

CIRCULAR NO. 7 DATED 24 SEPTEMBER 2017

RULES AND REGULATIONS REGARDING THE SHARE CAPITAL of the companies established within Dubai World Trade Center Authority Free Zone

This circular relates to the Dubai World Trade Centre Authority ("DWTCA") Free Zone Rules and Company Regulations dated 1 October 2015 issued pursuant to Law No. 9 of 2015.

With effect from the date of this circular and pursuant to Rule 4.6 of the DWTCA Free Zone Rules and Regulation 134 of the DWTCA Company Regulations, it is decided that the following will apply:

ARTICLE (1) REGULATIONS 15.5, 15.7 AND 15.8 OF THE DWTCA COMPANY REGULATIONS SHALL BE AMENDED AS FOLLOWS:

1.1. Regulation 15.5: A Company shall prescribe a share capital that it deems sufficient to achieve the purpose of its incorporation and running its operations effectively. To that extent, the minimum issued share capital of the Company shall be:

- a) Free Zone Company ("FZCO"): A minimum of 1 share issued to each partner subject to exclusions as set out in clause 18.2 of DWTCA Company Regulations. Each share will be in the amount of AED 1,000;
- b) Free Zone Establishment ("FZE"): A minimum of 1 share issued subject to exclusions as set out in clause 18.2 of DWTCA Company Regulations. Each share will be in the amount of AED 1,000.

1.2. Regulation 15.7: Notwithstanding the provision of Regulation 15.5 above, the Registrar may issue a Company:

- a) A Certificate of Incorporation without an undertaking complying with Regulation 15.8 of DWTCA Company Regulation;
- b) Share certificates based on an application made by the Company to the Registrar in the prescribed form with

an undertaking complying with Regulation 15.8 of DWTCA Company Regulations.

1.3. Regulation 15.8: The undertaking as prescribed in Regulation 15.8 of the DWTCA Company Regulations shall be applicable to the Company as follows:

- a) For FZCO and FZE with a share capital in excess of AED 300,000, it will be mandatory to provide the undertaking as prescribed in Regulation 15.8 of DWTCA Company Regulations.
- b) For FZCO and FZE with a share capital of AED 300,000 or below, providing an undertaking as prescribed in Regulation 15.8 of DWTCA Company Regulations will not be mandatory. In the event, a company requires an issuance of share certificate, an undertaking as prescribed in Regulation 15.8 of DWTCA Company Regulations will need to be provided.

ARTICLE (2) EFFECTIVE DATE

This circular is effective from 24 September 2017.

Terms defined in the DWTCA Free Zone Rules & Company Regulations shall have the same meaning in this circular.

Rule 19 of Dubai World Trade Centre Authority Rules and Regulations shall apply to this circular as if set out in full herein.

For further clarification, please contact the Dubai World Trade Centre Authority Free Zone Department at:
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For and on behalf of the Authority

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