

# DMCC OFFICE SHARING POLICY

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## 1.0 Purpose

The Purpose of this office sharing policy (“**Policy**”) is to outline the general arrangements and eligibility of Companies sharing offices within the DMCC Free Zone.

## 2.0 Scope

This Policy applies to all DMCC member Companies wishes to share an office space within the DMCC Free Zone, subject to meeting the eligibility criteria.

## 3.0 Definitions

**Policy:** means the principles, rules, and guidelines formulated by DMCCA to regulate and manage the issuance of Office Sharing Permit.

**Unit:** means a physical office space where the title deed of the unit is stating unit type as office.

**Office Sharing Permit:** means a document issued by DMCCA to allow approved companies to share a specific unit.

**UBOs:** means the person or entity that is the ultimate beneficiary of the company

## 4.0 Relevant Policies

DMCC Company Regulations and DMCC Master Community Declaration.

## 5.0 Responsibilities

Owners or leaseholders of units (“**Unit**”) must adhere to and comply with this Policy and any instructions or directions stated herein, by ensuring that the appropriate measures are put in place in order to ensure, not only one’s own safety but in addition, the safety of other members of the public or any other individual.

## 6.0 General Provisions

All companies occupying office space and intending to share the unit with another company must obtain and maintain a valid Office Sharing Permit (“**Office Sharing Permit**”), provided they meet the required criteria, before sharing the unit.

All Companies holding an Office Sharing Permit must comply with its relevant requirements at all times.

The Office Sharing Permit is valid for one (1) year and can be canceled at any time by the company that applied for it (“Main Applicant”). Additionally, the Office Sharing Permit may be terminated by the DMCCA.

### 6.1 Eligibility Criteria

#### 6.1.1 Company Ownership

##### Companies with common Shareholders

At least 15% or more shares must be owned by the same Shareholders of all Companies applying for Office Sharing Permit. The same conditions apply to the Ultimate Beneficiary Owners (“**UBOs**”) of Branches, Subsidiaries and joint ventures.

##### Companies owned by family members

Companies owned by family members (husband, wife, father, mother, son, daughter, brother, sister, grandparent (including greats), grandchildren (including greats) or spouses of any of these) where the relative owns 15% or more shares in the Company.

#### 6.1.2 Office Requirements

- Property type must be office as per the title deed of the Unit. Sharing on any other property types such as “workshop, shop/retail, land, flat...etc.” is not allowed.
- Units within business centers, co-working spaces, incubation centers and accelerators are not eligible for office sharing.
- Each Company must be allocated a dedicated area within the Unit with the minimum area size per Company being 150 sq. ft.
- The standard visa quota policy shall be applied wherein the quota for each Company shall be calculated based on the actual area allocated to the Company according to their lease.
- Certain license activities may not be eligible for office sharing and this shall be at the sole discretion of DMCC.

## 6.2 Documentation and Requirements

- Ejari certificate for the full Unit with a minimum validity of 6 months.
- Main tenancy contract must allow subleasing.
- Title deed for the shared unit. This is not applicable if the Ejari Certificate is available.
- NOC from the landlord allowing the tenant to sublease the unit to the sharing company. This is not applicable if the unit is owned by the main applicant.
- Unit sharing agreement signed by the sharing companies.
- For Branches, Subsidiaries and joint ventures, a notarized current dated certificate of incumbency or any other document accepted by DMCC to provide details of all Shareholders, leading up to the UBOs (all layers).
- Proof of relationship (official government issued documents) for Companies sharing based on their family relations.
- Payment of the DMCC permit fees.

## 7.0 Guidelines for Office Sharing Permit

### 7.1 General guidelines:

- Physical partition between the Companies might be required based on certain criteria (activity nature and requirements, office sharing type).
- Licenses will reflect unit sub-codes, for example, 3301-A and 3301-B. Accordingly, office areas will be allocated, and the visa quota will be calculated.
- All Companies sharing the Unit should have signage with their names placed at the entrance of the office.
- Valid Operation Fitness Certificate (OFC) to be provided for Companies sharing the office.
- The following points are considered in the UBO or any document submitted by the Company to confirm corporate shareholding structure:
  1. Document is issued by a legal body.
  2. The document is not a self-confirmation/declared UBO. Meaning, the Company Director, Secretary, website, employee, etc. cannot prepare an affidavit and declare themselves as a UBO.
  3. The document should be recently notarized (less than 1 year).
  4. The document should confirm who the Shareholders are and the number of shares for each.
  5. If the document is not in English or Arabic language, legal translation is required.

## **7.2 Guidelines for new Office Sharing Permit:**

- For licensed Companies, the permit application must be submitted either by the DMCC Company as the main tenant or as the owner of the unit.
- For each application, the company can share one or multiple units, however, multiple units can be shared in one application if the following conditions are met:
  - ◆ All units are in the same building and on the same floor.
  - ◆ The same main applicant (main tenant / landlord) is involved.
  - ◆ The same set of companies, with an equal number of companies involved in each unit.
- For Companies under formation, the first Company to be registered should become the Main Tenant and take the full Unit then apply for the office sharing permit once the second Company completes the registration stage (after provisional approval is issued).
- All Companies sharing a Unit should apply for license amendment (change of address) to reflect the updated address details on their license.

## **7.3 Guidelines for existing Office Sharing Permit holders:**

### **7.3.1 Renewal of Office Sharing Permit:**

- The Company that originally applied for the Office Sharing Permit (Main Applicant) should apply for renewal of the permit.
- The renewed permit will be valid for 1 year.
- Late renewal of Office Sharing Permit will lead to penalties and could lead to other sanctions imposed by DMCC (please refer to violation section).

### **7.3.2 Amendment of Office Sharing Permit:**

- The Company that originally applied for the Office Sharing Permit (Main Applicant) should apply for amendment of the permit.
- The company as the Main Applicant can amend an existing sharing permit by adding or removing units within the same floor, adding or removing additional licenses, and adjusting the area size of an existing unit divisions for all sharing companies.
- Upon issuing the amended permit, the old permit will be cancelled, however, the permit validity will remain unchanged.
- After obtaining the amended permit, all sharing companies must apply for license amendment (change of address) to update their license with the new address details in case of new shared units have been added or removed.

### **7.7.3 Termination of Office Sharing Permit:**

- Cancellation request should be raised by the company that originally applied for

the Office Sharing Permit (Main Applicant).

- If all Companies sharing a Unit are vacating then they should each apply for License termination, or License amendment (change of address).
- If any of the Companies sharing a Unit are vacating, then those vacating should apply for License amendment (change of address) or Company termination. The remaining tenants must apply for a new permit and then apply for License amendment (change of address) based on new area allocation.

#### **7.3.4 Termination of Office Sharing Permit by the DMCCA:**

- Companies will no longer be allowed to continue sharing the Unit, and all sub tenants must either apply for license amendment (change of address) and move to new location or apply for Company termination. The Main Tenant may decide to occupy the whole Unit or shift to another location.

### **8.0 Cancel / Revoke of Office Sharing Policy**

#### **8.1 DMCC may revoke the Office Sharing Permit under following circumstances:**

- When another permit is issued for the same Unit.
- If Companies fail to meet the conditions of this Policy and/or fails to maintain a valid permit.
- If the license of one or more of the Companies sharing a Unit is terminated.
- If one or more of the Companies sharing a unit has shifted to another location.
- If one or more of the Companies sharing a Unit has changed its Company shareholding structure or is no longer meeting any of the office sharing eligibility criteria.

#### **8.2 Sharing Companies may cancel the office sharing permit in the following conditions:**

- One or more of the Companies sharing a Unit changed their Company's shareholding structure or is no longer meeting any of the office sharing eligibility criteria.
- One or more of the Companies sharing a Unit are moving to a different location.
- One or more of the Companies sharing a Unit are terminating their license.
- The Companies no longer wish to share an office.

## 9.0 Violations:

Violation type	Action against violation
Office permit has expired, is cancelled or revoked and a Company is occupying a shared Unit	<ul style="list-style-type: none"> <li>- Portal Sanction will be immediately applied on all Companies that are sharing the Unit.</li> <li>- Main Applicant will be fined after 30 days of expiry of permit or from the date permit was revoked or cancelled.</li> <li>- After the 3<sup>rd</sup> month is over from permit expiry date, or from the date permit was revoked or cancelled, licenses of all the Companies in violation to this Policy will be terminated by the DMCCA.</li> </ul>
If Companies are sharing without Office Sharing Permit	<ul style="list-style-type: none"> <li>- Portal Sanction will be applied on all Companies that are sharing.</li> <li>- All sharing companies will be fined after 3 months from date of receiving notice from DMCC, following which licenses of the Companies in violation to this policy will be terminated by the DMCCA.</li> </ul>

For further clarification or related enquires regarding this Office Sharing Policy contact DMCC on the following:

- DMCC Help Centre at <https://www.dmcc.ae/helpcentre>
- Contact us at **600 54 DMCC (600 54 3622)** or **+971 4 4249600**.