

Legal & Wealth Planning: A Definitive Guide to Asset Structuring in the UAE

Section 12: An Investor's Reference



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12.1

Wills & Inheritance

Understanding Default Rules and Registration Forums
(DIFC / ADGM / Local Courts)

12.1 Wills & Inheritance: The Default Legal Framework



For Muslims (Nationals & Residents)

Inheritance is governed by UAE Personal Status Law (Sharia-based shares). A Muslim's Will generally cannot override fixed heirs, except within limited portions and subject to the consent of all heirs.

For Non-Muslims (Nationals & Residents)

Individuals may opt for their home-country law or utilize the federal "Civil Personal Status for Non-Muslims" regime for marriage, divorce, inheritance, and wills. Abu Dhabi also operates its own distinct Non-Muslim Personal Status system.

Conflict of Laws Note: Non-Muslims can elect **home-country law**. If no election is made, the **federal non-Muslim law** applies by default. Muslims follow **Personal Status Law 2005**. It is crucial to align the Will's **governing-law clause** with your chosen **registration forum**.

12.1 Wills & Inheritance: Registration Venues & Process for Non-Muslims



DIFC Courts Wills Service Centre

- **Scope:** Covers assets across the UAE.
- **Features:** Remote registration available; probate handled by DIFC Courts.
- **Eligibility:** Non-Muslim, age ≥ 21 .

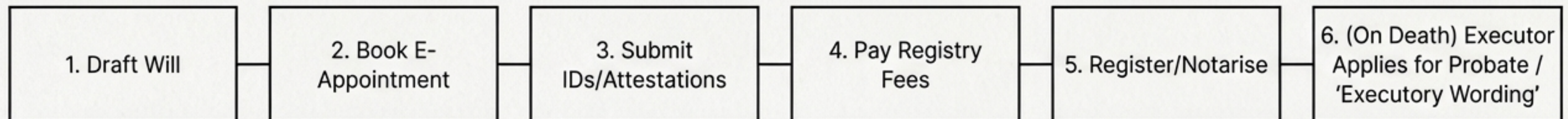
ADGM Courts - Non-Muslim Wills

- **Scope:** Primarily for Abu Dhabi.
- **Process:** Will notarisation and execution follow the ADGM Courts / ADJD workflow.
- **Fees:** As published by ADGM/ADJD.

Dubai Courts Register

- **Authority:** Operates under Dubai Law 15/2017.
- **Function:** Exists alongside the DIFC register as an option for non-Muslims.

High-Level Process:



12.2 Foundations & Trust Structures: Advanced Asset Protection



Key Jurisdictions

ADGM & DIFC Common-Law Frameworks

Both financial free zones provide common-law style Foundations with separate legal personality and Special Purpose Vehicles (SPVs) for holding UAE and global assets.

Strategic Importance

Why This Matters for Asset Owners

- Ring-fences operating risk from personal wealth.
- Centralises voting control for family enterprises.
- Dovetails seamlessly with Wills for comprehensive succession planning.

****Regulatory Obligations**:** Corporate Tax (CT), Economic Substance Regulations (ESR), Ultimate Beneficial Owner (UBO), and Anti-Money Laundering (AML) obligations apply to these structures. (Reference prior sections).

12.3 Estate Planning & Property Succession: Practical Application

Title Holding in Dubai & Abu Dhabi (Freehold)

Titles can be held by individuals or by foundations/SPVs (zone-dependent). Upon death, transfer follows the registered Will and its chosen forum: DIFC probate for DIFC Wills; ADGM/ADJD executory wording for ADGM Wills; or Dubai Courts for Dubai-registered Wills. Muslim succession follows Personal Status 2005 shares.

Process in the Northern Emirates

The outcome is similar, but enforceability relies on clear forum selection and an attested Will. If a non-Muslim dies without a Will, the federal non-Muslim Muslim law applies by default (since 2023); otherwise, Sharia law governs.

Practical Investor Checklist

- ✓ Ensure consistent asset titling.
- ✓ Nominate executors and guardians clearly.
- ✓ Create mirror Wills for spouses.
- ✓ Utilize a foundation/SPV where appropriate.
- ✓ Align bank beneficiary designations with the Will.





12.4

Innovative Ownership & Investment Models

Navigating REITs, Tokenization, Fractional Ownership & Timeshare

12.4 A Guide to Modern Real Estate Investment Structures

REITs

Regulator: ADGM

Details: Comprehensive regime for public & private REITs under the Market Rulebook. Rules apply for distribution, leverage, and development caps. Listings are typically on Nasdaq Dubai/DFM.

Timeshare / Timeshare-like

Regulator: Dubai (Law 14/2020 & DET Bylaw 74/2023)

Details: Regulates schemes, unit classification, contract registration, cool-off/withdrawal rights, and marketing. Note: Timeshare is not freehold ownership.

Tokenization / Digital Securities

Dubai (VARA): Regulates virtual-asset activities (issuance, exchange, custody) in Dubai (ex-DIFC). Real estate token deals must use licensed VASPs and comply with AML/marketing rules.

ADGM (FSRA): Treats digital securities under FSMR. Virtual Asset Guidance (Jun 2025) clarifies licensing, custody, and AVA recognition. Prohibits privacy coins and algorithmic stablecoins.

On-shore UAE (SCA): Crypto Assets Activities Regulation (2020) governs issuance/listing/trading outside VARA/ADGM.

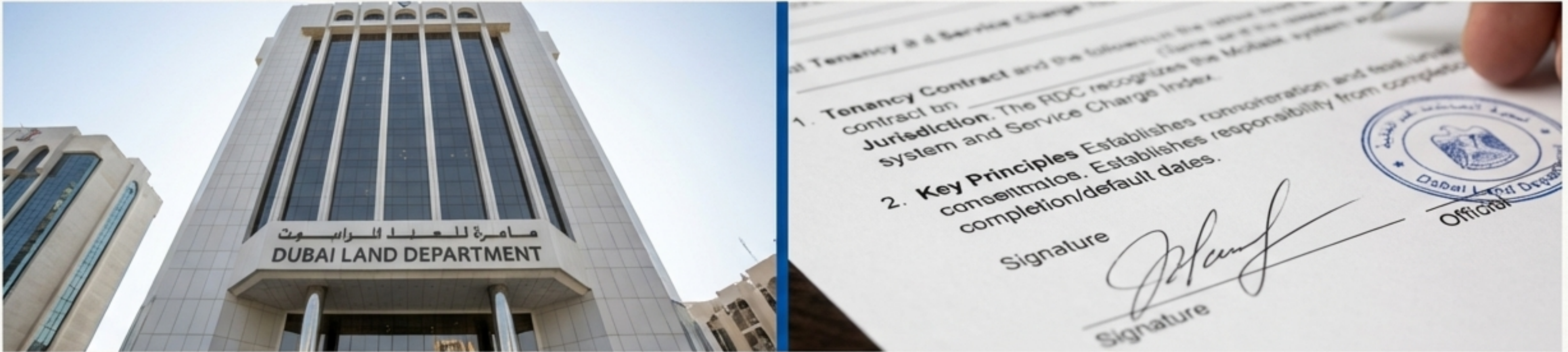


12.5

Dispute Resolution

Inter Frameworks for Rental, Service Charge, and
Commercial Conflicts

12.5 Resolving Tenancy & Service Charge Disputes



Landlord-Tenant Disputes

Dubai: Handled by the Rental Disputes Center (RDC).

- **Filing Fee:** 3.5% of annual rent (caps/minimums apply).
- **Process:** File via RDC / REST with tenancy docs, IDs, notices.

Abu Dhabi: Handled by Rental Dispute Settlement Committees (RDSC) under ADJD.

- **Filing Fee:** Common guidance is 4% of annual rent, capped ~AED 10k (confirm at filing).

Service Charge / JOP Disputes (Dubai)

Jurisdiction: The RDC recognizes the Mollak system and Service Charge Index.

Key Principles: Establishes responsibility from completion/default dates.

Escalation Path: 1. Reconciliation → 2. First Instance → 3. Appeal.

12.5 Navigating Civil & Commercial Court Systems



Premier Jurisdictions

DIFC Courts: English-language, common-law system with e-filing. Strong for cross-border enforcement. Fees are based on claim value.

ADGM Courts: Similar structure with direct application of English common law.

Arbitration. Recommended to include arbitration clauses (DIAC / ADGM Arbitration Centre) for construction and hospitality-management agreements.

How to Open a Case (Typical Procedure)

1. **Online Filing:** Create an account on the relevant court portal.
2. **Upload Documents:** Submit claim, ID, Power of Attorney/authorisation.
3. **Pay Filing Fee:** Calculated by percentage or as a fixed amount.
4. **Case Management:** Attend conference.
5. **Resolution:** Hearing / Award.
6. **Enforcement:** Execution of the judgment.

Note: Court portals provide required document checklists and fee calculators.

12.6 A Comparative Schedule of Case Filing Fees

Venue	Dispute Type	Fee Structure	Notes
Dubai RDC	Tenancy	3.5% of annual rent	Min/max fees apply per RDC schedule.
Abu Dhabi RDSC	Tenancy	~4% of annual rent	Cap ~AED 10k (check ADJD for current rate).
DIFC Courts	Civil / Commercial	%-based fee by claim value	Surcharge for paper filing. (See Schedule of Fees)
ADGM Courts	Civil / Commercial	Fees set in ADGM RA/Courts fee schedule (2025)	Online payments accepted.

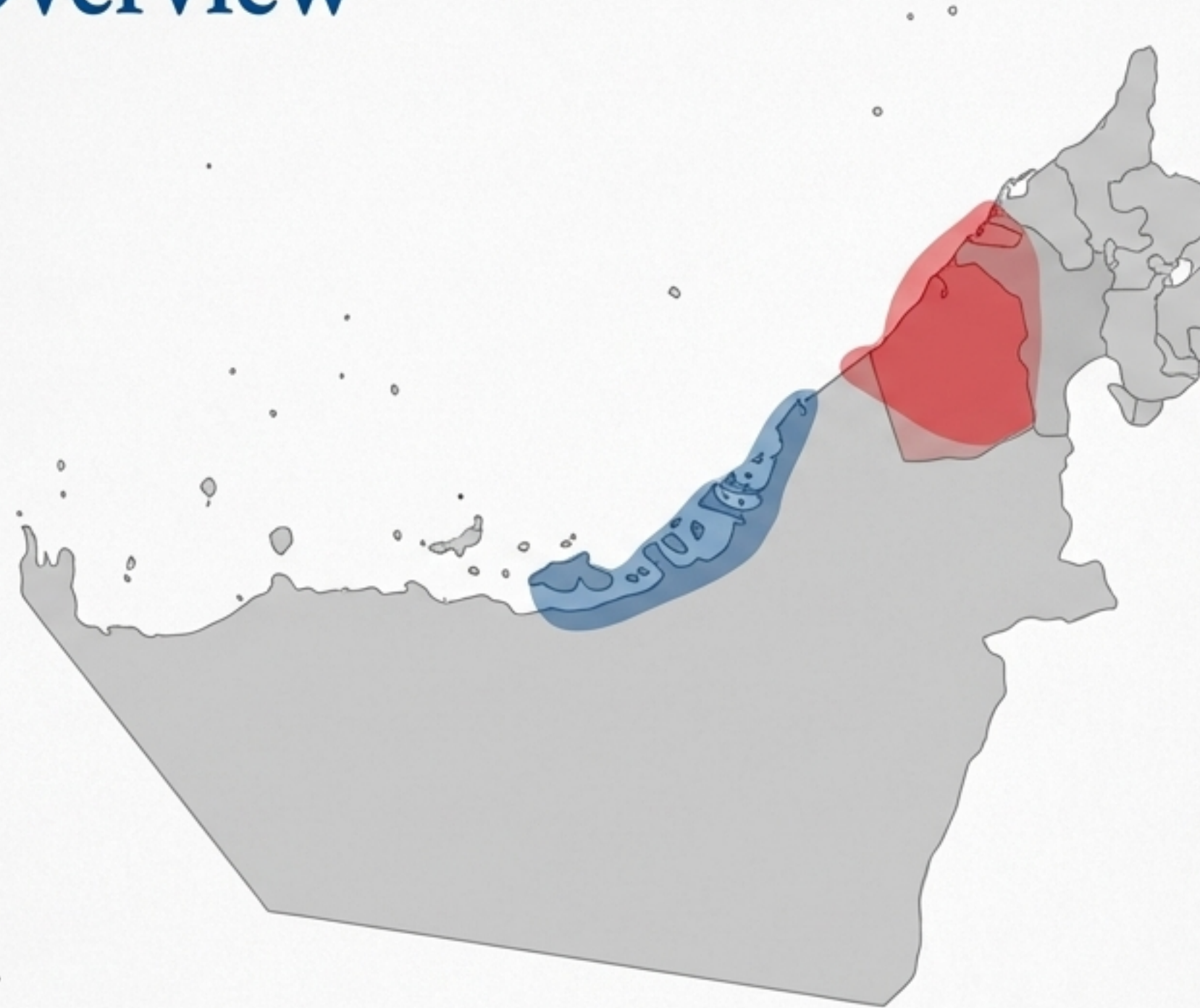
12.7 Key Differences by Emirate: A Strategic Overview

Inheritance/Wills

DIFC & ADGM provide common-law probate for non-Muslims. Dubai Courts and ADJD also register non-Muslim Wills. Inheritance for Muslims across all emirates remains under Federal Personal Status Law 2005.

Timeshare

Dubai has a dedicated, in-depth timeshare law and bylaw via DET. Other emirates rely on general consumer and property regulations.



Tokenization/Crypto

A multi-regulator system: Dubai uses VARA, ADGM uses FSRA, and the rest of the on-shore UAE uses SCA. The choice of venue depends on activity location and token classification.

Rental Disputes

Dubai has the RDC, while Abu Dhabi has the RDSC, each with distinct fee structures and procedures. Other emirates use local municipality departments and courts.

12.8 References & Primary Legal Sources



Inheritance & Personal Status

- Federal Law 28/2005
- Federal Decree-Law (Civil Personal Status for Non-Muslims)
- Abu Dhabi Law 14/2021
- DIFC Wills Service
- Dubai Law 15/2017
- ADGM Courts Fees

Investment Structures

- ADGM Market Rulebook (REITs)
- VARA Virtual Assets Regulations 2023
- ADGM FSRA Virtual Asset Guidance (Jun 2025)
- SCA Crypto Assets Regulation (2020)

Property & Disputes

- Dubai Law 14/2020 (Timeshare)
- DET Admin. Resolution 74/2023
- Dubai RDC
- ADJD RDSC
- DIFC Courts Fees
- ADGM 2025 Fees Schedule