

GUIDANCE NOTE – SHARE TRANSFER

In this Guidance Note, unless the context otherwise requires, words or expressions not defined have the same meaning and interpretation as in the Company Regulations 2020 of the Dubai Multi Commodities Centre Authority (“**CR 2020**”).

1. GENERAL

A. Concept

A DMCCA Company can apply for shares transfer of an existing Shareholder to another existing or a new Shareholder.

B. Applicable Business Rules

- This process is only applicable to Companies and is not applicable for Branches.
- A Company’s Licence must be valid at the time of submission of the application and until process is completed. The application will be put on hold if the Licence expires during the process.

A Company, who has voluntarily suspended its Licence (in dormancy), is not allowed to apply for this amendment.

Any transfer of shares, not being a transfer made to or with the Sanction of the liquidator and any alteration in the status of the Company’s Shareholders made after the commencement of a voluntary winding-up, is void (Please see DMCCA CR 2020, Reg. 103).

- There should not be any active Company sanction.
- A non- objection certificate (NOC) from a Regulatory Authority is required in case the Company carries a regulated activity.
- In case of minor Shareholders (below 18 years old), they shall be represented by the legal guardian.
- All new individual Shareholders, regardless of nationality, shall go through a management approval process.
- Rejection by management may not be eligible for an appeal.

C. Type of Share Transfer

Below are the two types of share transfer:

- **Internal Share transfer**

Transfer from an existing Shareholder to another existing Shareholder.

➤ **Transfer to a new Shareholder**

Transfer from an existing Shareholder to a new Shareholder, either an individual or corporate Shareholder.

2. APPLICATION PROCESS

To apply for this new service, Company should raise a service request (**SR 101**) for Share transfer Company through its DMCC portal account.

Process Owner	Action	Comments
Company	<p>Please follow the below steps upon raising the service request:</p> <ul style="list-style-type: none"> • Choose the transferring Shareholder. • Choose the type of Shares to be transferred. • Type the number of shares to be transferred. • Type the required information for the new Shareholder. • Update the UBO information (only for current corporate Shareholder that will be retained after the share transfer) • Fill up the UBO declaration (only for new corporate Shareholder) • Confirm by ticking the Licence Activity Undertaking (only in case of certain activity). • Confirm Licence undertaking (only in case there is new Shareholder). • Upload the required documents (Please see “required documents” section in this Guidance Note) • Confirm payment. 	<ul style="list-style-type: none"> • Submit the SR. • A notification submission will be received by the client.
DMCC	<p>Relevant DMCC Officers will verify the application by doing the following:</p> <ul style="list-style-type: none"> • Check information provided by the client and verify all the 	<ul style="list-style-type: none"> • SR may be returned to the client to submit additional

Process Owner	Action	Comments
	<p>uploaded documents.</p> <ul style="list-style-type: none"> • Approves or Declines the application. 	<p>information or to re-upload a document. In such cases, the client has to comply with the requirements to continue with the process.</p> <p>When additional requirements or information is provided, the client has to update the step in the SR.</p> <p>If Approved</p> <ul style="list-style-type: none"> • Client will receive pre-approval notification and shall continue as per the instruction in the email notification.
Company	<p>To submit the required original documents at the DMCC Client Service Centre*</p> <p><i>*due to the seating restrictions, please book an appointment when you wish to visit the DMCC Client Service Centre.</i></p>	<ul style="list-style-type: none"> • If requirements are satisfied: <ul style="list-style-type: none"> - Original documents will be accepted. - Relevant parties will be allowed to sign the Resolutions (if client intends to have the Resolution signed in DMCC)
DMCC	Update the account of the Company	<ul style="list-style-type: none"> • Applied amendment is registered. • Email notification of SR closure will be sent to the client. • Issue the amended documents.

3. REQUIRED DOCUMENTS

Documents	Remarks
<p>Board Resolution of current corporate Shareholder, for either of the following:</p> <ul style="list-style-type: none"> • Approving the selling of shares, • Approving the buying of shares, or • Consenting to the transfer of shares of another Shareholder. 	<ul style="list-style-type: none"> • Only applicable if one of the existing shareholders of the DMCC Company is a corporate Shareholder. Please disregard this requirement if this is not the case. • The Board Resolution will be drafted to approve the selling or buying of shares or consenting to the transfer of shares. • To confirm the appointed representative and signatory for the process and sign documents relevant to the transfer of shares such as resolution, share transfer form, Articles of Association, amendments, etc. • To be signed in DMCC by authorized signatory or Notarized and legalized by UAE Embassy of the place of issue of the document.
<p>Certificate of Incumbency (of current corporate Shareholder)</p>	<ul style="list-style-type: none"> • Only applicable if the DMCC Company has a corporate Shareholder. Please disregard this requirement if this is not the case. • Certificate of Incumbency must be recently issued (not older than 1 year). Certificate of Incumbency must be notarized and legalized by UAE Embassy of the place of issue.
<p>Updated Ultimate Beneficial Declaration</p>	<ul style="list-style-type: none"> • Only applicable if the DMCC Company has a corporate Shareholder retained after the share transfer. Please disregard this requirement if this is not the case. • Properly filled-up in the SR. • Declaring the ultimate beneficial owner (individual person) owning 25% or more of the company shares.
<p>Shareholders Resolution or the Share Transfer form</p>	<ul style="list-style-type: none"> • Printed on the DMCC Company Letterhead and stamped. • To be signed in DMCC by all current (transferring, buying or consenting) and new Shareholders or their authorized representatives or notarized and legalized by UAE Embassy of the place of execution of the document.

<p>Power of Attorney (POA)</p>	<ul style="list-style-type: none"> • If applicable. <i>Please disregard this requirement if there is no POA issued.</i> • If issued in UAE, validity to be checked in the Dubai Court portal. • If issued outside of UAE, to be notarized and legalized by UAE Embassy of the place of issue. • Original POA holder is required to be presented for verification. • POA must provide specific Authority to sell or acquire shares in behalf of the principal. <p>Note: When the POA holder is also the buyer of the shares, POA document must specifically state that POA holder is authorized to transfer the shares to himself/herself.</p>
<p>Passport of the POA holder</p>	<ul style="list-style-type: none"> • If applicable. <i>Please disregard this requirement if there is no POA issued.</i> • Original passport required to be presented.
<p>Memorandum and Articles of Association (for all old DMCC Companies) or</p> <p>Articles of Association (for Companies registered under Company Regulations 2020)</p>	<ul style="list-style-type: none"> • All originals are required to be submitted to DMCC. • For old companies with MOA/AOA, Companies can choose to transition to a DMCCA Standard Articles or adopt its own Articles of Association.
<p>Share Certificates</p>	<ul style="list-style-type: none"> • Applicable only when original share certificates were issued to the shareholders. In such cases, Original is required. <i>Please disregard this requirement if e-share certificates were issued.</i> • Only the share certificate of the shareholders whose shares will be changed is required to be submitted. • The share certificate will be cancelled after the share transfer is completed.

Additional Required Documents in case of new Individual Shareholder

Documents of the new individual shareholder	Remarks
<p>Passport and visa page (if applicable)</p>	<ul style="list-style-type: none"> • Passport should be valid for at least 6 months. • Copy of valid UAE residence visa page (if applicable) • Original to be presented for verification or notarized copy is required.
<p>Specimen Signature Form</p>	<ul style="list-style-type: none"> • Filled-out and signed in DMCC or a notarized copy is required. <p>Note: POA holder cannot sign specimen signature.</p>
<p>Know Your Client (KYC) Form</p>	<ul style="list-style-type: none"> • Filled-out comprehensively including business experience part and signed by the new shareholder. • POA holder cannot sign KYC form.
<p>No Objection Certificate (NOC) from current Sponsor</p>	<ul style="list-style-type: none"> • Applicable only for new Shareholder holding valid UAE visa in another Company. • Original is required. • Not required for company owners (with investors visa)
<p>Proof of Address</p>	<ul style="list-style-type: none"> • Any proof of billing, tenancy contract, etc. under the name of the new shareholder at the discretion of DMCC; or • a proof of billing under the name of a relative/friend/landlord + an NOC confirming that the new officer lives on the address on the bill + passport copy of the bill holder with signature page • Dated recently (not older than 6 months).

Additional Required Documents In case of new Corporate Shareholder

Documents of the new Corporate shareholder	Remarks
Board Resolution for acquisition of shares	<ul style="list-style-type: none"> • The Board Resolution will be drafted to approve the acquisition of shares in the DMCC Company. • To confirm the appointed representative and signatory for the process and sign documents relevant to the acquisition of shares such as resolution, share transfer form, Articles of Association, amendments, etc. • To be signed in DMCC by authorized signatory or Notarized and legalized by UAE Embassy of the place of issue of the document.
Certificate of Incumbency	<ul style="list-style-type: none"> • Recently issued (not older than 1 year). • Must be notarized and legalized by UAE Embassy of the place of issue.
Valid Company Licence	<ul style="list-style-type: none"> • Only if applicable. • Only a copy is required.
Certificate of Registration	<ul style="list-style-type: none"> • A legal document issued by the Authority where the New Proposed Corporate Shareholder is registered. This confirms the registration details of the company i.e. date, company name, registration number, etc. • Must be notarized.
Memorandum of Association (“MOE”)/Articles of Association (“AOA”)/By-Laws	<ul style="list-style-type: none"> • This confirm the constitution and by-laws of the company • Must be notarized
Ultimate Beneficial Ownership (Declaration)	<ul style="list-style-type: none"> • Properly filled up in the SR. • Declaring the ultimate beneficial owner (individual person) owning 25% or more of the company shares.

4. OUTPUT

The following documents will be issued upon approval by the Registrar of the application:

- Original Amended Articles of Association (AOA), in case of Standard Articles (one original copy for each shareholder and one original copy to be kept in the records of DMCC)

For existing companies with MOA/AOA, a re-stated AOA (Standard or Non-Standard Articles) will be issued to transition to new regime under the CR2020.

- E-Share Certificate for each new Shareholder and the current Shareholder whose shares have been changed due to this process.

5. APPLICABLE FEES

Please view the fee in the [Schedule of Charges](#) under “Registration Amendments” section.

6. CANCELLATION OF AN APPLICATION

Cancellation of an application will be subject to the existing policy and procedure of SR cancellation.