

## Roadmap to the Proposed Changes – DIFC Insolvency Regulations

#	Current Law reference	Amendment Law reference	Legislative Change	Summary of Change
1.	N/A	Section 2A	New Provision	Addition of information to be included in a Rehabilitation Plan and clarifying steps to be taken upon completion or termination of the plan.
2.	Section 5.3	Section 5.3	Existing - amended	Clarifying content of advertisement of a winding up petition.
3.	N/A	Article 35 of the Proposed Law	Applying existing sections to new administration	New administration procedure: Certain Sections are applied via Article 35 of the Proposed Law. Section 5.25.1 in relation to the definition of mutual credits, mutual debts and other mutual dealings is amended to fit with the new administration procedure.
4.	Section 5.31.6	N/A	Deletion	Simplifying process of appointing a liquidator.
5.	Section 5.37 – 5.41	Section 5.37 – 5.41	Existing - amended	Modernising and streamlining the process for appointing a liquidation committee, its roles and duties, and voting procedures.
6.	Section 5.50	Section 5.50.9, 5.50.10,5.50.11	Existing - amended	Clarifying and expanding on the process for disclaiming onerous property.
7.	N/A	Sections 6.4 - 6.9	New Provisions	Addition of further requirements in relation to the qualification of insolvency practitioners, including bonding requirements.
8.	Sections 7.2.1 and 7.2.2	Section 1.1.2	Existing - amended	<p>Deletion of the definition of what financial collateral is for the purposes of the Proposed Sections (Section 7.2.1 and 7.2.2); and</p> <p>Replaced with a definition which cross-refers to the financial collateral Sections issued pursuant to article 44 of the Security Law (DIFC Law No. 8 of 2005) (Section 1.1.2).</p>
9.	N/A	Sections 7.2.3 and 7.2.4	New Provisions	Addition stating the non-applicability of certain provisions of the Proposed Law and Proposed Sections in relation to relevant financial collateral arrangements on a winding up of a debtor.
10.	N/A	Section 7.2.5	New Provision	Provision clarifying the circumstances where a financial collateral arrangement (or similar arrangement) will be enforceable and binding on third parties if such circumstance occurred on the day of, but after the moment of the commencement of, a winding up or rehabilitation procedure in respect of a debtor.
11.	N/A	Section 9	New Provision	Addition of exceptions to the restriction on the re-use of a name of a company that has gone into insolvent liquidation.
12.	N/A	Annex 2 –	New Provision	Updating the rules and processes relating to a

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		Section 2.1.3		creditors' committee in respect of a receivership.
13.	N/A	Annex 3 – Sections 3.1.1 – 3.3	New Provisions	Clarifying the information required to be included in a statement of affairs produced by a liquidator in a creditors' voluntary winding up.