Federal Law No. (37) of 2006 Concerning Private Security Companies.

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

- After perusal of the Constitution;
- Federal Law No. (1) of 1972 concerning the Competencies of Ministries and Powers of Minister, as amended;
- Federal Law No. (5) of 1975 concerning the Commercial Register;
- Federal Law No. (11) of 1976 concerning fire arms, ammunition and explosives, as amended;
- Federal Law No. (12) of 1976 concerning Police Force and Security, as amended;
- Federal Law No. (8) of 1980 regulating business relations in the United Arab Emirates, as amended;
- Federal Law No. (10) of 1980 concerning the Central Bank, Cash Regulations, and the regulation of the Banking Business, as amended;
- Federal Law No. (8) of 1984 concerning Commercial Companies, as amended;
- Civil Transactions Code of the United Arab Emirates issued under Federal Law No.
 (5) of 1985, as amended;
- Penal Code issued under Federal Law No. (3) of 1987, as amended; and
- Penal Procedures Code issued under Federal Law No. (35) of 1992, as amended;
- And pursuant to the proposal by the Minister of Finance, as approved by the Cabinet and ratified the Federal Supreme Council,

Hereby issue the following law:

Chapter One General Provisions

Article 1

The following words and expressions shall the meanings as set out opposite each, unless the context requires otherwise.

| UAE | : | The United Arab Emirates |
|----------------|---|---|
| Ministry | : | Ministry of Interior |
| Minister | : | Minister of Interior |
| Police General | : | : The Police General Department in every Emirate |
| Department | | |
| Competent | : | The department or section at the Ministry or Police General |
| Authority | | Department in charge of dealing with, supervising and following up |
| | | the works of private security companies. |
| Company | : | Security company or establishment or any governmental authority |
| | | providing a security service, whether independently or in conjunction |
| | | with other services. |
| | | |
| Training | : | the security training institute, school or centre which is approved and |
| Institute | | licensed by the Ministry or Police General Department. |
| Security Staff | : | a security manager, officer, consultant, trainer, supervisor, money |
| | | transportation guard, body guard, guard of buildings, facilities, events, |
| | | celebrations and activities, whether part time or full time, or any other |
| | | person having connection with security service covered by the |
| | | provisions hereof. |
| Training | : | security training course approved by the Ministry |
| Course | | |

Article 2

The provisions of this law shall apply to the Company, whether providing those services as an independent activity or in conjunction with other commercial activities.

Article 3

No Company shall be established or licensed to carry out any security services without obtaining the security approval from the competent authority and completing the procedures required therefore in accordance with the regulations and conditions as set out in the executive regulation hereof.

Article 4

The Company shall complete the establishment or licensing procedures within six months from the date of the security approval, failing which the approval shall be null and void.

Article 5

The Minister or his representative may cancel the security approval of the Company or suspend its activities at any time if it no more fulfils any of the conditions on the basis of which the approval was given, if it goes beyond its tasks as set out in the executive regulation hereof or if the approval was issued on the basis of inaccurate information. The Competent Authority shall be notified of such action in order to take actions as required to cancel the licence issued to the Company.

Article 6

The Company shall have a head office approved by the Competent Authority and relevant entities. Such head office should meet the conditions and be appropriately equipped to perform the tasks as determined by the executive regulation hereof.

Article 7

The Company shall provide the Competent Authority with all data and information as required by the executive regulation hereof

Article 8

Charges for issuing the security approval, licences, annual renewals and any other charges shall be determined under a resolution by the Cabinet pursuant to a proposal by the Minister.

Chapter Two Activity of the Company

Article 9

The activity of the Company shall be limited to the Emirate where it is licensed and it may not operate in another Emirate without obtaining a licence from such Emirate, except in the events of transporting money or precious items across the Emirates and providing security protection to individuals while moving between Emirates in accordance with the requirements and conditions as determined by the executive regulations hereof.

Article 10

The activity of the Company shall be limited to the security service class as set out in the licence and it may not provide any other security service without obtaining the security approval for such service. The security service class shall be determined by the executive regulation hereof.

Article 11

The Company may not appoint security staff without obtaining the approval of the Competent Authority and fulfil all requirements and conditions as set out in the executive regulation hereof.

Article 12

The business of the Company shall be limited to preventive security protection, and shall not extend to performing the tasks of law enforcement officers.

Article 13

The Company shall fully coordinate with the Competent Authority to ensure that its activities are not in conflict with any established security measures.

Article 14

The Company shall provide means of transportation which allow it to perform its tasks. Such means of transportation shall meet the requirements and conditions as determined by the executive regulation hereof.

Article 15

The Company shall establish a communication centre at its head office and shall use wired and wireless communication devices which are licensed by the Competent Authority.

Article 16

1. The Company's employees authorized to provide security services in accordance with this Law and the Executive Regulations hereof may acquire or carry any or a part of weapon subject to obtaining the approval of the security bodies and the competent authorities and relevant licenses for both the Company and its employees in conformity with the controls prescribed by the Executive regulations of this Law.

- 2. The use of the licensed weapons shall be governed by the rules and provisions set out in the Executive Regulations.
- 3. The Executive Regulations hereof shall determine the type of weapons, equipment, materials and systems required for the Company's business as well as the conditions and controls for the use, maintenance and the methods of storing of same.

Article 17

The Company shall procure the security staff to follow a training course to be conducted by the Training Institute in accordance with the requirements and conditions as determined by the executive regulation hereof.

Article 18

The Company shall provide the security staff with a uniform which is distinct from that of the police and armed forces in accordance with the specifications, requirements and conditions as determined by the executive regulation hereof.

Article 19

The Company shall maintain organized records of its business and employees as determined by the executive regulation hereof. The Competent Authority may inspect and check those records at any time

Chapter Three Penalties

Article 20

Without prejudice to any more severe punishment provided for in any other law:

- 1. Whoever provides security services in violation of the provisions of Article (3) hereof shall be penalized with a fine of not less than (AED 500,000) five hundred thousand dirhams.
- 2. Whoever commits an act in violation of the provisions of Article (16) hereof shall be sentenced to imprisonment and a fine of not less than one million dirhams.
- 3. Subject to the provisions of the foregoing, whoever violates the provisions of this Law or the Executive Regulations hereof shall be penalized with imprisonment and/or a fine of not less than (AED 20,000) twenty thousand dirhams and not exceeding (AED 200,000) two hundred thousand dirhams.
- 4. The punishments prescribed in this Article shall be doubled in case of recidivism with the possibility of revoking the Company's license.

Chapter Four Final Provisions

Article 21

The Minister shall determine the violations and the fines required to be paid by the one committing such violations, which shall not exceed AED 5,000.

Article 22

Companies operating in the field of security and protection shall rectify their positions in accordance with the provisions of this Law and its executive regulation within six months from the issue date of the executive regulations hereof.

Article 23

The Minister shall issue the regulations and resolutions required to implement the provisions hereof.

Article 24

This Law shall be published in the Official Gazette and shall come into force on the date of its publication.

[Signed]

Khalifa bin Zayed Al Nahyan

President of the United Arab Emirates

Issued by us in the Presidential Palace in Abu Dhabi

On: 17 Ramadan 1427 A.H.

Corresponding to 9 October 2006