



AIFC LIMITED LIABILITY PARTNERSHIP REGULATIONS

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CONSOLIDATED VERSION

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SCHEDULE 1: INTERPRETATION

1. Definitions for these Regulations



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PART 1: GENERAL

1. **Name**

These Regulations are [*AIFC Limited Liability Partnership Regulations 2017*].

2. **Date of enactment**

These Regulations are enacted on the day they are adopted by the Governor.

3. **Commencement**

These Regulations commence on 1 January 2018.

4. **Legislative authority**

These Regulations are adopted by the Governor under paragraph 1 of article 3 and article 4 of the Constitutional Statute and subparagraph 3-1) of paragraph 9 of the Management Council Resolution on AIFC Bodies.

5. **Application of these Regulations**

These Regulations apply within the jurisdiction of the AIFC.

6. **Interpretation**

Schedule 1 contains definitions and other interpretative provisions used in these Regulations.

7. **Administration of these Regulations**

These Regulations are administered by the Registrar of Companies.



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PART 2: FORMATION AND REGISTRATION

8. Limited liability partnerships

- (1) A limited liability partnership may be established in the AIFC for any lawful business, purpose or activity by 2 or more Persons on the terms, with the rights and powers, and subject to the conditions, limitations and Liabilities applying under these Regulations and the Rules.
- (2) A limited liability partnership may exist between any number of Persons but must include 2 or more Persons called limited partners, who:
 - (a) must, when entering into the partnership, make or agree to make a contribution to the partnership property in money, money's worth or any other property; and
 - (b) are not liable for any of the partnership's Liabilities beyond the amounts that they have already contributed or agreed to contribute.

9. Prohibition on unregistered limited liability partnerships

- (1) A Person must not conduct any business, purpose or activity in or from the AIFC as a limited liability partnership unless the partnership:
 - (a) is either:
 - (i) incorporated under these Regulations as a Limited Liability Partnership; or
 - (ii) a Foreign Limited Liability Partnership that is registered under Part 8 (Recognised Limited Liability Partnership) as a Recognised Limited Liability Partnership; and
 - (b) holds a Commercial Licence issued by the Registrar of Companies under AIFC Companies Regulations.
- (2) Subsection (1)(b) does not apply to a limited liability partnership if the partnership:
 - (a) is an exempt limited liability partnership under the Rules; or
 - (b) is exempted from the requirement to hold a Commercial Licence by the Registrar of Companies.
- (3) Contravention of this section is punishable by a fine.

10. Method of formation

- (1) Two or more Persons may apply for the incorporation of a Limited Liability Partnership in accordance with the terms of a partnership agreement, by signing and filing with the Registrar of Companies an application for incorporation in accordance with the Rules.
- (2) The application must state the following:
 - (a) the proposed name of the Limited Liability Partnership, which must end with the words 'Limited Liability Partnership';



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- (b) the proposed address of the partnership's registered office;
 - (c) the nature of the business, purpose or activity proposed to be conducted by the partnership;
 - (d) the name and address of each of the Persons who are to be members of the Limited Liability Partnership on incorporation;
 - (e) the names of those Persons who are to be Designated Members on incorporation or that every member of the partnership is a Designated Member;
 - (f) the other particulars (if any) required by the Registrar of Companies or the Rules; and
 - (g) the particulars required by Part 14-1 (ULTIMATE BENEFICIAL OWNERS) of the AIFC Companies Regulations.
- (3) For subsection (2)(c), it is sufficient for the application to state that the purpose of the Limited Liability Partnership is to conduct any lawful business, purpose or activity, without specifying the nature of that business, purpose or activity.
- (4) A copy of the partnership agreement must be filed with the application.
- (5) The Registrar of Companies may require the applicants to provide additional information reasonably required by the Registrar to decide the application.
- (6) The Registrar of Companies may refuse to incorporate a Limited Liability Partnership for any reason the Registrar considers to be a proper reason for refusing to incorporate the partnership.
- (7) If the Registrar of Companies incorporates a Limited Liability Partnership, the Registrar must register the partnership agreement that accompanied the application for incorporation.

11. Limited Liability Partnership agreement

- (1) A Limited Liability Partnership's partnership agreement must be in the English language and must be divided into paragraphs numbered consecutively.
- (2) The mutual rights and duties of the Limited Liability Partnership and its members must be decided, subject to the terms of the partnership agreement, by the following rules:
 - (a) all members of the partnership are entitled to share equally in the capital and profits of the partnership;
 - (b) the partnership must indemnify each member in relation to payments made and personal liabilities incurred by the member:
 - (i) in the ordinary and proper conduct of the partnership's business; or
 - (ii) in relation to anything necessarily done for the preservation of the partnership's business or property;
 - (c) every member may take part in the management of the partnership;



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- (d) no member must be entitled to remuneration for acting in the conduct or management of the partnership;
 - (e) no Person may be introduced as a member or voluntarily assigned an interest in the partnership without the consent of all existing members;
 - (f) any difference arising about ordinary matters connected with the business, purpose or activity of the partnership must be decided by a majority of the members, but no change may be made in the nature of the partnership's business, purpose or activity without the consent of all the members;
 - (g) the books and Records of the partnership must be made available for inspection by the members at the partnership's registered office or at any other place the members consider appropriate, and every member may have reasonable access to inspect and copy any of them;
 - (h) every member must render true accounts and full information of everything affecting the partnership to any other member or any other member's legal representatives;
 - (i) if a member, without the partnership's consent, conducts any business of the same nature as and competing with any business of the partnership, the member must account for and pay over to the partnership all profits made by the member in that business;
 - (j) a member must account to the partnership for any benefit derived by the member without the partnership's consent from any transaction concerning the partnership or from any use by the member of the partnership's property, name or business connections.
- (3) If the partnership agreement of a Limited Liability Partnership is amended, the partnership must file with the Registrar of Companies a copy of the amendments and a copy of the agreement as it has been amended.

12. **Effect of incorporation etc.**

- (1) On the incorporation of a Limited Liability Partnership and registration of its partnership agreement, the Registrar of Companies must:
 - (a) issue a certificate of incorporation confirming that the partnership is incorporated and stating that the partnership is a 'Limited Liability Partnership'; and
 - (b) assign a number to the partnership, which is to be the partnership's registered number; and
 - (c) enter the partnership's name in the appropriate register kept by the Registrar under these Regulations; and
 - (d) issue a Commercial Licence to the partnership under the AIFC Companies Regulations.
- (2) On the date of incorporation mentioned in the certificate of incorporation:
 - (a) the applicants for incorporation become the initial members of the Limited Liability Partnership; and



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- (b) the partnership, with the name stated in the certificate of incorporation, becomes a body corporate, capable of Exercising all the Functions of a body corporate.
- (3) The certificate of incorporation is conclusive evidence of the following matters:
 - (a) that the Limited Liability Partnership has been duly incorporated;
 - (b) that the partnership is a Limited Liability Partnership;
 - (c) that the requirements of these Regulations and the Rules have been complied with in relation to the partnership's registration.



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PART 3: NAMES AND CHANGE OF NAMES

13. Name of Limited Liability Partnership

- (1) The name of a Limited Liability Partnership must appear in legible characters on the partnership's seal.
- (2) A Limited Liability Partnership must use only its registered name and must ensure that, whenever it uses its name, its name includes the words 'Limited Liability Partnership'. However, the Limited Liability Partnership may abbreviate the words 'Limited Liability Partnership' in its name to 'LLP'.
- (3) Contravention of this section is punishable by a fine.

14. Change of Limited Liability Partnership's name

- (1) The members of a Limited Liability Partnership may agree to change the partnership's name, but must not change the name to a name that is not acceptable to the Registrar.
- (2) If a Limited Liability Partnership changes its name under this section, the Registrar of Companies must register the new name in place of the former name, and issue a certificate of name change showing the former and new names of the partnership.
- (3) The change of name takes effect on the day the Registrar of Companies issues the certificate of name change.
- (4) The change of name does not:
 - (a) affect any rights or obligations of the Limited Liability Partnership; or
 - (b) render defective any legal proceedings by or against it.
- (5) Any legal proceedings that could have been commenced or continued against the Limited Liability Partnership under its former name may be commenced or continued against it under its new name.
- (6) If a Limited Liability Partnership changes its name under this section, it must amend its partnership agreement to reflect the change within 30 days after the day the Registrar of Companies issues the certificate of name change or, if the Registrar allows a longer period, the longer period.
- (7) If, in the opinion of the Registrar of Companies, the name by which a Limited Liability Partnership is registered is, has become, or is reasonably likely to become, misleading, deceptive, conflicting with another name (including an existing name of a Company or another Limited Liability Partnership), or otherwise undesirable, the Registrar may direct the partnership to change it.
- (8) The Registrar of Companies must comply with the Decision-making Procedures in deciding whether to give a direction under subsection (7).
- (9) A Limited Liability Partnership must comply with a direction given to it by the Registrar of Companies under subsection (7) within 30 days after the date specified in the direction unless the Registrar allows a longer period to comply with the direction.



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- (10) If a Limited Liability Partnership changes its name under this section, it must amend the partnership agreement to reflect the changed name.
- (11) Contravention of subsection (1), (6), (9) or (10) is punishable by a fine.



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PART 4: CONDUCT OF BUSINESS

15. **Limited Liability Partnerships: registered office and conduct of business**

- (1) A Limited Liability Partnership must, at all times, have a registered office in the AIFC to which all communications and notices to the partnership may be addressed.
- (2) A Document may be given to, or served on, (however described) the Limited Liability Partnership by leaving it at, or sending it by post to, the registered office of the partnership in the AIFC.
- (3) A Limited Liability Partnership must conduct its principal business, purpose or activity in or from the AIFC, unless the Registrar of Companies otherwise permits.
- (4) To remove any doubt, subsection (3) does not prevent the Limited Liability Partnership also conducting its principal business, purpose or activity outside the AIFC.
- (5) Contravention of subsection (1) or (3) is punishable by a fine.

16. **Limited Liability Partnerships: particulars in communications**

- (1) A Limited Liability Partnership must ensure that its name, and the address of its registered office, appear in legible characters in all of its instruments, invoices, letterheads, order forms, receipts, statements of account, correspondence, publications and other communications, including any communications in electronic form.
- (2) However, the Limited Liability Partnership may abbreviate the words 'Limited Liability Partnership' in its name to 'LLP'.
- (3) Contravention of this section is punishable by a fine.



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PART 5: CORPORATE CAPACITY AND TRANSACTIONS

17. Nature of Limited Liability Partnership etc.

- (1) A Limited Liability Partnership is a body corporate with a legal personality separate from that of its members.
- (2) A Limited Liability Partnership has the capacity, rights and privileges of a natural person.
- (3) A Limited Liability Partnership is formed by being incorporated under Part 2 (Formation and registration).
- (4) If a Limited Liability Partnership is wound up, the members of the partnership have the liability (if any) to contribute to its assets provided under these Regulations, the partnership agreement, any other AIFC Regulations and any AIFC Rules.

18. Limited Liability Partnerships: pre-incorporation contracts

- (1) A contract that purports to be made by or on behalf of a Limited Liability Partnership before its incorporation has effect as a contract made with the Person purporting to act for or on behalf of the partnership, and that Person is personally liable on the contract and entitled to the benefits of the contract unless subsection (2) applies.
- (2) The Limited Liability Partnership may, within the period specified in the contract or, if no period is specified, within a reasonable time after the partnership is incorporated, adopt the contract by act or conduct signifying its intention to be bound by the contract. If the Limited Liability Partnership adopts the contract:
 - (a) the partnership is bound by the terms of the contract and is entitled to its benefits; and
 - (b) the Person who purported to act for or on behalf of the partnership before its incorporation ceases to be bound by the contract or to be entitled to its benefits.



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PART 6: MEMBERS

19. **Members**

- (1) In addition to the Persons named as members of a Limited Liability Partnership in the partnership agreement, a Person may become a member of the partnership with the agreement of the existing members.
- (2) A Person may cease to be a member of a Limited Liability Partnership (as well as by death or dissolution) with the agreement of the other members or, in the absence of agreement with the other members, by giving reasonable notice to the other members.
- (3) No majority of members can expel any member unless a power to do so has been given by express agreement between the members.
- (4) A member of a Limited Liability Partnership must not be regarded for any purpose as employed by the partnership.
- (5) A Limited Liability Partnership must not conduct any business, purpose or activity if it has fewer than two members and has had less than 2 members for at least 14 days.
- (6) Subsection (7) applies to a Person if:
 - (a) the Person is a member of a Limited Liability Partnership that conducts any business, purpose or activity during any period in contravention of subsection (5); and
 - (b) during the whole or any part of the period mentioned in paragraph (a), the Person knows that the partnership is conducting the business, purpose or activity with fewer than 2 members.
- (7) The Person is liable (jointly and severally with the Limited Liability Partnership) for the payment of the partnership's debts contracted during the period to which subsection (6)(b) applies.

20. **Relationship of members**

- (1) Except so far as otherwise provided under these Regulations, any other AIFC Regulations or any AIFC Rules, the mutual rights and duties of the members of a Limited Liability Partnership, and the mutual rights and duties of the partnership and its members, are governed by the partnership agreement.
- (2) A partnership agreement made before the incorporation of a Limited Liability Partnership between the Persons who apply for the partnership's incorporation may impose obligations on the partnership to take effect at any time after its incorporation.

21. **Functions of members**

A member of a Limited Liability Partnership must, in Exercising the Functions of a member:

- (a) act honestly and in good faith with a view to the best interests of the members and the partnership; and



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- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

22. **Members as agents**

- (1) Each member of a Limited Liability Partnership is an agent of the partnership for the purpose of the partnership's business, purpose or activity.
- (2) An act of a member of a Limited Liability Partnership in the ordinary course of the partnership's business, purpose or activity binds the partnership, unless:
 - (a) the member had no authority to act for the partnership in the particular matter and the Person with whom the member was dealing had notice that the member had no authority; or
 - (b) there are circumstances of fraud or misrepresentation.
- (3) If the members of a Limited Liability Partnership agree that a restriction should apply to the power of any one or more of them to bind the partnership, nothing done in contravention of the restriction is binding on the partnership in relation to Persons having notice of the restriction.
- (4) If a Person (the *former member*) has ceased to be a member of a Limited Liability Partnership, the former member is to be regarded, in relation to any Person dealing with the partnership, as still being a member of the partnership unless:
 - (a) the Person has notice that the former member has ceased to be a member of the partnership; or
 - (b) notice that the former member has ceased to be a member of the Partnership has been given to the Registrar of Companies.
- (5) If a member of a Limited Liability Partnership is liable to any Person (other than another member of the partnership) as a result of a wrongful act or omission of the member in the course of the partnership's business or with its authority, the partnership is jointly and severally liable to the same extent as the member.

23. **Assumptions in relation to members**

- (1) A Person dealing with a Limited Liability Partnership is entitled to assume that anyone who appears, from information that is available on a public register of current registrations kept by the Registrar of Companies under these Regulations, to be a member of the partnership:
 - (a) is a member of the partnership; and
 - (b) has authority to Exercise the Functions customarily Exercised by a member of a Limited Liability Partnership.
- (2) A Limited Liability Partnership is not entitled to assert in proceedings in relation to dealings of the partnership that any assumption under subsection (1) is incorrect.



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- (3) However, a Person is not entitled to make an assumption mentioned in subsection (1) if at the time of the dealings the Person knew or suspected that the assumption was incorrect.

24. Former members

- (1) This section applies if a member of a Limited Liability Partnership has:
- (a) ceased to be a member; or
 - (b) died; or
 - (c) become bankrupt or has been wound up; or
 - (d) assigned the whole or any part of the member's share in the partnership absolutely or by way of charge or security.
- (2) Any of the following must not interfere with the management or administration of any business or affairs of the Limited Liability Partnership:
- (a) the former member;
 - (b) the deceased member's personal representative;
 - (c) the member's administrator, trustee or liquidator (however described);
 - (d) the member's assignee.
- (3) However, this section does not affect any right to receive an amount from the Limited Liability Partnership.

25. Designated Members

- (1) If the partnership agreement of a Limited Liability Partnership specifies who are to be Designated Members, they become the Designated Members on incorporation.
- (2) Any other member may, at any time, become a Designated Member with the agreement of the other members.
- (3) A member who is a Designated Member may cease to be a Designated Member with the agreement of the other members.
- (4) However, there must, at all times, be at least 1 Designated Member and, if at any time no member is appointed as a Designated Member, every member is taken to be a Designated Member.
- (5) If the partnership agreement states that every member of the Limited Liability Partnership is a Designated Member, every member is a Designated Member.
- (6) A Limited Liability Partnership may at any time give the Registrar of Companies:
- (a) notice that specified members are Designated Members; or



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- (b) notice that every member of the partnership is a Designated Member.
- (7) Matters stated in a notice given by a Limited Liability Partnership under subsection (6) have effect as if they were stated in the partnership agreement.
- (8) A notice given by a Limited Liability Partnership under subsection (6) must be:
 - (a) in a form approved by the Registrar of Companies; and
 - (b) signed by a Designated Member of the partnership or authenticated in a way approved by the Registrar.
- (9) A Person ceases to be a Designated Member if the Person ceases to be a member.
- (10) The Designated Members of a Limited Liability Partnership have the Functions given under these Regulations and the Rules.

26. **Notification of membership changes**

- (1) This applies to a Limited Liability Partnership if there is a change in:
 - (a) the members or Designated Members of the partnership; or
 - (b) the name or address of a member.
- (2) The Limited Liability Partnership must give the Registrar of Companies notice of the change, in accordance with subsection (5), within the required number of days after the day the change happens and must comply with all other requirements applying to the partnership under the Rules in relation to the change.
- (3) For subsection (2), the *required number of days* is:
 - (a) for a change mentioned in subsection (1)(a)—14 days; or
 - (b) for a change mentioned in subsection (1)(b)—28 days.
- (4) If all the members the Limited Liability Partnership are Designated Members, subsection (2) does not require notice that a Person has become or ceased to be a Designated Member as well as a member.
- (5) The notice under subsection (2):
 - (a) must be in a form approved by the Registrar of Companies; and
 - (b) must be signed by a Designated Member of the Limited Liability Partnership or authenticated in a way approved by the Registrar; and
 - (c) if it relates to a Person becoming a member or Designated Member—must contain a statement that the Person consents to becoming a member or Designated Member and must be signed by the Person or authenticated in a way approved by the Registrar.



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- (6) Each Designated Member of the Limited Liability Partnership must take reasonable steps to ensure that subsection (2) is complied with.
- (7) Contravention of subsection (2) or (6) is punishable by a fine.



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PART 7: ACCOUNTS AND AUDIT

CHAPTER 1—GENERAL

27. **Application of Part 7**

This Part does not apply in relation to a Limited Liability Partnership that is an Authorised Firm, Authorised Market Institution, Recognised non-AIFC Member or Recognised non-AIFC Market Institution under the AIFC Financial Services Framework Regulations.

CHAPTER 2—ACCOUNTING RECORDS AND ACCOUNTS

28. **Accounting Records of Limited Liability Partnerships**

- (1) A Limited Liability Partnership must keep Accounting Records that are sufficient to show and explain its transactions so as to:
 - (a) disclose with reasonable accuracy the partnership's financial position at any time; and
 - (b) enable the members to ensure that any accounts prepared by the partnership under this Part comply with the requirements of these Regulations and the Rules.
- (2) A Limited Liability Partnership must ensure that its Accounting Records are:
 - (a) kept at the place in the AIFC that the members consider appropriate, except so far as the Rules otherwise require; and
 - (b) preserved by the partnership for at least 6 years after the day they are created or, if the Rules prescribe another period, the other period; and
 - (c) open to inspection by a member or Auditor of the partnership at all reasonable times; and
 - (d) otherwise kept and maintained as required by the Rules.
- (2-1) If a Limited Liability Partnership, for whatever reason, ceases to exist or ceases to be a Limited Liability Partnership within the meaning of these Regulations, the partners immediately before the Limited Liability Partnership ceases to exist or ceases to be a Limited Liability Partnership shall ensure that its Accounting Records are preserved for at least 6 years after the date of such cessation.
- (3) Contravention of this section is punishable by a fine.

29. **Financial years of Limited Liability Partnerships**

- (1) The first financial year of a Limited Liability Partnership starts on the day it is incorporated and lasts for the period not exceeding 18 months decided by the members.
- (2) The second or any subsequent financial year starts at the end of the Limited Liability Partnership's previous financial year and lasts for 12 months or the other period, which is within 7 days either shorter or longer than the 12 months, decided by the members.



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30. **Accounts of Limited Liability Partnerships**

- (1) The members of a Limited Liability Partnership must ensure that accounts are prepared for the partnership in relation to each financial year of the partnership and that the requirements of this section are complied with in relation to the accounts.
- (2) The accounts must:
 - (a) be prepared in accordance with accounting principles or standards prescribed by the Rules or otherwise approved by the Registrar of Companies; and
 - (b) show a true and fair view of the profit or loss of the Limited Liability Partnership for the financial year and of the state of the partnership's affairs at the end of the financial year; and
 - (c) comply with any other requirements of these Regulations and the Rules.
- (3) Within 6 months after the end of the financial year, the accounts for the financial year must be:
 - (a) prepared and approved by all the members; and
 - (b) signed on their behalf by at least 1 of the members; and
 - (c) examined and reported on by an Auditor.
- (4) The Limited Liability Partnership must file a copy of its accounts for the financial year, and the Auditor's report on the accounts, with the Registrar of Companies within 7 days after the day the accounts have been reported on by the Auditor.
- (5) Contravention of this section is punishable by a fine.

CHAPTER 3—AUDITORS

31. **Appointment of Auditors**

- (1) A Limited Liability Partnership must appoint an Auditor to examine and report on, in accordance with these Regulations and the Rules, the accounts prepared under section 30 (Accounts of Limited Liability Partnership).
- (2) A Person who is not an Auditor must not:
 - (a) consent to be appointed as an Auditor of a Limited Liability Partnership; or
 - (b) act as an Auditor of a Limited Liability Partnership; or
 - (c) prepare any report required by these Regulations and the Rules to be prepared by an Auditor.
- (3) Contravention of subsection (2) is punishable by a fine.
- (4) The appointment of a firm as an Auditor of a Company is taken to be an appointment of each



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Person who is a partner of the firm.

32. Auditor's report to members

- (1) A Limited Liability Partnership's Auditor must make a report to the members on the accounts examined by the Auditor.
- (2) The Auditor's report must state:
 - (a) whether, in the Auditor's opinion, the accounts have been properly prepared in accordance with these Regulations and the Rules; and
 - (b) in particular, whether the accounts give a true and fair view of the profit or loss of the Limited Liability Partnership for the financial year and of the state of the partnership's affairs at the end of the financial year; and
 - (c) any other matter or opinion required under these Regulations or the Rules.
- (3) Contravention of this section is punishable by a fine.

33. Auditors' Functions

- (1) A Limited Liability Partnership's Auditor must, in preparing a report in relation to accounts of the partnership, conduct the investigations necessary to enable the Auditor to form an opinion about the following matters:
 - (a) whether proper Accounting Records have been kept by the partnership and proper returns adequate for the audit have been received from branches or offices not visited by the Auditor;
 - (b) whether the partnership's accounts are in agreement with the Accounting Records and returns;
 - (c) whether the partnership's accounts have been prepared in compliance with any applicable accounting principles or standards.
- (2) Contravention of subsection (1) is punishable by a fine.
- (3) If the Auditor is of the opinion that proper Accounting Records have not been kept, that proper returns adequate for the audit have not been received from branches or offices not visited by the Auditor, that the accounts are not in agreement with the Accounting Records and returns, or that the accounts do not comply with any applicable accounting principles or standards, the Auditor must state that opinion in the report.
- (4) The Auditor has a right of access, at all reasonable times, to the Limited Liability Partnership's Records, and is entitled to require from the partnership's members all the information and explanations that the Auditor considers necessary, for the purposes of the audit.
- (5) The Auditor is entitled to receive notice of, and attend, any meeting of members and to be heard on any part of the business of the meeting that concerns the Auditor.



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- (6) If the Auditor does not obtain all the information and explanations that the Auditor considers necessary for the purposes of the audit, the Auditor must state that fact in the report.
- (7) Contravention of subsection (6) is punishable by a fine.

34. **Resignation of Auditor etc.**

- (1) An Auditor of a Limited Liability Partnership may resign from office by depositing a Written notice to that effect, together with a statement under subsection (2), at the partnership's registered office. The notice operates to bring the Auditor's term of office to an end on the day the notice is deposited or, if a later date is stated in the notice, on that date. The partnership must give a copy of the notice to the Registrar of Companies.
- (2) If an Auditor of a Limited Liability Partnership ceases to hold office for any reason, the Auditor must deposit at the partnership's registered office:
 - (a) a statement to the effect that there are no circumstances connected with the Auditor ceasing to hold office that the Auditor considers should be brought to the notice of the members or Creditors of the partnership; or
 - (b) a statement of any circumstances mentioned in paragraph (a).
- (3) If an Auditor of a Limited Liability Partnership deposits a statement under subsection (2)(b), the partnership must, within 14 days after the day the Auditor deposits the statement, send a copy of the statement to every member of the partnership.
- (4) If an Auditor of a Limited Liability Partnership ceases to hold office for any reason, the partnership must, within 30 days after the day the Auditor ceases to hold office, appoint a replacement.
- (5) Contravention of this section is punishable by a fine.

35. **Cooperation with Auditors**

- (1) A Limited Liability Partnership, or a member of a Limited Liability Partnership, must not knowingly or recklessly:
 - (a) make a statement, or give information, (whether orally, in a Document or any other way) to an Auditor of the partnership that is false or misleading in a material particular; or
 - (b) give a Document to an Auditor of the partnership that is false or misleading in a material particular; or
 - (c) withhold any information from an Auditor of the partnership if the withholding of the information makes information given by the partnership or member to the Auditor false or misleading in a material particular or likely to mislead or deceive the Auditor; or
 - (d) conceal any information from the Auditor if the concealment is likely to mislead or deceive the Auditor.
- (2) A Limited Liability Partnership, a member of a Limited Liability Partnership, or a Person acting under the direction or authority of a Limited Liability Partnership or member of a Limited Liability



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Partnership, must not, without reasonable excuse, engage in conduct if the partnership, member or Person knows, or ought to know, that the conduct could:

- (a) obstruct or hinder an Auditor of the partnership in the Exercise of the Auditor's Functions;
or
 - (b) result in the partnership's accounts or any aspect of the Auditor's report being false or misleading in a material particular.
- (3) Without limiting subsection (2), that subsection applies to the following conduct:
- (a) destroying or concealing a Document;
 - (b) coercing, manipulating, misleading or improperly influencing the Auditor;
 - (c) Failing to provide access to information or Documents required by the Auditor;
 - (d) Failing to give any information or explanation to the Auditor that the partnership, member or Person is able to give;
 - (e) Failing to give the Auditor any assistance in relation to the audit that the partnership, member or Person is required and able to give.
- (4) Contravention of this section is punishable by a fine.



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PART 8: RECOGNISED LIMITED LIABILITY PARTNERSHIPS

36. Applications by Foreign Limited Liability Partnerships

A Foreign Limited Liability Partnership may apply to the Registrar of Companies for registration as a Recognised Limited Liability Partnership in accordance with the Rules.

37. Requirements applying to Recognised Limited Liability Partnerships

A Recognised Limited Liability Partnership must:

- (a) appoint and retain at all times at least 1 Person who is authorised to accept service of any notice or other Document on behalf of the partnership and to Exercise any other Function prescribed by the Rules; and
- (b) have at all times a principal place of business in the AIFC to which all communications and notices may be addressed; and
- (c) file with the Registrar of Companies, in accordance with the Rules, notice of the following:
 - (i) the appointment of Persons authorised to accept service on behalf of the partnership;
 - (ii) the address of the partnership's principal place of business in the AIFC;
 - (iii) any change in the name of the partnership or details of Persons authorised to accept service on behalf of the partnership or the address of its principal place of business in the AIFC;
 - (iv) any change in the constitution of the partnership, by the incoming or outgoing of any member.

38. Notification of change in registered details of Recognised Limited Liability Partnership

- (1) If any of the registered details of a Recognised Limited Liability Partnership change, the partnership must notify the Registrar of Companies in Writing within 14 days after the day the change happens and must comply with all other requirements applying to the partnership under the Rules in relation to the change.
- (2) Contravention of this section is punishable by a fine.
- (3) In this section:

registered details, in relation to a Recognised Limited Liability Partnership, means information about the partnership prescribed by the Rules for this section.

39. Recognised Limited Partnerships: particulars in communications

- (1) A Recognised Limited Liability Partnership must ensure that, in relation to the business, purpose or activity it conducts in or from the AIFC, its name, and its address for service, appear in legible characters in all of its instruments, invoices, letterheads, order forms, receipts, statements of account, correspondence, publications and other communications, including any communications in electronic form.



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- (2) Contravention of this section is punishable by a fine.

40. **Accounting Records of Recognised Limited Liability Partnership**

- (1) A Recognised Limited Liability Partnership must keep Accounting Records that are sufficient to show and explain its transactions so as to:
- (a) disclose with reasonable accuracy the partnership's financial position at any time; and
 - (b) enable the members to ensure that any accounts prepared by the partnership comply with the requirements of these Regulations and the Rules.
- (2) A Recognised Limited Liability Partnership must ensure that its Accounting Records are:
- (a) kept at the place that the members consider appropriate, except so far as the Rules otherwise require; and
 - (b) preserved by the partnership for at least 6 years after the day they are created or, if the Rules prescribe another period, the other period; and
 - (c) open to inspection by a member or auditor of the partnership at all reasonable times; and
 - (d) otherwise kept and maintained as required by the Rules.
- (2-1) If a Recognised Limited Liability Partnership, for whatever reason, ceases to exist or ceases to be a Recognised Limited Liability Partnership within the meaning of these Regulations, the partners immediately before the Recognised Limited Liability Partnership ceases to exist or ceases to be a Recognised Limited Liability Partnership shall ensure that its Accounting Records are preserved for at least 6 years after the date of such cessation.
- (3) Contravention of this section is punishable by a fine.



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PART 9: TRANSFER OF LIMITED LIABILITY PARTNERSHIPS

41. Application for transfer of Foreign Limited Liability Partnership to AIFC

- (1) A Foreign Limited Liability Partnership may, if authorised by the laws of the jurisdiction in which it was incorporated and subject to its partnership agreement, apply to the Registrar of Companies for the continuation of the Foreign Limited Liability Partnership as a Limited Liability Partnership.
- (2) The application for continuation of the Foreign Liability Limited Partnership must be made to the Registrar of Companies in accordance with the Rules and must be:
 - (a) executed under seal, signed by a member of the partnership, and verified by an affidavit, or other sworn statement, of the member; and
 - (b) accompanied by its partnership agreement; and
 - (c) accompanied by any other Document required by the Registrar of Companies.
- (3) The partnership agreement accompanying the application must comply with section 11 (Limited Liability Partnership agreement) and include the amendments of the original partnership agreement of the Foreign Limited Liability Partnership, as they have been amended, necessary to make the partnership agreement otherwise comply with these Regulations and comply with the Rules, any other Legislation Administered by the Registrar and any other Acting Law of the AIFC.

42. Issue of certificate of continuation etc.

- (1) If the Registrar of Companies approves an application for continuation made by a Foreign Limited Liability Partnership under section 41 (Application for transfer of Foreign Limited Liability Partnership to AIFC), the Registrar must:
 - (a) issue a certificate of continuation on the terms and conditions the Registrar considers appropriate; and
 - (b) assign a number to the partnership, which is to be the partnership's identification number; and
 - (c) register the partnership as a Limited Liability Partnership.
- (2) The Registrar of Companies may refuse to approve the application for any reason the Registrar considers appropriate.

43. Effect of certificate of continuation

From the date of continuation stated in the certificate of continuation issued to a Foreign Liability Limited Partnership:

- (a) the partnership becomes a Limited Liability Partnership to which these Regulations apply as if it had been incorporated in the AIFC; and
- (b) the certificate of continuation is treated as the partnership's certificate of registration.



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44. **Copy of certificate of continuation**

The Registrar of Companies must, if requested by a Limited Liability Partnership to which a certificate of continuation has been issued, send a copy of the certificate of continuation to the appropriate official or public body in the jurisdiction in which the partnership was incorporated.

45. **Rights and Liabilities of continued Foreign Limited Partnership**

If a Foreign Limited Liability Partnership is continued as a Limited Liability Partnership under these Regulations, the Limited Liability Partnership:

- (a) continues to have all the property, rights and privileges, and is subject to all the limitations and Liabilities, that it had before the continuation; and
- (b) remains a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.

46. **Transfer of Limited Liability Partnership from AIFC to another jurisdiction**

- (1) A Limited Liability Partnership may apply to the appropriate official or public body of a jurisdiction outside the AIFC (the *other jurisdiction*) to transfer the Limited Liability Partnership to the other jurisdiction and request that the Limited Liability Partnership be continued as a Foreign Limited Liability Partnership.
- (2) However, the Limited Liability Partnership must not make the application unless it is authorised to make the application:
 - (a) under the laws of the other jurisdiction; and
 - (b) by its partnership agreement or, if the partnership agreement is silent, by all the members of the partnership; and
 - (c) by the Registrar of Companies in the way prescribed by the Rules.
- (3) The Limited Liability Partnership must also not make the application unless the laws of the other jurisdiction provide that the Foreign Limited Liability Partnership:
 - (a) continues to have all the property, rights and privileges, and is subject to all the limitations and Liabilities, that it had before the continuation; and
 - (b) remains a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.
- (4) The Limited Liability Partnership ceases to be a Limited Liability Partnership within the meaning of these Regulations if the Limited Liability Partnership is continued as a Foreign Limited Liability Partnership and files with the Registrar of Companies a copy of the certificate or instrument of continuation certified by the appropriate official or public body of the other jurisdiction.
- (5) When the Registrar of Companies receives the other jurisdiction's certificate or instrument of continuation, the Registrar must strike the name of the Limited Partnership off the register of



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current registrations of Limited Liability Partnerships kept under section 51 (Public registers of limited liability partnerships).

47. **Refusal to grant authorisation to transfer Limited Partnership**

The Registrar of Companies may refuse to authorise a Limited Partnership to apply to be continued as a Foreign Limited Liability Partnership under section 46(1) (Transfer of Limited Liability Partnership from AIFC to another jurisdiction).



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PART 9-1: ULTIMATE BENEFICIAL OWNERS

47-1. Ultimate Beneficial Owners

The provisions of Part 14-1 (ULTIMATE BENEFICIAL OWNERS) of the AIFC Companies Regulations apply to Limited Liability Partnerships as set out therein.

PART 9-2: WHISTLEBLOWING

47-2. Whistleblowing

The provisions of Part 14-2 (WHISTLEBLOWING) of the AIFC Companies Regulations apply to Limited Liability Partnerships as set out therein.



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PART 10: MISCELLANEOUS

48. **Compliance with orders etc. of Registrar to limited liability partnerships**

- (1) If the Registrar of Companies makes an order, issues a direction, or makes a requirement, (however described) in relation to a Limited Liability Partnership or Recognised Limited Liability Partnership under these Regulations, the Rules or any other Legislation Administered by the Registrar, each member of the partnership must ensure that the partnership complies with it.
- (2) Contravention of this section is punishable by a fine.

49. **Power to strike names of limited liability partnerships off register**

- (1) The Registrar of Companies may strike the name of a limited liability partnership off the register if the Registrar has reason to believe:
 - (a) that the partnership is not conducting the business, purpose or activity for which it was formed or is not in operation; or
 - (b) that the partnership has conducted a business, purpose or activity for longer than 14 days without having at least 2 members; or
 - (c) that the partnership is Contravening these Regulations (within the meaning given by section 169 of the AIFC Companies Regulations); or
 - (d) that it is prejudicial to the interests of the AIFC for the partnership to remain on the register.
- (2) The Registrar of Companies may also strike the name of a limited liability partnership off the register if:
 - (a) the partnership is being wound up in a creditors voluntary winding up; and
 - (b) the Registrar has reason to believe either:
 - (i) that no liquidator is appointed; or
 - (ii) that the affairs of the partnership are fully wound up; and
 - (c) the returns required to be made by the liquidator have not been made for a period of at least 6 months.
- (3) In deciding whether to strike the name of a limited liability partnership off the register under subsection (1) or (2), the Registrar of Companies must comply with the Decision-making Procedures and must also:
 - (a) publish a notice in the Appointed Publications of the Registrar's intention to strike the name of the partnership off the register and dissolve the partnership; and
 - (b) if the partnership is licensed, registered or recognised by the AFSA—obtain the AFSA's consent before publishing the notice under paragraph (a).



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- (4) If the Registrar of Companies strikes the name of a Limited Liability Partnership off the register, the partnership must be dissolved.
- (5) If the Registrar of Companies strikes the name of a Recognised Limited Liability Partnership off the register, the partnership must cease conducting any business, purpose or activity in or from the AIFC.
- (6) If the name of a Limited Liability Partnership is struck off the register under this section and the partnership is dissolved, the liability of every member of the partnership continues, and may be enforced, as if the partnership's name had not been struck off the register and the partnership had not been dissolved.
- (7) If the name of a limited liability partnership is struck off the register under this section, the partnership must maintain its books and Records for a period of 6 years after the day its name is struck off the register.

- (8) In this section:

limited liability partnership means a Limited Liability Partnership or Recognised Limited Liability Partnership.

register means the register of current registrations of Limited Liability Partnerships or Recognised Limited Liability Partnerships, as the case requires, kept under section 51 (Public registers of limited liability partnerships).

50. Orders for unfair prejudice

- (1) If a limited liability partnership's affairs are being or have been conducted in a way that is unfairly prejudicial to the interests of its members generally or any of its members, or an actual or proposed act or omission of the partnership (including an act or omission on its behalf) is or would be so prejudicial, the Court may, on application of a member of the partnership, make 1 or more of the following orders:
 - (a) an order regulating the conduct of the partnership's affairs in the future;
 - (b) an order requiring a Person to do, or not to do, anything;
 - (c) an order authorising proceedings to be brought in the name and on behalf of the partnership by the Person, and on the terms, the Court considers appropriate;
 - (d) any other order that the Court considers appropriate.
- (2) This section does not limit or otherwise affect any rights that a Person may have, or any powers that the Court may have, apart from this section.
- (3) In this section:

limited liability partnership means a Limited Liability Partnership or Recognised Limited Liability Partnership.



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51. Public registers of limited liability partnerships

- (1) The Registrar of Companies must keep and publish a register of current and past registrations of Limited Liability Partnerships in accordance with any requirements prescribed by the Rules.
- (2) The Registrar of Companies must keep and publish a register of current and past registrations of Recognised Limited Liability Partnerships in accordance with any requirements prescribed by the Rules.
- (3) The Registrar of Companies must make a reasonably current version of any register kept under this section freely available for viewing by the public during the normal business hours of the Registrar.



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SCHEDULE 1: INTERPRETATION

Note: See section 6.

1. Definitions for these Regulations

In these Regulations:

Accounting Records means Records and underlying Documents comprising initial and other accounting entries and associated supporting Documents, including, for example, any of the following:

- (a) cheques;
- (b) Records of electronic funds transfers;
- (c) invoices;
- (d) contracts;
- (e) the general and subsidiary ledgers, journal entries and other adjustments to the financial statements that are not reflected in journal entries;
- (f) worksheets and spreadsheets supporting costs allocations, computations, reconciliations and disclosures.

AFSA means the Astana Financial Services Authority.

AIFC means the Astana International Financial Centre.

AIFCA means Astana International Financial Centre Authority.

AIFC Regulations means regulations adopted by the Management Council or the Governor, and includes, for example, these Regulations.

AIFC Rules means rules adopted by the Board of Directors of the AFSA, the Board of Directors of the AIFCA or the Governor, and includes, for example, the Rules made for these Regulations.

Appointed Publications has the meaning given by section 4 of Schedule 1 of the AIFC Companies Regulations.

Auditor means a Person who is registered by the Registrar of Companies as an auditor under the AIFC Companies Regulations.

Company means a body corporate that is incorporated as, or converted to, a private company or public company under the AIFC Companies Regulations.

Constitutional Statute means Constitutional Statute of the Republic of Kazakhstan dated 7 December 2015 entitled *On the Astana International Financial Centre*.

Contravene includes Fail to comply with.

Court means the Astana International Financial Centre Court.



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Creditor includes a present, future or contingent creditor or the partnership.

Decision-making Procedures, in relation to the making of a decision by the Registrar of Companies, means the procedures prescribed by the Rules that apply to the making of the decision by the Registrar.

Designated Member, of a Limited Liability Partnership, means a member of the partnership who is a Designated Member of the partnership under these Regulations.

Document includes any summons, notice, statement, return, account, order and other legal process, and any register.

Exercise a Function includes perform the Function.

Fail includes refuse.

Foreign Limited Liability Partnership means a body corporate incorporated as a limited liability partnership in any jurisdiction other than the AIFC that has not become a Limited Liability Partnership.

Function includes authority, duty and power.

Governor means the Governor of the Astana International Financial Centre.

Legislation Administered by the Registrar has the meaning given by section 1 of Schedule 1 of the AIFC Companies Regulations.

Liability includes any debt or obligation.

Limited Liability Partnership means a body corporate that is incorporated under these Regulations as a Limited Liability Partnership, and, to remove any doubt, includes a limited liability partnership incorporated outside of the AIFC that is registered under these Regulations as a Limited Liability Partnership because of an application for continuation under Part 9 (Transfer of limited liability partnerships).

Management Council means the Management Council of the Astana International Financial Centre.

Management Council Resolution on AIFC Bodies means *The Structure of the Bodies of the Astana International Financial Centre*, adopted by resolution of the Management Council on 26 May 2016, as amended by resolution of the Management Council, *The Amendments and supplementations to the Structure of the Bodies of the Astana International Financial Centre*, adopted on 9 October 2017.

Person includes any natural person or incorporated or unincorporated body, including a Company, partnership, unincorporated association, government or state.

Recognised Limited Liability Partnership means a Foreign Limited Liability Partnership that is registered under Part 8 (Recognised Limited Liability Partnership) as a Recognised Limited Liability Partnership.

Records means Documents, information and other records, in whatever form and however stored.

Registrar means the Registrar of Companies.



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Registrar of Companies means the individual who is the Registrar of Companies appointed under the AIFC Companies Regulations.

Rules means rules adopted by the Board of Directors of the AFSA under section 181 of the AIFC Companies Regulations.

Writing includes:

- (a) in relation to a certificate, instrument, notice or other thing—the thing in any form that preserves a record of the information contained in it and is capable of being reproduced in tangible form, including by electronic means; and
- (b) in relation to a communication—any method of communication that preserves a record of the information contained in it and is capable of being reproduced in tangible form, including by electronic means.