

Legal Type of Free Zone Licenses

Free Zone Company (FZCO)

Definition:

- An FZCO is essentially a Limited Liability Company within the Free Zone, which means the liabilities of the company are limited to the company's assets. Personal assets of the investors are protected and limited to the amount invested into the company.

Shareholders:

- An FZCO is a legal entity incorporated/registered with a minimum of two shareholders and maximum of five shareholders. Shareholders can either be:
 - Individuals (people).
 - Non-individuals (company or companies)
 - Or a combination of both.

Board Resolution:

A Resolution in writing by the Board of Directors as regards any matter decided by the Board of Directors in respect of the Free Zone Company as described in this Implementing Regulations & Articles of Association of the FZCO.

Manager(s):

- An FZCO can appoint at least one manager.

Share Capital:

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- The minimum share capital required is AED 50,000/-.
- Each share shall be of a value of AED 1,000/- or its multiples.

Registration:

- One time Registration Fee AED 15,000/-

Activities:

- To carry out (Commercial/ Professional/ Industrial) trading activities.



Free Zone Establishment (FZE)

Definition

- An FZE is essentially a Limited Liability Partnership within the Free Zone, which means the liability of the shareholder is limited to the company's assets. Personal assets of the investor are protected and limited to the amount invested into the company.

Shareholders:

- An FZE is a legal entity incorporated/registered by a single shareholder.
- The shareholder can either be:
 - Individuals (people)
 - Non-individuals (company)

Board Resolution:

- A Resolution in writing by the Board of Directors as regards any matter decided by the Board of Directors in respect of the Free Zone Establishment as described in this Implementing Regulations & Articles of Association of the FZE

Manager(s):

- An FZE can appoint at least one manager.

Share Capital:

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- The minimum share capital required is AED 50,000/-.
- One share shall be of a value of AED 1,000/-.

Registration:

- One time Registration Fee AED 10,000/-

Activities:

- To carry out Commercial/ Professional/ Industrial) Services activities



Branch License

Definition

- A Branch is a legal entity of its Mother company.
- The Branch Company should be 100% owned by the Mother company, operate under the same name and conduct the same business

Shareholders:

- Must be 100% owned by the mother company.

Board Resolution:

- A Resolution in writing by the Board of Directors as regards any matter decided by the Board of Directors in respect of the Free Zone Establishment or Company as described in this Implementing Regulations & Articles of Association of the FZE/FZCO

Manager(s):

- should appoint a branch manager

Share Capital:

Not required.

Registration:

- One time Registration Fee AED 5,000/

Activities:

- Should be same activities of mother company or less.

Branch Overseas License

Definition

- A Branch Overseas Company is a legal entity of its Mother company.
- The Branch Company should be 100% owned by the Mother company, operate under the same name and conduct the same business
- The entire legal document must be notarized and attested by UAE embassy in the parent company and ministry of foreign affairs in UAE

Shareholders:

- Same shareholders of Mother company not less

Board Resolution:

- A Resolution in writing by the Board of Directors as regards any matter decided by the Board of Directors in respect of the Free Zone Establishment or Company as described in this Implementing Regulations & Articles of Association of the FZE/FZCO

Manager(s):

- A branch of a foreign company must have a manager to represent the company and to open the branch, appointed by the Board of Directors.

Share Capital:

Not required

Registration:

- One time Registration Fee AED 5,000/

Activities:

- Should be same activities of mother company or less.