

## 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 a 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 does not apply to Branches.
- A Company’s Licence must be valid at the time of submission of the application and until the process is completed. The application will be put on hold if the Licence expires during the process.

A Company, that 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 out a regulated activity.
- In the case of minor Shareholders (below 18 years old), they shall be represented by a 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.
- The company needs to make sure they have:
  - a. [Adopted the Articles of Association](#) as per DMCC rules & regulations of 2020 (only applicable if companies hold old MOA).
  - b. [Subscribed and activated the e-signature](#) of all authorized signatories.
  - c. [Declared the new corporate shareholder directors](#), only applicable if the shareholder is a non-DMCC entity.

#### 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	<ol style="list-style-type: none"> <li>1. Log in to the <a href="#">DMCC Member Portal</a>.</li> <li>2. Go to “Company Services” – select “Share Transfer”.</li> <li>3. Add a new shareholder in case of transferring shares to a new shareholder. Or choose from the existing shareholders to transfer the shares.</li> <li>4. Choose the type of Shares to be transferred.</li> <li>5. Choose type the number of shares to be transferred.</li> <li>6. Fill in the mandatory fields for the new Shareholder (if applicable).</li> <li>7. Update the Ultimate Beneficiary Owner (UBO) information (only for current corporate Shareholders that will be retained after the share transfer)</li> <li>8. Fill up the UBO declaration details (only for new corporate Shareholder)</li> <li>9. Select Power of Attorney (POA) (if applicable)</li> <li>10. Declare the Directors of the Parent Company who will be signing the documents to activate their E-Signature (only for new corporate Shareholder)</li> </ol>	

Process Owner	Action	Comments
	<ol style="list-style-type: none"> <li>11. Confirm Licence Activity Undertaking (only in case of certain activities).</li> <li>12. Confirm Licence undertaking (only in case there is a new Shareholder).</li> <li>13. Upload the required documents (Please “required documents” section in this document).</li> <li>14. Confirm payment.</li> <li>15. Submit the service request.</li> </ol>	
DMCC	Verify submitted information and documents, as a result, approve or return the application.	<p>Please note that the SR could be returned to you in case of the below scenarios:</p> <ol style="list-style-type: none"> <li>a. To submit additional information or to re-upload a document. To activate E-Signature for the authorized e-signatories,</li> <li>b. To proceed with the SR, you should comply with the requirements by following the instructions you receive from DMCC.</li> </ol> <p><b>If Approved</b> You will be instructed on the next steps.</p>
Company	<ol style="list-style-type: none"> <li>1. All authorized signatories E-Sign the document</li> <li>2. Book an appointment through the DMCC Member Portal for submitting original sets of documents</li> </ol>	
DMCC	<ol style="list-style-type: none"> <li>1. Verify e-signatures and original documents</li> <li>2. Update the step and the</li> </ol>	

Process Owner	Action	Comments
	<p>Company account will be updated with the new share details.</p> <p>3. New documents will be generated electronically in DMCC Member Portal</p>	
Company	Download the electronic documents	

### 3. REQUIRED DOCUMENTS

Documents	Remarks
<b>Board Resolution.</b>	<ul style="list-style-type: none"> <li>• Only applicable if one of the existing shareholders of the DMCC Company is a corporate Shareholder for the below scenarios:               <ol style="list-style-type: none"> <li>a. Approving the selling of shares,</li> <li>b. Approving the buying of shares, or</li> <li>c. Consenting to the transfer of shares of another Shareholder.</li> </ol> </li> <li>• The Board Resolution will be drafted to approve the selling or buying of shares or consenting to the transfer of shares.</li> <li>• 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.</li> <li>• To be electronically signed by authorized signatories after the application is approved by DMCCA</li> </ul> <p><b><i>Please disregard this requirement if this is not the case.</i></b></p>

<p><b>Certificate of Incumbency</b></p>	<ul style="list-style-type: none"> <li>• Only applicable if the DMCC Company has a corporate Shareholder.</li> <li>• Certificate of Incumbency must be recently issued (not more than 1 year). Certificate of Incumbency must be notarized and legalized by the UAE Embassy/Consulate of the place of issue. Note: If publicly available the Certificate of Incumbency can be verified through an online registry from the respective Issuing Authority’s official website. In such cases, please provide the link for verification. (When the online verification is approved the notarization would not be required).</li> </ul> <p><b><i>Please disregard this requirement if this is not the case.</i></b></p>
<p><b>Shareholders Resolution or the Share Transfer form</b></p>	<ul style="list-style-type: none"> <li>• Printed on the DMCC Company Letterhead and stamped.</li> <li>• To be electronically signed by all current (transferring, buying or consenting) and new Shareholders or their authorized representatives (POA holders ) after the application is approved by DMCCA.</li> </ul>
<p><b>Power of Attorney (POA) (if applicable)</b></p>	<ul style="list-style-type: none"> <li>• If issued in UAE, validity to be checked in the Dubai Court portal.</li> <li>• If issued outside of UAE:             <ol style="list-style-type: none"> <li>a. To be notarized and legalized by UAE Embassy of the place of issue.</li> <li>b. Original POA required to be presented for verification.</li> </ol> </li> <li>• POA document must provide specific Authority to sell or acquire shares on behalf of the principal.</li> <li>• Original passport of the POA holder to be presented for verification.</li> </ul> <p><b>Note:</b> When the POA holder is also the buyer of the shares, POA document must specifically provide that POA holder is authorized to transfer the shares to himself/herself.</p> <p><b><i>Please disregard this requirement if there is no POA issued.</i></b></p>

<p><b>Memorandum and Articles of Association</b> (for all old DMCC Companies) or</p> <p><b>Articles of Association</b> (for Companies registered under Company Regulations 2020)</p>	<ul style="list-style-type: none"> <li>The original MOA for each shareholder is required to be submitted to DMCC.</li> </ul> <p><b><i>Please disregard this requirement if Company has the Electronic Articles of Association (AOA) with QR code</i></b></p>
<p><b>Articles of Association</b></p>	<ul style="list-style-type: none"> <li>To be electronically signed by (buying and/or consenting) Shareholders or their authorized representatives after the application is approved by DMCCA.</li> </ul>
<p><b>Share Certificates</b></p>	<ul style="list-style-type: none"> <li>Applicable only when original share certificates were issued to the shareholders. In such cases, the Original is required. <b><i>Please disregard this requirement if e-share certificates were issued.</i></b></li> <li>The share certificate of all shareholders is required to be submitted.</li> <li>The share certificate will be cancelled after the share transfer is completed.</li> </ul>

**Additional Required Documents in case of new Individual Shareholders**

Documents of the new individual shareholder	Remarks
<p><b>Passport and visa page</b> (if applicable)</p>	<ul style="list-style-type: none"> <li>Passport should be valid for at least 6 months.</li> <li>Copy of valid UAE residence visa page (if applicable)</li> <li>Original passport to be presented for verification or a notarized copy is required.</li> </ul>
<p><b>Specimen Signature Form</b></p>	<ul style="list-style-type: none"> <li>To be electronically signed after SR approval</li> </ul> <p><b>Note:</b> POA holder cannot sign specimen signature.</p>

<b>Know Your Client (KYC) Form</b>	<ul style="list-style-type: none"> <li>• Filled out comprehensively including the business experience section and signed by the new shareholder.</li> <li>• POA holders cannot sign the KYC form.</li> </ul>
<b>No Objection Certificate (NOC) from the current Sponsor</b>	<ul style="list-style-type: none"> <li>• Applicable only for new Shareholders holding valid UAE visas in another Company.</li> <li>• Original is required.</li> <li>• Not required for company owners (with investors visa)</li> </ul>
<b>Proof of Address</b>	<ul style="list-style-type: none"> <li>• Any proof of billing, tenancy contract, etc. under the name of the new shareholder at the discretion of DMCC; or</li> <li>• a proof of billing under the name of a relative/ friend/ landlord + a NOC confirming that the new officer lives at the address on the bill + passport copy of the bill holder with signature page</li> <li>• Dated recently (not older than 6 months).</li> </ul>

**Additional Required Documents In case of New Corporate Shareholders**

<b>Documents of the new Corporate shareholder</b>	<b>Remarks</b>
<b>Board Resolution for the acquisition of shares</b>	<ul style="list-style-type: none"> <li>• The Board Resolution to be drafted to approve the acquisition of shares in the DMCC Company.</li> <li>• 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.</li> <li>• To be electronically signed by an authorized signatory after the application is approved by DMCCA.</li> </ul>

<b>Certificate of Incumbency</b>	<ul style="list-style-type: none"> <li>• Certificate of Incumbency must be recently issued (not more than 1 year). Certificate of Incumbency must be notarized and legalized by the UAE Embassy/Consulate of the place of issue. Note: If publicly available the Certificate of Incumbency can be verified through an online registry from the respective Issuing Authority's official website. In such cases, please provide the link for verification. (When the online verification is approved the notarization would not be required).</li> </ul>
<b>Valid Company Licence</b>	<ul style="list-style-type: none"> <li>• Only if applicable.</li> <li>• Only a copy is required.</li> </ul>
<b>Certificate of Registration</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Must be notarized.</li> </ul>
<b>Memorandum of Association("MOE")/Articles of Association ("AOA")/By-Laws</b>	<ul style="list-style-type: none"> <li>• This confirms the constitution and by-laws of the company</li> <li>• Must be notarized</li> </ul>
<b>Ultimate Beneficial Ownership (Declaration)</b>	<ul style="list-style-type: none"> <li>• Properly filled up in the SR.</li> <li>• Declaring the ultimate beneficial owner (individual person) owning 25% or more of the company shares.</li> </ul>
<b>Parent Company Director passport copy</b>	<p>Only a copy is required</p>



## 4. OUTPUT

The following documents will be generated by the system once the application is approved and closed

- Electronic Articles of Association (AOA) with QR code as per the latest amendment
- E-Share Certificate with QR code for each new Shareholder and the current Shareholder.

## 5. APPLICABLE FEES

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

## 6. CANCELLATION OF AN APPLICATION

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