

The binding split is what you write in clause 3. The Saudi answer is in the questions on this page. Article numbers are not pasted into these clauses. The Saudi Civil Transactions Law is published on the Ministry of Justice portal. [1] In the UAE the Civil Transactions Law is Federal Decree-Law No. 25 of 2025, in force on 1 June 2026. Its formation articles are under review, so this memorandum states no article numbers from it. [2][3] If a sentence has to bind, say so in clause 3 and write it as an obligation. If the parties are hiring, use the [employment contract template](#). If they are releasing a commercial or civil dispute, use the [settlement agreement template](#). If a case will be filed, use the [statement of claim template](#).

📌 **Civil Transactions Law (KSA):** <https://laws.moj.gov.sa/ar/legislation/PBbHmywh1XMp-Kyv3NtQLg>

📌 **UAE Legislation portal:** <https://u.ae/en/information-and-services/justice-safety-and-the-law/Law/how-are-uae-laws-issued-and-how-to-find-them/where-to-find-uae-federal-laws>

Memorandum of understanding

A record of what two parties in the GCC intend to discuss or to do next. Clause 3 says which clauses they intend to perform and which only record intent. It does not incorporate a company, hire anyone, or settle a dispute. Replace every **[placeholder]** and delete the option that does not apply.

1. Parties

This memorandum is made on **[date]** between **[Party A: name, ID/CR, address]** and **[Party B: name, ID/CR, address]** (each a “Party”).

2. Purpose

The Parties are discussing **[subject]**. This clause records that discussion. It is an obligation only if clause 3 says so.

3. What binds

The Parties intend to be obliged only by the clauses marked “binding” in Annex 1, and only for the period written in those clauses. Every other clause records intent. It is not an offer that the other Party can accept by silence, and it does not require either Party to close the transaction.

A clause marked “binding” is performed as written. A clause marked “intent only” may be stopped, changed, or never done, and neither Party owes damages for that choice.

4. Confidentiality

Option. For **[●]** months after this memorandum ends, each Party keeps confidential the non-public information the other shares for this discussion, and uses it only for that discussion. A Party may disclose it to a lawyer or an accountant who needs it, or where the law requires.

Delete this clause if Annex 1 does not mark it binding. If the Parties need a standalone confidentiality contract, use the [non-disclosure agreement](#).

5. Exclusivity

Option. For [●] days from the date of this memorandum, neither Party will negotiate the same subject with a third party. Delete this clause if Annex 1 does not mark it binding. Do not leave the number of days blank.

6. Costs

Each Party pays its own costs of this memorandum and of the discussion, unless Annex 1 marks a different split as binding: [●].

7. Term

This memorandum ends on [date], or earlier when either Party writes to the other that the discussion has stopped. A clause marked binding in Annex 1 survives only for the period that clause states.

8. Governing law, and what this memorandum is not

The clauses marked binding are governed by the laws of [country]. A dispute about those clauses goes to [the courts of ● / arbitration under ●].

(a) This memorandum does not incorporate a company and does not share profits. Use the [partnership agreement template](#) or the [memorandum of association template](#) for that.

(b) It does not hire anyone. Use the [employment contract template](#).

(c) It does not release a claim. Use the [settlement agreement template](#). It does not commence proceedings. Use the [statement of claim template](#).

Party A: name [●] · capacity [●] · signature [●] · date [●]

Party B: name [●] · capacity [●] · signature [●] · date [●]

Annex 1. Binding and non-binding checklist

Mark one status in the last column. Do not leave a row blank and do not mark both.

Clause	Starting point in this template	Status the parties write
2. Purpose	Intent, unless rewritten as an obligation	[binding / intent only]
4. Confidentiality	Binding only if this row says so	[binding / intent only / delete]
5. Exclusivity	Binding only for the days written in the clause	[binding / intent only / delete]
6. Costs	Binding only if this row says so	[binding / intent only]
7. Term	Binding only if this row says so	[binding / intent only]
8. Governing law and forum	Binding only if this row says so	[binding / intent only]

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How we prepared this template: we drafted it from the official legislation and government platforms listed under Sources, and checked each legal statement against the official text on the review date. Where an official form or platform exists, we link to it and you should use it. Laws change; check the sources before use and have the final text reviewed by a licensed lawyer.

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Sources

- [1] Ministry of Justice legal portal, Civil Transactions Law (Royal Decree No. M/191 of 29/11/1444H)
<https://laws.moj.gov.sa/ar/legislation/PBbHmywh1XMp-Kyv3NtQLg>
- [2] UAE Legislation, Federal Decree-Law No. 25 of 2025 (Civil Transactions Law)
<https://uaelegislation.gov.ae/en/legislations/4011>
- [3] UAE Government portal (u.ae), Where to find the UAE's federal laws
<https://u.ae/en/information-and-services/justice-safety-and-the-law/Law/how-are-uae-laws-issued-and-how-to-find-them/where-to-find-uae-federal-laws>
- [4] Saudi Data and AI Authority (SDAIA), Personal Data Protection Law portal
<https://dgp.sdaia.gov.sa/wps/portal/pdp/home>
- [5] UAE Government portal (u.ae), Data protection laws <https://u.ae/en/about-the-uae/digital-uae/data/data-protection-laws>
- [6] Bureau of Experts, Civil Transactions Law (Royal Decree No. M/191 of 29/11/1444H)
<https://laws.boe.gov.sa/BoeLaws/Laws/LawDetails/655fdb42-8c96-422b-b8c4-b04f0095c94c/1>