

**FEDERAL LAW NO. (1) OF THE YEAR 2006**  
**IN RESPECT OF**  
**THE ELECTRONIC TRANSACTIONS AND COMMERCE**

We, Khalifa Bin Zayed AlNahayan President of United Arab Emirates.

After Perusal of the constitution,

And the Federal Law No. (1) of the Year 1972 (In respect of the functions of the Ministers and the powers of the Ministers as well as the amending law thereto),

And the Federal Law No.(5) of the year 1975 (In respect of the Commercial Register),

And the Federal Law No. (8) of the year 1980 (In respect of the Regulation of the labour relations and the amending law thereto),

And the Federal Law No. (10) of the year 980 (In respect of the Central Bank and Monetary System and Regulation of the Banking Profession as well as the amending law thereto),

And the Federal Law No. (8) of the year 1984 (In respect of the Commercial Companies and the amending law thereto),

And the Federal Law No. (9) of the year 1984 ( In respect of the insurance companies and Agents and the amending law thereto),

And the Civil Transitions Law which is issued by the Federal Law No. (5) of the year 1985 and the amending law thereto),

And the penal Law which is issued by the Federal Law No. (3) of the year 1987,

And the Federal Law No. (22) of the year 1991 (In respect of the Notary Public) and the amending law thereto),

And the Law of Evidence in respect of the Civil and Commercial Transactions which is issued by the Federal Law No. (10) of the year 1992,

And the Civil Procedure Law which is issued by the Federal Law No. (11) of the year 1992,

And the Criminal Procedures Law which is issued by the Federal Law No. (35) of the year 1992,

And the Federal Law No. (37) of the year 1992 (In respect of the Trade Marks) and the amending law thereto),

And the Commercial Transactions law which is issued by the Federal Law No. (18) of the year 1993,

And the Federal Law No. (17) of the year 2002 ( In respect of the Regulation and Protection the Industrial Property of the Patent Rights and the Industrial Drawings and Designs),

And the Decree (Federal Law) No. (3) of the year 2003 ( In respect of the Regulation of the Communications Sector),

And on the basis of the proposals of the Minister of Economy and planning, consent of the Cabinet and approval of the Federal supreme Council,

We issued the following law,

## FIRST CHAPTER

### DEFENITIONS

#### ARTICLE (1)

The following words and phrases shall have the meanings respectively assigned to it unless the context otherwise requires:

State	United Arab Emirates
Governmental Bodies	Federal Ministries local departments and authorities, federal and local public authorities and institutions.
Ministry	Ministry of Economy and Planning
Minister	Minister of Economy and Planning
Competent Local Authority	The competent local authority in each of the emirates of the state.
Electronic	Any matter pertaining to modern technology and having electrical or digital or magnetic or wireless or visual or electromagnetic or automated composed capabilities or the like.
Electronic Information	Data or information of electronic characteristics in the form of provisions or symbol or sounds or drawings or pictures or software or otherwise.
Electronic information System	Set of programs and devices prepared for text and management of the data and information for the formation or extraction or sending or receiving or storing or displaying the messages electronically or otherwise.
Electronic Record or	Record or document composed or stored or extracted or copied or

Document	sent or intimated or received by an electronic means on tangible medium or any other electronic medium which shall be liable to a feedback in a manner which can be understood.
Information Technology Medium	Magnetic, visual or electrochemical electronic devise or any other instrument used for processing creator of the data and implementation of the logic, computation or the storing functions, including any capability for storing the data or communications pertaining to or operating in connection with such device.
Creator	The natural or corporate person who/ which sends the electronic message or on behalf of him/her/ which such message is sent, whatsoever the condition. The body performing the job of service provider as regards the production or processing or sending or storing such electronic message or the other services pertaining thereto.
Addressee	The natural or corporate person who/ which the creator intends to address him/ her/ its message to him/ her/ theretot. The person, who/ which provides the services in respect of receiving or processing or storing the electronic correspondence and the other services pertaining the same.
Informational Program	Set of data, instructions and the orders which may be executed by information technology ways and prepared for he execution of a certain job.
Electronic Message	Electronic information to be sent or received by electronic means whatsoever the manner of its reproduction in the place where it is

	received.
Electronic Correspondence	Sending and receipt of electronic messages.
Electronic Signature	Signature constituted of letters or digitals or symbols or sounds or processing system having an electronic form, logically attached to or connected with an electronic message impressed with the intention to authenticate or approve such message.
Protected Electronic Signature	Electronic signature which is consistent with the provisions of Article (18) of this law.
Signatory	The natural or corporate person having an electronic signature device of him/ her/ pertaining him and signs or represented in signing the electronic message by using such device.
Signature Device	Electronic device or information prepared in an independent manner or jointly with other electronic devices or information for affixing an electronic signature of a particular person. Such operations include any systems or devices producing or receiving certain information, such as symbols or mathematical systems, letters, digitals or special keys or digitals of personal identity or personal characteristics.
Automated Electronic Medium	Electronic program or system of an information technology device operating automatically in an independent manner, wholly or partially, without any supervision by any natural person when the work is performed or responded to.
Automated Electronic	Dealing entered into or executed, wholly or partially, by electronic

dealings	means or records, where such works or records are not subject to any follow-up or revision by a natural person.
Provider of Approval Services	Any authorized or recognized person or body issuing electronic Approval certificates or any services or jobs pertaining thereto and in respect of the electronic signatures as regulated by virtue of the provisions of this law.
Electronic Approval Certificate	The certificate issued by the provider of approval services showing the confirmation of the identity of the person or body having a certain signature device.
Perfect Authentication Procedures	The procedures aiming at the verification to the effect that an electronic message is issued from or to a particular person and discovering any error or amendment in the contents or in sending or storing an electronic message or record during a fixed period, including any action using arithmetic systems or symbols or definite numbers or cipher procedures for replying or acknowledgment of receipt and the other procedures of the protection of information.
Authorized Party	The person dealing on the basis of an electronic signature or electronic approval certificate.
Electronic Transaction	Any dealing or contract or agreement concluded or executed wholly or partially by electronic correspondence.
E-commerce	The Commercial dealings which are conducted by electronic correspondence.

## **SECOND CHAPTER**

### **VALIDITY OF THE LAW AND ITS OBJECTS**

#### **ARTICLE (2)**

1. The rules of international trade practice pertaining to the electronic transactions and trade as well as the general principles of the civil and Commercial transactions shall apply to matters not part include provided for in this law.
2. This law shall apply to this electronic records, documents and signatures pertaining to the electronic transactions and commerce. The following shall be exempted from its provisions:
  - A. The dealings and issues pertaining to the personal matters, such as marriage, divorce and wills.
  - B. Documents of title to immovable property.
  - C. Negotiable instruments.
  - D. Dealings in respect of the sale and purchase of immovable property, disposal of the same and its lease for periods exceeding ten years as well as the registration of any other rights pertaining to the same.
  - E. Any document which the law requires to be notarized by the notary public.
  - F. Any other documents or dealings exempted by a special law provision.

3. The Cabinet may, by virtue of a decision issued hereby, add any other dealings or matters to the provisions of the foregoing clauses, of Clause (2) of this Article or delete or amend the same.

### **ARTICLE (3)**

This laws aims at the achievement of the following:

1. Protection of the rights of the electronic dealers and the specifications of their obligations.
2. Encouragement and facilitation of the electronic transactions and correspondence by electronic records to be relied upon.
3. facilitation of and removal of any obstacle before the e-commerce and the other electronic transactions which may result from the obscurity as to the requirements of writing and signature and in order to support the legal and Commercial development for the implementation of the e-commerce in a guaranteed manner.
4. Facilitation of the transfer of the electronic documents between the governmental and non-governmental bodies and supporting the availability of the services of such bodies and the institutions competently through electronic correspondence to be relied upon.
5. Minimizing the extent and scope of falsification of the electronic correspondence and the subsequent changes of such correspondence in addition to minimizing the chances of deceit in the e-commerce and the other electronic transactions.
6. Establishing unified principles to the rules, regulations and standards in respect of the authentication and safely of the electronic correspondence.

7. Confirmation of trust as to the safety and validity of the electronic transactions, correspondence and records.
8. Supporting the development of the e-commerce and the other transactions both in the local and international arenas, by way of using electronic signatures.

**THIRD CHAPTER**  
**REQUIREMENTS OF ELECTRONIC TRANSACTIONS**

**FIRSTLY: ELECTRONIC CORRESPONDENCE**

**ARTICLE (4)**

1. The electronic message shall not lose its legal effect or its capability of being executed due to the fact that it is in an electronic form.
2. The information embodied into the electronic message shall not lose its legal evidential value even it is precise where the perusal of the details of such information is available in the electronic system of its creator and the way of the perusal is referred to in the message.

**SECONDLY KEEPING THE ELECTRONIC RECORDS**

**ARTICLE (5)**

1. If the law provides for keeping a documents, record or information for any reason whatsoever, such conditions is deemed to be fulfilled in such document or record or information is kept in the form of an electronic record, provided that:
  - A. The electronic record is kept in the form by which it is made or sent or received or in a form which shows that it represents the accuracy of the information made or sent or received originally.

- B. Preserving the information in a manner allowing its use or reference to the same later on.
  - C. Keeping the information (in any) for the specification of the source of the electronic message, place of its arrival and the date and time of its dispatch and receipt.
- 2. The obligation to kept the documents or records or information in accordance with sub-Clause (1) of this article shall not extend to any information made in a necessary and automatic manner due to the possibility of sending or receipt of the record.
  - 3. Any person may fulfill the requirements provided in Clause (1) of this article by making use of the services of any other person, as long as such persons abides by the conditions set out in the said clause.
  - 4. Nothing in this article shall be inconsistent with:
    - A. The existence of a provision in another law providing in the form of electronic records as per a certain electronic information system or by following certain procedures or keeping or correspondence through a specific electronic medium.
    - B. The right of the governmental bodies to fix additional requirements for keeping electronic records under its control.

**THIRDLY: ACCEPTANCE OF THE ELECTRONIC DEALING**  
**ARTICLE (6)**

Nothing in this law which requires from a person to use or accept information in an electronic form, nevertheless, the acceptance by the person may be deduced from the positive conduct of such person.

1. The parties having a relation with making or sending or receiving or storing or treating any electronic records may agree in a different manner to any of the provisions of the second chapter to the Fourth Chapter of this law.
2. As an exception to the stipulations of the foregoing Clause (1), the acceptance of the government of the electronic dealing must be express as regards the dealing to which it is a party.

## **FOURTHLY: WRITING**

### **ARTICLE (7)**

If the law provides that any statement or document or record or dealing or evidence shall be in writing or provides that certain results shall ensue for not writing any matter, the electronic document or record shall fulfill such condition if the stipulations of sub-clause (1) of Article of this law have been complied with.

## **FIFTHLY: ELECTRONIC SIGNATURE**

### **ARTICLE (8)**

If the law provides that certain results shall arise from a signature on a document or text, the electronic signature to be relied upon within the ambit of the meaning of Article (18) of his law is said to have satisfied that condition.

1. Any person may use any form of the electronic authentication, unless the law provides otherwise.

## **SIXTHLY: ELECTRONIC ORIGIN**

### **ARTICLE (9)**

If the law provides for the submission of the electronic message or keeping the same in its original form or provides for certain results in case of the non-availability of the same, the electronic message shall be deemed to be an original if:

1. The information contained in the electronic message is said to be technically correct since the time it was made for the first time in its final form as an electronic document or record. The criterion of the evaluation of the correctness of the information shall be the specification whether it remained complete with out a change with the exception of any addition or endorsement or alteration taking place during the normal course of intimation, storing and display.

The degree of the required reliance in the light of the purpose for which the information is made as well as the light of the relevant circumstances.

2. If the message permits the display of the required information whenever the same is requested.

## **SEVENTHLY: ADMISSION AND EVIDENTIAL VALUE OF THE ELECTRONIC EVIDENCE**

### **ARTICLE (10)**

1. None of the following shall be inconsistent with the admission of the electronic signature as an evidence:

- A. That the message or signature is in an electronic form.
  - B. That the message or signature is not original or in its original form whenever such electronic message or signature is the best evidence which is reasonably contemplated to be obtained by the person relying upon it as evidence.
2. Regarding the evaluation of the evidential value of the electronic information, the following ingredients shall be taken into consideration:
- A. The extent of the possibility of the reliance in the manner by which one or more of the operations of the insertion of the information or its making or preparation or storing or submission or sending.
  - B. The extent of the possibility of reliance upon the manner used in the preservation of the safety of the information.
  - C. The extent of the possibility of relying upon the origin of the information if such source is known.
  - D. The extent of the possibility of relying upon the manner by which the identity of the creator is confirmed.
  - E. Any other ingredient pertaining to the subject.
3. unless the contrary is proved, it is presumed that the protected electronic signature:
- A. Can be relied upon.
  - B. It is the signature of the concerned person.
  - C. It is affixed by that person with the intention of signing and approving the electronic message whose issuance is attributed to such person.

4. unless the contrary is proved, it is presumed that the protected electronic record:
  - A. Did not change since it was made.
  - B. Shall be relied on.

## **FOURTH CHAPTER**

### **ELECTRONIC TRANSACTIONS**

#### **FIRSTLY: MAKING CONTRACTS AND ITS VALIDITY**

##### **ARTICLE (11)**

1. For the purpose into a contractual relationship, the offer and acceptance may be expressed, wholly or partially, by the electronic correspondence.
2. The contract shall not lose its validity or the possibility of its execution due to the fact that it is made by one or more electronic correspondence.

#### **SECONDLY AUTOMATED ELECTRONIC TRANSACTIONS**

##### **ARTICLE (12)**

1. A contract may be made between automated electronic media, comprising two electronic information systems or more, already prepared and programmed for that purpose. The contract shall be valid, enforceable and having its legal effects even in case of the personal or direct intervention by and natural person in the process of concluding the contract in such systems.
2. A contract may be made between automated electronic system in the possession of a natural person if the latter knows or is presumed to know that such system shall conclude or execute the contract automatically.

## **THIRDLY: ATTRIBUTION**

### **ARTICLE (13)**

1. The electronic message shall be deemed to be issued by the creator if the latter issues such message himself/ herself/ itself.
2. Regarding the relation between the creator and the addressee, the electronic message shall be deemed to be issued by the creator if it is sent:
  - A. By a person having the power of disposition on behalf of the creator in respect of the electronic message.
  - B. From automated information system and programmed to work automatically by the creator or on him/ her/ its behalf.
3. regarding the relation between the creator and the addressee, the addressee shall be entitled to consider the electronic message as being issued by the creator and to act on the basis of such presumption:
  - A. If the addressee correctly applies an action which was already accepted by the creator for the purpose of being sure that the electronic message is issued by the creator for such purpose.
  - B. If the electronic message, as received by the addressee, is the result of the act of a person who could, due to his/her/its relation with the creator or with any agent of the creator, attain a manner used by the creator to prove that the electronic message is issued by him/her/it.

4. The stipulations of Clause (3) of this Article do not apply:
  - A. As from the time of the receipt by the addressee of a notice from the creator indicating that the electronic message was not issued by him/her/it, provided that, in such case, the addressee was given an ample time for the disposition on the basis of the contents of the notice.
  - B. If the addressee knows, or is presumed to know, that the electronic message is not issued by the creator and exerts a reasonable case or use any action agreed upon with the creator.
  - C. If it is not reasonable to the addressee to consider the electronic message as being issued by the creator or to act on the basis of such presumption.
5. Where the electronic message is issued or is deemed to be issued by the creator or where it is the right of the addressee to act on the basis of such assumption in accordance with Clauses (1), (2) and (3) of this article, the addressee shall have the right, within the ambit of the relation between him/her/it, and the creator, to consider the electronic message received as being the message intended to be sent by the creator and to act on this basis.
6. The addressee shall be entitled to consider each electronic message received by him/her/it, as being an independent message and to act accordingly, Clause (7) of this Article shall not apply where the addressee knows or has to know, if he/she/it exerts a reasonable case or uses any process agreed upon with the creator, that the electronic message is a second copy.
7. The addressee shall not have the right of the assumption or deduction referred to in Clauses (5) and (6) of this Article when he/she/it, knows or

has to know, if he/she/ it, exerts a reasonable care or uses a process agreed upon to the effect that the transmission resulted in any mistake in the electronic message as received by him/her/it.

## **FOURTHLY: ACKNOWLEDGEMENT OF RECEIPT**

### **ARTICLE (14)**

1. The provisions of Clauses (2), (3) and (4) of this Article shall apply when the creator requests the addressee or agrees with him/her/ it, before upon sending the electronic message, to make an acknowledgment of its receipt.
2. If the creator does not agree with the addressee to the effect that the acknowledgment of receipt shall be in accordance with a certain form or manner, receipt may be acknowledged by:
  - A. Any message from the addressee, whether being by any electronic manner or automated or by any other manner.
  - B. Any conduct on the part of the addressee indicating that the addressee informed that creator of the receipt of the electronic message.
3. If the creator mentions that the electronic message is conditional upon the receipt of any acknowledgment of receipt, no legal effect shall result till the creator receives the acknowledgment.
4. If the creator demands and acknowledgment of receipt without mentioning that the electronic message is conditional upon the receipt of an

acknowledgement of receipt during the fixed or agreed-upon time or during a reasonable period or if no particular or agreed-upon time is fixed, the creator may:

- A. Give the addressee a notice indicating that he/she/it did not receive any acknowledgment of receipt and shall fix therein a reasonable time within which the acknowledgment shall be received.
  - B. If no acknowledgment of receipt is made during the time fixed in sub-Clause (a) above, the creator may treat the electronic message as if it is not sent or may resort to the exercise of any of his/her/ its other rights, if any.
5. If the creator receives an acknowledgment from the addressee to the effect that the latter received the electronic message, the same shall be deemed to be an evidence of receipt, unless the addressee adduces evidence to the contrary. Such presumption does include impliedly that the electronic message sent by the creator coincides with the contents of the message sent to him/her/ it by the addressee.
  6. If the acknowledgment of receipt which the creator receives to the effect that the relevant electronic message satisfied the technical conditions, whether the agreed upon or those fixed in the applicable standards, it is presumed that such conditions are fulfilled, unless the contrary is proved.
  7. With the exception of the matters pertaining to sending or receipt of the electronic message this Article shall not apply to the legal effects which may result from the electronic message or the acknowledgment of receipt.

## **FIFTHLY: TIME AND PLACE OF SENDING AND RECEIPT OF THE ELECTRONIC MESSAGES**

### **ARTICLE (15)**

**Firstly:** Unless the creator and addressee otherwise agrees:

1. The electronic message is said to be sent when entered into an information system which is subject to the control of the creator or the person who/which sends the message on behalf of the creator.
2. The time of the receipt of the electronic message shall be specified as following:
  - A. if the addressee specifies an information system for the purpose of receiving the electronic message, the receipt is said to have taken place at the time of the entrance of the electronic message into the particular information system or the time of the reproduction of the electronic message by the addressee if it is sent to an information system pertaining him/her/it, other than the information system specified for receiving the message.
  - B. If the addressee does not specify an information system, the receipt is said to have taken place upon entering the electronic message into an information system pertaining to the addressee.

**Secondly:** Clause (2) of (Firstly) of this Article shall apply, despite the difference in the place where the information system is located

from the place where the electronic message is deemed to have been received by virtue of Clause (Thirdly) of this article.

**Thirdly:** Unless the creator and the addressee agree otherwise, the electronic message shall be deemed to have been sent from the place of the location of the place of business of the creator and received in the place of the place of business of the addressee.

**Fourthly:** For the application of the provisions of this article:

- A. If the creator or addressee has more than one place of business, the place of business which has a closer relation with the concerned dealing or the principal place of business if no such dealing takes place.
- B. If the creator or addressee has no place of business, reference shall be made to his/ her/ its usual domicile.
- C. The usual domicile, as regards the corporate person, shall mean its principal place of business or the place of business where it is instituted.

**FIFTH CHAPTER**  
**PROTECTED ELECTRONIC RECORDS AND SIGNATURES**

**FIRSTLY: PROTECTED ELECTRONIC RECORDS**

**ARTICLE (16)**

1. If perfect authentication procedures are correctly applied, and provided for by the law or are reasonable commercially or agreed upon between the two parties, on an electronic record for the verification that it has not been changed since a certain time, such record shall be treated as a protected electronic record since that time till the time when the verification is performed.
2. For the purposes of the application of this Article and Article (17) of this law, regarding the decision whether the perfect authentication procedures are reasonable commercially, such procedures shall be considered in the Commercial circumstances upon their use, including:
  - A. The nature of the transaction.
  - B. The experience and skill of the parties.
  - C. Volume of the concerned dealings made by any of the two parties or both of them.
  - D. Availability of alternative procedures and their cost.
  - E. The procedures generally used in similar transactions.

## **SECONDLY: PROTECTED ELECTRONIC SIGNATURE**

### **ARTICLE (17)**

1. The signature shall be treated as being a protected electronic signature if it can be ascertained, through the application of perfect authentication procedures provided for by this law or commercially reasonable and agreed upon between the two parties, to the effect that the electronic signature took place at the time when it was affixed:
  - A. Restricted to person who used it.
  - B. It is possible to prove the identity of that person.
  - C. It must be under his/her/its full control, whether in respect of its making or the means of its use at the time of the signature.
  - D. Connected with the relevant electronic message in a manner providing a reliable confirmation as to the correctness of the signature to the effect that if the electronic record is changed, the electronic signature becomes unprotected.
2. Reliance upon the protected electronic signature shall be deemed to be reasonable unless the contrary is proved.

## **THIRDLY: RELIANCE UPON THE SIGNATURES AND THE CERTIFICATES OF THE ELECTRONIC APPROVAL**

### **ARTICLE (18)**

1. The person shall be entitled to rely upon the electronic signature or the certificate of the electronic approval to the extent to which such reliance is reasonable.

2. Where the electronic signature is supported by a certificate of electronic approval, the party relying upon such signature shall bear the results of his/her/its failure in taking the reasonable steps necessary for confirming the validity and enforceability of the certificate and whether it is suspended or cancelled as well as taking into consideration any restrictions in respect of the certificate of the electronic approval.
3. For the purpose of deciding whether it is reasonable for a person to rely upon an electronic signature or a certificate of electronic approval, the following factors shall be taken into consideration:
  - A. The nature of the concerned transaction to be supported with the electronic signature.
  - B. The value or significance of the concerned transaction if the same is known to the party relying upon the electronic signature.
  - C. Whether the person relying upon the electronic signature or the certificate of the electronic approval took appropriate steps to decide the extent of the possibility of relying upon the electronic signature or the electronic signature or the certificate of the electronic approval.
  - D. Whether the party relying upon the electronic signature took appropriate step to ascertain that the electronic signature is supported by a certificate of electronic approval or it is expected to be so.
  - E. Whether the person relying upon the electronic signature or the certificate of the electronic approval came to know or had to know that the electronic signature not complied with or cancelled.

F. The former agreement or dealing between the creator and the party relying upon the electronic signature or any trade custom prevailing in this respect.

G. Any other relevant factor.

4. If the reliance upon the electronic signature or the certificate of he electronic approval is not reasonable in the light of the surrounding circumstances, taking into consideration the factors mentioned in Clause (2) of this articles, the party relying upon the electronic signature or the certificate of the electronic approval shall bear the risks of the incorrectness of the signature or that certificate, unless the contrary is proved.

## **FOURTHLY: DUTIES OF THE SIGNATORY**

### **ARTICLE (19)**

**Firstly:** the signatory shall:

1. Not use the instrument of his/her/its signature in unlawful manner.
2. Exert a reasonable case to avoid using of his /her/its signature in unauthorized manner.
3. Notify the concerned persons, without any unjustifiable delay, in case of:
  - A. The signatory comes to know that the instrument of his/her/its signature was subjected to a suspicion as to the degree of its correctness.

- B. If it transpires from the circumstances known to him/her/it that it is provable that the instrument of the signature was subjected to a suspicion.
4. The signatory shall exert a reasonable case to guarantee the accuracy and completion of all material information and representations in connection with the certificate of the electronic approval submitted by him/her/ it, throughout the period of its validity, in the cases where the instrument of the signature necessitates the use of such certificate.

**Secondly:** The signatory shall be responsible of his/her/its negligence in satisfying the requirements of Clause (Firstly) of this Article.

## **SIXTH CHAPTER**

### **PROVISIONS IN CONNECTION WITH THE CERTIFICATES OF ELECTRONIC APPROVAL AND THE APPROVAL SERVICES**

#### **FIRSTLY: CENSOR OF THE APPROVAL SERVICES**

##### **ARTICLE (20)**

For the purposes of this law, a body shall be appointed by a decision of the Cabinet to censure the approval services and, particularly, for the purposes of licensing, approval and censorship of their activities of the providers of the approval services and supervision of the same.

#### **SECONDLY: DUTIES OF THE PROVIDER OF THE APPROVAL SERVICES**

##### **ARTICLE (21)**

**Firstly:** The provider of the approval services shall:

- A. Act in accordance with the information submitted by him/her/it in respect of conducting his/her/its activity.
- B. Exert a reasonable case to guarantee the accuracy and completion of all the material information submitted by him in connection with the certificate of the electronic approval or embodied therein throughout its validity.
- C. Make available means which are reasonably accessible and enabling the party relying upon his/her/its services to be sure of the following:

1. The identity of the provider of the approval services.
  2. That the person whose identity is set out in the certificate of the electronic approval has the control, at the concerned time, over the instrument of signature referred to in such certificate.
  3. The manner used in determining the identity of the signatory.
  4. The existence of any restrictions in respect of the purpose or value for which the instrument of signature may be used.
  5. Whether the instrument of signature is correct and not subjected to any suspicion.
  6. Whether the signatory can give a notice in pursuance of this law.
  7. Whether there is a suitable manner for notification of the cancellation of the signature.
- D. To provide the signatories with means enabling them to give a notice to the effect that the instrument of signature has been subjected to suspicion and to guarantee the availability of the service of the cancellation of the signature which can be used in time.
- E. To use, in the performance of his/her/its services, trustworthy systems, procedures and human resources.
- F. Shall be licensed by the censor of the approval services if he/she/it is valid in the state.

**Secondly:** For deciding whether any systems or procedures or human resources are trustworthy for the purposes of sub-Clause (1/e) above, the following shall be taken into consideration:

- A. The financial and human resources, including the existence of the assets inside the area of jurisdiction.
- B. The extent of the trust in the software and hardware.
- C. The procedures of processing and issuance of the certificates of the electronic approval, applications for obtaining such certificates and keeping of the records.
- D. Availability of the information in respect of the signatories referred to in the certificates of the electronic approval as well as making available the information to the parties depending upon the approval services.
- E. The system and the extent of checking the accounts by an independent body.
- F. The existence of a declaration by the state or an approval body or by the provider of the approval services in respect of the existence of what is mentioned or compliance with it.
- G. The extent of the submission of the provider of the approval services to the judicial jurisdiction of the courts of the state.
- H. The extent of the contradiction between the law which is applicable to the performance of the provider of the approval services and the laws of the state.

**Thirdly:** The certificate of the electronic approval shall specify the following:

- A. The identity of the provider of the approval services.

- B. That the person whose identity is set out in the certificate of the electronic approval has the power, at the relevant time, to execute the instrument of signature referred to in such certificate.
- C. That the instrument of signature has been valid on or before the date of the issuance of the certificate of the electronic approval.
- D. Whether there are any restrictions as to the purpose or value in respect of which the instrument of signature or the certificate of the electronic approval may be used.
- E. Whether there are any restrictions as to the scope or extent of the responsibility accepted by the provider of the approval services vis-à-vis any person.

**Fourthly:** If any damage occurs as a result of the incorrectness of the certificate of electronic approval or due to any defect therein, the provider of the approval services shall be responsible of the losses sustained by:

- A. Each party contracting with the provider of the approval services in respect of the submission of the certificate of electronic approval.
- B. Any person relied on a reasonable way upon the certificate of the electronic approval issued by the provider of the approval services.

**Fifthly:** The provider of the approval services shall not be responsible of any damage in the following two cases:

- A. If he/she /it inserts into the certificate of the electronic approval a statement restricting the scope and extent of his/her/ its responsibility vis-a-vis any concerned person, in accordance with the regulations to be issued in this respect.
- B. If he/ she/ it proves that he/she/it did not commit any fault or negligence or that the damage arose from an extraneous reason out of his/ her/ its control.

### **THIRDLY: REGULATION OF THE PERFORMANCE OF THE PROVIDER OF THE APPROVAL SERVICES**

#### **ARTICLE (22)**

The Minister, on the basis of a proposal by the censor, the regulations for each regulation and licensing the performance of the suppliers of the approval services operating in the state, including the following:

1. Licensing and renewing the licenses of the providers of the approval services and their authorized representatives and the renewal of such license and the matters pertaining to the same.
2. The activities of the providers of the approval services, including the way, place and manner of obtaining their performance and attracting the public to them.
3. The standards and rules which the providers of the approval services shall preserve and following the same in their performance.

4. Specification of the appropriate standards in respect of the qualifications and experience of the providers of the approval services and training of their staff.
5. Specification of the conditions of the management of the works conducted by the provider of the approval services.
6. Specification of the contents and distribution of the written or printed or visual materials and advertisements which may be distributed or of electronic approval or digital key.
7. Specification of the form and contents of any certificate of electronic approval or digital key.
8. Specification the details which shall be entered into the accounts kept by each providers of the approval services.
9. The required qualifications of the auditors for the accounts of the providers of the approval services.
10. Setting the necessary rules for the regulation of the inspection and checking the performance of the provider of the approval services.
11. Conditions of establishing and regulating any electronic system by each provider of the approval services, whether individually or jointly with other providers of approval services as well as the imposition or change of such conditions or restrictions as per the proposal of the censor and in co-ordination with the competent bodies.
12. The manner in which the holder of the license manages his/her/its dealings with his/her/ its customers and also upon the conflict of his/her/ its interests with their interests and his/her/ its duties towards them in connection of the certificates of digital electronic approval.

13. Proposal of the fees to be realized as regards any matter required by virtue of the stipulations of this Article. A decision of the Cabinet shall issue fixing such fees.
14. Preparation of any forms for the purposes of the application of this Article.
15. The fines and penalties prescribed for the contravention of the rules pertaining to the licensing and regulation of the performance of the providers of the approval services.

## **SEVENTH CHAPTER**

### **RECOGNITION OF THE CERTIFICATES OF THE ELECTRONIC APPROVAL AND THE FOREIGN ELECTRONIC SIGNATURES**

#### **ARTICLE (23)**

1. For deciding whether the certificate of the electronic approval or the electronic signature is legally enforceable, there shall not be taken into consideration the place of the issuance of such certificate or the electronic signature or the judicial jurisdiction where the place of business of the body, which issued such certificate or electronic signature, is located.
2. The certificate of electronic approval issued by the foreign providers of the approval services shall be deemed to be a certificate of electronic approval issued by the providers of the approval services who are operating by virtue of this law, if the practices of the foreign providers of the approval services of the same standard of reliability corresponding, at least, with the standard required by Article (20) from the providers of the approval services in accordance with this law, taking into consideration the recognized international standards.
3. The signatures satisfying the conditions of the special law of another state may be recognized and may be considered as being of the same standard of the signatures issued in accordance with this law if the laws of the other

state provided for a standard of reliance upon the signatures corresponding, at least, with the standard provided for by this law in respect of such signatures.

4. Regarding the recognition of the foreign certificates of the electronic approval and the electronic signatures provided for in the foregoing Clauses (2) and (3), the factors set out in Clause (2) of Article (21) of this law shall be taken into consideration.
5. For the purpose of deciding whether the electronic signature or the certificate of the electronic approval is legally enforceable, there shall be taken into consideration any agreement between the two parties in respect of the dealing where such signature or certificate is used.
6. As an exception to the provision of the foregoing Clauses (2) and (3):
  - A. The parties to the Commercial transactions and the other transactions may agree to use certain providers of approval services or a certain category of them or a certain category of the certificates of the electronic approval, in respect of the electronic messages or signatures submitted to them.
  - B. In the cases where the parties agree to use certain kinds of signatures or certificates of electronic approval, such agreement shall be deemed to be sufficient for the purposes of the mutual recognition as to the judicial jurisdiction of the states to which such parties belong, provided that such agreement shall not be illegal in accordance with the provisions of the laws which are applicable in the state.

## **EIGHTH CHAPTER**

### **GOVERNMENTAL USE OF THE ELECTRONIC RECORDS AND SIGNATUES**

#### **ARTICLE (24)**

1. The governmental bodies, within the ambit of the works entrusted to them the law, may:
  - A. Accept the deposit or submission of the document their making or keeping in the form of electronic records.
  - B. Issue any permit or license or decision or acceptance in the form of electronic records.
  - C. Accept the fees or any other payment in any electronic form. Inviting tenders or receiving bids pertaining to the governmental purchases in an electronic manner.
  
2. in the government decides that any of the performance mentioned in Clause (1) of this Article be executed, then it may specify:
  - A. The manner or the form, by which such electronic records are made, deposited or kept or submitted or issued.
  - B. The manner, style, mode and procedures by which tenders are invited and the bids are received and the governmental purchases are performed.
  - C. Kind of the required electronic signature, including making a condition that the sender shall use a digital signature or another protected electronic signature.

- D. The manner and form by which such signature is affixed on the electronic record as well as the criterion to be followed by the provider of the approval services to whom the document is submitted for keeping or depositing.
- E. The suitable processes and procedures of control in order to be sure of the safety and confidentiality of the electronic records or the payments or fees.
- F. And other characteristics or conditions or rules presently fixed for the dispatch of the hard copy of documents, if the same is required as regards the electronic records pertaining to the payments and fees.

#### **ARTICLE (25)**

It is impermissible for any person to publish a certificate of electronic approval referring to a provider of approval services whose name is contained in such certificate, if such person knows:

- A. That the provider of the approval services whose name is contained in such certificate did issue it.
- B. That the signatory whose name is contained in such certificate did not accept it.
- C. That such certificate has been cancelled or suspended, unless such publication is for the purpose of the verification of any electronic or digital signature used before such suspension or cancellation.

## **NINETH CHAPTER**

### **SENTENCES**

#### **ARTICLE (26)**

Whoever makes or publishes or provides or submits any certificate of electronic approval containing or comprising incorrect information with the knowledge of the same shall be punished with an imprisonment for a period of not less than one year and a fine of not less than Dirhams Fifty Thousand and not more than Dirhams Two Hundred Fifty Thousand or with one of those two sentences.

#### **ARTICLE (27)**

Whoever intentionally submits incorrect information to a provider of approval services for the purpose of obtaining or the cancellation or suspension of a certificate of an electronic approval shall be punished with an imprisonment for a period not exceeding six months and a fine not exceeding six months and a fine not exceeding Dirhams One Hundred Thousand or with one of those two sentences.

#### **ARTICLE (28)**

1. Whoever, by virtue of any powers conferred upon him/her/ under this law, peruses any information contained in electronic records or documents or correspondence and disclosed any such information shall be punished with an imprisonment for a period of not less than six months and a fine of

not less than Dirhams Twenty Thousand and not more than Dirhams Two Hundred Thousand or with one of those two sentences.

2. Cases of disclosing the information for the purposes of the implementation of this law or in execution of any judicial; proceedings shall exempted form the provisions of Clause (1) of this article.

### **ARTICLE (29)**

Whoever commits an at constituting an offence under the applicable legislations by using an electronic device shall be punished with an imprisonment for a period not exceeding six months and a fine not exceeding Dirhams One Hundred or with one of those two sentences.

### **ARTICLE (30)**

1. The chairman, members of the boards of directors and the managers of the corporate causing, with their consent or concealment of the facts, or any other act by them, the commission of a contravention to any of the provisions of this law, shall be punished with imprisonment or a fine of not less than Dirhams Ten Thousand and not more than Dirhams One Hundred Thousand.
2. An employee of the corporate person who commits a contravention to the provisions of this law or the regulations issued for its executing and it is proved that such contravention is due to his/her act or negligence or consent or concealment of the fact of the commission of such contravention, shall be punished with imprisonment or affine of not less than ten thousand and not more than Dirhams One Hundred Thousand.

3. In case of the conviction under any of Clauses (1) and (2) of this Article, the corporate person to which the persons, who are punished with a fine, are subordinates, shall be punished with a fine equivalent to the fine imposed upon any of them.

#### **ARTICLE (31)**

In the case of conviction under the provisions of this law, the court may order the confiscation of the devices and instruments used in the commission of he offence, without prejudice to the rights of the bona fide third party.

#### **ARTICLE (32)**

The court shall order the deportation of the foreigner if he/she is sentenced with an imprisonment under the provisions of this law.

#### **ARTICLE (33)**

The application of the sentences provided for in this law shall be without any prejudice to any severer sentence provided for in nay other law.

## **TENTH CHAPTER**

### **FINAL PROVISIONS**

#### **ARTICLE (34)**

The employees of the Ministry and the competent local authority who are specified by virtue of a decision of the Ministry of Justice, Islamic Affairs and Awqaf, in agreement with the Minister, shall have the capacity of the judicial officers in respect of proving the contraventions to the provisions of this law and the regulations issued for its execution.

#### **ARTICLE (35)**

The Minister shall issue the regulations and decisions which are necessary for the implementation of the provisions of this law.

#### **ARTICLE (36)**

Any provision contradicting or inconsistent with the stipulations of this law shall be cancelled.

#### **ARTICLE (37)**

This law shall be published in the gazette and shall come into force as from the date of its publication.

**Khalifa bin Zayed AlNahayn**

**President of United Arab Emirates**

Issued by in AlRassah Palace, Abu Dhabi on 30 (Ze Elhaja) 1426 (A.H.), being 30 January 2006.

