



RAKEZ COMPANIES REGULATIONS OF 2023

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RAK ECONOMIC ZONE AUTHORITY COMPANIES REGULATIONS OF 2023

PART 1: GENERAL

1. TITLE

These Regulations may be cited as the Ras Al Khaimah Economic Zone Companies Regulations 2023 ("**Companies Regulations**").

2. LEGISLATIVE AUTHORITY

1. These Companies Regulations have been issued by the Board of Directors of the Authority, pursuant to Law Number 2 of 2017, promulgated by His Highness Sheikh Saud Bin Saqr Bin Mohammed Al-Qasimi, Ruler of Ras Al Khaimah
2. The Board of Directors of the Authority may issue any legislation, including rules, guidelines, circulars and directives to supplement these Companies Regulations.
3. The Board of Directors of the Authority has the right to repeal, revise, amend or modify from time to time any provisions of these Companies Regulations. .

3. COMMENCEMENT

These Companies Regulations shall come into force on the date of its issuance by the Board of Director of the Authority.

4. APPLICATION OF THE REGULATIONS

1. These Companies Regulations apply in the Zone.
2. These Companies Regulations apply to the following entities in the Zone:
 - a. a Company (FZ LLC, PLC or PJSC);
 - b. a company existing on the date of enactment of these Companies Regulations, incorporated by the Authority in the Zone;
 - c. a Branch; and
 - d. a branch existing on the date of enactment of these Companies Regulations, registered by the Authority in the Zone.
3. References in these Companies Regulations to any requirement for any document to be written, in writing, to be presented in writing or for the giving of any notice are to be construed as satisfied by an electronic record and any references in these Companies Regulations to any requirement for a signature on any document or notice are to be construed as satisfied by an electronic document and/or electronic signature, which may be proved in any manner approved by the Registrar

5. APPLICATION OF LAWS

1. The provisions of the Commercial Companies Law are specifically inapplicable if there is any express provision contrary to such law in these Companies Regulations.
2. The relevant Markets Laws apply to a PLC. The applicable Markets Laws prevail over the Companies Regulations to the extent of an inconsistency between the Markets Laws and the Companies Regulations.

6. INTERPRETATION

1. Schedule 1 contains:
 - a. interpretative provisions which apply to these Companies Regulations; and
 - b. a list of defined terms used in these Companies Regulations.
2. For the fines, the Authority shall issue a list containing the prescribed contraventions and their respective fines.

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PART 2: THE APPOINTMENT OF AND ROLE OF THE REGISTRAR

7. APPOINTMENT OF THE REGISTRAR

1. The office of the Registrar of Companies is created by the Authority.
2. The Authority shall appoint a person to serve as Registrar from time to time.

8. THE POWERS AND FUNCTIONS OF THE REGISTRAR

1. The Registrar has such powers and functions as may be conferred, or expressed to be conferred, on him:
 - a. by or under these Companies Regulations; and
 - b. by or under any Implementing Regulations made by the Authority;and shall exercise such powers and perform such functions under these Companies Regulations and those Implementing Regulations.
2. The Registrar may issue a public notice or serve a notice on a Company, a Branch or its Officers in relation to any matter under these Companies Regulations or any other Implementing Regulations.
3. In the exercise of his duties and functions, consent, approval, notification, or communication of the Registrar shall be in writing. Subject to prior consultation from the Authority, the Registrar may impose conditions on any consent, approval, notification or communication issued by him.
4. The Registrar may require a Company or a Branch to provide any record, details, documents or information that the Registrar may deem necessary and relevant in exercise of his duties and functions.
5. At all times, the Registrar in the exercise of his duties and functions, shall act in good faith and accordance with these Companies Regulations or any other Implementing Regulations.
6. The Registrar shall provide a written report of his activities to the Authority on quarterly basis.
7. The Authority has the power to revoke, modify, amend or recall any consent, approval, notification or communication issued by the Registrar if the Authority found out that such consent, approval, notification or communication is unreasonable or unnecessary.

PART 3: ENTITIES RECOGNISED UNDER THE COMPANIES REGULATIONS

9. TYPE OF ENTITIES

1. These Companies Regulations recognize the following types of entities:
 - a. Company (FZ LLC, PLC and PJSC)
 - b. Branch Entity ("Branch")
2. Features of PLC
 - a. It is a company with limited liability with at least one Shareholder, but may otherwise have any number of Shareholders.
 - b. It must have at least a minimum Share capital as specified in the Market Laws.
 - c. The liability of a Shareholder towards the PLC, with respect to its shareholding, is limited to the capital paid by the Shareholder in the PLC plus any amount, if any, that remains unpaid on the Shares held by that Shareholder.
 - d. It has the capacity, rights and privileges of a natural person.
 - e. It may invite the public to subscribe to its Shares in accordance with the applicable Markets Laws.
 - f. It must obtain a license to operate in the Zone. A license is valid for operations in the Zone and does not authorize the PLC to carry out operations outside the Zone. A PLC may operate in a jurisdiction other than the Zone subject to the laws of such jurisdiction.

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- g. It must list its Shares on a stock exchange in accordance with the Markets Laws within nine (9) months from the date of incorporation, unless extended by the Registrar. If the PLC fails to comply with this Regulation 9(2), the Registrar may impose a fine.

10. LEGAL PERSONALITY

The Companies incorporated under these Companies Regulations shall have a separate legal personality from that of their Shareholder(s). The liabilities of a Company, whether arising in contract, tort or otherwise, are the Company's liabilities and not the personal liabilities of any Shareholder, or officer of the Company, except as provided by these Companies Regulations.

PART 4: ENTITIES OBJECTIVES

11. ACTIVITIES

Entities established within the Zone may conduct any lawful business activity as prescribed by the Authority from time to time.

PART 5: COMPANY FORMATION AND REGISTRATION

12. METHOD OF FORMATION

1. A person or more may apply for the incorporation of a Company by submitting to the Registrar an application in the prescribed form and such documents as may be stipulated by the Registrar from time to time.
2. A FZ LLC shall be permitted to have one (1) or more shareholder and maximum of fifty (50) shareholders subject to the approval of the Registrar. For PLC, it shall be permitted to have any number of shareholders.
3. The application filed with the Registrar under this Regulation (12) shall be signed by the shareholders and shall include:
 - a. the name of the Company;
 - b. the address of the Company's registered office;
 - c. the nature of the business to be conducted by the Company;
 - d. the amount of share capital of the FZ LLC, which shall never be less than the minimum share capital required by the Authority from time to time or PLC, the minimum share capital shall be as prescribed Market Laws;
 - e. the nominal value of each Share
 - f. the full name, nationality and address of each of the Shareholders;
 - g. the full name, nationality and address of the persons who are to serve as the first Directors or Manager; and
 - h. such other particulars as the Registrar may require.

13. MEMORANDUM OF ASSOCIATION

1. A Company's Memorandum of Association shall be in the English language and shall be printed and be divided into Regulations numbered consecutively.
2. A Company's Memorandum of Association shall contain:
 - a. the information set out under Regulations (a) through (h) of Regulation 12;
 - b. matters contemplated by these Companies Regulations for inclusion in the Memorandum of Association of a Company; and
 - c. such other matters as the Shareholders wish to include in the Memorandum of Association, provided that the Memorandum of Association must not contain a provision which is contrary to or inconsistent with these Companies Regulations and applicable laws.

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3. For each Company, the Authority may prescribe in the Implementing Regulations model Memorandum of Association to be known as the Standard Memorandum of Association, and a Company may, for its Memorandum of Association, adopt the whole or any part of such Standard Memorandum of Association as are applicable to that entity.
4. If the Standard Memorandum of Association have not been adopted by a Company in its entirety, Memorandum of Association specifying regulations for the Company which incorporate sound corporate governance standards, and that do not seek to modify the applicable provisions of these Companies Regulations, shall be submitted to the Registrar together with a written legal opinion from the Company's external qualified legal adviser stating that the Memorandum of Association proposed to be adopted comply with requirements of these Companies Regulations prior to such Memorandum of Association being adopted by the Company
5. Any amendment to a Company's Memorandum of Association must be submitted to the Registrar together with a written legal opinion from the Company's external qualified legal adviser stating that the proposed amendments to the Memorandum of Association comply with requirements of these Companies Regulations prior to such amendment taking effect.
6. If the Memorandum of Association of a Company is amended, the rights and obligations of the Shareholders and/or the Company which have arisen under the Memorandum of Association prior to the date of such amendment shall not be affected unless the amendment provides otherwise.

14. REGISTRATION

1. The Authority shall review the application materials and Memorandum of Association, conduct screening, and may refuse to register a Company for such reason as it believes to be proper grounds for refusing such registration.
2. Where the Authority refuses to register a Company it shall not be bound to provide any reason for its refusal and its decision shall not be subject to appeal or review in any court.
3. Where a Company is registered, the Registrar shall register the Company's Memorandum of Association filed with him under Regulation 13.
4. No person shall conduct or attempt to conduct business operations in or from the Zone unless and until such person has been duly permitted to do so by the Authority. Due permission by the Authority for these purposes shall be conclusively evidenced by the issuance to such person of a certificate of incorporation, as the case may be, along with a license as provided for in these Companies Regulations.

15. EFFECT OF REGISTRATION

1. On the registration of a Company and its Memorandum of Association the Registrar shall:
 - a. issue a certificate of incorporation confirming that the Company is incorporated and a trade license stating its business activities; and
 - b. assign to the Company a number, which shall be the Company's registered number.
2. From the date of incorporation mentioned in the certificate of incorporation, those persons as are from time to time Shareholders of the Company, shall be a body corporate having the name contained in the certificate of incorporation capable forthwith of exercising all the functions of an incorporated Company.
3. A certificate of incorporation is conclusive evidence of the following matters:
 - a. the incorporation of the Company ; and
 - b. that the requirements of these Companies Regulations have been complied with in respect of the incorporation of the Company.

16. EFFECT OF MEMORANDUM OF ASSOCIATION

1. Subject to the provisions of these Companies Regulations, the Memorandum of Association, when registered, binds the Company and its Shareholders to the same extent as if they respectively had been signed by the Company and by each Shareholder, and contained covenants on the part of the Company and each Shareholder to observe all the provisions of the Memorandum of Association.
2. Money payable by a Shareholder to the Company under the Memorandum of Association is a debt due from him to the Company.

17. AMENDMENT OF MEMORANDUM OF ASSOCIATION

1. Subject to the provisions of these Companies Regulations, a Company may by Special Resolution amend its Memorandum of Association. Such amendment shall take effect only when the same has been accepted for registration by the Registrar.

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2. Notwithstanding anything in the Memorandum of Association, a Shareholder of a Company is not bound by an amendment made to the Memorandum of Association after the date on which he became a Shareholder, if and so far as the amendment:

- a. requires him to take or subscribe for more Shares than held by him at the date on which the amendment is made; or
- b. in any way increases his liability as at that date to contribute to the Company's share capital or otherwise to pay money to the Company,

unless he agrees in writing, either before or after the amendment is made, to be bound by it.

18. COPIES OF MEMORANDUM OF ASSOCIATION FOR SHAREHOLDERS

A Company shall, on being so required by a Shareholder, send to such Shareholder a copy of the Memorandum of Association subject to payment of such reasonable fee as the Company may require.

19. NAME

1. The name of a Company or a Branch shall be approved by the Registrar.
2. The approved name of a Free Zone Limited Liability Company shall be followed by the abbreviation 'FZ LLC'.
3. The approved name of a Company incorporated as a PLC must be immediately followed by the words "Public Limited Company" or the abbreviation "PLC".
4. The approved name of a Company incorporated as a PJSC must be immediately followed by the words "Private Joint Stock Company" or the abbreviation "PJSC".
5. A Company or a Branch shall not register a name which:
 - a. may violate laws relating to the protection of intellectual property rights in UAE;
 - b. is registered with another Company or Branch;
 - c. contains the word "Ras Al Khaimah", "Emirate", "UAE", "RAK", "RAKFTZ", "RAKIA", "RAKEZ", "municipal", "chartered", "bank", "trust", "assurance", "insurance", "chamber" or any other word that may suggest connection with the Government or Emirate, its agencies;
 - d. contains names of God and the word Allah or a creed symbol or indications or names of the Royal Family, and logos of national, Arab and international agencies, corporations and organizations;
 - e. leads to the belief on the part of others that the owner of the trade name has an official capacity or that it enjoys special patronage;
 - f. contains names of families or tribes, unless this is related to the Company owner(s);
 - g. contains any of the diacritic symbols such as the full stop or comma or any similar symbols such as (. / , / \$ / % / #) with the name;
 - h. contains the words (bin / abu / um), unless these are part of the personal name of the Company owner(s);
 - i. is identical with or similar to a registered national or international trade mark and/or trade name, except for the owner(s) of that trade mark and/or trade name or their respective representatives;
 - j. contains a name of another person without securing the consent of that person or of his heirs; and
 - k. the Registrar may deem inappropriate.
6. The Registrar may issue list of prohibited names and set the conditions and restrictions on the names from time to time.

20. CHANGE OF NAME

1. The Shareholders of a Company may, by Special Resolution change its name, provided that the new name is acceptable to the Registrar.
2. Where a Company changes its name under this Regulation, the Registrar shall enter the new name on the register in place of the former name, and shall issue a certificate of name change showing the previous name and new name of the Company.
3. The change of name will take effect from the date on which the Registrar issues the certificate of name change.
4. In the event that a Company changes its name under this Regulation, it must amend its Memorandum of Association in order to reflect such change before the Registrar issues the certificate of name change.

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5. A change of name by a Company under these Companies Regulations does not affect any rights or obligations of the Company or render defective any legal proceedings by or against it; and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it under its new name.

21. POWER TO REQUIRE CHANGE OF NAME

1. If, in the opinion of the Registrar, the name by which a Company is registered is misleading, conflicting with other names or otherwise undesirable, the Registrar may direct the Company to change it.
2. A direction by the Registrar under Regulation 21 (1) shall be complied with within thirty (30) days from the date of such direction or within such longer period as the Registrar may allow.
3. In the event of a conflict between one or more Companies regarding the name, the Registrar reserves the right to request the concerned parties to submit a court order before it changes the name of concerned Company.

22. REGISTERED OFFICE AND CONDUCT OF BUSINESS

1. A Company shall at all times have a registered office in the Zone to which all communications and notices may be addressed. A Company must carry on its principal business activity in the Zone, unless the Authority otherwise permits.
2. A Company must carry on its principal business activity in the Zone, unless the Authority otherwise permits.
3. A document may be served on a Company by leaving it at, or sending it by post to, the registered office of the Company.
4. No Company may engage in or carry on or purport to carry on any trade or business activity without the applicable license granted by the Authority in accordance with these Companies Regulations.

23. PARTICULARS IN CORRESPONDENCE

The name of a Company and the address of the registered office and the paid up share capital of a Company shall appear in legible characters in all its business letters and order forms.

24. FORM OF COMPANY RECORDS

1. The records, which a Company is required by this Companies Regulations to keep, may be kept in the form of a bound or loose-leaf book, or photographic film, or may be entered or recorded by a system of mechanical or electronic data processing or any other information storage device that is capable of reproducing any required information in intelligible written form within a reasonable time.
2. A Company shall take reasonable precautions to:
 - a. prevent loss or destruction of;
 - b. prevent falsification of entries in; and
 - c. facilitate detection and correction of inaccuracies in,the records required by this Companies Regulations to be kept.
3. If any record referred to in this Regulation is kept otherwise than in intelligible written form, any duty imposed on the Company by these Companies Regulations to allow inspection and copying of, or to require the giving or production of, information or documents shall be treated as a duty to allow inspection and copying of, or to require the giving or production of, information or documents in intelligible written form.

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PART 6: HOLDING COMPANY

25. DEFINITION

1. In these Companies Regulations a "Subsidiary" means a body corporate:
 - a. whose majority voting rights are directly owned by another Company;
2. In these Companies Regulations a "Holding Company" means:
 - a. a Company who directly or indirectly controls or owns majority voting rights of a Subsidiary, or
 - b. a Company who can elect 50 percent of the Subsidiary's directors.

26. OBJECTIVES

1. The objectives of a Holding Company include:
 - a. to hold shares or an interest in a body corporate, including its Subsidiary;
 - b. to provide loans, guarantees or finance to its Subsidiary;
 - c. to own immovable assets such as real estate;
 - d. to manage its Subsidiary;
 - e. to own assets such as intellectual property rights;
 - f. to carry out the business of a family company; and
 - g. any other objective that may be specified by the Authority from time to time.

27. ACCOUNTS

In addition to the provisions relating to accounts applicable to a Company under these Companies Regulations, a Holding Company must have its financial statements consolidated with its Subsidiary.

28. SHARE OWNERSHIP

1. A Subsidiary cannot own shares in a Holding Company.
2. Where on the date a body corporate became a Subsidiary, the Subsidiary owns shares in a Holding Company, the Subsidiary may own the shares, but: must not exercise the right to vote attached to the shares;
 - a. must not exercise the right to vote attached to the shares;
 - b. must not acquire additional shares in the Holding Company; and
 - c. sell the shares in the Holding Company within 12 months of becoming a Subsidiary.

PART 7: CORPORATE CAPACITY AND TRANSACTIONS

29. CAPACITY OF COMPANY

1. A Company has the capacity, rights and privileges of a natural person.
2. No act of a Company shall be invalid by reason only of the fact that the Company was without capacity or power to perform the act.

30. FORM OF CONTRACTS

A person acting under the express or implied authority of a Company may, subject to the Memorandum of Association, make, vary or discharge a contract or

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sign an instrument on behalf of the Company in the same manner as if the contract were made, varied or discharged or the instrument signed by a natural person.

31. CONTRACTS ENTERED INTO PRIOR TO CORPORATE EXISTENCE

1. Where a contract purports to be entered into by a Company, or by a person as agent for a Company, at a time when the Company has not been formed, then, subject to Regulation 31(2) and unless otherwise agreed by the parties to the contract, the contract has effect as one entered into by the person purporting to act for the Company or as agent for it, and he is personally bound by the contract and entitled to its benefits.
2. Notwithstanding provisions set out in other Implementing Regulations concerning formation of contract, a Company may, within such period as may be specified in the terms of the contract or if no period is specified, within a reasonable time after it is formed, by act or conduct signifying its intention to be bound thereby, adopt any contract of the nature set out in Regulation 31(1), and it shall from that time be bound by such contract and entitled to its benefits and the person who purported to entered into the contract for the Company or as agent for the Company shall cease to be so bound and entitled.

PART 8: SHARE CAPITAL, SHARE TRANSFER AND DIVIDENDS

32. COMPANY SHARE CAPITAL REQUIREMENTS

1. The minimum issued share capital of a FZ LLC shall be such sum as the Authority may specify from time to time or by the Market Laws in case of PLC.
2. The Authority shall have the discretion to waive the requirement that the amount of share capital of a Company be fully paid up.
3. Unless the Authority shall otherwise specifically approve, an amount representing share capital shall be deposited for the benefit of the Company in an account opened in the name of the Company under formation with a bank in the UAE holding a commercial banking license from the UAE Central Bank.
4. Each Share shall have a distinctive serial number.
5. Except for PLC, no invitation shall be made to the public to subscribe to the Shares.
6. Subject to the rights attached to different classes of Shares, as prescribed in the Memorandum of Association, a Share:
 - a. carries the right to vote at a General Meeting;
 - b. represents a proportionate interest in the ownership of a Company; and
 - c. in all respects ranks equally with other Shares, and where there are different classes of Shares, then Shares in a class rank equal in all respects with other Shares in that class.

33. INCREASE OF CAPITAL

1. Subject to provisions in these Companies Regulations, a Company, if authorized by a Special Resolution and by its Memorandum of Association, may increase its share capital by issuing new Shares of such amount as it thinks expedient.
2. A Company may not without the consent of the Authority create a share capital denominated in a currency other than AED.
3. Subject to the approval of the Registrar, a Company may issue shares for consideration other than cash by a Special Resolution, or by any other resolution as may be prescribed in the Memorandum of Association.
4. For purposes of Regulation 33 (3), the value of consideration other than cash must be confirmed by an auditor listed with the Authority.
5. For purposes of Regulation 33 (4), the auditor must:
 - a. determine the reasonable cash value of the consideration for the Shares;
 - b. resolve that, in its opinion, the consideration for the Shares is fair and reasonable to the Company and to all existing Shareholders; and
 - c. resolve that, in its opinion, the present cash value of the consideration to be provided for the Shares is not less than the Share value to be credited for the issue of the Shares.
6. The resolutions required pursuant to Regulation 33 (5) the auditor must describe the consideration in sufficient detail and the present cash value of that consideration, and the basis for assessing it.

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7. The resolution for the increase in capital must be filed with the Registrar. The increase of capital of a Company will come into effect once the Registrar reflects the same in the Companies Register.

34. REDUCTION OF SHARE CAPITAL

1. A Company, if authorized by a Special Resolution and its Memorandum of Association and subject to the approval by the Authority may reduce its share capital in any way on such terms as it may decide, and in particular, by:
 - a. either with or without extinguishing or reducing liability on any of its Shares, cancelling any paid up share capital that is lost or unrepresented by available assets; or
 - b. either with or without extinguishing or reducing liability of any of its Shares and either with or without reducing the number of such Shares, paying off any paid up share capital that is in excess of the requirements of the Company.
2. No Company shall reduce the amount of its share capital by virtue of Regulation 34(1) unless it complies with the following:
 - a. at a date not more than thirty (30) days and not less than fifteen (15) days before the date from which the reduction of the share capital is to have effect, the Company shall cause a notice to be published in the appointed newspapers stating:
 - i. the amount of the share capital as last previously determined by the Company;
 - ii. the Share value of each Share;
 - iii. the amount to which the share capital is to be reduced; and
 - iv. the date from which the reduction is to have effect.
 - b. on the date from which the reduction is to have effect a letter addressed to the Registrar shall be signed by the Shareholders of the Company declaring either:
 - i. that on that date the Company is solvent; or
 - ii. that all the creditors of the Company on that date have consented to the reduction.
3. Where a Company reduces the amount of its share capital, it shall file within thirty (30) days after the date from which the reduction has effect, a copy of the publications referred to in Regulation 34(2) and a letter referred to in Regulation 34(2)(b) with the Registrar stating that this Regulation has been duly complied with and will be required to amend its Memorandum of Association accordingly in accordance with these Companies Regulations.
4. The decrease in capital of a Company will come into effect on the date the Registrar records the decrease in capital in the Companies Register.

35. LIABILITY OF SHAREHOLDERS ON REDUCED SHARES

If, when a letter is signed in accordance with Regulation 34(2)(b)(ii), a creditor who has not consented to the reduction has a debt or claim against the Company which the Company is unable to satisfy as a result of the reduction, every person who was a Shareholder of the Company at the date of the letter is then liable to contribute to the satisfaction of the debt or claim in question on a proportional basis, an amount not exceeding that which was paid by the Company to him or his assignee by way of acquisition price for the cancelled Shares.

36. CONSOLIDATION AND DIVISION OF SHARES IN PLCS

1. A PLC may, by a Special Resolution, consolidate and divide its Shares into:
 - a. a lesser number of Shares than before the consolidation, resulting in an increase in the value of each Share; or
 - b. a greater number of Shares than before the consolidation, resulting in a decrease in the value of each Share.
2. The resolution for the consolidation or division of Shares must be filed with the Registrar. The consolidation or division of capital of a PLC will come into effect once the Registrar reflects the same in the Companies Register.

37. SHAREHOLDERS

1. The shareholders of a Company are deemed to have agreed to become Shareholders of the Company, and on its registration shall be entered as such in its register of Shareholders.

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- Every other person who agrees to become a Shareholder in a Company has acquired a Share in the Company and whose name is entered in its register of Shareholders, is a Shareholder of the Company.

38. CLASSIFICATION OF SHARES

- The Shares shall be of one class with all Shares being of an equal value, and all Shares holding the same rights in all respects.
- A Company may, subject to the consent of the Registrar, create different classes of Shares, or otherwise subdivide the Shares and reflect such variation in the Memorandum of Association.

39. VARIATION IN RIGHTS OF SHARES

- Rights attached to a class of Shares may be varied or abrogated by an amendment to the Memorandum of Association, approved by:
 - a Special Resolution, or by a resolution passed by any greater majority of shareholders as may be prescribed in the Memorandum of Association; or
 - a resolution passed by all the shareholders holding shares of the class whose rights are being varied or abrogated.
- Where a resolution is passed in accordance with Regulation 39 (1) to vary or abrogate the rights attached to a class of shares, shareholders representing not less than 5% of total shares of such class, being shareholders who did not resolve in favour of the variation or abrogation of the rights attached to such class of shares, may within 30 days of the resolution being passed in accordance with Regulation 39(1) apply to a court in the UAE to have the variation or abrogation cancelled. Where an application is made to the court, the variation will have no effect pending the ruling of the court. The court may disallow the variation or abrogation of the rights attached to a class of shares, may confirm it or may pronounce such other remedy as it may consider appropriate.
- The shareholder who applies to the court to have the variation abrogated or cancelled in accordance with Regulation 39 (2) must notify the Registrar in writing of such application within four (4) days of such application having been made.

40. TRANSFER OF SHARES

- Subject to such other Implementing Regulations as may be made by the Authority the shares or other interests of any Shareholder in a Company shall be personal estate, transferable in a manner provided by the Memorandum of Association of the Company and subject only to the restrictions provided therein.
- A transfer of Share shall not be entered in the Companies Register unless an instrument of transfer, in the prescribed form and with the required information in the case of a new shareholder, has been signed and submitted to the Registrar for approval.
- A transfer of a Share shall be effective from the date on which the transfer is entered in the Companies Register.
- A Shareholder with a Security Interest over its Shares shall not transfer the Shares without release of the Security Interest.
- A share certificate, if any, corresponding with the Shares transferred shall be cancelled by the Company.
- Transfer of a Share in a PLC whose Shares are admitted to trading on a securities exchange must take place in accordance with the rules of the relevant exchange and clearing house.

41. TRANSFER BY ESTATE REPRESENTATIVE

A transfer of the Share or other interest of a deceased Shareholder of a Company made by the estate representative shall, although the estate representative is not himself a Shareholder of the Company, be as valid as if he had been such a Shareholder at the time of the execution of the instrument of transfer.

42. PROHIBITION ON FINANCIAL ASSISTANCE TO ACQUIRE SHARES

- A Company shall not provide financial assistance for a person to acquire Shares, or units of Shares, in the Company or a Holding Company of the Company, unless the giving of the financial assistance does not materially prejudice the interests of the Company or its Shareholders or the Company's ability to

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discharge its liabilities as they fall due; and the financial assistance is approved by resolution of Shareholders holding not less than ninety (90%) per cent in Share value of the Shares giving a right to attend and vote at any Shareholders' meeting; or

2. In this Regulation a reference to "financial assistance" is a reference to financial assistance of any kind and includes:
 - a. making a loan;
 - b. making a gift;
 - c. issuing a debenture;
 - d. giving security over the Company's assets; or
 - e. giving a guarantee or an indemnity in respect of another person's liability.

43. BEARER AND TREASURY SHARES

1. Bearer Shares: It shall not be lawful for a Company to issue bearer Shares.
2. Treasury Shares in PLC:
 - a. Unless restricted by its Memorandum of Association, a PLC may make a purchase of its own Shares, as treasury Shares, subject to:
 - i. the approval of the Registrar;
 - ii. an Ordinary Resolution; and
 - iii. compliance with the requirements of this Regulation 43(2).
 - b. The PLC must be entered as a Shareholder of the treasury Shares.
 - c. The purchase of treasury Shares must be made out of the distributable profits of the PLC.
 - d. The PLC may hold, transfer or cancel the treasury Shares. In the event of a transfer, the PLC may transfer the treasury Shares for cash consideration, or for the purposes as stated in its Memorandum of Association.
 - e. If the PLC cancels any treasury Shares, the amount of the PLC's share capital is reduced accordingly by the nominal amount of the Shares cancelled.
 - f. The PLC may not exercise any other rights attached to the treasury Shares, including the right to vote, attend a meeting, and receive dividends or distributions of the PLC's assets (including any distribution of assets to Shareholders on a winding up).

44. REGISTER OF SHAREHOLDERS

Every Company shall (either itself or through an agent) have and maintain a register of its Shareholders and promptly enter in it:

- a. the names and addresses of its Shareholders, together with a statement of the Shares held by each Shareholder, distinguishing each Share by its number;
- b. the date on which each person was registered as a Shareholder;
- c. the date on which any person ceased to be a Shareholder; and
- d. the date on which the number of Shares held by any Shareholder increased or decreased.

45. INSPECTION OF REGISTER

1. The register of Shareholders shall during business hours be open to the inspection of any Shareholder of the Company without charge, and of any other person on payment of such reasonable sum as the Company may require, either:
 - a. at the registered office of the Company; or
 - b. if the register of Shareholders is kept at the offices of an agent, then the Company shall require that the register be open for inspection during business hours at the offices of such agent and shall ensure that the copy of the register maintained at its registered office is also open for inspection during business hours.

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2. In case of refusal for inspection of the register, the Registrar may issue a directive requiring the Company to provide immediate inspection of the register by a Shareholder or any other person.

46. RECTIFICATION OF SHARE REGISTER

1. If:
 - a. the name of a person or the number of Shares held is, without sufficient reason, entered in or omitted from a Company's register of Shareholders; or
 - b. there is a failure or unnecessary delay in entering on the register the fact of a person having ceased to be a Shareholder;the person aggrieved, or a Shareholder of the Company or the Company, may apply to the Registrar for rectification of the register.
2. The Registrar may refuse the application or may order rectification of the register.

47. SHARE CERTIFICATES

1. Except where otherwise specified in the Memorandum, the Company must issue free of charge to each shareholder, one or more certificates in respect of the shares which that shareholder holds.
2. Every Company shall within 14 days:
 - a. after the issue of any shares; and
 - b. after the date of transfer of any of its shares, complete and have ready for delivery the certificates of all shares issued or transferred.
3. A share certificate shall specify:
 - a. the name of the Company;
 - b. name of the Shareholder;
 - c. the number of Shares represented by the share certificate;
 - d. a distinctive serial number of each Share;
 - e. the amount paid on the Share; and
 - f. the date of its issuance.
4. Regulation 47 (1) does not apply to an issue or transfer of shares which the Registrar or the Company is for any reason entitled to refuse to register and does not register.

48. DIVIDENDS AND DISTRIBUTIONS

1. A Company may distribute dividends in accordance with the Memorandum of Association of the Company.
2. A Company shall not declare or pay a Dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:
 - a. the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
 - b. the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities and its share capital and share premium accounts.
3. A Shareholder must return any distribution, or part of a distribution, received from a PLC if the distribution has been made in contravention of this Regulation 48

PART 9: DIRECTOR, MANAGER AND SECRETARY

49. DIRECTOR

1. Subject to any limitations in the Memorandum of Association, the Company may have one (1) or more Director(s).

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2. No person shall be a Director who:
 - a. is under the age of twenty one (21) years;
 - b. is disqualified from being a Director by virtue of:
 - i. having been convicted of a criminal offence, involving dishonesty or moral turpitude, in any jurisdiction in the past ten (10) years;
 - ii. having been found guilty of insider trading or the equivalent in any jurisdiction at any time;
 - iii. having been judged disqualified by the Court;
 - iv. being on a UN, UAE or other relevant sanctions list;
 - v. disqualification under the Memorandum of Association;
 - c. is an undischarged bankrupt; or
 - d. is not a natural person.

50. ELECTION, TERM AND REMOVAL OF DIRECTORS

1. The first Directors of a Company shall be elected by the Shareholders for such term as the Shareholders may determine.
2. Each Director holds office until his successor takes office or until his earlier death, resignation or removal by Ordinary Resolution.
3. A vacancy created by the death, resignation or removal of a Director may be filled by Ordinary Resolution.
4. The number of Directors shall be fixed by the Memorandum of Association.
5. Appointment of Director to the Company is subject to the approval of the Registrar and shall take effect only after his/ her name is mentioned in the Companies Register.
6. Removal of a Director must be notified to the Registrar and update the Companies Register within fourteen (14) days from the removal.

51. DUTIES OF DIRECTORS AND OFFICERS

1. A Director or other officer of a Company, in exercising his powers and discharging his duties, shall:
 - a. act honestly, in good faith and lawfully, with a view to the best interests of the Company; and
 - b. exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

52. DUTY OF DIRECTORS TO DISCLOSE INTERESTS

1. A Director of a Company who has, directly or indirectly, an interest in a transaction entered into or proposed to be entered into by the Company or by a subsidiary of the Company which to a material extent conflicts or may conflict with the interests of the Company and of which he is aware, shall disclose to the Company the nature and extent of his interest.
2. The disclosure under Regulation 52(1) shall be made as soon as practicable after the Director becomes aware of the circumstances which gave rise to his duty to make it.
3. A notice in writing given to the Company by a Director that he is to be regarded as interested in a transaction with a specified person is sufficient disclosure of his interest in any such transaction entered into after the notice is given.
4. Subject to Regulation 52 (5), where a Director fails to disclose an interest of his under this Regulation, the Company or a Shareholder of the Company may apply to the Court for an order setting aside the transaction concerned and directing that the Director account to the Company for any profit, gain or benefit realized, and the Court may so order or make such other order as it thinks fit.
5. A transaction is not voidable, and a Director is not accountable, under Regulation 52(4) where, notwithstanding a failure to comply with this Regulation:

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- a. the transaction is confirmed by an Ordinary Resolution; and
- b. the nature and extent of the Director's interest in the transaction were disclosed in reasonable detail in the notice calling the General Meeting at which the Resolution is passed.

53. PROHIBITIONS OF FINANCIAL ASSISTANCE TO DIRECTORS

1. Subject to Regulation 53(4), a Company shall not provide the following financial assistance to a Director:
 - a. a loan, debenture, credit facility or other similar form of financial assistance;
 - b. a guarantee or security or indemnity in connection with a loan, debenture, credit facility or other similar form of financial assistance, whether such financial assistance is provided by the Company or another person; or

Unless:

- c. consent is given by Shareholders attending the meeting who together hold not less than ninety (90%) per cent of the Shares which are voted at that meeting; and
- d. all of the Directors of the Company resolve that the giving of the financial assistance does not materially prejudice both of the following:
 - i. the interests of the Company and its Shareholders; and
 - ii. the Company's ability to discharge its liabilities as they fall due.
2. Any such financial assistance provided pursuant to Regulation 53(1) shall be:
 - a. documented in writing; and
 - b. prior to its provision, recorded in the minutes of the meeting of the Directors of the Company, under signature of all Directors, as being provided in compliance with the requirements of Regulation 53(1).
3. Financial assistance shall be deemed to be financial assistance to a Director if it is made to:
 - a. a spouse or child of a Director; or
 - b. to a company of which a Director, his spouse or child owns or controls directly or indirectly more than twenty (20%) per cent of the share capital.
4. Regulation 53(1) does not apply to financial assistance where:
 - a. it consists of remuneration in the ordinary course paid to a Director for his services as a Director;
 - b. it is liability indemnity insurance related to the discharge of his duties to the Company;

54. ALTERNATE DIRECTORS

1. Subject to the Memorandum of Association, a Director may by a written instrument appoint an alternate who need not be a Director and the name of such alternate shall be given in writing to the Directors.
2. An alternate for a Director appointed under Regulation 54(1) shall be entitled to attend meetings in the absence of the Director who appointed him and to vote in the place of the Director.

55. VALIDITY OF ACTS OF DIRECTOR

The acts of a Director are valid notwithstanding any defect that may afterwards be found in his appointment or qualification.

56. MANAGER

1. An Entity must have a manager who shall be a natural person or corporate entity. The name of the manager will be recorded in the Companies Register and it must appear on the license of the Company.
2. No person can be a manager who:

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- a. if a natural person, is under the age of twenty-one (21) years unless approved by the Registrar;
 - b. has not been approved by the Registrar;
 - c. has been judged disqualified by the court; or
 - d. does not qualify based on the criteria provided in the Memorandum of Association.
3. For all aspects concerning the appointment of a corporate entity as manager, the Board of Directors of the Authority will issue relevant guidelines, directives or circulars from time to time.
 4. A shareholder, Director or a secretary may also be appointed as a manager.
 5. A manager of a Company may be appointed or removed by a resolution of the Company. In addition to the authority of a manager under these Companies Regulations, a manager's authority may be provided in the Memorandum of Association or by a resolution of the Company.

57. SECRETARY

A Company may have a secretary. A secretary cannot be a Director.

58. REGISTER OF DIRECTORS, MANAGER AND SECRETARY

1. Every Company shall keep at its registered office a register of its Directors, manager and secretary. The Authority may make Implementing Regulations prescribing particulars which each register shall contain.
2. The register required to be kept pursuant to Regulation 58(1) shall during business hours be open to the inspection of the Registrar and of a Shareholder or Director of the Company without charge.
3. For PLC, its register of Directors, manager and secretary must be available for public inspection during regular office hours of the PLC.
4. In the case of a refusal of inspection of the register, the Registrar may issue a direction requiring the Company to provide immediate inspection by the Registrar, Shareholder or Director.

PART 10: MEETINGS

59. PARTICIPATION IN MEETINGS

1. Subject to the Memorandum of Association of a Company, a Shareholder may participate in a meeting by phone or by other similar means of communication where each Shareholder present at the meeting can hear what is said by any other Shareholder present at the meeting and each Shareholder so participating at the meeting is deemed to be present at that meeting with the other Shareholders so participating.
2. Subject to the Memorandum of Association of a Company, a Director may participate in a meeting by phone or other similar means of communication where each Director present at the meeting can hear what is said by any other Shareholder present at the meeting, and each Director so participating at the meeting is deemed to be present at that meeting with the other Directors so participating.

60. ANNUAL GENERAL MEETING

1. Every Company shall in each year hold an annual General Meeting in addition to any other General Meetings in that year; but so long as a Company holds its first annual General Meeting within eighteen (18) months of its incorporation, it need not hold it in the year of its incorporation or in the following year.
2. Subject to Regulation 60(1), not more than fifteen (15) months shall elapse between the date of one annual General Meeting and the date of the next and not more than six (6) months shall elapse between the end of the financial year of the Company and its next annual General Meeting.

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61. REQUEST OF MEETINGS

1. On a Shareholders' request the Directors or secretary of a Company shall, notwithstanding anything in the Company's Memorandum of Association, forthwith proceed to call a General Meeting or, as the case may be, a meeting of Shareholders, to be held as soon as practicable but in any case not later than two (2) months after the date of the request.
2. A Shareholders' request is a request of Shareholders of the Company holding at the date of the request not less than five (5%) per cent of the Shares which at that date carry the right of voting at the meeting requested.
3. The request shall state the objects of the meeting, and shall be made by or on behalf of each Shareholder making the request and deposited at the registered office of the Company, and may consist of several documents in similar form each signed by or on behalf of one or more of such Shareholders.
4. If within twenty one (21) days from the date of the deposit of the request the Directors or secretary do not proceed duly to call a meeting to be held within two (2) months of the date of the request, the Shareholders making the request, or any of them representing more than one half of the total voting rights of all of them, may themselves call a meeting, but a meeting so called shall not be held after three (3) months from that date.
5. A meeting called under this Regulation shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by Directors.

62. REGISTRAR'S POWER TO CALL MEETING IN DEFAULT

1. If default is made in holding a meeting in accordance with Regulation 61, the Registrar may, on the application of any officer or Shareholder of the Company, call, or direct the calling of, a General Meeting of the Company.
2. The Company shall, unless with reasonable excuse, comply with a direction of the Registrar made under Regulation 62(1).

63. NOTICE OF MEETINGS

1. Any General Meeting of the Company (other than an adjourned meeting) may be called by at least twenty-one (21) days' notice in writing.
2. If a General Meeting is called by shorter notice than that specified in Regulation 63 (1), it is deemed to have been duly called if it is so agreed by a majority in number of the Shareholders having a right to attend and vote at the General Meeting, being
 - a. in respect of a FZ LLC, a majority together holding not less than ninety-five (95%) per cent of the Shares giving a right to attend and vote at the General Meeting.
 - b. in respect of a General Meeting other than an annual General Meeting of a PLC, a majority together holding not less than ninety-five per cent (95%) of the share capital represented by the Shares giving a right to attend and vote at the General Meeting; and
 - c. in respect of an annual General Meeting of a PLC, all Shareholders of the PLC

64. A NOTICE OF A GENERAL MEETING OF A COMPANY SHALL:

- a. set out the time, place and date for the General Meeting;
- b. state the agenda of the General Meeting
- c. state the general nature of the General Meeting's business;
- d. set out the intention to propose any Ordinary Resolution or Special Resolution and state such resolution;
- e. permit a Shareholder to appoint a proxy who may attend and vote on behalf of the appointing Shareholder.
- f. include a copy of any accounts and auditor's report that are to be laid before the General Meeting.

65. GENERAL PROVISIONS AS TO MEETINGS AND VOTES

1. The following provisions apply to any General Meeting of the Company or of the Shareholders in the Company unless the Memorandum of Association provide otherwise:

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- a. notice of every meeting shall be given to every Shareholder entitled to receive it by delivering or posting it to his registered address;
- b. Shareholders holding not less than five (5%) per cent of the Shares carrying a right to vote at a meeting may call any such meeting;
- c. except in the case of a Company having a single Shareholder, at any General Meeting of the Company half of the Shareholders personally present or represented by proxy shall be a quorum;
- d. any Shareholder elected by the Shareholders present at any such meeting may be chairman; and
- e. on a show of hands, every Shareholder present in person at any such meeting has one (1) vote and, on a poll, every Shareholder has one (1) vote for every Share held by him.

66. REPRESENTATION OF BODY CORPORATE AT MEETINGS

1. A body corporate, whether or not a Company within the meaning of these Companies Regulations, may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of a Company, or of creditors of a Company which it is entitled to attend.
2. A person so authorized is entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual Shareholder or creditor of the Company.

67. RESOLUTIONS IN WRITING

1. Subject to a Company's Memorandum of Association, anything that may be done by an Ordinary Resolution or Special Resolution passed at a Shareholders' meeting may be done by an Ordinary Resolution or Special Resolution in writing signed by each Shareholder who, at the date when the Ordinary Resolution or Special Resolution is deemed to be passed, would be entitled to vote.
2. An Ordinary Resolution or Special Resolution in writing may consist of several instruments in the same form each signed by or on behalf of one or more Shareholders.
3. An Ordinary Resolution or Special Resolution under this Regulation shall be deemed to be passed when the instrument, or the last of several instruments, is last signed or on such later date as is specified in the Ordinary Resolution or Special Resolution.
4. Any document attached to an Ordinary Resolution or Special Resolution in writing under this Regulation shall be deemed to have been laid before a meeting of the Shareholders signing the Ordinary Resolution or Special Resolution.

68. RECORDING OF DECISIONS BY SOLE SHAREHOLDER

1. If:
 - a. a Company has only one (1) Shareholder;
 - b. the Shareholder takes a decision which may be taken by the Company in a General Meeting and has effect as if agreed by the Company in a General Meeting; and
 - c. the decision is not taken by way of Resolution in writing, the Shareholder shall provide the Company with a record in writing of the decision.
2. Failure to comply with Regulation 68 (1) shall not affect the validity of the decision.

69. PROXIES

1. A Shareholder of a Company entitled to attend and vote at a General Meeting or at any meeting of the Shareholders is entitled to appoint, by notice to the Company in writing, another person (whether a Shareholder or not) as his proxy to attend and vote instead of him. disclose with reasonable accuracy the financial position of the Company at any time; and
2. A proxy appointed to attend and vote for a Shareholder has the same rights as the Shareholder including without limitation:
 - a. to speak at the meeting; Companies Regulations.
 - b. to vote (but only to the extent allowed by the appointment or by the Memorandum of Association); and preserved by the Company for at least six (6) years from the date upon which they were created, or for some other period as may be prescribed in the Implementing Regulations;
 - c. join in a demand for a poll otherwise kept and maintained in such manner as may be provided in the Implementing Regulations.

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3. In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a Shareholder entitled to attend and vote is entitled to appoint a proxy or, where that is allowed, one or more proxies to attend and vote instead of him, and that a proxy need not also be a Shareholder.
4. A proxy must be at least 21 years old and subject to reasonable identification and verification processes.

70. DIRECTORS' REPORT IN PLC

1. The Directors of a PLC must prepare a directors' report for each financial year of the PLC.
2. The directors' report for a financial year must state:
 - a. the names of the persons who, at any time during the financial year, were directors of the PLC;
 - b. a fair view of the PLC's business;
 - c. a description of the risks applicable to the PLC;
 - d. an analysis of the development, performance and position of the PLC's business;
 - e. a statement to the effect that each Director, at the time the report is approved, so far as the director is aware, there is no relevant audit information of which the PLC's auditors is unaware and that each Director has taken all steps that they ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the PLC's auditor is aware of that information; and
 - f. a review of the PLC's business.
3. The directors' report must be approved by the Directors and signed on behalf of the board of directors of the PLC.
4. A PLC must include a corporate governance statement in its Directors' report. That statement must be included as a specific section of the Directors' report and must contain at least the information set out in this Regulation 70.
5. The corporate governance statement must contain a reference to the following, where applicable:
 - a. the corporate governance code to which the PLC is subject;
 - b. the corporate governance code which the PLC may have voluntarily decided to apply; and
 - c. all relevant information about the corporate governance practices applied over and above the requirements of applicable law.
6. A PLC which is complying with Regulation 70(5)(a) or Regulation 70(5)(b) must:
 - a. state in its Directors' report where the relevant corporate governance code is publicly available;
 - b. where it departs from that corporate governance code, explain which parts of the corporate governance code it departs from and the reasons for doing so;
 - c. where Regulation 70(5)(c) applies, the PLC must take details of its corporate governance practices publicly available and state in its Directors' report where they can be found.
 - d. if an issuer has decided not to refer to any provisions of a corporate governance code referred to under 70(5)(a) or Regulation 70(5)(b), it must explain its reasons for that decision.
7. The corporate governance statement must contain a description of the main features of the PLC's internal control risk management systems in relation to the financial reporting process.
8. The corporate governance statement must contain a description of the composition and operation of the PLC's administrative, management and supervisory bodies and their committees.

71. DEMAND FOR POLL

1. A provision contained in a Company's Memorandum of Association is void in so far as it would have the effect either:
 - a. of excluding the right to demand a poll at a General Meeting, or at any meeting of the Shareholders on a question (other than the election of the chairman of the meeting or the adjournment of the meeting); or
 - b. of making ineffective a demand for a poll on any such question which is made either:

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- i. by not less than five (5) Shareholders having the right to vote on the question; or
 - ii. by a Shareholder or Shareholders representing not less than five (5%) per cent of the total number of Shares having the right to a vote on the question.
2. The instrument appointing a proxy to vote at such a meeting is deemed also to confer authority to demand or join in demanding a poll; and for the purposes of Regulation 71 (1) a demand by a person as proxy for a Shareholder is the same as a demand by the Shareholder.
3. On a poll taken at such a meeting, a Shareholder entitled to more than one (1) vote need not, if he votes (in person or by proxy), use all his votes in the same way.

72. MINUTES AND EXAMINATION OF MINUTE BOOKS

1. Every Company shall cause minutes of all proceedings at General Meetings, any meetings of Shareholders, meetings of its Directors or meetings of committees of the PLC to be entered in books kept for that purpose, and the names of the Shareholders and Directors present at each such meeting shall be recorded in the minutes.
2. Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next succeeding meeting, is evidence of the proceedings.
3. Where minutes have been made in accordance with this Regulation then, until the contrary is proved, the meeting is deemed duly held and convened, and all proceedings which took place at the meeting are deemed to have duly taken place.
4. The books containing the minutes of a General Meeting or of any meeting of the Shareholders shall be kept at the Company's registered office, and shall during business hours be open to examination by a Shareholder without charge.
5. A Shareholder may require, on submission to the Company of a written request and on payment of such reasonable sum as the Company may require, a copy of any such minutes and the Company shall, within seven (7) days after the receipt of the request and the payment, cause the copy so required to be made available at the registered office of the Company for collection during business hours.

In the case of a refusal or default, the Registrar may make an order compelling an immediate inspection of the books in respect of all proceedings of General Meetings, or any meetings of the Shareholders or directing that the copies required be furnished to the persons requiring them.

PART 11: ACCOUNTS AND AUDIT

CHAPTER 1 – GENERAL

73. WAIVER AND MODIFICATION OF REGULATIONS

1. The Authority may, without limiting powers conferred upon it elsewhere under these Companies Regulations, make Implementing Regulations extending, waiving or modifying the application of provisions of this Part in relation to different cases or classes of case.
2. In particular, such Implementing Regulations may provide for:
 - a. the inclusion in accounts of group accounts dealing with the affairs of a Company and its subsidiaries;
 - b. the inclusion in accounts of a report by the Directors dealing with such matters as may be specified;
 - c. the accounting principles to be applied in the preparation of accounts, including:
 - i. the creation or adoption of one or more accounting standards or codes of practice;
 - ii. which of, and the manner in which, such accounting standards may apply to particular Companies and in particular circumstances; or
 - iii. periods in which an accounting standard may apply;
 - d. the extending or shortening of a financial year in certain circumstances, including to facilitate synchronization of accounts;
 - e. the appointment, qualifications, remuneration, removal, resignation, rights and duties of auditors;

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- f. the creation or adoption of auditing standards or codes of practice; and
- g. the waiver of the requirement for the preparation of accounts and examination and reporting thereupon by auditors.

CHAPTER 2 – ACCOUNTS

74. MAINTENANCE OF ACCOUNTING RECORDS

1. Every Company shall keep accounting records including underlying documents in accordance with these Companies Regulation and Market Laws which are sufficient to show and explain its transactions so as to:
 - a. disclose with reasonable accuracy the financial position of the Company at any time; and
 - b. enable the Directors or Manager to ensure that any accounts prepared by the Company under this Part comply with the requirements of these Companies Regulations.
2. A Company's accounting records including the underlying documents shall be:
 - a. kept at such place as the Shareholders or Directors or Manager think fit unless specifically prescribed in the Implementing Regulations;
 - b. preserved by the Company from the date upon which they were created and throughout its duration, or for some other period as may be prescribed in the Implementing Regulations and continually maintain and keep such accounting records including underlying documents for period of five (5) years after the Companies existence;
 - c. open to inspection by an officer or auditor of the Company at all reasonable times; and
 - d. otherwise kept and maintained in such manner as may be provided in the Implementing Regulations.

75. FINANCIAL YEARS

1. The first Financial Year of a Company shall commence on the date of its incorporation and shall be for a period of not less than six (6) months, nor more than eighteen (18) months as determined by the Company and as notified to the Registrar in the form prescribed within three (3) months of the date of incorporation of the Company; and
2. A Company may, by notice to the Registrar in the form prescribed, specify a new Financial Year provided that in no case may the Financial Year of a Company exceed eighteen (18) months or be shorter than six (6) months.

76. ACCOUNTS

1. The Shareholders or Directors of every Company shall cause accounts to be prepared in relation to each Financial Year of the Company.
2. The accounts shall:
 - a. be prepared in accordance with accounting principles or standards approved by the Authority or prescribed in Implementing Regulations;
 - b. show a true and fair view of the profit or loss of the Company for the period and of the state of the Company's affairs at the end of the period; and
 - c. comply with any other requirements of these Companies Regulations.
3. A Company's accounts shall be approved by the Shareholders or Directors and signed on their behalf by at least one (1) of them.
4. Within six (6) months after the end of the financial year, the accounts for that year shall be:
 - a. prepared and approved by the Shareholders or Directors;
 - b. examined and reported upon by an auditor;
 - c. laid before the annual General Meeting for discussion and, if thought fit, approval of the Shareholders together with a copy of the auditor's report and.
 - d. in the case of a PLC, send a copy of the Directors' report prepared in accordance with Regulation 70, to every Shareholder, excluding those Shareholders for whom the PLC does not have a current postal address.
5. As directed by the Registrar, the Company shall file with the Registrar, a copy of the accounts, auditors report and the directors report (for PLC) within seven (7) days from of such directive.

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6. In this Part, references to "accounts" are to those prepared in accordance with this Regulation.
7. A PLC must ensure that its annual accounts and reports are made available on a website that identifies the PLC and is maintained by the PLC.
8. The annual accounts and reports shall remain available until the annual accounts and reports for the PLC's next financial year are published.
9. A Company which fails to comply with each of the requirements in this Regulation 76 is liable to a fine as determined by the Implementing Regulations.

77. PROVISION OF COPY OF ACCOUNTS TO A SHAREHOLDER

1. Any Shareholder of a Company is entitled, on written request made by him to the Company and without charge, to be furnished with a copy of the Company's latest audited accounts, auditor's report and for PLC, copy of the directors' report.
2. A Company shall comply with such a request within seven (7) days.
3. A Company which fails to comply with each of the requirements in this Regulation 77 is liable to a fine as determined by the Implementing Regulations.

CHAPTER 3 – AUDITORS

78. QUALIFICATION AND REGISTRATION OF AUDITORS

1. In this Part, unless expressed otherwise, a reference to an auditor is a reference to an auditor who is registered under these Companies Regulations.
2. The Authority shall issue Implementing Regulations containing a set of requirements which an application for registration as an auditor must meet before such application can be accepted and registration be granted by the Authority. Such Implementing Regulations may include requirements relating to the qualifications, experience and fitness and propriety of applicants.
3. The Authority may issue Implementing Regulations providing for such requirements referred to in Regulation 78 (2) to be varied in cases where an application is made by a firm that is, at the time of application, regulated in a jurisdiction other than the Zone.
4. The Authority may in its absolute discretion refuse to grant an application for registration.
5. The Authority may cancel the registration of an auditor on that firm's request or as otherwise provided under these Companies Regulations and any other Implementing Regulations.

79. REGISTER OF AUDITORS

1. The Registrar shall maintain a register of current and past registrations of auditors in such manner as may be prescribed in the Implementing Regulations.

80. APPOINTMENT AND REMOVAL OF AUDITORS

1. A Company shall by Ordinary Resolution appoint a firm of auditors who shall examine and report in accordance with these Companies Regulations upon the accounts prepared.
2. A firm shall not:
 - a. consent to be appointed as an auditor of a Company;
 - b. act as an auditor of a Company; or
 - c. prepare any report required by these Companies Regulations to be prepared by an auditor; unless the firm has applied and been registered as an auditor under these Companies Regulations
3. The appointment of a firm as an auditor of a Company is taken to be an appointment of all persons who are partners of the firm and are registered as an auditor under this Part.
4. A Company shall at each annual General Meeting appoint an auditor to hold office from the conclusion of that meeting to the conclusion of the next annual General Meeting.
5. The Shareholder or Directors may, at any time before the first annual General Meeting, appoint an auditor who shall hold office to the conclusion of

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the first annual General Meeting.

6. The Shareholders or Directors of a Company may fill any casual vacancy in the office of auditor on such terms as they see fit, who shall hold office:
 - a. in respect of a PLC, until the conclusion of the next General Meeting at which the accounts for the previous year are laid; or
 - b. in respect of a FZ LLC, until the end of the next period for appointing auditors
7. Subject to Regulation 80(6), the Company in a General Meeting may fix the auditor's remuneration.
8. A Company may by Ordinary Resolution at any time remove an auditor.
9. Nothing in this Regulation is to be taken as depriving an auditor removed under it of compensation or damages payable to the auditor in respect of the termination of appointment as auditor.
10. A PLC shall file a notice of appointment of auditor, the Ordinary Resolution of the General Meeting or board of Directors appointing the auditor, and the auditor's letter of acceptance of the appointment with the Registrar, within (30) days of the appointment.
11. A PLC shall file a notice of cessation of auditor and the related Ordinary Resolution of the board of Directors with the Registrar, within thirty (30) days of the resignation or removal of an auditor.
12. A PLC filing a notice of appointment of an auditor or notice of cessation of an auditor shall use the applicable form prescribed by the Registrar.

81. AUDITORS' DUTIES AND POWERS

1. A Company's auditor shall, in preparing the report in relation to accounts of a Company, carry out such investigations as will enable the auditor to form an opinion as to the following matters:
 - a. whether proper accounting records have been kept by the Company and proper returns adequate for the audit have been received from branches not visited by the auditor;
 - b. whether the Company's accounts are in agreement with the accounting records and returns; and
 - c. whether the Company's accounts have been prepared in compliance with any applicable accounting standards.
 - d. in the case of a PLC, whether the auditable part of the Company's Directors' remuneration report is in agreement with the accounting records and returns.
2. If the auditor is of the opinion that proper accounting records have not been kept, or that proper returns adequate for the audit have not been received from branches not visited by the auditor, or if the accounts are not in agreement with the accounting records and returns, or that the accounts do not comply with accounting standards, the auditor shall state that fact in the report.
3. The auditor has a right of access, at all reasonable times, to the Company's records, and is entitled to require from the Company's officers such information and explanations as the auditor considers necessary for the performance of the duties of the auditor.
4. If the auditor fails to obtain all the information and explanations which, to the best of the auditor's knowledge and belief are necessary for the purposes of the audit, the auditor shall state that fact in the report.
5. A PLC's auditor shall make a report to the PLC's Shareholders on the accounts examined by the auditor. The auditor's report shall state:
 - a. whether, in the auditor's opinion, the accounts have been properly prepared in accordance with this Regulation;
 - b. in particular, whether the accounts give a true and fair view of the profit or loss of the PLC or the financial year and of the state of the PLC's affairs at the end of the financial year; and
 - c. any other matter or opinion required under the Regulations.

82. COOPERATION WITH AUDITORS

1. A Company, and any Officer of a Company, shall not, knowingly or recklessly:
 - a. provide information to its auditor which is false, misleading or deceptive; or

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- b. omit to provide information to its auditor which the auditor reasonably requires, or is entitled to require, where the omission of such information is likely to mislead or deceive the auditor.
2. A Company, any Officer of a Company and any person acting under the direction or authority of such a Company or Officer, shall not, without reasonable excuse, engage in any of the following conduct:
 - a. destruction or concealment of documents;
 - b. coercion, manipulation, misleading, or influencing of the auditor;
 - c. failure to provide access to information or documents specified by the auditor; or
 - d. failure to give any information or explanation which the person is able to give, where the Company, Officer or other person knows or ought to know that such conduct could;
 - e. obstruct the auditor in the performance of its duties or the exercise of its powers, or
 - f. result in the rendering of the accounts of the Company or any other aspect of the auditor's report materially misleading.

83. OBLIGATION OF DISCLOSURE TO THE REGISTRAR

1. An auditor is subject to the obligations of disclosure as prescribed by the Authority.
2. Without limiting the application of any other provision of these Companies Regulations, an auditor does not contravene any duty to which the auditor is subject merely because the auditor gives to the Registrar:
 - a. a notification as required by the Authority or the Registrar; or
 - b. any other information or opinion in relation to any such matter;

if the auditor is acting in good faith and reasonably believes that the notification, information or opinion is relevant to any functions of the Registrar.

84. RESIGNATION OF AUDITOR

1. An auditor of a Company may resign from office by depositing a notice in writing to that effect together with a statement under Regulation 84 (2) at the Company's registered office. Such notice operates to bring the auditor's term of office to an end on the date on which the notice is deposited, or on such later date specified in the notice. The Company shall send to the Registrar a copy of the notice of resignation of the auditor.
2. When an auditor ceases for any reason to hold office, the auditor shall deposit at the Company's registered office either:
 - a. a statement to the effect that there are no circumstances connected with the ceasing to hold office which the auditor considers should be brought to the notice of the Shareholders or creditors of the Company; or
 - b. a statement of any circumstances connected with the ceasing to hold office which the auditor considers should be brought to the notice of the Shareholders or creditors of the Company.
3. In the case of a statement that falls within Regulation 84 (2)(b), the Company shall, within fourteen (14) days of the auditor depositing such notice at the Company's registered office, send a copy of the statement to every Shareholder of the Company and to every person entitled to receive notice of General Meetings.
4. If an auditor ceases for any reason to hold office, the Directors shall, within thirty (30) days of the cessation of office, appoint a replacement pursuant to Regulation 80.

PART 12: BRANCH ENTITY

85. BRANCH NOT TO CARRY ON BUSINESS AT ZONE WITHOUT A LICENSE

1. No Branch shall provide or purport to carry on any trade or business activity in the Zone without the applicable license granted by the Authority in accordance with these Companies Regulations.

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2. A person who contravenes this Regulation shall be subject to such sanctions as maybe specified under Implementing Regulations from time to time.

86. REGISTRATION OF BRANCH

1. An Overseas Company that wishes to establish a Branch in the Zone shall apply to the Registrar to establish a Branch in the Zone.
2. Subject to any other applicable Implementing Regulations, an application to establish a Branch in the Zone shall:
 - a. be made to the Registrar in such form and manner as the Registrar may require from time to time; and
 - b. be accompanied by the following documents, verified in such manner as the Registrar may require:
 - i. The constituent documents of the Overseas Company;
 - ii. Resolution of the Overseas Company to establish a Branch in the Zone;
 - iii. a power of attorney from the Overseas Company in favor of the principal representative of the Branch;
 - iv. such other documents or information as the Registrar may in its absolute discretion require from time to time; and
 - v. be accompanied by such fees as may be prescribed by the Authority from time to time, where applicable.

87. GRANT OR DENIAL OF APPLICATION TO REGISTER A BRANCH

1. The Registrar may, upon receipt and review of the application duly made in accordance with Regulation 86 and all such information, documents and reports, and after conducting screening, as required under the applicable Implementing Regulations, grant or deny the application.
2. Where the Registrar denies an application to establish a Branch, he shall give written notice of that fact to the applicant but shall not be bound to provide any reason for its refusal.
3. The applicant shall have no right of appeal from a decision of the Registrar under this Regulation.

88. NAME AND ACTIVITIES OF A BRANCH

1. No Branch shall be registered with a name which in the opinion of the Registrar is undesirable.
2. The Authority shall publish from time to time the segments or categories of activities which may be undertaken by a Branch in the Zone

89. PRINCIPAL REPRESENTATIVES

1. Every Branch shall appoint and maintain a principal representative in the Zone and shall give notice in writing to the Registrar of such particulars of its principal representative as the Registrar may determine.
2. If any particulars of a principal representative required by Regulation 89 (1) to be notified to the Registrar are altered, the Branch shall give in writing to the Registrar particulars of the alteration.

90. REGISTRATION OF SECURITY INTERESTS

The Registrar shall keep a Register of Branches in such form as it shall determine but which shall show:

1. the name of the Branch and its parent company;
2. the principal place in the Zone from which the Branch engages in or carries on any trade or business as per its license and the address of its registered office abroad; and
3. the date and place of incorporation of its parent company.

91. RECORDS TO BE KEPT BY BRANCH

Every Branch shall keep at the principal place in the Zone from which it engages in or carries on any trade or business in the Zone such records of its acts and financial affairs as shall show adequately the trade or business it is engaging in or carrying on or has engaged in or carried on in the Zone.

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92. LETTERHEADS AND SERVICE OF PROCESS OF BRANCH

1. Every Branch shall have the following particulars on all letters sent from a place of business in the Zone in connection with its business:
 - a. its full name as appears on the license obtained from the Authority to operate in the Zone; and
 - b. the place of incorporation of its parent company; and
 - c. the principal place and address in the Zone from which the Branch engages in or carries on any trade or business in the Zone
2. For the purposes of these Companies Regulations, any process or notice required to be served on a Branch shall be sufficiently served if served on any person named in the list of persons delivered to the Registrar or if left at a place of business notified to the Registrar.

PART 13: AMALGAMATIONS

93. AMALGAMATION OF COMPANIES

Two (2) or more Companies which are incorporated in the Zone may, subject to the consent of the Registrar given in its absolute discretion and pursuant to the provisions of these Companies Regulations, amalgamate and continue as one Company and, if a license has been granted to one or more of these companies, these Companies Regulations governing such license shall continue in effect for the surviving Company, subject to the consent of the Registrar.

94. SURVIVAL OF COMPANY ON AMALGAMATION OF ONE OR MORE COMPANIES

1. One or more companies and one or more bodies incorporated outside of the Zone may apply to the Registrar for consent to amalgamate and continue as a Company registered in the Zone to which the provisions of these Companies Regulations and any other applicable Regulations shall apply.
2. An application for consent under Regulation 94 (1) shall be in such form, and be accompanied by an application fee where applicable, and such documents, as the Registrar may determine, including documentary proof, satisfactory to the Registrar, that the Company has obtained all necessary authorizations required under the laws of the country in which it was incorporated to enable it to make the application.

95. SURVIVAL OF THE COMPANY ON AMALGAMATION OF ONE OR MORE COMPANIES

1. One or more outside companies and one or more Companies incorporated in the Zone may apply to the Registrar for consent to amalgamate and continue as a Company incorporated in the Zone which the provisions of the laws of the jurisdiction of incorporation of the surviving corporation shall apply.
2. An application for consent under this Regulation shall be in such form, and shall be accompanied by an application fee where applicable, and supported by such documents as the Registrar may determine and such documents shall include
 - a. a certified copy of a resolution of the Shareholders of each amalgamating Company (in this Regulation referred to as an "amalgamating Company") passed in a general meeting; or
 - b. if so authorized by the Memorandum of Association, a certified copy of a resolution of the Directors of each amalgamating Company approving the amalgamation and naming the country or jurisdiction outside the Zone of the surviving Company; and
 - c. a declaration signed by an Officer of each amalgamating Company declaring that there are reasonable grounds for believing that:
 - i. the amalgamating Company is, and the surviving Company shall be, able to pay its liabilities as they become due;
 - ii. the realizable value of the surviving Company's assets shall not be less than the aggregate of its liabilities and issued capital of all classes; and
 - iii. either no creditor shall be prejudiced by the amalgamation or adequate notice has been given to all known creditors of such Company and no creditor objects to the amalgamation otherwise than on grounds that are frivolous or vexatious; and
 - d. documentary proof, satisfactory to the Registrar, that each amalgamating Company has obtained all necessary authorizations required under the laws of the country or jurisdiction in which it was incorporated to enable it to make the application.
3. Where the Registrar refuses to grant its consent under this regulation it shall not be bound to assign any reason therefore, and its decision shall not be subject to appeal or review in any court.

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4. The Authority may make implementing regulations for carrying out the purposes of this Part 13.

PART 12: SECURITY INTERESTS

96. TYPES OF SECURITY INTERESTS

1. The following security interest ("Security Interests") may be created, amended and discharged under these Companies Regulations:
a shareholder of a Company may pledge or otherwise charge its Shares to a bank or a finance company as security for a debt or obligation of a shareholder, the Company or any other person.
2. An agreement for a Security Interest must be in the form approved by the Registrar.
3. The Registrar will maintain a security register containing information in relation to the creation, alteration, enforcement and discharge of Security Interests ("Security Register"), including:
 - a. the date of creation, alteration, enforcement and discharge;
 - b. the type of Security Interest being created;
 - c. the name of the person who creates the Security Interest;
 - d. the name of the Bank/Financial Institution in whose favour the Security Interest is created;
 - e. the details of the arrangement in relation to which the Security Interest is created; and
 - f. any other information considered necessary by the Registrar.
4. The Registrar may on the request of the Company or the Bank/Financial Institution in whose favor the Security Interest is created, issue a certificate confirming the creation, amendment, enforcement or discharge of a Security Interest, as recorded in the Security Register.
5. The Registrar may maintain any other register it considers necessary.
6. The Registrar may issue any certificate it considers necessary to evidence the registration of the Security Interest.

97. REGISTRATION OF SECURITY INTERESTS

1. A Security Interest may be created by an application, from the shareholder creating the respective Security Interest, to the Registrar, in the form prescribed by the Registrar. The application must be submitted with the security agreement and other information as required by the Registrar.
2. A Security Interest will be created at the time it is entered in the Security Register by the Registrar.
3. A Security Interest may be amended or discharged by an application from the shareholder creating the Security Interest and the Bank/Financial Institution in whose favor the Security Interest is created, to the Registrar, in the form prescribed by the Registrar. The application must be submitted with an amendment agreement or written confirmation of discharge by the Bank/Financial Institution in whose favor the Security Interest was created, and such other information as required by the Registrar.
4. A Security Interest will be amended at the time it is amended in the Security Register.
5. A Security Interest will be discharged at the time it is recorded as discharged in the Security Register.

98. ENFORCEMENT

Enforcement of a pledge over shares approved by the Registrar will require an order of an execution court granting enforcement of the Security Interest.

99. NO LIABILITY

Neither the Authority nor the Registrar will be liable for loss suffered by a person, be it the Company, the shareholder or the Bank/Financial Institution in whose favour a Security Interest is created, as a result of an act or omission of the Authority or the Registrar or its officers, employees or agents, except where the act or omission is in bad faith.

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PART 15: WINDING UP

100. MODES OF WINDING UP

1. A Company may be wound up:
 - a. by the Registrar; or
 - b. voluntarily.
2. A Company will be under liquidation in the event of a voluntary winding up or winding up by the Registrar. The Registrar will add in “under liquidation” after the name of the Company in the Companies Register. A Company must note “under liquidation” after its name in its correspondences.

101. WINDING UP BY THE REGISTRAR

1. The Registrar may, in its sole discretion, apply to the Court to wind up a Company under the following circumstances:
 - a. Company's failure to commence business activity under the license within two (2) years from its incorporation.
 - b. suspension of the business activity under the Company's license for a period of six (6) months;
 - c. a Company's failure to comply with the applicable laws and regulations of the Authority and the UAE.
 - d. a Company's failure to renew the license;
 - e. termination of the license of the Company by the Registrar; and
 - f. pursuant to a court order.
2. The Court may make any orders considered necessary or desirable for the winding up of the Company.

102. APPOINTMENT OF A LIQUIDATOR BY THE COURT

1. In this Article, “relevant requirement” means a requirement, duty, prohibition, responsibility or obligation which is imposed by or under the applicable law or the Companies Regulations or other legislation administered by the Registrar.
2. Where:
 - a. the Registrar has appointed an inspector or inspectors to conduct an investigation into the affairs of a Company;
 - b. a civil or regulatory proceeding has been instituted, by the Registrar or otherwise, against a person as a result of that person's conduct in relation to the affairs of a Company; or
 - c. a person has engaged, is engaging or is proposing to engage in conduct that constituted, constitutes or would constitute a contravention of a relevant requirement;

the Court may, on application of the Registrar or any other person, make an order appointing a liquidator having such powers as the Court may see fit, of the property or any of the property of the relevant Company.

103. VOLUNTARY WINDING UP

1. A Company may be wound up voluntarily under the following circumstances:
 - a. when the duration of the Company provided in its Memorandum of Association expires;
 - b. when an event where a Company is to be dissolved, as may be provided in the Memorandum of Association, occurs; or
 - c. when the Company resolves by a Special Resolution, that the Company be wound up voluntarily, unless the Company's Memorandum of Association provides otherwise.

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104. APPOINTMENT AND DUTIES OF LIQUIDATOR

1. The Company must appoint, by an Ordinary Resolution, one or more auditors as liquidators, as soon as practicable, after the dissolution of the Company, and such Ordinary Resolution must, on the date that it is issued, be submitted to the Registrar. The Registrar must enter the name of the liquidator in the Companies Register.
2. A liquidator shall be authorized to conduct the affairs of a Company under liquidation. A liquidator's duties include:
 - a. to prepare a list of the Company's assets and liabilities and a balance sheet on which the liquidator will sign along with the manager or Directors;
 - b. to maintain a register for the liquidation process;
 - c. to preserve the Company's assets and entitlements;
 - d. to collect the funds owed to the Company by others, and to deposit the sums received in the bank account of the Company immediately upon receipt;
 - e. to operate, maintain and close the bank accounts of a Company;
 - f. to represent the Company before a court;
 - g. to pay the Company's debts;
 - h. to sell the Company's movable assets or real estate;
 - i. to provide the Shareholders with a provisional account on the liquidation process every six (6) months; and
 - j. to give the information or data requested by the Shareholders concerning the condition of the liquidation process.
3. The powers and duties granted to a liquidator must not, unless the liquidator requires, be performed by an Officer of the Company. The role of the Officers of the Company must be limited to assisting the liquidator in performance of the liquidator's powers and duties.
4. Where a Company is in dissolution pursuant to a court order, the court may define the method of liquidation and appoint the liquidator.
5. A liquidator cannot undertake new business for the Company, but may, where necessary complete an ongoing business.
6. A liquidator may be removed by an Ordinary Resolution, provided the resolution for removal prescribes an appointment of another liquidator. The removal and replacement of a liquidator should be immediately notified to the Registrar.

105. DISTRIBUTION OF ASSETS

1. A liquidator must notify, by registered mail, all the creditors of the Company of the commencement of the liquidation process and invite the creditors to present their claims.
2. A liquidator must publish the commencement of the liquidation of the Company in two local daily newspapers, one in Arabic and one in English, and invite objections to the liquidation within 45 days from the date of the publication. However, the Implementing Regulations may specify any other method for publication.
3. The assets of the Company must be distributed by the liquidator in the following order:
 - a. towards amounts owed to the Authority;
 - b. towards the cost of liquidation, including the liquidator's fee;
 - c. to the creditors; and
 - d. to the shareholders on a pro rata basis.

Where a creditor fails to present its claim, the liquidator must deposit the sum owed to that creditor in the court.

106. COMPLETION OF LIQUIDATION

1. On completion of the liquidation process, the liquidator will issue a final liquidation report to the Registrar.
2. The Registrar shall, upon the satisfactory completion of the liquidation, cancel the license and remove the company name from the Companies Register;

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3. All claims against the liquidator on the ground of the liquidation works and claims against the shareholder/partners, managers or the directors or the auditors of the Company due to their jobs shall be time barred upon the expiry of three (3) years, unless for some other period as may be prescribed in the Implementing Regulations. Such period shall be calculated from the date of the completion of liquidation. If the act attributed to any of such persons may be a crime, the liability claim shall not be time barred until the public claim is time barred.

107. LIQUIDATION OF A PLC

The liquidation of a PLC must be carried out in accordance with the Markets Laws and the applicable laws of UAE relating to insolvency of companies, as amended.

PART 16 – TRANSFER OF INCORPORATION

108. TRANSFER OF INCORPORATION TO THE ZONE

1. A foreign company may, if authorized by the laws of the jurisdiction in which it was incorporated, apply to the Registrar for the continuation of the foreign company as a Company.
2. An application for continuation shall be made to the Registrar in the manner prescribed in these Companies Regulations and shall:
 - a. be executed under seal and signed by an officer of the foreign company and verified by an affidavit, or other similar sworn statement, of the person signing the application;
 - b. be accompanied by articles of continuation that complies with these Companies Regulations; and
 - c. be accompanied by any other document prescribed by the Registrar.
3. The articles of continuation shall make any amendments to the original articles of incorporation and any amendments thereto necessary to make the articles of continuation conform to these Companies Regulations and any other relevant law applicable in the Authority.

109. CERTIFICATE OF CONTINUATION

1. Once the Registrar approves the application, the Registrar shall:
 - a. issue a certificate of continuation on the terms and conditions the Registrar considers appropriate;
 - b. register the Company; and
 - c. allocate to the Company a number, which shall be the Company's registered number.
2. The Registrar may refuse to issue a certificate of continuation if he considers it appropriate to do so. This decision is final and not subject to appeal or review by the Court.
3. The Registrar is not required to provide reasons for refusing to issue a certificate of continuation.

110. EFFECT OF CERTIFICATE

From the date of continuation stated in the certificate of continuation:

- a. the foreign company becomes a Company to which these Companies Regulations apply as if it has been incorporated under these Companies Regulations;
- b. the articles of continuation become the articles of the Company ; and
- c. the certificate of continuation is treated as the certificate of incorporation of the Company.

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111. COPY OF CERTIFICATE OF CONTINUATION

The Registrar shall send a copy of the certificate of continuation to the appropriate official or public body in the jurisdiction in which the application for continuation was authorized.

112. RIGHTS AND LIABILITIES

Where a foreign company is continued as a Company under these Companies Regulations, the Company:

- a. continues to have all the property, rights and privileges and is subject to all the liabilities, disabilities and debts that it had before the continuation; and
- b. remains a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.

113. TRANSFER OF INCORPORATION FROM THE ZONE TO ANOTHER JURISDICTION

1. A Company may, if it is authorized by:
 - a. a Special Resolution ; and
 - b. the Registrar in the manner prescribed in these Companies Regulations;apply to the appropriate official or public body of a foreign jurisdiction to transfer its incorporation to the foreign jurisdiction and request that the Company be continued as a foreign company.
2. A Company shall not apply under Regulation 113 (1) unless the laws of the foreign jurisdiction provide that the foreign company:
 - a. will continue to have all the property, rights and privileges and is subject to all the liabilities, disabilities and debts that it had before the continuation; and
 - b. will remain a party in any legal proceedings commenced in any jurisdiction in which it was a party before the continuation.
3. A Company ceases to be a Company within the meaning of these Companies Regulations when the Company is continued as a foreign company and when the foreign company files with the Registrar a copy of the certificate or instrument of continuation certified by the appropriate official of the foreign jurisdiction.
4. When the Registrar receives the foreign jurisdiction's certificate or instrument of continuation, the Registrar must strike the name of the Company off the Register.

114. REFUSAL TO GRANT AUTHORIZATION TO TRANSFER INCORPORATION

The Registrar may refuse to authorize a Company to apply to be continued under Regulation 113.

PART 17 – COMPANY CONVERSION

115. CONVERSION OF FZ LLC TO PLC

1. A FZ LLC may apply to the Registrar for its corporate form to be converted to, and on conversion to continue as, a PLC if:
 - a. It has a share capital that meets the minimum share capital requirement for a PLC as per Market Laws; and
 - b. A Special Resolution that it be so converted is passed; and
2. A FZ LLC may apply to the Registrar for the conversion and continuation through an application form containing the following:
 - a. following details of each of the Shareholders of the FZ LLC:
 - i. where the Shareholder is a natural person:
 - a. the full name, nationality and address of the Shareholder; and
 - b. if the Shareholder will hold Shares in trust for another person, the full name, nationality and address of the beneficial owner of the Shares; or

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- ii. where the Shareholder is a body corporate:
 - a. the full name, place of incorporation and the registered office of the Shareholder; and
 - b. the ultimate beneficial ownership information of the Incorporator
 - b. the amount of the share capital and shareholdings of the Shareholders in the proposed PLC;
 - c. the nominal value of each Share of the proposed PLC;
 - d. a statement of the PLC's proposed name upon re-registration; and
 - e. any other information required by the Registrar.
3. An application made under Regulation 115 (2) must be accompanied with:
 - a. a copy of the Special Resolution referred to in Regulation 115 (1) above;
 - b. a draft Memorandum of Association for a PLC;
 - c. a copy of the valid License of the FZ LLC;
 - d. a balance sheet prepared as at a date not more than seven (7) months before the date the application is delivered to the Registrar;
 - e. an unqualified report by the FZ LLC auditors that such balance sheet has been prepared in accordance with the accounting principles or standards prescribed in the Regulations or otherwise approved by the Registrar; and
 - f. a written statement by the FZ LLC auditors that in their opinion, at the balance sheet date, the amount of the FZ LLC net assets was not less than the aggregate of the FZ LLC share capital and its reserves.
4. On completion of the process of conversion, the Registrar may issue:
 - a. a revised Licence;
 - b. a revised certificate of incorporation; and
 - c. a registered Memorandum of Association.
5. The FZ LLC will be converted to a PLC and the proposed changes in the Company's name and Memorandum of Association, as set out in its application will take effect on the issuance of a revised certificate of incorporation.
6. Once the FZ LLC is converted to a PLC, the date of incorporation of the PLC will be that of the FZ LLC and all rights and obligations of the FZ LLC will continue with the PLC. The PLC must comply with all provisions of these Regulations in relation to a PLC.

116. CONVERSION OF A PLC TO FZ LLC

1. A PLC may apply to the Registrar for its corporate form to be converted to, and on conversion to continue as, a FZ LLC if:
 - a. it has no more than fifty (50) Shareholders; and
 - b. a Special Resolution that it should be so converted is passed.
2. The PLC may apply to the Registrar for conversion through an application form containing the following:
 - a. the following details of each of the Shareholders of the PLC:
 - i. where the Shareholder is a natural person:
 - a. the full name, nationality and address of the Shareholder; and
 - b. if the Shareholder will hold Shares in trust for another person, the full name, nationality and address of the beneficial owner of the Shares; or
 - ii. where the Shareholder is a body corporate:
 - a. the full name, place of incorporation and the registered office of the Shareholder; and
 - b. the ultimate beneficial ownership information of the Incorporator
 - b. the amount of the share capital and shareholdings of the Shareholders in the proposed FZ LLC;
 - c. the nominal value of each Share of the proposed FZ LLC;

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- d. a statement of the FZ LLC's proposed name upon re-registration; and
 - e. any other information required by the Registrar.
3. An application made under Regulation 116 (2) must be accompanied with:
 - a. a copy of the Special Resolution referred to in Regulation 116 (1) above;
 - b. draft Memorandum of Association for a FZ LLC;
 - c. evidence of compliance with obligations and procedures, of the relevant listing authority and securities exchange pursuant to the Markets Laws, to de-list the Shares; and
 - d. a copy of the valid License of the PLC.
4. On completion of the process of conversion the Registrar may issue:
 - a. a revised Licence;
 - b. a revised certificate of incorporation; and
 - c. a registered Memorandum of Association.
5. The PLC will be converted to an FZ LLC and the proposed changes in the Company's name and Memorandum of Association, as set out in its application will take effect on the issuance of a revised certificate of incorporation. The certificate of conversion of the PLC will replace the certificate of incorporation of the PLC.
6. Once the PLC is converted to a FZ LLC, the date of incorporation of the FZ LLC will be the date the PLC was first incorporated and all rights and obligations of the PLC will continue with the FZ LLC. The FZ LLC must comply with the provisions of these Regulations in relation to a FZ LLC.
7. In the case of a PLC, the holders of not less in the aggregate than five per cent (5%) of the nominal value of the Shares, or not fewer than ten (10) Shareholders of that company, who have not voted in favour of the resolution to convert to FZ LLC, may apply to the Court within thirty (30) days of the Special Resolution to have that resolution set aside by the Court. Upon such an application being made, the Court may:
 - a. dismiss it, if no grounds are found that the rights of persons making the application are adversely affected; or
 - b. set aside the Special Resolution; or
 - c. impose such conditions as it deems necessary before the PLC can be re-registered as a FZ LLC.
8. Where an application is made to the Court under Regulation 116 (7), the Registrar shall not re-register the PLC as a FZ LLC, except on the grounds specified in Regulation 116 (1)(a) or 116(1)(b).
9. If the Registrar is satisfied that the PLC making the application meets the requirements under this Regulation to be re-registered as a FZ LLC (including the satisfaction of any conditions imposed by the Court under Regulation 116(7)(c), the Registrar shall re-register the PLC accordingly. The Registrar shall issue a certificate of conversion to meet the circumstances of the case and stating the date on which it is issued.
10. On issue of the certificate of conversion, the PLC becomes a private company and the proposed change in the Company's name and Memorandum of Association, as set out in its application, take effect.

PART 18: PRIVATE JOINT STOCK COMPANIES (PJSC)

117. NATURE OF PJSC

1. A PJSC has the number of the shareholders is not less than two. The capital of the PJSC shall be divided into shares of equal nominal value, to be paid in full without offering any shares for public subscription, and conducted by signing the PJSC's Memorandum of Association and complying with the provisions of these Companies Regulations in terms of its registration and incorporation. A shareholder shall be liable only to the extent of his share in the capital of the PJSC.
2. As an exception to the minimum number of shareholders stipulated in clause (1) of this Regulation 117, a juristic person may incorporate and own all shares in a PJSC, and the owner of the PJSC's capital shall not be liable for its obligations except within the limits of the PJSC's capital stated in its Memorandum of Association. The name of the PJSC shall be followed by the expression "Sole Proprietorship - Private Joint Stock Company". The provisions on PJSC set forth in these Companies Regulations shall apply to such owner to the extent that does not conflict with the nature of the

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PJSC. The Authority shall issue Implementing Regulations on the procedures for incorporating and managing a Sole Proprietorship - Private Joint Stock Company in a manner that is consistent with its nature.

118. THE PJSC'S CAPITAL

The issued capital of the PJSC shall not be less than (5,000,000) five million dirhams and shall be paid in full. Such limit may be modified by the Authority.

119. FILING THE APPLICATION FOR INCORPORATION WITH THE REGISTRAR

1. The Shareholders' representative shall submit the application for incorporation to the Registrar, together with the Memorandum of Association and Statute of the PJSC, the economic feasibility of the project to be established by the PJSC and the timetable proposed for implementing such project.
2. The Registrar shall consider the application for incorporation and issue the approval thereof or reject it and shall notify the Shareholders' representative. The Registrar's failure to issue the approval within the said period shall be deemed as a rejection of the application for incorporation.

120. SHARES REGISTER

PJSC shall have a register wherein the names of the shareholders, the number of shares held by each of them, and any dispositions thereof shall be entered. Such register shall be delivered to the Shares Register.

121. CERTIFICATE OF INCORPORATION

1. The Shareholders' representative shall apply to the Registrar for the issuance of the incorporation certificate of the PJSC. The application shall be accompanied with:
 - a. A bank certificate confirming the deposit of the issued capital of the PJSC;
 - b. The authenticated Memorandum of Association and statute of the PJSC;
 - c. A statement of the names of the Board Members of the PJSC and written acknowledgement by them that their membership is not in conflict with the provisions of these Companies Regulations and the Implementing Regulations issued hereunder;
 - d. A certificate confirming that the register of shareholders has been delivered to the Shares Register; and
 - e. Any other documents requested by the Registrar.
2. In the event of completion of the documents set forth in clause (1) of this Regulation, the Registrar shall issue a certificate of incorporation of the PJSC.
3. The registration of the PJSC with the Authority shall be published in accordance with the conditions laid by the Authority in this respect at the expense of the PJSC.

122. COMMERCIAL LICENCE OF THE PJSC

1. The board of directors of the PJSC shall, within five (5) working days from the date of the Authority's issuance of the incorporation certificate, undertake licensing procedures before the Registrar.
2. The Registrar shall enter the PJSC in the Companies Register and issue a licence after the completion of the documents and payment of the fees.

123. TRANSFER OF OWNERSHIP OF SHARES

1. Ownership of shares shall be transferred by the registration of such disposal with the Shares Register. Such disposal may not be invoked towards the PJSC or third parties except from the date of such registration with the Shares Register.
2. A PJSC shall not register any assignment of its shares except through the Shares Register.
3. The Shares Register may refuse to enter the assignment of shares if the said assignment violates these Companies Regulations and/or applicable laws.

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124. RESTRICTIONS ON THE TRANSFER OF OWNERSHIP OF SHARES

1. Ownership of shares of a PJSC may not be transferred prior to the publication of the balance sheet and the profit and loss account for at least one fiscal year commencing from the date of registration of the PJSC in the Companies Register. The provisions of this Regulation shall apply in the event of increase of the capital prior to the expiry of the prohibition period.
2. During the prohibition period, such shares may be mortgaged, their ownership may be transferred by the shareholder's sale thereof to another shareholder, or by the shareholder's heirs sale thereof in the event of his death, to third parties or by the bankruptcy trustee of a shareholder to third parties or under a final judgment.
3. The Authority may issue an Implementing Regulation or a decision to extend or shorten the period of prohibition set forth in (1) of this Regulation, provided that it is not less than (6) six months and not more than (2) two years.

125. APPLICATION OF THE PROVISIONS CONCERNING PLC

Notwithstanding the provisions of public subscription, and for all that is not specifically provided for herein, all the Regulations (including clauses and provisions) of these Companies Regulations concerning PLC shall apply to PJSC.

PART 19: INSPECTION AND REMEDIES

CHAPTER 1 – POWERS OF INSPECTION

126. APPOINTMENT OF INSPECTORS

1. The Authority may, should it consider necessary or desirable to appoint one or more inspectors to investigate the affairs of a Company and to submit such written report as the Authority may direct.
2. Inspectors appointed under Regulation 126 (1) may, with the consent of the Authority, also investigate and report on the affairs of another company that is or was related to the Company in respect of which they were initially appointed.

127. PRODUCTION OF BOOKS, RECORDS AND ASSISTANCE

1. If Inspectors appointed under Regulation 126 suspect that any person may be in possession of books, records or information relevant to the investigation, they may require such person:
 - a. to produce any books and records in his custody or power relating to the affairs of the company;
 - b. to attend before them at reasonable times and on reasonable notice and answer all questions put to them relevant to the affairs of the Company; and
 - c. to give reasonable assistance to them in connection with the investigation.
2. If inspectors appointed under Regulation 126 have reasonable grounds for suspecting that a Director or past Director of the Company maintains or has maintained a bank account of any description, whether alone or jointly with another person, into or out of which has been paid money which is in any way related to the affairs of the Company the subject of investigation, the Inspectors may require the Director to obtain and produce all books and records in its custody or power relating to the bank account.
3. A person in respect of whom a requirement is made by an inspector pursuant to Regulation 127 (1) or (2) shall comply with that requirement.

128. INSPECTORS' REPORTS

1. The inspectors shall make a written report to the Authority at the conclusion of their investigation.
2. The inspectors shall make such interim reports, if any, to the Authority that the Authority may require.
3. The Authority may, upon receipt of a report by an inspector, do any one or more of the following:
 - a. provide a copy to the Company to which the report relates;
 - b. provide a copy of the report to any person whose financial interests may have been affected by the matters dealt with in the report;

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- c. cause the report to be published;

CHAPTER 2 – OTHER POWERS OF THE REGISTRAR

129. DIRECTION TO COMPANY TO COMPLY WITH THE REGULATIONS

1. If a Company or any officer of it fails to comply with:
 - a. a provision of these Companies Regulations or any other Implementing Regulations; or
 - b. a requirement made by the Registrar pursuant to any power under these Companies Regulations or any other Implementing Regulations; which requires either or both of them to deliver to or file with the Registrar any document, or to give notice to him of any matter, the Registrar may issue a direction that the Company or any officer of it or both of them make good such failure within a time specified in the direction.
2. If a Company or any officer of it fails to comply with a provision of these Companies Regulations or any of the Implementing Regulations which requires either or both of them to comply with a lawful requirement in relation to another person, including without limitation:
 - a. a requisition of Shareholders to call a General Meeting or
 - b. the provision of a copy of accounts and report to a Shareholder pursuant to a request;the Registrar may issue a direction that the Company or any officer of it or both of them make good such failure within a time specified in the direction.

130. POWERS TO OBTAIN OR SHARE INFORMATION

1. The Registrar may require any person incorporated or registered under these Companies Regulations, including any Shareholder, Director, Officer, partner, employee or agent of such person, by written notice, to:
 - a. give, or procure the giving of, such specified information; or
 - b. produce, or procure the production of, such specified documents,to the Registrar as the Registrar considers necessary or desirable in the performance of its powers and functions under these Companies Regulations or any other Implementing Regulations and such person shall comply with such request.
2. Information given or a document produced as a result of the exercise by the Registrar of powers under this Regulation is admissible in evidence in any proceedings, provided that any such information or document also complies with any requirements relating to the admissibility of evidence in such proceedings.
3. The Registrar may provide information to Companies or require one-time or periodic training on issues relevant to compliance with the Companies Regulations and other relevant laws.

CHAPTER 3 – GENERAL CONTRAVENTIONS

131. GENERAL CONTRAVENTIONS PROVISION

1. A person who:
 - a. does an act or thing that the person is prohibited from doing by or under an Regulation of these Companies Regulations referred to in the Violation Code;
 - b. does not do an act or thing that the person is required or directed to do under an Regulation of these Companies Regulations referred to in the Violation Code; or
 - c. otherwise contravenes an Regulation of this Companies Regulations referred to in the Violation Code;
2. Under this Regulation, 'person' does not include the Authority and Registrar.

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132. INVOLVEMENT IN CONTRAVENTIONS

1. If a person is knowingly involved in a contravention of these Companies Regulations or any other Implementing Regulations committed by another person, the aforementioned person as well as the other person commits a contravention and is liable to be proceeded against and dealt with accordingly.
2. Without limiting the generality of Regulation 133 (1), if an officer of a body corporate is knowingly involved in a contravention of these Companies Regulations or any other Implementing Regulations committed by a body corporate, the officer as well as the body corporate commits a contravention and is liable to be proceeded against and dealt with accordingly.
3. For the purposes of this Regulation, "officer" means a Director, chief executive, manager, secretary or other similar officer of the body corporate or association, or a person purporting to act in such capacity, and an individual who is a controller of such body corporate or association.
4. For the purposes of this Regulation, a person is 'knowingly involved' in a contravention if, and only if, the person
 - a. has aided, abetted, counseled or procured the contravention;
 - b. has induced, whether by threats or promises or otherwise, the contravention;
 - c. has in any way, by act or omission, directly or indirectly, been knowingly involved in or been party to, the contravention; or
 - d. has conspired with another or others to effect the contravention.
 - e. has, alone or in concert with others, directly or indirectly, done, attempted or planned any of the following:
 - i. conceal the existence or extent or nature of a contravention; or
 - ii. obstruct, impede or prevent competent authorities within the Zone from detecting, investigating or prosecuting a contravention.
5. In this Regulation, 'person' does not include the Authority and Registrar.

133. PENALTIES

1. The Implementing Regulations shall prescribe the procedures in relation to the imposition and recovery of Penalties under this Regulation.
2. Where the Registrar considers that a person or a Company has contravened a provision of these Companies Regulations, the Registrar may impose Penalty which may include the termination of the Company license(s), imposition of a fine or impose any other penalty as he may deem necessary.
3. Failure by an Entity to provide any documents, records or information to the Registrar, within the timeline set by the Registrar, shall result an imposition of a Penalty.

134. EXTERNAL REFERRAL

The Authority may report knowing contraventions and other reasonable concerns and information to local or UAE authorities and/or regulators.

PART 20: APPLICATIONS TO COURT

135. APPLICATION TO COURT

1. The Authority shall, at its absolute discretion, be entitled, at any time, to refer any matter or question that it deems appropriate to a Court having jurisdiction over such matter or question.
2. Any application to such court under these Companies Regulations shall be made in the manner prescribed by such Court.
3. Without prejudice to Regulation 135 (1), an application may in the first place be heard when the relevant Court may direct that the proceedings shall be served on such persons, if any, as it shall think fit and that the application shall be supported by such evidence as the Court shall require.

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PART 21: STRIKE - OFF OF COMPANY OR BRANCH FROM THE REGISTER

136. DEFUNCT COMPANY OR BRANCH

1. The Registrar may strike off a Company or Branch from the register if the license of the Company or Branch is revoked by the Registrar.
2. If the Registrar has reason to believe that a Company or Branch is not carrying on business or is not in operation, the Registrar may send to the Company or Branch a letter inquiring whether the Company or Branch is carrying on business or in operation.
3. If the Registrar receives an answer to the effect that the Company or Branch is not carrying on business or is not in operation, or does not within one (1) month after sending the letter receive an answer, send to the Company or Branch, a notice that at the end of three (3) months from the date of that notice, the Company or Branch, shall be struck off from the register.
4. If, where a Company is being wound up, the Registrar has reason to believe either that no liquidator is acting, or that the affairs of the Company are fully wound up, and the returns required to be made by the liquidator have not been made for a period of six (6) consecutive months, the Registrar shall send to the Company or the liquidator (if any) a notice similar to that provided for in Regulation 136 (3).
5. At the end of the period mentioned in the notice, the Registrar may, unless reason to the contrary is previously shown by the Company or a Shareholder, Branch or a parent, creditor or liquidator of it, strike - off the its name from the register and on the striking off, the liability (if any) of the Company, every director and Shareholder of it continues and may be enforced as if the Company had not been struck off.

137. NON- PAYMENT OF FEES

1. If a Company or Branch has failed to pay any fees or Penalties required to be paid to the Authority under these Companies Regulations, the Authority may send to the Company or Branch a letter requiring the Company to make the required payment within thirty (30) days, failing which the Company or Branch may be struck off from the register.
2. A Company or Branch which has been struck off from the register under Regulation 137 (1) remains liable for all claims, debts, liabilities and obligations of the Company or Branch, and the striking off does not affect the liability of any of its Shareholders, Directors, Officers or agents.
3. If a Company or Branch has been struck off from the register under Regulation 137 (1), the Company or Branch, a creditor, or liquidator of the Company may, within one (1) year following the date of the striking off, apply to the Registrar for the restoration of the Company or Branch to the Register. Upon payment of all fees due and any Penalties imposed by the Authority, the Registrar shall restore the Company or Branch to the register, and the Company or Branch shall be deemed not to have been struck off the register

138. OTHER REASONS

1. Where it appears to the Authority that:
 - a. a Company or Branch is acting in breach of restrictions on activities or is involved in contraventions under Regulation 131; or
 - b. it is necessary to protect the good repute of the Zone that a Company or Branch should be struck off from the register,the Authority may send to the Company or Branch a letter setting out the reasons for that belief and requesting the Company or Branch to show reason why it should not be struck off.
2. If within one (1) month after sending the letter, the Authority does not receive an answer, the Authority may send to the Company or Branch, a notice that at the end of the three (3) months from the date of the notice, the Company or Branch shall unless reason is shown to the contrary be struck off from the register and the Company or Branch shall be regarded by the Authority as a struck off Company.
3. At the end of the period mentioned in the notice, the Authority may, unless reason to the contrary is previously shown by the Company (or Branch) or a Shareholder, creditor or liquidator of it, strike its name off from the register, and on the striking off, the Company or Branch shall be regarded by the Authority as a struck off Company or Branch, but the liability (if any) of every director and Shareholder of the Company continues and may be enforced as if the Company or Branch had not been struck off.
4. Where a Company (or Branch) has been dissolved under Regulation 101 or 103, the Registrar may, on an application made for the purpose by a liquidator of the Company (or Branch) or by any other person appearing to the Registrar to be interested, make an order, on such terms as the Registrar thinks fit, declaring the dissolution to be void and the Registrar may by the order give such directions and make such provisions as seem just for placing the Company (or Branch) and all other persons in the same position as if the Company (or Branch) had not been dissolved. Thereupon, such proceedings may be taken which might have been taken if the Company had not been dissolved by a competent Court.

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139. RESTORATION OF A STRUCK-OFF COMPANY

1. A struck-off Company may submit an application to the Registrar in the prescribed form and such documents as may be stipulated by the Registrar from time to time, within two years from the date of the Registrar decision to strike it off, to restore its legal status and renew its license with the Authority.
2. The Registrar will have the right to accept, request additional documents or reject the restoration application upon its sole and absolute discretion.

140. OBLIGATION TO VACATE PREMISES

1. Any Company or Branch which license has been cancelled, revoked or struck off the Register, shall immediately vacate the premises and restore them in the same condition they were in at the time of its entry into its lease agreement.
2. Failure to comply with the provisions of Regulation 140 (1) shall entitle the Authority to enter the premises and act to vacate the premises in accordance with these Companies Regulations and other applicable rules and regulations of the Authority.

SCHEDULE 1

1. RULES OF INTERPRETATION

1. In these Companies Regulations, a reference to:
 - a. a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
 - b. a person includes any natural person, body corporate or body un-incorporate, including a company, partnership, un-incorporated association, government or state;
 - c. an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in the Companies Regulations and/or Implementing Regulations, include publishing or causing to be published in printed or electronic form;
 - d. a day shall refer to a business day, being a normal working day in the Zone;
 - e. a calendar year shall mean a year of the Gregorian calendar;
 - f. a reference to the masculine gender includes the feminine and vice versa; and
 - g. where relevant the singular shall include the plural and vice versa.
2. The headings in these Companies Regulations shall not affect its interpretation.
3. References in these Companies Regulations to a body corporate include a company incorporated outside the Zone.
4. A reference in these Companies Regulations to a Part, Regulation or Schedule by number only, and without further identification, is a reference to the Part, Regulation or Schedule of that number in these Companies Regulations.
5. A reference in an Regulation or other division of these Companies Regulations to a Regulation, or Regulation by number or letter only, and without further identification, is a reference to the or Regulation of that number or letter contained in the Regulation or other division of these Companies Regulations in which that reference occurs.
6. Unless the context otherwise requires, where these Companies Regulations refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
7. References in these Companies Regulations to a writing, filing, instrument or certificate include any mode of communication that preserves a record of the information contained therein and is capable of being reproduced in tangible form, including electronic means.

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2. DEFINED TERMS

In these Companies Regulations, unless the context indicates otherwise, the defined terms listed below shall have the corresponding meanings.

Terms	Definitions
Allotment	in relation to Shares, a transaction by which a person acquires the unconditional right to be included in a Company's register of Shareholders in respect of such Shares.
Annual General Meeting	the General Meeting held by the Shareholders or Members of a Company as an annual General Meeting in each year.
Appointed Newspapers	a newspaper with national circulation in the UAE and, if different, a newspaper with national circulation in the country where the Company has its principal place of business, as determined by the Authority.
Authority	means the Ras Al Khaimah Economic Zone Authority.
Body corporate	has the meaning given in Regulation 1 of Schedule 1 to these Companies Regulations.
Branch	the branch of an overseas company or a branch of any other entity formed outside the Zone pursuant to the laws and regulations applicable in its place of incorporation or formation.
Commercial Companies Law	the UAE Federal Law by Decree No. 32 of 2021 in respect of Commercial Companies.
Company	includes a company owned by one or more shareholder incorporated under these Companies Regulations under the form of , FZ LLC, PLC or PJSC.
Companies Register	refers to register of Companies maintained by the Registrar .
Companies Regulations	Ras Al Khaimah Economic Zone Authority Companies Regulations of 2023.
Court	the Ras Al Khaimah Court.
Director	a person occupying the position of Director of a Company.
Document	includes summons, notice, statement, return, account, order and other legal process, and registers.
Electronic	Includes electronic, electrical, digital, magnetic, optical, biometric, electrochemical, wireless or electromagnetic technology.
Electronic Document	A document including a book, report, register, application, agreement, minutes of a meeting, a resolution, financial statement, notice, letter and accounts that may be generated, communicated, received, or stored by Electronic or other means in or from an Electronic system designed for sending, storing, receiving or processing information.
Electronic Record	means a record generated, communicated, received or stored by electronic, magnetic, optical or other means in an information system or for transmission from one information system to another.
Electronic Signature	Electronic letters, numbers, symbols, images, characters, other symbol in digital form or their combination attached to or logically associated with an electronic record or incorporated in a document or transaction in Electronic form with the intention of authenticating and approving the same.
Entity	means a Company or branch of a company.
FZ LLC	a free zone limited liability company, incorporated in the Zone in accordance with these Companies Regulations;
General Meeting	a meeting of Shareholders of a Company.
Implementing Regulations	means those regulations promulgated by the Authority for the purpose of giving effect to or for the better carrying out of these Companies Regulations and includes rules, guidelines, circulars, directives, decisions, forms, check-lists and such other regulations as may be made by the Authority from time to time;
Liability	includes any debt or obligation.
Market Laws	refers the securities laws and relevant regulations applicable to a PLC listing its Shares on a stock exchange, in the jurisdiction where the stock exchange is established.
Officer	in relation to a body corporate, includes director and if one has been appointed, the secretary
Ordinary Resolution	means a resolution passed by a simple majority (51%) of such Shareholders who (being entitled to do so) vote in person or, where proxies are allowed, by proxy, at a general meeting of which notice specifying the intention to propose the resolution as an ordinary resolution has been duly given unless otherwise mentioned in the Memorandum of Association;

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Overseas Company	anybody corporate duly incorporated outside the Zone pursuant to the laws and regulations applicable in the place of incorporation
Person	Includes natural and corporate person.
PLC	a public listed company, incorporated in the Zone in accordance with these Companies Regulations, with the features provided in Regulation 9(2).
Penalty	the penalty imposed by the Registrar as specified in the Violation Code.
PJSC	a private joint stock company, incorporated in the Zone in accordance with these Companies Regulations.
Printed	includes typewritten and a photocopying of a printed or typewritten document.
Records	documents and other records however stored.
Registrar	the Registrar of Companies appointed by the Authority.
Ruler	the ruler of the Emirate of Ras Al Khaimah.
Schedule	a schedule to these Companies Regulations.
Share	a share in the share capital of a Company.
Shareholder	the subscriber to the Memorandum of Association of a Company who is deemed to have agreed to become Shareholder of the Company and on its registration with the Authority shall be entered as Shareholder in the Register and every other person who agrees to become a Shareholder of a Company, and whose name is entered in its Register of Shareholders;
Securities	any negotiable instrument including but not limited to stocks, shares, debentures, warrants, certificates, units, options or any right to or interest in any such instrument.
Special Resolution	a resolution passed by at least 100% of the votes of such Shareholders as (being entitled to do so) vote in person or, where proxies are allowed, by proxy, at a General Meeting for which notice specifying the intention to propose the resolution has been duly given unless otherwise mentioned in the Memorandum of Association.
Standard Memorandum of Association	a model set of Memorandum of Association prescribed by the Registrar.
Violation Code	Means the violation code issued by the Authority under the Implementing Regulations as amended from time to time by the Authority.
Year	a calendar year having the meaning given in Regulation 1 of Schedule 1 to these Companies Regulations.
Zone	an area provided by law and designated by the Ras Al Khaimah Economic Zone Authority for a free zone jurisdiction