

## **GUIDANCE NOTE – SHARE TRANSFER**

In this Guidance Note, unless the context otherwise requires, words or expressions not defined have the same meaning and interpretation as in the Company Regulations 2024 of the Dubai Multi Commodities Centre Authority (“**CR 2024**”).

### **1. GENERAL**

#### **A. Concept**

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

#### **B. Applicable Business Rules**

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

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

**Any transfer of shares, not being a transfer made to or with the sanction of the liquidator** and any alteration in the status of the Company’s Shareholders made after the commencement of a voluntary winding-up, is void (Please see DMCCA CR 2024, Reg. 105).

- There should not be any active Company sanction. Please see Schedule 1 for a list of Sanctions.
- A non-objection certificate (NOC) from a Regulatory Authority is required in case the Company carries out a regulated activity.
- In the case of minor Shareholders (below 18 years old), they shall be represented by a legal guardian.
- All new individual Shareholders, regardless of nationality, shall go through a management approval process.
- Rejection by management may not be eligible for an appeal.
- The company needs to make sure they have:
  - i. [Adopted the Articles of Association](#) as per DMCC rules & regulations of 2020 (only applicable if companies hold old MOA).
  - ii. [Subscribed and activated the e-signature](#) of all authorized signatories.
- All Draft SRs will automatically be voided after sixty (60) calendar days from their creation date if no action is taken by the DMCC Member.
- SRs awaiting DMCC Member Company action will be automatically nullified if the required actions aren't completed within ninety (90) calendar days from the SR's return date.
- DMCC Member Company admin can request service cancelation by clicking the 'Cancel Request' button.

- A cancellation fee will be charged to the DMCC Member's portal if the Member opts for its cancellation, or if the system auto-cancels the SR after the 90 days. (Please refer to the [Schedule of Charges](#))
- Updating passport details for all Shareholders & Officers before proceeding with the application.

### C. Type of Share Transfer

Below are the two types of share transfer:

- **Internal Share transfer**  
Transfer from an existing Shareholder to another existing Shareholder.
- **Transfer to a new Shareholder**  
Transfer from an existing Shareholder to a new Shareholder, either an individual or corporate Shareholder.

## 2. APPLICATION PROCESS

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

Process Owner	Action	Comments
Company	<ol style="list-style-type: none"> <li>Log in to the <a href="#">DMCC Member Portal</a>.</li> <li>Go to “Company Services” – select “Share Transfer”.</li> <li>Client to confirm passport details and active E-signature details for all the Shareholders &amp; Officers are up to date.</li> <li>Add a new shareholder in case of transferring shares to a new shareholder. Or choose from the existing shareholders to transfer the shares.</li> <li>Choose the type of Shares to be transferred.</li> <li>Choose the number of shares to be transferred.</li> <li>Fill in the mandatory fields for the new Shareholder (if applicable).</li> <li>Update the Ultimate</li> </ol>	<p>Submit the SR.</p> <ul style="list-style-type: none"> <li>A notification of the submission will be received by the client.</li> <li>If Yes, client needs to continue by clicking “Confirm”</li> <li>If No, then client needs to update the details through clicking “Manage KYC” for officer or “Change of details” for Shareholders.</li> </ul>

Data Classification: Open

	Beneficiary Owner (UBO) information (only for current corporate Shareholders that will be retained after the share transfer)	
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Process Owner	Action	Comments
	<ol style="list-style-type: none"> <li>8. Fill up the UBO declaration details (only for new corporate Shareholder)</li> <li>9. Confirm Licence Activity Undertaking (only in case of certain activities).</li> <li>10. Confirm Licence undertaking (only in case there is a new Shareholder).</li> <li>11. Select Power of Attorney (POA) (if applicable)</li> <li>12. Upload the required documents (Please “required documents” section in this document).</li> <li>13. Confirm payment.</li> <li>14. Submit the service request.</li> </ol>	
DMCC	Verify submitted information and documents, as a result, approve or return the application.	<p>Please note that the SR could be returned to you in case of the below scenarios:</p> <ol style="list-style-type: none"> <li>a. To submit additional information or to re-upload a document.</li> <li>b. To activate E-Signature for the authorized e-signatories or the POA holder (if applicable).</li> </ol> <p>To proceed with the SR, you should comply with the requirements by following the instructions you receive from DMCC.</p> <p><b>If Approved</b> You will be instructed on the next steps.</p>

Process Owner	Action	Comments
Company	<ol style="list-style-type: none"> <li>1. All authorized signatories E-Sign the document</li> <li>2. Book an appointment through the DMCC Member Portal to submit original sets of documents</li> </ol>	
DMCC	<ol style="list-style-type: none"> <li>1. Verify e-signatures and original documents</li> <li>2. Update the step and the Company account will be updated with the new share details.</li> <li>3. New documents will be generated electronically in DMCC Member Portal</li> </ol>	
Company	Download the electronic documents	

### 3. REQUIRED DOCUMENTS

Documents	Remarks
<b>Passport copy</b> of all existing Individual Shareholders & Officers	Upload valid passport copy

<p><b>Board Resolution.</b></p>	<ul style="list-style-type: none"> <li>• Only applicable if one of the existing shareholders of the DMCC Company is a corporate Shareholder for the below scenarios:             <ol style="list-style-type: none"> <li>a. Approving the selling of shares,</li> <li>b. Approving the buying of shares, or</li> <li>c. Consenting to the transfer of shares of another Shareholder.</li> </ol> </li> <li>• The Board Resolution will be drafted to approve the selling or buying of shares or consenting to the transfer of shares.</li> <li>• To confirm the appointed representative and signatory for the process and sign documents relevant to the transfer of shares such as resolution, share transfer form, Articles of Association, amendments, etc.</li> <li>• To be electronically signed by authorized signatories after the application is approved by DMCCA</li> </ul> <p><b>Please disregard this requirement if this is not the case.</b></p>
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<b>Certificate of Incumbency</b>	<ul style="list-style-type: none"> <li>• Only applicable if the DMCC Company has a corporate Shareholder.</li> <li>• Certificate of Incumbency must be recently issued (not older than 1 year).</li> <li>• Certificate of Incumbency must be notarized and legalized by UAE Embassy of the place of issue.</li> </ul>
<b>Shareholders Resolution or the Share Transfer form</b>	<ul style="list-style-type: none"> <li>• Printed on the DMCC Company Letterhead and stamped.</li> <li>• To be electronically signed by all current (transferring, buying or consenting) and new Shareholders or their authorized representatives (POA holders) after the application is approved by DMCCA.</li> </ul>
<b>Power of Attorney (POA)</b> (if applicable)	<ul style="list-style-type: none"> <li>• If issued in UAE, validity is to be checked in the Dubai Court portal.</li> <li>• If issued outside of UAE:             <ol style="list-style-type: none"> <li>a. To be notarized and legalized by the UAE Embassy of the place of issue.</li> <li>b. Original POA required to be presented for verification.</li> </ol> </li> <li>• POA document must provide specific Authority to sell or acquire shares on behalf of the principal.</li> <li>• Original passport of the POA holder to be presented for verification.</li> </ul> <p><b>Note:</b> When the POA holder is also the buyer of the shares, POA document must specifically provide that POA holder is authorized to transfer the shares to himself/herself.</p> <p><b>Please disregard this requirement if there is no POA issued.</b></p>
<b>Memorandum and Articles of Association</b> (for all old DMCC Companies) or  <b>Articles of Association</b> (for Companies registered under Company Regulations 2020)	<ul style="list-style-type: none"> <li>• The original MOA for each shareholder is required to be submitted to DMCC.</li> </ul>

<b>Share Certificates</b>	<ul style="list-style-type: none"><li>• Applicable only when original share certificates were issued to the shareholders. In such cases, Original is required. <b>Please disregard this requirement if e-share certificates were issued.</b></li><li>• The share certificate of all shareholders is required to be submitted.</li><li>• The share certificate will be cancelled after the share transfer is completed.</li></ul>
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### Additional Required Documents in case of new Individual Shareholder

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

### Additional Required Documents In case of new Corporate Shareholder

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

#### 4. OUTPUT

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

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

#### 5. APPLICABLE FEES

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

#### 6. CANCELLATION OF AN APPLICATION

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

#### Schedule 1

##### **Company Sanctions could be one or all of the following:**

- Restriction or suspension of services;
- A fine or penalty, as specified by DMCCA from time to time in accordance with CR 166 (Administrative imposition of fines or penalties);
- Suspension of a Licence in accordance with the process set out in CR 167 (Power of DMCCA to suspend a Licence);
- Termination of a Licence in accordance with the process set out in CR 168 (Power of DMCCA to terminate a Licence);
- A Company or Branch being Struck-off, in accordance with the process set out in Regulation 169 (Power of DMCCA to Strike-Off);
- Such other sanction as DMCCA may deem appropriate from time to time; and/or Sanction imposed by an order of the Dubai Court.