

RASMANDATE

A MONTHLY COMPILATION OF ARTICLES AND LEGISLATIVE & REGULATORY UPDATES CURATED BY RASMA LEGAL

COVER STORY

The Future of Inheritance: DIFC's Digital Asset Will Service for a Digital World

In a significant leap toward modernizing inheritance frameworks, the DIFC has unveiled a cutting-edge Digital Asset Will service. This initiative caters to the complexities of managing and passing on digital assets in an increasingly digitized world, providing individuals with a secure, efficient, and legally robust platform to ensure their digital wealth is safeguarded for future generations.



THIS ISSUE

- **Cover Story**
Page 1-3
- **Thought Leadership**
Page 4
- **Legal & Regulatory Updates**
Page 5
- **Fintech Update**
Page 6
- **Team Spotlight**
Page 7 -8

The Context of Digital Asset Inheritance

As the digital economy continues to expand, individuals are amassing significant wealth in the form of cryptocurrencies, NFTs, and other digital assets. However, traditional inheritance frameworks are not equipped to handle the unique challenges posed by these assets, such as secure transfer, traceability, and regulatory compliance. Recognizing this gap, the DIFC has taken a pioneering step by launching the Digital Asset Will service, a tailored solution designed to address the evolving needs of digital wealth management. This service offers a clear pathway for individuals to ensure their digital assets are passed on securely and transparently.

Key Highlights of the Digital Asset Will Service

- 1. Tailored for Digital Assets:** The service is exclusively designed for managing and transferring digital wealth, offering clarity and simplicity compared to traditional wills that combine various asset types. By separating digital assets from other types of inheritance, the DIFC provides a focused and efficient solution.
- 2. Non-Custodial Wallet Access:** Testators retain full control over their digital assets during their lifetime, with seamless integration for assets such as Bitcoin, Ethereum, USD Coin, and more. The service also anticipates future trends, with plans to expand support to NFTs and other tokenized assets as the market evolves.
- 3. Remote Convenience:** The entire process, from drafting to registration, is conducted online. This includes video conferencing for formalities, digital signatures, and encrypted storage of wills. Testators and their witnesses can participate in the process from anywhere in the world, making it accessible to a global audience.
- 4. Transparency for Beneficiaries:** One of the standout features of the Digital Asset will is its commitment to transparency. Beneficiaries are provided with complete visibility into the transaction history of the assets, ensuring traceability and simplifying the inheritance process. This transparency is particularly important for identifying and claiming assets that may have been transferred to external platforms.

5. Built on Advanced Technology: Leveraging Hedera Hashgraph’s Distributed Ledger Technology (DLT), the service ensures security, scalability, and predictable costs. Hedera’s governance model, supported by globally respected institutions, adds an additional layer of trust and stability to the platform.

6. Efficient Registration: With a streamlined process that includes KYC compliance and secure data handling, testators can register their Digital Asset Will quickly. Updates to the will can be made at minimal costs, providing flexibility for changing circumstances.

Bridging the Gap in Traditional Inheritance Frameworks

The launch of the Digital Asset Will is particularly significant for expatriates and non-Muslim residents in the UAE, who often face challenges in asset inheritance due to the application of Sharia law. By offering a specialized solution for digital assets, the DIFC empower individuals to bypass these challenges and ensure their digital asset is distributed according to their wishes. This service not only addresses a critical need but also enhances the UAE’s position as a global leader in legal and technological innovation.

The Future of Digital Asset Management

The Digital Asset Will is not just a service—it is a vision for the future of digital wealth management. As tokenization gains traction globally, this initiative positions the DIFC at the forefront of innovation. The service is complemented by the DIFC Digital Assets Law (DIFC Law No. 2 of 2024), which provides a robust regulatory framework for digital assets, aligning with broader efforts by the UAE to create a supportive ecosystem for digital asset growth.

Conclusion

The Digital Asset Will service is a groundbreaking development that redefines the way digital assets are managed and inherited. By combining cutting-edge technology with a robust legal framework, the service offers a secure, efficient, and transparent solution for digital wealth management. As the world moves toward greater adoption of digital assets, DIFC is paving the way for a future where inheritance frameworks are as innovative and dynamic as the assets they protect. This initiative not only enhances Dubai’s reputation as a hub for technological and legal innovation but also provides individuals with the peace of mind that their digital legacy will be preserved for generations to come.

Authored By:
Ruchi Sharma
Senior Associate





THOUGHT LEADERSHIP

Understanding the DIFC Active Enterprise Regime: Criteria, Benefits, and Key Distinctions

Following recent amendments to the Dubai International Financial Centre (DIFC) Prescribed Companies Regulations (for further details, please refer to our article dated July 24, 2024), a distinct classification of entities has been introduced: Active Enterprises.

To qualify for the Active Enterprise regime, the applicant must meet certain criteria. Specifically, an Active Enterprise is a private company that must be controlled by one or more of the following:

- A DIFC Registered Entity (excluding a Prescribed Company, No Profit Incorporated Organization (NPIO), or Foundation),
- An Affiliate of a DIFC Registered Entity (excluding a Prescribed Company, NPIO, or Foundation), which is a legal entity within the same group structure and shares common ownership or control with a DIFC Registered Entity,

Read more on [LinkedIn](#).

Authored By:
Yara Abu Zaki
Junior Associate



gcgra

الهيئة العامة لتنظيم الألعاب التجارية
General Commercial Gaming Regulatory Authority

LEGAL & REGULATORY UPDATE

GCGRA Consumer Advisory Notice

1. What is the DFSA's new explainer about?

In line with the General Commercial Gaming Regulatory Authority - GCGRA's proactive role in enforcing regulatory compliance and maintaining the integrity of the gaming industry, the GCGRA has issued a consumer advisory notice urging all UAE residents to refrain from participating in unlicensed lottery and commercial gaming activities. Furthermore, given that the UAE enforces strict laws against unauthorized gambling operations, any participation in or promotion of such activities is deemed illegal.

With the aim of safeguarding consumers from the risks of fraud and exploitation, the GCGRA underscored the significant risks that participants encounter when engaging with unauthorized operators. Such risks include, inter alia, the following:

- **Lack of Consumer Protection:** No access to legal recourse or any formal mechanisms to address grievances in cases of unfair treatment or non-payment.
- **Financial Loss:** Unauthorized operators do not follow industry standards for safeguarding funds, putting participants at risk of losing funds with no possibility of recovery due to lack of regulatory oversight.

Read more on [LinkedIn](#)



FINTECH UPDATE

Mbank Partners with AE Coin to Launch UAE's First Regulated Stablecoin

Mbank has partnered with AE Coin to introduce the UAE's **first regulated stablecoin**, accessible via the **AEC Wallet**. This initiative aligns with the Central Bank of the UAE's digital payment token framework, advancing the region's digital finance ecosystem.

Key Highlights:

AE Coin Overview:

- Backed by the UAE Dirham for stability and efficiency.
- Fully regulated under the Central Bank of the UAE.
- Enables fast, secure, and low-cost transactions for retail and corporate users.

AEC Wallet Features:

- Seamless payments, remittances, and fiat conversions.
- Intuitive platform for saving, investing, and everyday transactions.

Mbank Wallet Integration:

- UAE's first blockchain-based wallet with QR-based payments.
- No traditional bank account needed; register using Emirates ID.
- Supports secure domestic and international transfers.

Future Plans:

- Partnerships with financial institutions and technology providers.
- Integration with decentralized applications (dApps).
- Listings on major exchanges and ongoing technology advancements.

This partnership marks a significant step in reshaping **digital finance** and enhancing financial inclusion in the UAE.

Team Spotlight

The Rasma Legal team celebrated Christmas together, enjoying the festive spirit of the season. It was a special moment to enjoy the holidays and look forward to the year ahead.



Team Spotlight

We hope this Christmas brought you warmth, happiness, and prosperity, and that the spirit of the season carries on throughout the year. We look forward to continuing our journey together in the coming year and beyond.



UNITED ARAB EMIRATES | SAUDI ARABIA | LEBANON

Rasma Legal is a multi-service law firm catering to the innovation economy. The firm is headquartered in the United Arab Emirates (UAE) and has branches in Saudi Arabia (KSA) and Lebanon. Led by the expertise and leadership of Mazen Rasamny, Rasma Legal stands as a beacon of legal excellence, equipped to guide clients through their diverse legal undertakings. Having an extensive legal background spanning over 23+ years, Mazen Rasamny brings a wealth of knowledge and experience to the table.

The firm is focused on innovation and growth and has been instrumental in providing comprehensive legal services to entrepreneurs and start-ups in areas such as M&A, Corporate and Commercial laws, Debt & Equity Capital Markets, Banking & Finance (including Project Finance), Corporate & Financial Restructuring, Energy, Infrastructure, and Project Development.

The firm has also been recognized by several leading legal publications such as Asian Legal Business, IFLR1000, The Legal 500, Legal Era, The Law and more.

RASMANDATE is a monthly compilation of articles and legislative & regulatory updates, curated by Rasma Legal. This publication is intended to be circulated for informational purposes only. The publication in no way constitutes legal advice/opinion being provided by Rasma Legal to its readers or the public at large. Rasma Legal encourages readers to seek professional legal advice before acting upon the contents provided herein. The firm shall not be responsible for any liability or loss that may be attributed to the contents of this publication. This publication is the property of Rasma Legal, and the same may not be circulated, distributed, reproduced, or otherwise used by anyone without the prior express permission of its creators.

© 2024 Rasma Legal. All rights reserved.