United Arab Emirates

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1. GENERAL INFORMATION ON THE CORPORATE GOVERNANCE OF COMPANIES

1.1 Describe the corporate bodies of a company and the management powers granted to each of them. Which corporate bodies are mandatory and which can be appointed on a voluntary basis?

Federal Law No. 8 of 1984 on Commercial Companies (as amended) (the Commercial Companies Law or CCL) allows for a number of different forms of companies to be established in the United Arab Emirates (the UAE). The most common form used for foreign direct investment into the UAE is the limited liability company (LLC). Publically traded companies are incorporated as public joint stock companies (PJSC). This chapter will deal primarily with directors of these two forms of companies.

LLCs

The CCL provides that the management of an LLC shall be undertaken by up to five managers. If multiple managers are appointed, the constitutional documents of the LLC may provide for the formation of a board of managers and the regulation of the board shall be set out in the constitutional documents. This board of managers would then function in much the same way as a traditional board of directors.

Subject to anything to the contrary in the LLC's constitutional documents, a manager (or board of managers if there is more than one) shall have full power with respect to the management of the LLC. These powers are generally set forth in the articles of an LLC, and if not, should be enumerated in a power of attorney from the shareholders.

If the number of partners (partners is the term used in the CCL for the shareholders of an LLC) of the LLC exceeds seven, a supervisory board must be established. The supervisory board must consist of at least three partners of the LLC. The supervisory board can examine the LLC's books and documents and shall supervise the LLC's finances. The supervisory board supervises the distribution of the profits of the LLC.

An LLC is commonly used as a vehicle for foreign investment into the UAE. Normally it has two partners (though LLCs may have as many as 50 partners with a minimum of two), with the foreign investor holding a 49 per cent interest and a UAE national or wholly UAE-owned corporate entity holding a mandatory minimum 51 per cent interest. The LLC generally will have one manager who is responsible for the day-to-day management of the LLC and responsible for reporting to the partners. Pursuant to the

CCL, the manager is liable to the company, the partners and all third parties for '*all acts of fraud or abuse of power, all violations of the law….and all errors in management*'. However, as it is not uncommon for a partner to also act as the manager of an LLC, the abovementioned liability of the manager(s) to the partners does not always address certain inherent goals of corporate governance models, such as mitigating conflicts of interest between management and ownership.

PJSCs

PJSCs are governed by the Commercial Companies Law and the regulations of the Securities and Commodities Authority (the SCA) if listed on any of the securities exchanges of the UAE (other than Nasdaq Dubai, which is located in the Dubai International Financial Centre, a jurisdiction that is not covered by this chapter). With respect to SCA regulations, Ministerial Resolution No. (518) of 2009 Concerning Governance Rules and Corporate Disciple Standards (the Resolution) is of particular applicability to this chapter.

1.2 What is the most common system of corporate governance? Are there any alternative systems?

LLCs

The CCL does not prescribe specific corporate governance requirements for LLCs, and as such, formal structures of governance are difficult to classify into models such as the Anglo-American Model versus the two-tiered board model commonly used in Germany.

PJSCs

Under both the CCL and the Resolution, PJSCs are to be managed by a board of directors formed in accordance with the PJSCs articles of association and elected by the shareholders. The Resolution further provides that one-third of the directors must be independent members (persons who are not employed by, involved in management of, or own more than 10 per cent of the PJSC) and a majority must be non-executive directors. Thus in this way, the required corporate governance model is akin to the Anglo-American or Unitary System of governance.

1.3 Is it possible to appoint a legal entity as a director of the company?

LLCs

It is possible for the powers of management of the LLC to be vested in a legal entity, however, a natural person representing that legal entity must be named in the licence of the LLC as the manager.

PJSCs

Neither the CCL nor the Resolution expressly prevents a legal entity from being appointed as a director of a PJSC; however, such an appointment would be unusual.

1.4 Does the concept of alternate or substitute directors exist in your jurisdiction?

LLCs

The CCL makes no provision for the appointment of alternate managers for LLCs. A manager may however have the ability to delegate the powers given to him to other individuals.

PJSCs

Alternate directors are permitted; however, no such alternate is allowed to hold a proxy from more than one director.

2. APPOINTMENT, REVOCATION, RESIGNATION AND REPLACEMENT OF DIRECTORS

2.1 Describe the manner in which directors are appointed and the term of their office. Can directors be re-elected? Can foreign citizens be appointed as directors?

LLCs

The name of the manager(s) of the LLC is usually set out in the LLC's memorandum of association. The manager can be appointed for a specified or unspecified time. If the manager is not appointed in the memorandum of association of the LLC, the general assembly of the partners of the LLC can appoint a manager. Foreign citizens can be appointed as managers of LLCs.

PJSCs

Directors of a PJSC are appointed by the ordinary general assembly of the PJSC. Directors may be re-elected and there is no maximum term of office for directors. Foreign persons may be appointed as directors provided that the majority of the directors must be UAE nationals. Further, the Chairman and Vice-Chairman must be UAE nationals.

2.2 Are there any specific requirements which a person must satisfy to be appointed as a director? Which are the causes, if any, of non-eligibility, incompatibility or forfeiture of the directors' office?

LLCs

In order to be appointed as a manager of an LLC involved in certain industries, an individual can be required to submit evidence of relevant qualifications and experience.

PJSCs

Under the CCL, persons appointed to the board of a PJSC must not have been convicted of a crime 'involving breach of honour or trust' unless his status has been restored or he has been pardoned. A person may not be the director of more than five PJSCs, be the chairman or vice-chairman of the boards of more than two such companies, or be the managing director of more than one PJSC. Additionally, the Resolution provides that a person may not be the manager of a company at the same time as being the chairman of its board. It also provides that non-executive members should have 'technical skills and experience for the good of the company' and have adequate time to devote to the job and not be in conflict with his/her other interests.

2.3 In which cases can directors be revoked?

LLCs

If the LLC's memorandum of association provides that a manager may be removed, the manager's removal requires the approval of the majority required for amending the LLC's memorandum of association (which is the approval of partners representing three-quarters of the capital of the LLC) unless the memorandum of association provides for a different majority.

If the LLC's memorandum does not provide for the removal of the manager, and a manager is appointed for an unlimited time, the manager may only be removed by a unanimous decision of the partners of the LLC or by a court judgment when serious reasons exist which justify such removal. Thus when a manager is also a partner, it is very difficult to remove a manager who is appointed for an unlimited time.

PJSCs

Directors of a PJSC may be removed by the general assembly of the shareholders.

2.4 What are the causes of termination of directors' office? In which cases, if any, will the entire board of directors terminate as a consequence of the termination of some of the directors?

LLCs

The CCL does not set out a prescribed set of circumstances whereby the office of a manager can be terminated. As such, there are no cases whereby all of the managers are removed as a result of the termination of the appointment of some of the managers.

2.5 How are directors replaced after their revocation, resignation or termination of their office for other reasons?

PJSCs

Each director assumes office until his/her term expires, he/she resigns, or he/she is deposed by a resolution of the general assembly of the PJSC. The general assembly may remove as many directors (even the entire board) if it so wishes, in which case the general assembly must elect new members to replace those removed. Under the CCL, if a director fails to attend three consecutive meetings, he will be deemed to have resigned.

2.6 Which are the publicity requirements concerning the appointment, revocation, resignation and replacement of directors?

LLCs

There are no publicity requirements concerning the appointment or resignation of managers of an LLC.

3. RELATIONSHIP BETWEEN DIRECTORS AND THE COMPANY

3.1 What is the legal nature of the relationship between the company and its directors (mandate, employment or other)? Is the company liable for social security charges for its directors?

LLCs

The legal nature of the relationship between the LLC and its managers is one of employer-employee. While the manager(s) is liable to the company for mismanagement, there is no concept of fiduciary duty owed (either to the LLC or the partners thereof). The LLC would be responsible for making contributions to the UAE pension fund for its manager(s), but only if he/she is a UAE national.

PJSCs

The directors of a PJSC are mandated by the shareholders to manage the company. They are not employees of the PJSC and the PJSC would not be under any duty to make pension contributions on behalf of its directors who are UAE nationals (unless such director is also an executive of the company).

3.2 Are directors always entitled to a compensation for their office? How is such compensation determined? Are specific forms of compensation (such as participation in the profits, stock options, fringe benefits or others) common?

LLCs

It is not necessary for a manager to receive compensation for his role as manager. An LLC may enter into a management agreement with its manager which sets out the manager's remuneration. The remuneration paid to the manager may be based on a percentage of the annual profits of the LLC or it may be a fixed amount. In all cases the remuneration awarded to a manager must be agreed upon by the partners of the LLC.

PJSCs

Directors are not always entitled to compensation. The CCL states that any such entitlement is to be set forth in the PJSC's articles. The remuneration of the board may not exceed 10 per cent of the net profit of the PJSC, following deduction of reserves, depreciation and a dividend to shareholders equal to not less than 5 per cent of the capital of the PJSC. The Resolution further states that directors who serve on committees or undertake additional duties for the PJSC are entitled to a monthly salary.

3.3 Describe the rules applying to the situations of conflict of interest between the company and its directors.

LLCs

The CCL does not address situations relating to the conflict of interest of managers, who are essentially treated as employees. Such conflicts would need to be dealt with in the manager's contract, though it is possible that the

UAE courts may apply Articles 108 and 109 of the CCL (as discussed below) to managers of an LLC.

PJSCs
Under Article 109 of the CCL, a director is under a positive duty to disclose conflicts of interest and is thereafter prohibited from voting on resolutions relating to that issue.

Article 108 of the CCL also provides that a director is prohibited from participating in any business that competes with the business of the PJSC or carrying out activities on his own account which are the same as the activities carried out by the PJSC unless prior approval is obtained from the PJSC's general assembly. Such approval must be renewed annually. If a director participates in a competing activity without seeking the prior approval of the general assembly, the PJSC may request compensation or require that the transactions which the director has entered into on his own behalf be considered as having been entered into on behalf of the PJSC.

The Resolution also states that the board is to decide if a member is conflicted, and if the conflict is a material issue, the conflicted member may not vote on it.

4. DIRECTORS' OBLIGATIONS

4.1 What are the main obligations of directors of a company?

LLCs
The obligation of the manager(s) of an LLC is to undertake the management of the LLC as set forth in the memorandum of association. Notwithstanding the generality of the above, there are only a handful of express obligations stipulated in the CCL. These include:

- preparation of the LLC's annual balance sheet and profit and loss account (and depositing the same with the Ministry of Economy after certification);
- preparation of an annual report on the activities and financial position of the LLC and a suggestion as to distribution of profits;
- convening the general assembly of the partners; and
- answering the questions of the partners posed at the general assembly in relation to the business of the LLC.

PJSCs
The directors of a PJSC are responsible for the overall management of the PJSC. The CCL and Resolution also prescribe certain specific duties, including:

- convening the annual general assembly of the shareholders and extraordinary general meetings of the shareholders if requested to do so by shareholders representing 40 per cent of the capital of the PJSC;
- preparing a report on the PJSC's budget, profit and loss account, activities and financial position;
- providing suggestions on the distribution of profits;
- chairing the general assembly and communicating resolutions passed there to the Ministry of Economy;

- developing procedural rules for corporate governance, and supervising and controlling the application thereof;
- establishing development programmes to improve the knowledge and skill of the board's members;
- developing rules relating to directors' and employees' dealings in the PJSC's (or its affiliates') securities;
- forming the audit committee and the nomination and remuneration committee;
- establishing an internal control system (to manage risk, apply corporate governance rules and ensure compliance with applicable law);
- conducting an annual review of the internal control system and providing a report thereon to the shareholders; and
- disclosing to shareholders material events, significant resolutions, positions and activities of the PJSC.

4.2 What is the level of diligence required of directors? Does the 'Business Judgment Rule' apply to directors and to what extent?

LLCs

Pursuant to Article 111 of the CCL, the manager is liable to the company, the partners and all third parties for '*all acts of fraud or abuse of power, all violations of the law….and all errors in management*'. Thus the business judgment rule is excluded by this language.

PJSCs

Article 111 of the CCL applies to the directors of a PJSC, and thus, the business judgment rule would not be applicable in the UAE. While the exact standards of diligence required of the directors is not expressly stipulated, the directors are liable to the company and the shareholders for 'errors in management'.

4.3 Are directors subject to a non-competition obligation?

LLCs

Managers are not expressly subject to a non-competition obligation, though, as mentioned above, it is possible that the courts would apply Article 108 to managers of an LLC.

PJSCs

Directors are subject to a non-competition obligation under Article 108 of the CCL, as discussed in the preceding section.

5. RESOLUTIONS OF DIRECTORS AND BOARD OF DIRECTORS

5.1 Describe the matters that normally fall within the powers of directors and/or board of directors, as well as those matters that are reserved to the competence of the shareholders' meeting.

LLCs

As discussed above, a manager of an LLC will, pursuant to the CCL, have authority to manage the business of the LLC, subject to the powers granted by the memorandum of association or by the partners through a resolution/ power of attorney.

In practice, the partners of an LLC have a greater involvement in the management and day to day operation of the LLC in comparison to private limited companies in many common law jurisdictions.

There are certain matters which are reserved for the consideration of the partners of the LLC. A general assembly of the partners of the LLC must be convened at least once a year. Article 246 of the CCL stipulates that the agenda for the annual general assembly must include the following matters:

- hearing the manager's report on the LLC's activities and financial position for the year, the report of the supervisory board and the report of the auditor of the LLC;
- discussion and endorsement of the budget and the profit and loss account;
- determination of the share of profits to be distributed to the partners of the LLC;
- appointment of the managers or the members of the supervisory board and fixing their remuneration; and
- other matters under the assembly's jurisdiction as specified in the Commercial Companies Law or by the LLC's constitutional documents.
- In addition to the matters set out above, the partners of an LLC must also:
- select the auditors of the LLC on an annual basis;
- approve any amendments to the LLC's constitutional documents;
- approve any increase or decrease in the capital of the LLC; and
- approve any increase in the obligations of the partners of the LLC (by unanimous consent).

PJSCs

As discussed above, the board of a PJSC will, pursuant to the CCL, have authority to manage the business of the PJSC. Pursuant to Article 103 of the CCL however, the board cannot contract for loans in excess of three years, sell or mortgage the company's real property, release debtors of their liability to the company, or enter into settlements or agreements to arbitrate, unless such actions are expressly permitted by the articles of the PJSC, or by their nature fall within the business of the company. Other than in these two circumstances, the shareholders must approve the abovementioned actions.

There are further matters which are reserved for the consideration of the shareholders of the PJSC. A general assembly must be convened at least once a year. Article 246 of the Commercial Companies Law stipulates that the agenda for the annual general assembly must include the following matters:

- hearing the directors' report on the PJSC's activities and financial position for the year, and the report of the external auditor of the PJSC;
- discussion and endorsement of the budget and the profit and loss account;
- considering the proposal of the board relating to distribution of the share of profits to be distributed to the shareholders;

- appointing the directors and fixing their remuneration; and
- releasing the liabilities of the directors or resolving to file a claim against them.

In addition to the matters set out above, the shareholders of PJSC must also:

- select the external auditors of the PJSC on an annual basis;
- approve any amendments to the PJSC's constitutional documents;
- approve any increase or decrease in the capital of the PJSC;
- decide to dissolve the PJSC or merge it with another company;
- decide to sell or dispose of the PJSC's business;
- decide to issue corporate bonds; and
- decide to extend the duration of the PJSC.

5.2 Describe the manner in which the board of directors is convened and how meetings can be held (eg written consent in lieu of a meeting or other, video or telephone conferences). Can a board of directors be held without a formal call?

LLCs and PJSCs

The manner in which board/manager meetings are convened is stipulated in the articles of a PJSC and the memorandum of association of an LLC, respectively.

5.3 What is the quorum necessary to pass a resolution?

LLCs

If there are multiple managers of an LLC and a board of managers is formed, Article 239 of the CCL provides that the operation of the board and the majority required for its resolutions shall be specified in the constitutional documents of the LLC.

PJSCs

The quorum for a meeting of the board is a majority of its members. Resolutions of the board are adopted by the majority of votes of those members present.

5.4 Is it possible to challenge directors' resolutions? If so, by whom and when?

LLCs

There is no express mechanism stipulated to challenge the decisions of managers.

PJSCs

There is no express mechanism by which to challenge a resolution of the board and the CCL states that the PJSC is bound by the acts of the board.

6. DELEGATION OF POWERS TO SINGLE DIRECTORS

6.1 Is it possible that the corporate bodies delegate certain powers to single (managing) directors or to a committee (executive committee) of the board? If so, describe in which circumstances and to what extent. Are there any matters that cannot be delegated?

Not applicable.

6.2 What are the rights and the duties of the delegating corporate body in respect to the delegated director (eg information rights, duty of supervision, etc)?

LLCs

As mentioned above, it is possible for an LLC to delegate certain powers to a single manager. The manager may also be permitted to delegate any of his powers or duties to a committee or another individual.

The CCL does not make provision for the delegation of the powers of a board of managers or a supervisory board to committees. It would, however, be permissible for the LLC's constitutional documents to allow such delegation.

PJSCs

Pursuant to the Resolution, a PJSC's board may delegate parts of its authority to a board member or board committee. In such case, the board shall provide clear directives with regard to the powers being delegated.

6.3 What is the level of diligence requested from the delegating corporate body compared to the diligence requested from the managing director?

Not applicable.

6.4 Does the circumstance that the powers were delegated to a managing director mitigate the potential liability of the delegating corporate body? If so, when and how?

Not applicable.

6.5 Can directors delegate some of their powers to third parties?

UAE law does not address these issues.

7. CIVIL LIABILITY OF DIRECTORS

7.1 Describe the types of civil liability that directors may incur and the situations which may give rise to such a liability.

LLCs and PJSCs

As discussed above, the liability of the managers of an LLC or the directors of a PJSC is set out in Article 111 of the CCL which states that directors/managers are liable to the company, the shareholders and third parties for '*acts of fraud or abuse of power, all violations of the law or bye-laws, and for all errors in management*'. The CCL does not discuss the standard of care that directors/managers are responsible to provide and as such, whether or not directors/managers committed 'errors in management' would be decided on a case-by-case basis.

In respect of LLCs, although the CCL does not make specific reference to the release of liability of the managers by the partners, Article 250 of the CCL does provide that managers of the LLC may not participate in the voting by partners on resolutions to release them from liability for management responsibilities.

7.2 Which subjects can bring a liability action against directors?

LLCs and PJSCs

Pursuant to Article 111, a liability action may be brought by the company, the shareholders or third parties harmed by the acts of the directors/managers.

7.3 What are the statutes of limitation and the procedure for each liability action?

LLCs and PJSCs

Rules relating to time limitation are set out in the UAE Civil Code which states that in general a claim is time-barred after 15 years, unless a specific provision states otherwise. The limitation period for tortious claims is three years.

7.4 May a director be exonerated from liability? If so, when?

LLCs and PJSCs

Under Article 124 of the CCL, the annual meeting of the partners of an LLC or the general assembly of a PJSC may consider the release of the liability of the board of directors of the PJSC.

7.5 Can directors of a holding company be liable for damages caused to the controlled company?

LLCs and PJSCs

In terms of the liability of directors of a holding company to a company controlled by the holding company, Article 111 of the CCL does extend the liability of the directors or managers to third parties. Third parties are not defined in Article 111 and as such it would be for the courts to determine whether the controlled company could be considered a third party for the purposes of Article 111 (or whether such term only refers to contractual counter-parties, trade creditors, etc).

7.6 Specific analysis of liability in case of insolvency or bankruptcy.

LLCs and PJSCs

The UAE Commercial Code provides for how courts should deal with insolvent companies and their managers or directors. Article 882 of the Commercial Code provides that managers or the board of directors may find themselves liable to a custodial sentence if they have committed one of the following acts:

- they have failed to keep financial books of the company that reflect the true financial position of the company;

- they fail to submit information requested from them by the judge or the trustee in bankruptcy or if they deliberately supply false information;
- following suspension of the payment of debts, they dispose of the assets of the company with a view to keeping such property out of the reach of creditors;
- following the suspension of payment of debts, they honour the debt of any creditor to the detriment of others or provide securities or special benefits to a creditor in preference over others;
- they have disposed of the assets of the company at an undervalued price in an attempt to delay the suspension of payment of debts or declaration of the company's bankruptcy or have resorted to illegal channels to obtain money in order to achieve their purposes;
- if they spend large amounts of money on reckless ventures or speculation not required for the business of the company; or
- if they take part in or consent to actions contrary to law or to the constitutional documents of the company.

Article 809 of the Commercial Code also provides that if the assets of the company are insufficient to satisfy at least 20 per cent of its debts, the court may order that the members of the board of directors or all or some of the managers, either jointly or otherwise make payment of the company's debts in cases where they are held to be responsible in accordance with the rules of the CCL.

Under Article 289 of the CCL, if an LLC sustains losses equal to one half of its capital, the managers have a duty to refer the question of dissolving the LLC to its partners.

8. TAX LIABILITY OF DIRECTORS/CRIMINAL LIABILITY OF DIRECTORS

8.1 What are the most common white collar crimes committed by directors in your jurisdiction?

LLCs and PJSCs

The most common white collar crimes in the UAE are bribery, corruption, fraud and embezzlement of funds.

8.2 Can a company, as a legal person, be held liable, together with its directors, for the crimes committed by them in the company's interest?

LLCs and PJSCs

Companies can be held liable for any criminal acts committed by their managers or directors in the company's name or on its behalf or in the course of its business.

8.3 Where a company can be held liable for the crimes committed by its directors, how can the risks of a potential 'criminal' liability of the company be mitigated?

Not applicable.

8.4 Where a company can be held liable for the crimes committed by its directors, describe the penalties to which such a company may be subject.

LLCs and PJSCs

The sanctions that a company may face include fines, confiscation of assets and other measures such as the cancellation of the company's trade license. The company may also be prevented or suspended from conducting business in a particular area.

In addition to the scenarios stipulated under Article 882 of the UAE Commercial Code (discussed above) in the event of a company's bankruptcy, the CCL also provides a number of scenarios whereby a manager and or director may be exposed to criminal sanction. These include the following:

- entering false information on corporate documents or knowingly distributing the same;
- any manager who invites the public to subscribe for shares in an LLC;
- any director or member of the board of directors who distributes dividends in a manner which is inconsistent with the CCL or the company's constitutional documents;
- any manager or member of the board of directors who wilfully enters false information in the financial accounts or wilfully omits material information;
- any manager or director who divulges company secrets for personal gain or for the benefit of third parties.
- Under Article 323 of the CCL, any breach of the Commercial Companies Law is a criminal offence for which a manager or director can, at minimum, be made liable to a fine.

Issuing a cheque that is dishonoured is also a criminal offence in the UAE and this can result in criminal liability for a manager or director who writes a cheque on behalf of the LLC or a PJSC.

Under the Penal Code, directors may be fined or imprisoned for numerous acts including fraud, embezzlement, disclosure of the company's confidential information for their personal benefit or the issuance of cheques in bad faith when there are not sufficient funds to satisfy such cheques.

9. OTHER PERSONS ACTING AS DIRECTORS

9.1 Are there any specific rules applying to persons who act as directors of the company without being formally appointed?

LLCs and PJSCs

In the UAE, a company is entitled to claim that a contract entered into on its behalf by a manager or director (or an individual claiming to be a manager or director) who did not have the authority to do so is invalid.

9.2 Can the persons who act as directors without being formally appointed be held liable as directors?

LLCs and PJSCs

This is not specifically addressed in the law. The most likely outcome would be that they would be liable under the Civil Code for a tortious action.

10. INTERNAL AUDITORS

10.1 Do companies appoint internal auditors or boards of auditors? If so, is such appointment mandatory and in which cases?

LLCs

The CCL does not make provision for the appointment of internal auditors or boards of auditors for an LLC, though nothing precludes an LLC from doing so.

PJSCs

The Resolution requires PJSCs to establish an audit committee, consisting of at least three non-executive board members and one member with financial and accounting expertise. A person who was an employee of the PJSC's external auditors may not be a member of the audit committee for at least one year following termination of such employment.

The audit committee is not meant to act like internal auditors. It is responsible for, *inter alia*:

- developing and applying policies for appointing external auditors;
- overseeing independence and objectivity of the external auditors;
- overseeing the integrity and review the PJSC's financial statements;
- reviewing the PJSC's internal control system; and
- ensuring coordination between the internal and external auditors and ensuring adequate resources are made available to internal auditors, and for reviewing and controlling the internal auditors.

Pursuant to the last item above, it is clear that a PJSC is expected to have internal auditors. However, no further guidance with respect to the appointment or operations thereof is provided.

10.2 Describe the rules concerning the appointment, revocation, resignation and replacement of internal auditors and the relevant publicity requirements.

See question 10.1.

10.3 Are there any specific requirements which a person must satisfy to be appointed as an internal auditor? What are the causes, if any, of non-eligibility, incompatibility or forfeiture of the auditors' office?

See question 10.1.

10.4 Are internal auditors always entitled to a consideration? How is such consideration determined?

See question 10.1.

10.5 What are the powers and duties of internal auditors or boards of auditors within the company?

See question 10.1.

10.6 Where a board of internal auditors is appointed, describe its decision making process.

See question 10.1.

10.7 Describe the rules governing the liability of internal auditors.

See question 10.1.