



DIFC

**DIFCA Operating
Regulations**

(OR)

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1 INTRODUCTION

Application and interpretation

1.1.1 These Regulations (OR) apply to:

- (a) Companies incorporated under the Law and incorporators applying for a certificate of incorporation under the Law;
- (b) directors, officers and employees of companies incorporated under the Law;
- (c) Foreign Companies and Recognised Companies under the Companies Regulations;
- (d) the Registrar; and
- (e) any other Person to whom the Law applies.

1.1.2 Defined terms are identified throughout these Regulations by the capitalisation of the initial letter of a word or phrase. Where capitalisation of the initial letter is not used, an expression has its natural meaning.

1.1.3 (1) The following defined terms have the meaning given below:

Defined Term	Definition
The Companies Regulations	Means the Companies Regulations 2005
DFSA	Means the Dubai Financial Services Authority
The Law	Means the Companies Law 2004

(2) All other defined terms have the same meaning they have under the Law.

References to writing

1.2.1 (1) If a provision in these Regulations refers to a communication, notice, agreement or other document 'in writing' then, unless the contrary intention appears, it means in legible form and capable of being reproduced on paper, irrespective of the medium used. Expressions related to writing must be interpreted accordingly.

(2) This does not affect any other legal requirements which may apply in relation to the form or manner of executing a document or agreement.

2 Commercial Licence

2.1 Application for a Commercial Licence

- 2.1.1** Simultaneously with the issuance of a certificate of incorporation to a Company with limited liability or a certificate of registration for a Foreign Company applying for registration as a Recognised Company under the Regulations, the Registrar shall issue the Commercial Licence of a Company in substantially the form attached in App1.
- 2.1.2** The purpose of a Commercial Licence is to expedite contracting for municipal and commercial services essential to the establishment and operation of the licensee's premises and carrying out its on-going operations.
- 2.1.3** The application for a certificate of incorporation or registration submitted in compliance with the Law and Company Regulations shall be considered to also be an application for a Commercial Licence.
- 2.1.4** The Commercial License issued by the Registrar shall set out:
- (a) the licence number;
 - (b) the name of the licensee;
 - (c) the operating name of the licensee;
 - (d) the legal status of the licensee;
 - (e) the address of the licensee;
 - (f) the permitted activities of the licensee;
 - (g) the authorised manager of the licensee;
 - (h) the issue date of the licence; and
 - (i) the expiry date of the licence.
- 2.1.5** A Commercial Licence shall in no way authorise a Company to undertake Financial Services requiring a DFSA licence, as shall be conspicuously indicated on the Commercial Licence.
- 2.1.6** The fee for a Commercial Licence shall be US\$3,000 and shall be paid to the Registrar in the same manner and at the same time that the fee for the application for incorporation or registration is paid, as set forth in the Companies Regulations.
- 2.1.7** The Commercial Licence shall be renewed annually by the Company. This shall be accomplished by payment to the Registrar, no later than thirty (30) days after the expiration date of the commercial licence, of an annual renewal fee in the amount of US\$3,000.

3 SUPRA NATIONAL/NATIONAL ENTITIES

3.1 Supra national/national entities

- 3.1.1** The certificate of registration/incorporation and/or the Commercial Licence shall evidence the existence of a supra national/national entity in the DIFC, and shall bind the entity to all DIFC laws and regulations, subject to the entity's existing charter and legal exemptions, immunities and privileges to the extent same are made known to the Registrar at the time the application is submitted.
- 3.1.2** For the purposes of Regulation 3, a supra national entity shall constitute an entity that is not a domiciliary of any sovereign state, and a national entity shall constitute an entity that is a representative, constituent part or extension of a sovereign body.
- 3.1.3** Applicants seeking the incorporation or registration of a supra national or national entity shall be required to submit, on a case by case basis, such documents as the Registrar may require, including if necessary, functional equivalents of the basic documents required under Regulations 2 and 7 of the Companies Regulations. Consistent with his extensive authority and discretion under the Law, the Registrar shall enjoy the broadest possible latitude in determining which documents shall be required and may, from time to time, revise such requirements and waive the need for certain documents to be filed as he deems appropriate in the circumstances.

3.2 Application for establishment of a supra national entity

- 3.2.1** A supra national entity applying for registration or incorporation shall apply using the applicable forms prescribed by the Registrar and shall therein set out:
- (a) the information required for incorporation of a Company with limited liability as stated in Regulation 2 of the Companies Regulations ; or
 - (b) the information required for registration of a Recognised Company as stated in Regulation 7 of the Companies Regulations,
- as the case may be, and to the extent such information is applicable to the supra national entity.
- 3.2.2** Other documents that may be submitted by a supra national entity as functional equivalents of the basic documents stated in Regulation 3.1.3 shall include, without limitation:
- (a) letters of invitation from a ministry or other organ of the United Arab Emirates or the Emirate of Dubai;
 - (b) agreements entered into with a ministry or governmental authority of the United Arab Emirates or with an agency or department of the Emirate of Dubai; and/or
 - (c) documents issued by a ministry or governmental authority of the United Arab Emirates or by an agency or department of the Emirate of Dubai;

containing the information required by the Registrar or any other documents in supplement or lieu of which the Registrar shall deem appropriate in the circumstances.

3.3 Application for establishment of a national entity

3.3.1 A national entity applying for registration or incorporation shall apply using the applicable forms prescribed by the Registrar and shall therein set out:

- (a) the information required for incorporation of a Company with limited liability as stated in Regulation 2 of the Companies Regulations; or
- (b) the information required for registration of a Recognised Company as stated in Regulation 7 of the Companies Regulations;

as the case may be, and to the extent such information is applicable to the supra national entity.

3.3.2 Other documents that may be submitted by a national entity as functional equivalents of the basic documents stated in Regulation 3.1.3 shall include without limitation:

- (a) Acts and/or decrees issued by the competent authorities of the country of origin;
- (b) agreements entered into with a ministry or governmental authority of the United Arab Emirates or an agency or department of the Emirate of Dubai; and/or
- (c) documents issued by a ministry or governmental authority of the United Arab Emirates or an agency or department of the Emirate of Dubai;

containing the information required by the Registrar or any other documents in supplement or lieu of which the Registrar shall deem appropriate in the circumstances.

4 FOREIGN DIRECT INVESTMENT

4.1 Foreign Direct Investment

- 4.1.1** All companies registered/incorporated in the DIFC must complete the Foreign Direct Investment disclosure form issued by the Government of Dubai (attached as App 2).
- 4.1.2** The Foreign Direct Investment disclosure form must be completed by the Company upon initial application to register/incorporate, and on an annual basis thereafter, in conjunction with the annual renewal of the Commercial Licence.

5 CENTRE ESTABLISHMENTS

5.1 Four year rule

Any entity or business duly established or carrying on an activity in the DIFC is permitted to be physically located outside of the DIFC for a period of four (4) years from 1 July 2004, as stated under Article 10 of Law No (9) of 2004.

5.2 Conditions

Regulation 5.1 shall be subject to the qualifications stipulated in Article 10 of Law No. (9) of 2004 stating that the four (4) year rule shall be in accordance with the conditions and restrictions determined by the DIFC Authority. Such conditions and restrictions shall include, but not be limited to, the requirement that should there be available lease space in the DIFC at a reasonable rent, then an entity or business must physically locate itself within the DIFC prior to the expiry of the four (4) year period.

APP1 Commercial License.

Government of Dubai Commercial License		مركز دبي المالي العالمي DIFC	حكومة دبي رخصة تجارية
لا يسمح بمزاولة أي نشاط متعلق بالخدمات المالية This is not a license to conduct financial services.			
License Number:		رقم الرخصة :	
Licensee:		صاحب الرخصة :	
Operating Name:		الاسم التجاري :	
Legal Status:		الشكل القانوني :	
Address:		العنوان :	
Activities:		النشاط :	
Authorized Manager:		المدير المفوض :	
Issue Date:		تاريخ الاصدار :	
Expiry Date:		تاريخ الانتهاء :	
أصدرت من قبل مركز دبي المالي العالمي وتخضع لجميع القوانين والأنظمة المعمول بها في المركز Issued by Dubai International Financial Centre (DIFC), subject to the laws, rules and regulations of DIFC.			

APP2 Foreign Direct Investment Form



Foreign Direct Investment Form (FDI Form)		استمارة الاستثمارات الأجنبية المباشرة والمحلية
Initial Investment of New Companies		الاستثمارات المبدئية للشركات الجديدة
Company Name (DIFC Internal Use Only, not reported):		
License Number:		
Reporting Period, Jan 1- Dec 31	20__	

Section 1: Allocation of Investment Funds		القسم الأول : توزيع الاستثمارات
A) Fixed Assets		أ) رأس المال الثابت
Type	Amount/القيمة	النوع
Cost of Land or/and Land Development, in AED	AED/درهم/.....	تكلفة الأرض أو/و تكلفة تطويرها
Cost of Building, in AED	AED/درهم/.....	تكلفة المباني
Cost of Machinery, Equipment & Spare Parts, in AED	AED/درهم/.....	تكلفة الآلات والمعدات وقطع الغيار
Others Miscellaneous (e.g.: Fitout), in AED	AED/درهم/.....	تكاليف أخرى متنوعة
SUB TOTAL, in AED	AED 0	المجموع الفرعي
B) Working Capital *, in AED	AED 0	ب) رأس المال العامل (الأصول الجارية)*
*Funds needed to run the day-to-day operations, including the payment of wages, payment of rent, and payment of bills. The source of the funds can be both cash or debt.		* الموارد المالية المستخدمة في تسير العمليات اليومية مثلا لدفع الأجور، شراء المواد الخام ودفع الفواتير. يمكن أن تكون هذه الموارد نقدا أو دينيا (قروض).
GRAND TOTAL SECTION 1 (A+B), in AED	AED 0	المجموع الكلي للقسم الأول (أ + ب)

Section 2: Source of Investment Funds		القسم الثاني: مصادر تمويل الاستثمارات الواردة في القسم الأول
A) Local Funds		أ) الإمارات
Equity, in AED	AED/درهم/.....	رأس مال
Loan, in AED	AED/درهم/.....	قرض
UAE SUB TOTAL (1+2), in AED	AED 0	المجموع الفرعي للتمويل المحلي (2+1)
B) Foreign Sources:		ب) مصادر أجنبية
1 - Country Name:	AED/درهم/.....	1- اسم الدولة:
2 - Country Name:	AED/درهم/.....	2- اسم الدولة:
3 - Country Name:	AED/درهم/.....	3- اسم الدولة:
4 - Country Name:	AED/درهم/.....	4- اسم الدولة:
5 - Country Name:	AED/درهم/.....	5- اسم الدولة:
6 - Country Name:	AED/درهم/.....	6- اسم الدولة:
SUB TOTAL, in AED	AED 0	المجموع الفرعي
GRAND TOTAL SECTION 2 (A+B), in AED	AED 0	المجموع الكلي للقسم الثاني (أ+ب)

Foreign Direct Investment Form (FDI Form) Renewal		استمارة الاستثمارات الأجنبية المباشرة والمحلية الاستثمارات المبدئية للشركات الجديدة
Company Name (DIFC Internal Use Only, not reported):		
License Number:		
Reporting Period, Jan 1- Dec 31	20__	

Section 1: Allocation of Investment Funds		القسم الأول : توزيع الاستثمارات
A) Fixed Assets		(أ) رأس المال الثابت
Type	Amount/القيمة	النوع
Cost of Land or/and Land Development, in AED	AED/درهم	تكلفة الأرض أو/أو تكلفة تطويرها
Cost of Building, in AED	AED/درهم	تكلفة المباني
Cost of Machinery, Equipment & Spare Parts, in AED	AED/درهم	تكلفة الآلات والمعدات وقطع الغيار
Others Miscellaneous (e.g.: Fitout), in AED	AED/درهم	تكاليف أخرى متنوعة
SUB TOTAL, in AED	AED 0	المجموع الفرعي
B) Working Capital *, in AED		(ب) رأس المال العامل (الأصول الجارية)*
*Funds needed to run the day-to-day operations, including the payment of wages, payment of rent, and payment of bills. The source of the funds can be both cash or debt.		* الموارد المالية المستخدمة في تسيير العمليات اليومية مثلا لدفع الأجور، شراء المواد الخام ودفع الفواتير. يمكن أن تكون هذه الموارد نقدا أو دينا (فروض).
GRAND TOTAL SECTION 1 (A+B), in AED		المجموع الكلي للقسم الأول (أ + ب)

Section 2: Source of Investment Funds		القسم الثاني: مصادر تمويل الاستثمارات الواردة في القسم الأول
A) Local Funds		(أ) الإمارات
Equity, in AED	AED/درهم	رأس مال
Loan, in AED	AED/درهم	قرض
UAE SUB TOTAL (1+2), in AED	AED 0	المجموع الفرعي للتمويل المحلي (2+1)
B) Foreign Sources:		(ب) مصادر أجنبية
1 - Country Name:	AED/درهم	1- اسم الدولة:
2 - Country Name:	AED/درهم	2- اسم الدولة:
3 - Country Name:	AED/درهم	3- اسم الدولة:
4 - Country Name:	AED/درهم	4- اسم الدولة:
5 - Country Name:	AED/درهم	5- اسم الدولة:
6 - Country Name:	AED/درهم	6- اسم الدولة:
SUB TOTAL, in AED	AED 0	المجموع الفرعي
GRAND TOTAL SECTION 2 (A+B), in AED		المجموع الكلي للقسم الثاني (أ+ب)

Explanation Notes On The FDI & Local Investment Form:	ملاحظات توضيحية على استمارة الاستثمارات الأجنبية المباشرة والمحلية:
<p>NOTE: Further to Article 14 of Law No. (9) of 2004 in respect of the DIFC, the DIFC and its bodies, the entities established in the DIFC, as well as their employees, are subject to a zero rate of tax for 50 years from September 13, 2004, including the income tax relating to their operations inside the Centre. The zero rate of tax will also extend to transfers of assets or profits or salaries in any kind of currency to any party outside the Centre for 50 (Fifty) years from September 13, 2004.</p>	<p>يرجى ترجمة النص الإنجليزي المقابل (حسب ما هو وارد في القانون الخاص بالمنطقة الحرة المعنية) إلى العربية</p>
<p>Companies already based in the UAE, with all sources of funds to be invested in DIFC originating from the UAE may simply write the following statement, excepting them from filling out this form: We are a UAE based company, and all funds invested within DIFC are of UAE origin.</p>	
<p>The Application has two sections: Section 1 & Section 2.</p>	<p>يحتوي هذا النموذج على قسمين:</p>
<p>Section 1:</p>	<p>القسم الأول:</p>
<p>It is divided into two divisions: A) Fixed Assets and B) Working Capital</p>	<p>يحتوي القسم الأول على جزئين: (أ) رأس المال الثابت (ب) رأس المال العامل</p>
<p>A) Fixed Assets has four categories and Building & Equipment must be stated in net amount after depreciation as explained and referred to by (*)</p>	<p>(أ) رأس المال الثابت: يحتوي على أربعة بنود. ينبغي أن تكون تكلفة كل من المباني والمعدات مساوية للقيم الصافية بعد خصم الاستهلاك كما هو موضح بعلامة (*).</p>
<p>B) Working Capital is the amount of cash needed to run the day-to-day operations, including the payment of wages, payment of rent, and payment of bills. The source of the funds can be both cash or debt.</p>	<p>(ب) رأس المال العامل: هو الموارد المالية التي تتفق على العمليات اليومية مثل دفع الأجور، شراء المواد الخام ودفع الفواتير. يمكن أن تكون هذه الموارد نقداً أو ديناً (فروض).</p>
<p>Working Capital is also divided into two categories consisting of cash in hand, and inventory or stock. The figure for inventory should be included given that it can be converted into working capital as soon as it is sold.</p>	<p>وينقسم رأس المال العامل إلى قسمين: النقدية والمخزون حيث أن المخزون يمكن أن يتحول إلى رأس مال عامل حالما يتم بيعه.</p>
<p>Section 2:</p>	<p>القسم الثاني:</p>
<p>The section has two divisions: A) Local Investment and B) Foreign Investment.</p>	<p>يحتوي القسم الثاني على جزئين: (أ) الاستثمارات المحلية (ب) الاستثمارات الأجنبية</p>
<p>Please report the figure for local investment whether it is in the form of equity or a loan.</p>	<p>يتم تسجيل الاستثمارات المحلية إما كرأس مال أو كقرض</p>
<p>The total amount stipulated in this section should be APPROXIMATELY the same as the figure stated in section 1. In the interest of accuracy, we understand that it is more financially accurate to take the total amount of the first section. The purpose of the second section is to ascertain the source of the funds. In case of reporting the capital requirements of Banks and Financial institutions, this figure would be different from the figure in Section 1.</p>	<p>من المفترض أن يتساوى المجموع الكلي للقسم الأول مع المجموع الكلي للقسم 2. غير أن المجموع الكلي للقسم الأول هو أكثر دقة من الناحية المالية بينما الغرض الأساسي من القسم الثاني هو توضيح مصادر التمويل.</p>