Provision for a voluntary reserve as well as matters relating to finance and accounts, and the grounds for winding up the Company.

1.5.3 The Articles of Association shall not include any provision excluding any Shareholder from his right in the profits, or absolving him from the loss, otherwise the Articles of Association shall be considered null and void.

1.5.4 Where the Articles of Association does not specify a Shareholder's share in the profit or loss, such share shall be proportionate to his share in the capital. Where the Shareholder's share has been paid by consideration other than in cash, and the Articles of Association does not specify his share in the profit or loss, the Company shall evaluate his share. Where several Shareholders own an un-specified number of shares, their exact number shall be deemed equal unless proven otherwise.

1.5.5 The Articles of Association and any amendment thereto shall be written in Arabic or English and authenticated by an authorised officer of the Company, failing which, the Articles of Association or amendment shall be considered void.

1.5.6 In the event of any failure to incorporate the Company in the manner prescribed in these Company Regulations, the Shareholders may consider that the Company's incorporation is null and void in dealings between themselves. However, the Shareholders cannot avoid or refute a contract with a third party on the basis that the Company's incorporation is not effective.

## 1.6 Amendment of Articles of Association

Subject to an express provision to the contrary in the Articles of Association, the Board of Directors may after its incorporation amend the Articles of Association but any such amendment shall be submitted in the form of a special resolution to a General Assembly of the Company and approved thereby with no less than a majority representing three quarters of the capital. Such change will take effect upon registration by the QSTP Management in the Company Listing.

## 1.7 Requirement for Payment of Subscription Monies for Shares

1.7.1 A Company shall not be incorporated until all shares have been distributed among all the Shareholders and the value thereof paid in cash have been fully paid up and subscriptions in kind have been delivered.

1.7.2 Cash subscriptions shall be deposited in an Approved Bank and shall only be available to the Board of Directors specified in the Articles of Association on presentation of a certificate certifying the incorporation of the Company and its listing in the Company Listing. Should the Shareholders' share be one in kind, the Company's Articles of Association shall state its type, value, the price accepted by the other Shareholders, the name of the Shareholder and his capital share against what he has contributed. The person contributing a share in kind shall be liable to third parties for the difference between its actual value and the value estimated thereto in the Company's Articles of Association. Other Shareholders shall also be jointly and severally liable to settle any difference unless they can prove that they are not aware of the discrepancy. Notwithstanding, a claim for liability in respect of the foregoing, the same will be unenforceable after the expiry of five years from the date the Company has been entered in the Company Listing.

## 1.8 Powers and Objects of a Company - Ultra Vires

1.8.1 No act of a Company shall be invalid by reason only of the fact that the Company was without capacity or power to perform the act.

1.8.2 The objects of a Company shall not include business activities requiring the carrying out of banking, insurance or the investment of monies for third parties, whether as a principal or agent.

## 1.9 Listing and Re-listing of Companies

1.9.1 The QSTP Management shall maintain a Company Listing in such form as it may determine.

1.9.2 Where the QSTP Management consents to the incorporation of a Company pursuant to these Company Regulations, the QSTP Management shall list the Company on the Company Listing and then issue one or more certificates showing the name and date of incorporation of the Company and any other items the QSTP Management may from time to time consider appropriate.

1.9.3 From the date of the incorporation of a Company by the QSTP Management, the subscribers to the Articles of Association, together with such other persons as may from time to time become Shareholders of the Company, shall form a body corporate by the name contained in the Articles of Association, capable of exercising all the functions of a legal entity, and having perpetual succession.

## 1.10 Effect of Articles of Association on Shareholders

1.10.1 Subject to these Regulations, upon incorporation of a Company under these Company Regulations, the Articles of Association shall bind the Company and the Shareholders thereof to the same extent as if it had been signed by each Shareholder and contained covenants on the part of each Shareholder to observe all the provisions of the Articles of Association; and

1.10.2 All money payable by any Shareholder to the Company under the Articles of Association shall be a debt due from him to the Company.

## 1.11 Form of Contracts

1.11.1 All contracts, correspondence, receipts, notices and other papers issued by the Company shall bear its name (or its Trade Name with a Trade Name Disclosure), a statement of its kind, its place of business and its Company incorporation number. Contracts on behalf of a Company may be made in written or other form by any person acting under its authority, express or implied.

1.11.2 A contract made according to these Regulations may be varied or discharged in the same manner in which it is authorised by these Regulations to be made.

1.11.3 Where a contract purports to be made by a Company or by a person as an agent for a Company, at a time when the Company has not yet been formed, then subject to any agreement to the contrary, the contract shall have effect as a private contract entered into by such person and he shall be personally liable on the terms and conditions of the contract entered into.

1.11.4 Any contract purported to be made in the manner set out in Section 1.11.3 of these

Company Regulations may subsequently be unilaterally adopted by the Company and the Company shall thereupon become a party thereto to the same extent as if the contract had been made after the incorporation and in substitution for and discharge of the agent or person purporting to act on its behalf.

1.11.5 Where the Company is under liquidation, any papers issued by the Company shall bear a statement that the Company is in liquidation.

## 1.12 Execution of Instruments

1.12.1 A Company may empower any person, either generally or in respect of any specified matter, as its agent, to execute documents, agreements, deeds or others similar on its behalf in any place whether within or outside the QSTP Free Zone.

1.12.2 A document, agreement, deed or other similar instrument signed by such an agent on behalf of the Company shall bind the Company and have the same effect as if it had been executed by the Company itself.

## 1.13 Authentication of Documents

A document or proceeding requiring authentication by a Company may be signed by a Manager, secretary or other authorised officer of the Company.

## 1.14 Nationality of Company

Any Company incorporated in the QSTP Free Zone shall be of Qatari nationality and shall have its sole place of business in the QSTP Free Zone. This does not necessarily mean that the Company enjoys the rights which are legally restricted to Qatari nationals.

# 2. Share Capital

## 2.1 Minimum Share Capital Requirements

2.1.1 The minimum issued share capital of a Company shall not be less than two hundred thousand Qatari Riyals (QR. 200,000), divided into shares for which the value shall not be less than ten Qatari Riyals (QR. 10) each.

2.1.2 In the event that a share is owned by several persons the Company may suspend the

enjoyment of rights attached thereto until the owners of the said share elect one of them who may be considered as a sole owner. The Company may fix a date for these owners to complete the election. In the event the owners fail to elect a sole owner by the fixed date, the Company may sell the share for the benefit of its owners, and in which case, the Company shall offer the share to the existing Shareholders and then to third parties.

2.1.3 Profits and losses shall be equally distributed among the Shareholders unless the Company's Articles of Association stipulates otherwise.

2.1.4 A list of Shareholders shall be maintained at the office of the Company in the QSTP Free Zone, containing the following:

- (a) Name, address, nationality and occupation of each Shareholder;
- (b) Number and value of shares owned by each Shareholder;
- (c) Transactions affecting the shares, the date of the transaction, the reason for the title transfer, the names of the transacting parties and their signatures; and
- (d) Total number of shares owned by each Shareholder after the transaction.

The Board of Directors shall be jointly and severally responsible for maintaining the list of Shareholders and for the accuracy of information recorded therein. The Shareholders and any interested party shall have the right to peruse the list upon reasonable notice.

2.1.5 The QSTP Management shall issue a Company with a certificate if, on an application made to it by the Company in the prescribed form, it is satisfied that the Company's share capital is not less than the prescribed minimum, and there is delivered to it a declaration complying with the following Section 2.1.6 of these Company Regulations.

2.1.6 The above declaration must be in the prescribed form and be signed by the Shareholders of the Company and it must state that the Company's share capital is not less than the prescribed minimum together with such evidence as the QSTP Management may require that an amount representing the authorised capital has been deposited for the benefit of the Company in an account opened in an Approved Bank.

## 2.2 Payment for Consideration of Shares Other than in Cash

2.2.1 Payment or subscription for shares in kind is permissible but only if the purchase price paid by the Shareholder for the share or shares purchased simultaneously by said Shareholder equals or exceeds 200,000 Qatari Riyals.

2.2.2 A Shareholder's share shall be a specific sum of money (a monetary share) or a chattel

(a specific share) that serves the objects of the Company, or contribution to be provided by the Shareholder in person. However, reputation or influence of a person shall not be considered adequate consideration for holding of shares. Only the monetary and specific shares shall form the Company's capital.

2.2.3 Where a Shareholder's share is represented by a title to an asset or any other in-kind right, the Shareholder is responsible in accordance with the rules applicable to a contract for sale, to guarantee the value of the share in the case of destruction, impairment, a defect or other shortfall in the value of the asset.

(a) If the share gives rises to a monetary benefit then the rules applicable to a rental agreement shall apply on the matters in the preceding paragraph.

(b) If the Shareholder's share includes rights with others, he shall not be absolved from his responsibility to the Company unless these rights are fulfilled. In such case the Shareholder is required to compensate the affected Shareholders for any damage arising from his failure to fulfil these rights when they fall due unless otherwise agreed.

(c) If the Shareholder's share is represented by his business, any gain arising from this business shall accrue to the Company unless the Shareholder has obtained this gain from a copyright, unless otherwise agreed by the Shareholders. The Shareholder, whose share is his business, shall not be permitted to conduct the same business for his personal benefit.

## 2.3 Nature and Transfer of Shares

2.3.1 Subject to such other regulations as may be made by the QSTP Board, the shares or other interests of any Shareholder in a Company shall be personal estate, transferable in a manner provided by the Articles of Association of the Company and subject only to the restrictions provided therein.

2.3.2 A Shareholder may transfer his share to another Shareholder or a third party in accordance with the provisions of the Articles of Association. Any transfer shall not be binding on the Company or third parties unless such transfer has been made through a proper instrument, and it has been entered into the Shareholders list and the Company Listing. The Company shall not object to the entry of the transfer in the Register unless the same is in breach of the provisions of the Company's Articles of Association or of these Regulations.

2.3.3 Unless the Company's Articles of Association provides otherwise, if a Shareholder wishes to transfer his share to an individual who is not a Shareholder, for payment in cash, he shall first notify the other Shareholders through the Board of Directors of the transfer who shall notify the other Shareholders immediately upon receipt of notice thereof. Every Shareholder shall have the right to acquire the share at its actual value and under the same terms. Where a dispute arises as to the price, the Company auditor shall estimate such acquisition, as of the date of the transaction. Should a period of thirty days expire from the date of such notice, with no Shareholder exercising a right of acquisition, the Shareholder shall be free to transfer his



share(s) to the third party.

2.3.4 Nothing in this Section 2.3 of these Company Regulations shall prejudice any power of the Company to list as Shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

2.3.5 Where the right to acquire the shares is sought by more than one Shareholder, the shares available for transfer shall be divided among them based on the percentage of the shares in the Company capital of each of them, provided Section 2.3.3 of these Company Regulations is observed.

## 2.4 Transfer Upon Death of Shareholder

2.4.1 The shareholding of every Shareholder shall revert to his heirs or those persons mentioned in his will, and such transfer shall not be subject to the acquisition provisions under the preceding Company Regulations.

2.4.2 A transfer of the share or other interest of a deceased Shareholder of a Company made by such person's estate representative shall, although the estate representative is not himself a Shareholder of the Company, be as valid as if he had been such a Shareholder at the time of the execution of the instrument of transfer.

## 2.5 Power of Company to Alter its Share Capital

2.5.1 Subject to provisions in these Regulations, a Company, if authorised by an ordinary resolution and by its Articles of Association, may increase its issued share capital by issuing new shares of such amount as it thinks expedient

2.5.2 A Company may not, without the consent of the QSTP Management , create a share capital denominated in a currency other than Qatari Riyals or US Dollars.

## 2.6 Power of Company to Reduce Issued Share Capital

A Company, if authorised by a special resolution may, subject to its Articles of Association, on such terms as it may decide, reduce its issued share capital in any way, and in particular, without prejudice to the generality of the foregoing power, by:

2.6.1 Either with or without extinguishing or reducing liability on any of its shares cancel any paid-up capital that is lost or underrepresented by available assets; or

2.6.2 Either with or without extinguishing or reducing liability of any of its shares and either with or without reducing the number of such shares pay off any capital that is in excess of the requirements of the Company.

## 2.7 Certificate to be Evidence of Title

A certificate of the Company specifying any shares held by any Shareholder shall be prima facie evidence of the title of the Shareholder to the shares held in his/her name.

## 2.8 Rights of Creditors

2.8.1 A personal creditor of any Shareholder shall have no direct right against funds invested by the Shareholder in the Company capital. However, a personal creditor shall have a right of execution against the Shareholder's share in the profits of the business as stated in the Company's financial accounts. Personal creditors will, however, on the winding up of the Company, have a right of execution against monies received by the Shareholder after all Company debts have been settled. Where the Shareholder's capital is represented in shares, a personal creditor shall have, in addition to the rights referred to in the preceding sentences, the right to demand the sale of such shares in order to recover his rights from the proceeds of such sale.

2.8.2 No artificial profits shall be distributed among Shareholders; otherwise the Company creditors may claim against each Shareholder to refund the distribution received, notwithstanding that this was made in good faith. A Shareholder shall not be obliged to return back real profits that he has received even if the Company sustains losses in the following years.

2.8.3 Where a Shareholder's creditor takes execution steps over his debtor's shares, he may agree with such debtor and the Company on the method and conditions of sale, otherwise the share shall be offered for sale in a public auction. The Company may recover the share available for one or more Shareholders under the same conditions of the auction closure within fifteen days of the date of such closure. These provisions shall also apply in the event of the bankruptcy of the Company.

## 3. Management and Administration

### 3.1 Appointment of Manager

A Manager appointed by the Company shall have the full power to manage the Company unless such power is limited by the Company's Articles of Association. The acts of a Manager shall bind the Company where his actions are within his capacity. Any resolution of the General Assembly restricting the powers of the Manager or changing the holders of the position shall not be effective until an appropriate entry has been made in the Company Listing. Without prejudice to the powers vested in the General Assembly under these Company Regulations and the Company's Articles of Association, the Manager shall enjoy the widest powers necessary to carry out the acts required by the objects of the Company, and may within its powers delegate one of its Shareholders to do a specific act or acts or to supervise Company activities.

### 3.2 Appointment of Board of Directors

The Company's Articles of Association shall provide for a Board of Directors and define the method of its work and stipulate the majority voting rights required to pass resolutions; provided, however, that the Shareholders may agree in writing to substitute a Manager for a Board of Directors.

### 3.3 Actions and Penalties Against Manager and the Board of Directors

3.3.1 The Company shall be bound by acts done by the Board of Directors within its powers, and shall be liable to compensate third parties for damages resulting from illegal acts so performed.

3.3.2 The members of the Board of Directors shall be jointly liable to compensate the Company, Shareholders and third parties for damages resulting from any fraudulent acts or abuse of power, or for any violation of the provisions of these Company Regulations or for any acts not in conformity with the Articles of Association of the Company or for any error of management, and any term to the contrary shall be void.

3.3.3 The responsibility provided for in the preceding Article shall apply to all the members of the Board of Directors if the fault resulted from a decision passed by them unanimously. Where decisions which were passed by a majority, only those Directors objecting to the resolution shall not be responsible if their objection was recorded in the minutes of the meeting. Absence from the meeting where such a decision has been taken shall not be a reason to absolve a Director from responsibility unless it is proved that the absent Director was not aware of the decision, or that he could not object to it after becoming aware of the decision.

3.3.4 The Company may bring a Civil Court action against the Board of Directors for mistakes

resulting in damages to all the Shareholders within five years of the occurrence of such mistakes or negligence. The General Assembly shall decide to bring such a Court action and appoint a person to represent the Company therein. Where the Company is under liquidation the liquidator shall bring the Court action according to a resolution by the General Assembly.

3.3.5 Every Shareholder may bring a Court action individually or collectively, should the Company fail to initiate an action, if the relevant mistake results in a special damage to him as a Shareholder, provided he shall notify the Company of his intention to bring such an action. Any term in the Company's Articles of Association to the contrary shall be void.

3.3.6 Notwithstanding Section 3.3.4 of these Company Regulation, any decision by the General Assembly absolving the Board of Directors from responsibility shall not result in the dismissal of a Court action brought against the Shareholders of the board for mistakes done during the execution of their functions. Where the act causing the liability has been presented before the General Assembly and approved by it, the Court action shall expire by the lapse of five years after the date of such General Assembly. Notwithstanding, where the act done by the Board of Directors constitutes a crime, the Court action shall only expire upon the expiry date of the public case.

3.3.7 The General Assembly may remove from the office any person nominated as chairman of the Board of Directors on the basis of a motion passed by an absolute majority of the Board, or on the basis of an application signed by a number of Shareholders holding at least one quarter of the subscribed capital. In the latter case the chairman of the Board of Directors must call for a General Assembly to convene within ten days from the date of application for his removal, failing which the authorised department shall call for such a meeting.

## 3.4 Annual Report and General Assembly of Company

3.4.1 The Company shall have a General Assembly to be composed of all the Shareholders, and shall convene upon an invitation by the Board of Directors at least once a year within four months following the end of the Company financial year, at a time and place provided by the Company's Articles of Association. The Board of Directors may call for a General Assembly upon the request of the auditor or a number of Shareholders owning no less than one quarter of the share capital. Invitations for a General Assembly meeting shall be made by registered letter to be sent to every Shareholder at least twenty-one days before its convention. The invitation letter shall fix the venue and the date of the meeting, and shall be accompanied with the agenda and a copy of the balance sheet.

3.4.2 The Board of Directors shall for every financial year prepare a report including the Company's balance sheet, profit and loss account, a report on the Company activities and its financial position and proposals for the distribution of profits. This report shall be prepared within three months from the end of the financial year. The Board of Directors shall send a copy of this report and a copy of the auditors report to the QSTP Management and to every Shareholder,

within one month from the date of preparing such reports. Every Shareholder may request the Board of Directors to invite the Shareholders to a meeting to discuss such reports.

3.4.3 Every Shareholder may attend the General Assembly meeting regardless of the number of shares owned by him, and he may deputise another Shareholder that does not have a Director's or Manager's role by a special power to represent him at the General Assembly meeting. For voting purposes at the General Assembly, every Shareholder shall have a number of votes equal to the number of shares he owns or represents.

3.4.4 The agenda of the annual General Assembly meeting shall include the following matters:

- (a) Discussion of the Board of Director's or Manager's report on the Company activity and financial position during the year, and the auditors report;
- (b) Discussion of the balance sheet and profit and loss account and the approval of the same;
- (c) Determination of the percentage of profits to be distributed among the Shareholders;
- (d) Appointment of the Board of Directors and determination of their remuneration;
- (e) Appointment of the auditor and determining his remuneration; and
- (f) Other matters falling within its powers under these Company Regulations or the Company's Articles of Association.

3.4.5 The General Assembly may not deliberate on any matter not included in its agenda unless serious issues are revealed during the meeting, which require deliberation. If a Shareholder requests the listing of a specific matter in the agenda the Board of Directors shall accept this request, failing which the Shareholder may resort to the General Assembly.

3.4.6 Every Shareholder has the right to discuss the matters listed in the agenda. The Board of Directors are liable to answer Shareholder's questions. If a Shareholder believes that the answer to his question is not sufficient he may arbitrate in front of the General Assembly whose resolution shall be binding.

### 3.5 Prohibited Actions Undertaken in the General Assembly

3.5.1 A General Assembly resolution shall not be valid unless a quorum of Shareholders representing at least one half of the share capital are in attendance to vote on the resolutions of the meeting, or unless the Company's Articles of Association provides for a bigger majority. Should such a majority not be realised at the first General Assembly, the Shareholders shall be called for another General Assembly meeting, to be held within twenty-one days following the first meeting. Resolutions in the second meeting shall be passed by a majority of the votes represented therein, unless the Company's Articles of Association otherwise provides.

3.5.2 Directors and Managers shall not participate in voting on resolutions relating to a resolution to absolve them from management responsibility or to their dismissal.

3.5.3 No amendment of the Company's Articles of Association, increase or reduction of the Company's share capital shall be effective without the approval of the Shareholders required under Section 1.6 hereof, unless the Company's Articles of Association stipulates otherwise.

3.5.4 Without prejudice to the rights of bona fide third parties, any resolution passed by the General Assembly or the Shareholders in violation of these Company Regulations or provisions of the Company's Articles of Association shall be void. Notwithstanding the above, a request to revoke a resolution may not be applied for except by Shareholders who object in writing to the resolution, or those who could not object thereto upon a lack of knowledge thereof. If the resolution is ruled void, the same shall be deemed null and void with respect to all Shareholders. An action to revoke a resolution may not be heard after the expiry of one year from the issuance of such resolution. No stay of execution of the resolution shall follow the action to revoke the resolution, unless the Court rules otherwise.

### 3.6 Minutes of General Assembly

Minutes shall be written including an adequate summary of the General Assembly deliberations. The General Assembly minutes and resolutions shall be entered in a special register to be kept at the Company place of business, and every Shareholder shall have the right to peruse such register either personally or through an agent. Likewise, a Shareholder shall have the right to peruse the balance sheet, profit and loss account and the annual report.

### 3.7 Appointment of Auditors

The Shareholders shall appoint one or more auditors at the General Assembly meeting.

### 3.8 Establishment of Legal Reserve

The Company shall annually deduct ten percent of its net profits to form a legal reserve. The Shareholders may discontinue this deduction where the reserve amounts to one half of the share capital. The Shareholders may by passing a resolution in the General Assembly decide to utilise the legal reserve to cover Company losses or increase in capital.

## 4. Supervision and Investigation into Company Affairs by the QSTP Management

### 4.1 Power to Oversee and Investigate under these Company Regulations

The QSTP Management may oversee the affairs of any Company, in order to ensure their compliance with the provisions of these Company Regulations or their respective Articles of Association. This power is without prejudice to the QSTP Management's right to investigate and ensure the Licensee is in compliance with the terms of its License under Section 3.5 of the Regulations.

### 4.2 Investigation Akin to Judicial Proceedings

Any officers deputed by the QSTP Management shall have the capacity of judicial investigation officers as regards violations/crimes committed in violation of the provisions of these Company Regulations.

### 4.3 Notice of Intent to Investigate

Where a crime/violation under these Company Regulations is alleged, the judicial investigation officers referred to in the preceding Section 4.2 shall issue a notice in accordance with the charge sheet issued by the QSTP Management. A copy of such note shall be delivered to the authorised police station for action as per the provisions of these Company Regulations.

### 4.4 Formal Investigation into the Affairs of a Company

4.4.1 The QSTP Management may at any time of its own volition, or on the application of Shareholders owning at least twenty percent of the capital of the Company, appoint one or more inspectors to investigate any gross irregularities in the affairs of the Company and to report thereon in such manner as the QSTP Management may direct.

4.4.2 The application of the affected Shareholder(s) shall be accompanied by the shares they hold, which shall remain deposited with the QSTP Management until a decision is made thereupon.

4.4.3 The application by the Shareholders shall be supported by such evidence as the QSTP Management may require for the purpose of showing that the applicants have good reason for, and are not actuated by malicious motives in requiring the investigation and the QSTP Management may, before appointing an inspector, require the applicant to give security for payment of the costs of the inquiry.

4.4.4 All officers and agents of the Company shall produce to the inspector all books and documents in their custody or power.

4.4.5 An inspector may examine the officers and agents of the Company in relation to its business.

4.4.6 On the conclusion of the investigation the inspector shall report his opinion to the QSTP Management, and a copy of the report shall be forwarded by the QSTP Management to the Company and a further copy may in the QSTP Management 's discretion, at the request of the applicants for the investigation, be delivered to them.

4.4.7 All expenses of and incidental to the investigation shall be borne by the applicants, unless the QSTP Management directs that they be paid by the Company.

4.4.8 A copy of a report made under this Section 4.4 of these Company Regulations shall be admissible in any legal proceedings as evidence of the opinion of the inspector in relation to any matter contained in the report.

4.4.9 The QSTP Management shall depute the officers having the capacity of judicial investigators to attend the Company General Assembly meetings without any liability on the part of the QSTP Management. The General Assembly minutes shall enter the attendance of such deputed QSTP Management officers, who may neither opine nor vote, as their mission is limited to recording the meeting business in special minutes to be written after the meeting.

## 4.5 Right to Appoint Independent Auditors

The QSTP Management may, upon perusal of the report referred to in the preceding Section 4.4, appoint an auditor (at the expense of the inspection applicants) reputed among the auditors listed in the auditors register to inspect the Company business and books. The Board of Directors and all Company officers shall offer the auditor so appointed access to all that is related to the affairs of the Company, such as books, documents and papers in their custody or access. The auditor shall submit a detailed report to the QSTP Management within the period specified by his appointment.

## 4.6 General Right of Inspection

Every Shareholder may peruse the published Company information and documents, which are kept at the Company Listing, and may upon the QSTP Management's permission, obtain a certified copy of any document. Authenticated copies of any published statements may be obtained by applying to the QSTP Management and paying the prescribed fee.



## 5. Winding-Up of Companies

### 5.1 Circumstances of Winding-Up

A Company may be dissolved for any of the following cases:

5.1.1 Upon the expiry of the duration fixed in the Company's Articles of Association, unless the Company is renewed according to the rules included therein;

5.1.2 Expiry of the object for which the Company has been incorporated, or where realization of such objects becomes impossible;

5.1.3 Destruction of all or most of the Company's property, rendering the investment of the remainder infeasible;

5.1.4 Unanimous agreement by the Shareholders on the Company dissolution before the end of its duration, unless the Company's Articles of Association provides for dissolution by a specific majority;

5.1.5 Merger of the Company into another; and

5.1.6 Issuance of a judicial judgment dissolving the Company and declaring it bankrupt.

### 5.2 Dissolution Upon Death or Withdrawal

A Company shall not be dissolved upon a Shareholders' withdrawal from the Company, death, attachment thereupon, declared bankruptcy, or insolvency, unless the Company's Articles of Association otherwise provides.

### 5.3 Requirement to Call for General Assembly

The Board of Directors or Manager shall, where a Company loses half of its capital as a result of losses from its business, call for a meeting of the Shareholders within thirty days from the date of the losses to decide whether to reimburse the capital or dissolve the Company. In case of dissolution, a resolution approving the dissolution is required to be passed by a majority vote similar to the requirements for amendment of the Company's Articles of Association. Should the Board of Directors or Manager fail to call for the Shareholders' meeting, or if the Shareholders fail to pass a resolution on the matter, such Board of Directors, Manager or Shareholders, as the case may be, shall be jointly and severally responsible for the Company liabilities resulting from

their negligence.

#### 5.4 Publication of Dissolution Resolution

A resolution relating to the Company dissolution shall be declared by entering it in the Company Listing, and publishing it in two local daily Arabic newspapers. The resolution to dissolve the Company is not enforceable with respect to third parties except from its date of declaration. A Company Manager or the Chairman of the Board of Directors, as the case may be, shall follow up the implementation of this resolution.

#### 5.5 Liquidation

5.5.1 A Company shall upon dissolution immediately be placed in liquidation, and during such liquidation shall retain its corporate personality to the extent necessary for liquidation. There shall be added to the name of the Company during such period the words "In Liquidation", to be written in a clear manner.

5.5.2 The powers of the Board of Directors shall cease upon dissolution of the Company, but they shall nonetheless remain in the management of such Company, and become de jure liquidators vis a vis third parties until a liquidator has been appointed. The Company bodies shall remain intact during liquidation, with their powers limited to liquidation acts, which do not come within the powers of liquidators.

5.5.3 A Company liquidation shall take place according to the provisions of its Articles of Association, or as agreed by Shareholders upon dissolution. Should no provisions or agreement exist on such matter, the provisions of the following sections shall be followed.

5.5.4 A liquidation shall be carried out by one or more liquidators to be appointed by the Shareholders or the General Assembly by the ordinary majority applicable to Company resolutions. Should the liquidation be based on a Court judgment, the Court shall define the method of liquidation and appoint the liquidator. In all cases the liquidator's mission does not cease by the death of Shareholders, the declaration of their bankruptcy, insolvency or attachment thereupon, even if the liquidator has been appointed by them. The liquidator shall have remuneration to be fixed in the appointment letter, failing which the Court shall fix the same.

5.5.5 The liquidator shall, in the same manner provide in relation to the amendment of a Company's Articles of Association, announce the resolution of his appointment, the restrictions to his powers and the Shareholders agreement, General Assembly resolution or Court judgment concerning the method of liquidation. The liquidator cannot enforce his rights against third parties in respect of the appointment of the liquidator or the method of liquidation until the date that the liquidation is announced.

5.5.6 Where there are several liquidators they shall work jointly, unless the party appointing them has permitted them to work separately. They shall be jointly and severally responsible to compensate the Shareholders or third parties for damages incurred by the Company as a result of their acting outside their powers, or from mistakes made in carrying out their mission.

5.5.7 The liquidator shall carry out all the acts necessitated by the liquidation, and in particular the following:

- (a) Recovery of Company rights against third parties;
- (b) Settlement of Company debts;
- (c) The sale of movable property or real estate of the Company by public auction or any other manner guaranteeing the highest price, unless the documentation appointing the liquidator provides for sale in a specific manner;
- (d) All acts necessary to maintain the Company property and rights; and
- (e) Representation of the Company before the Courts, acceptance of accord and satisfaction and arbitration.

5.5.8 The Company cannot commence new business activities unless they are necessary to complete previous activities. If the liquidator commences new activities not necessitated by the liquidation he shall be responsible in all his assets for such activities, and where there are several liquidators they shall be jointly responsible.

5.5.9 The due dates in respect of all Company debts shall expire with effect from the dissolution of the Company. The liquidator shall, by registered letter, notify all creditors of the commencement of the liquidation, and shall invite them to submit their claims against the Company. The notice shall be published in two local daily Arabic newspapers if creditors or their places of residence are not known. In all cases the notice to creditors for the submission of their claims shall include a period of grace for such creditors not less than seventy-five days from the date of such notice to submit their claims, provided the publication of the notice shall be repeated during such period after the expiry of one month thereof. Should some creditors fail to submit their claims, their debts shall be deposited with the Court custodian, until the claims are received from their owners or the claims are time barred by extinctive limitation.

5.5.10 The liquidator shall settle the Company debts after deducting liquidation expenses, including the remuneration of the liquidator, according to the following order:

- (a) Amounts due to Company employees;
- (b) Amounts due to the State of Qatar;
- (c) Rent and other charges due to QF for the premises of the Company within the QSTP Free Zone; and
- (d) Other amounts due subject to the order of their preference according to the laws in force.

5.5.11 The liquidator shall, upon settlement of the Company debts, set aside such amounts as may be necessary to settle the disputed debts. The debts arising out of the liquidation shall have priority over the disputed debts.

5.5.12 The Company shall be committed to the transactions of the liquidator required in the liquidation, so far as they are within his powers. No responsibility shall be assigned to the liquidator by reason of carrying out such transactions.

5.5.13 The liquidator shall, together with the Company auditor (if any), within three months of commencement of his mission, prepare an inventory of all Company assets and liabilities. The Manager and Shareholders of the Board of Directors shall present to the liquidator the Company books and documents and such information and explanations as he may require. The liquidator shall present to the Shareholders the explanations and statements they apply therefore. Should the liquidation continue for more than one year, the liquidator shall prepare a balance sheet, profit and loss account and a report on the activities of the liquidation, which statements shall be presented to the Shareholders, the General Assembly, or the Court, as the case may be, for approval according to the Company Articles of Association. In all cases the liquidation duration shall not exceed three years except by virtue of a decree from either the Court or the QSTP Board.

5.5.14 The liquidator shall, after settling the Company debts, return to the Shareholders the value of their monetary shares in the Company capital, and distribute the excess among them each in accordance with his share in the profits. Company assets in kind shall be divided among the Shareholders by way of separation, provided the rules governing the division of common assets shall be followed, unless the Company Articles of Association otherwise provides.

5.5.15 Where the net assets of the Company falls short of settling all the Shareholders share capital, the losses shall be distributed among them in accordance with the provisions relating to the distribution of losses.

5.5.16 The liquidator shall, upon the end of liquidation, present a final account on the liquidation activities to Shareholders, the General Assembly, or the Court. The liquidation shall not finish except upon approval of the final accounts by the Shareholders, the General Assembly, or the Court. The liquidator shall announce the end of liquidation, and the end of liquidation shall not be enforceable against third parties until date of such announcement. The liquidator shall, upon the end of liquidation, apply for the Company to be deleted from the Company Listing.

5.5.17 Dismissal of the liquidator shall take place by the same procedure for his appointment. Any resolution or judgment dismissing a liquidator must follow the same requirements for the appointment of a new liquidator. The dismissal of the liquidator shall be announced and the dismissal shall not be enforceable against third parties until the date of such announcement.

5.5.18 No claim against the liquidator based on the liquidation activities shall be heard after the expiry of three years from the date of the end of liquidation has been announced, and no claim against the Shareholders based on the Company activities, or against the Managers, Shareholders of the Board of Directors or auditors based on acts done in pursuance of their functions, shall be heard after such period.



# SCHEDULE B - INCUBATOR REGULATIONS



# 1. Incubation Program

## 1.1 Establishment and Operation

The Incubation Program shall be established in the QSTP Free Zone and operated by the QSTP Management to assist eligible innovation-driven start-up businesses through capacity building, support services and subsidized services and rent.

## 1.2 Incubator Criteria

The proposal for a start-up business to be admitted to the Incubation Program shall be subject to the QSTP Management's discretionary review and evaluation on the basis of the Incubation Criteria.

## 1.3 Application Process

1.3.1 The Incubation Applicant shall make an initial application to the QSTP Management for consideration of the business proposal for admission to the Incubation Program.

1.3.2 Upon the acceptance of the application for admission to the Incubation Program, the Incubation Applicant(s) shall carry out and fulfill the incorporation and licensing requirements of the Qatar Science & Technology Park Free Zone Regulations.

## 1.4 Compliance with Regulations

The Qatar Science & Technology Park Free Zone Regulations and the Company Regulations shall apply fully to Companies admitted to the Incubation Program, subject only to exceptions in the special provisions set out in Section 3 of these Incubator Regulations.

## 2. Support

### 2.1 Capacity Building

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- The QSTP Management may, at its discretion, provide, or arrange the availability of, funding options to Companies admitted to the Incubation Program.

### 2.2 Support Services

The QSTP Management may, at its discretion and without assuming any liability, provide, or arrange the availability of, services, including legal advice, financial audit and business planning, to Companies admitted to the Incubation Program to facilitate commercialisation.

### 2.3 Occupancy

The QSTP Management shall during the Incubation Term provide office space to Companies admitted to the Incubation Program at subsidised rental rates subject to compliance with provisions of the Qatar Science & Technology Park Free Zone Regulations.



## 3. Special Provisions

### 3.1 Exemption from Minimum Share Capital Requirements

Companies admitted to the Incubation Program shall not, during the Incubation Term, be subject to the minimum issued share capital requirement set out in Section 2.1.1 of the Company Regulations. The minimum issued share capital of a Company admitted to the Incubation Program shall not be less than five thousand Qatari Riyals (QR. 5 000) divided into shares for which the value shall not be less than Qatari Riyals ten (QR. 10) each.

### 3.2 Exemption from Liquidation

Companies admitted to the Incubation Program may, during the Incubation Term, be deleted from the Company Listing without being placed in liquidation as required by Section 5.5 of the Company Regulations, where upon the declaration of a resolution relating to Company dissolution in accordance with Section 5.4 of the Company Regulations, the QSTP Management is satisfied that the Company has settled, finally, all third-party dues including moneys owed to employees, directors and any government or authority whether in the QSTP, the State of Qatar or elsewhere.

### 3.3 Conditions

The grant of the exemptions set out in Sections 3.1 and 3.2 of these Incubator Regulations shall be subject to the condition that each of the Shareholders executes and delivers to the QSTP Management a letter of Indemnity, addressed to the QSTP Management, providing an undertaking to indemnify the QSTP management, Board and the Qatar Foundation for Education Science and Community Development in respect of claims and liabilities relating to the Company. Before deleting a Company from the Company Listing from the Company Listing without being placed in liquidation, the QSTP Management may prescribe one or more of the following conditions: (i) issuance of a no-debt confirmation by the Shareholders; (ii) procuring a no-claims confirmation from contracting parties and vendors and (iii) publication of notice to creditors.

## 4. Term

### 4.1 Incubation Term



The Incubation Term shall commence upon issuance by the QSTP Management of an admittance notice and continue for a prescribed period of up to two years subject to extension, revocation or graduation under Section 5 of these Incubator Regulations.

## 5. Extension, Advancement and Revocation

### 5.1 Extension

The QSTP Management may, at its discretion and upon an application made by a Company, notify extension of the Incubation Term for one or more periods of up to two years.

### 5.2 Advancement

A Company admitted to the Incubation Programme shall, upon the lapse of the Incubation Term, advance from the Incubation Program. A Company may, by way of a Shareholders' resolution passed by a majority vote, elect, at any time during the Incubation Term, to advance from the incubation Program and notify the QSTP Management of such election no later than two months prior to the proposed date of graduation.

### 5.3 Revocation

The QSTP Management may, at its discretion, revoke a Company's admission to the Incubation Programme before the expiry of the Incubation Term by issuing a notice of revocation.

### 5.4 Post Advancement/Revocation

A Company, upon advancement or upon the revocation of its admission to the Incubation Programme, shall no longer be entitled to assistance, support and privileges afforded to Companies admitted to the Incubation Programme under these Incubator Regulations and shall be forthwith required to comply with all of the requirements of the Regulations, in particular the minimum issued share capital requirement of Section 2 of the Company Regulations.

# EXHIBIT A - English translation of QSTP Free Zone Law



# EXHIBIT B – QSTP Entry Criteria and Permitted Uses

