

SETTING UP AN OFFSHORE COMPANY IN THE JEBEL ALI FREE ZONE

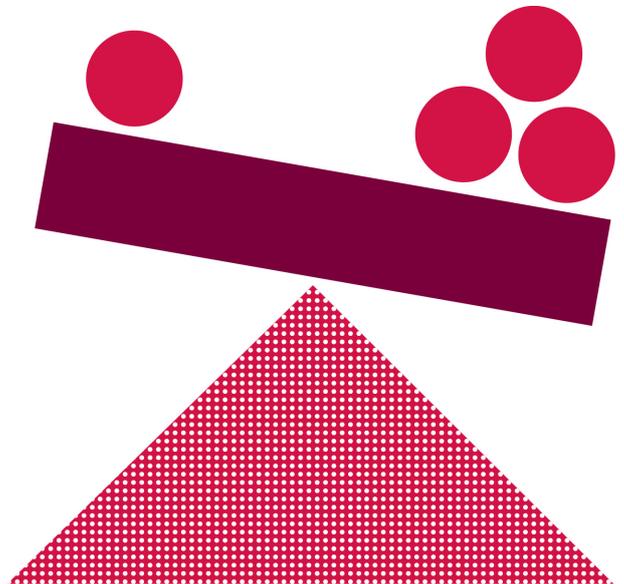
CORPORATE SERVICES



It is in the very heart of our activity that we search for our goal.



Rabindranath Tagore



INTRODUCTION

Dubai has passed a law for incorporation of offshore companies in the Jebel Ali Free Zone in the Emirate of Dubai. The laws have been framed in a manner such that the authority maintains a clean image of the companies vis a vis international financial authorities. Jafza, under Jebel Ali Free Zone Offshore Companies Regulations 2003, allows the formation of an offshore Company by individuals or corporate bodies, as a non-resident company, having a corporate legal entity with 100% foreign ownership.

The new developments at the Jebel Ali Free Zone and the surrounding region are designed to make JAFZA world's one of the most efficient sea-air hubs, complete with a 6-lane highway that will help keep goods custom-bound (helping to minimize processing time) as they are transported from port to cargo aircraft in just 20 minutes. JAFZA is

located between one of the world's largest airports and a sea port. The JAFZA has Jebel Ali Port, world's 7th largest container port on one side and the Jebel Ali International Airport, one of the world's largest cargo airports on the other side.

RESTRICTION ON ACTIVITY FOR JAFZA OFFSHORE COMPANIES:

NOT ALLOWED

- To carry on business with persons resident in the U.A.E.
- Own an interest in the real property situated in the U.A.E. other than approved by the Authority.
- To carry on banking, insurance, re insurance, insurance agent or insurance broker.
- To carry out any trade in the free zone or in the U.A.E.

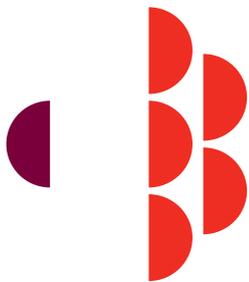
ALLOWED

- Professional contact with legal consultants, lawyers, accountants and auditors.

- To hold shareholders and directors meetings in the U.A.E.
- To own real property of the Palm Islands or Jumeirah Islands or any property owned by Nakheel Company LLC or any other real property approved by the authority.
- To hold an account in a bank in the U.A.E. for the purpose of conducting its routine operational transactions.
- To become shareholders in FZE, FZCO, LLC.

Offshore Investors can avail benefits from various Tax treaties concerned with the avoidance of double taxation. As of 2009, the United Arab Emirates has entered into double taxation agreements with 47 countries. This network includes treaties with Armenia, Austria,

continued on next page..



Belarus, Belgium, Canada, China, Czech, Finland, France, Germany, India, Indonesia, Italy, Korea, Malaysia, Mauritius, Netherlands, New Zealand, Pakistan, Poland, Romania, Seychelles, Singapore, Spain, Thailand, Turkey, Ukraine etc.

UAE has also entered into a Transport Tax Treaty with India, Netherlands, Singapore, Sri Lanka, Switzerland and United States.



CHARACTERISTICS

SOME OF THE UNIQUE FEATURES OF THE OFFSHORE COMPANIES IN THE JAFZA ARE AS FOLLOWS:

COMPANY STATUS

Limited Liability

SHAREHOLDERS

Minimum one and maximum not limited for Offshore company.

SHARES

No bearer shares will be allowed. All shares must be fully paid when allocated. No different classes of shares allowed.

SHARE CAPITAL

Shareholders will decide capital structure for Offshore company.

DIRECTORS

A minimum of two directors are required and corporate directors are not permitted for offshore company.

RESTRICTIONS ON NAME

Names must end with the word "Limited" for offshore company. Few words for eg: "Dubai, U.A.E." and religious words are prohibited.

BANK ACCOUNTS

The company can open bank accounts with major banks operating in Dubai and also in other jurisdictions.

AUDIT

As per regulation, annual audit is required.

MEETINGS

Shareholders' meeting and Board meeting can be conducted periodically in the U.A.E or anywhere else.

TAXATION

There are no taxes on profits, capital gains or any other form of tax on the company levied by the government.

VISA ELIGIBILITY

No visa eligibility.

INVESTOR VISA AVAILABILITY

No

REGISTRATION

Offshore companies registered under Jebel Ali Free Zone Offshore Companies Regulations 2003

GOVERNING LAW

Companies are subject to the UAE law in general and for some specific function law of the Emirates of Dubai.



DOCUMENTATIONS

DOCUMENTS REQUIRED FOR ESTABLISHING AN OFFSHORE COMPANY IN JAFZA

1. Information form duly filled
2. Three proposed names of the company
3. Brief note on the proposed activity of the company
4. Share capital of the company
5. Clear passport copy of each shareholder, director and secretary
6. Original banker reference of each shareholder
7. Current Utility bill (e.g. electricity bill or telephone bill) of each shareholder, director and secretary.
8. Curriculum Vitae of each shareholder
9. No Objection Letter from Local Partner / Employer if resident in UAE.

Note:

The shareholders have to be in Dubai for executing the governing documents of the company before the Jebel Ali authority or have to give a duly notarised / attested Power of Attorney.

UHY SERVICES

We offer a complete and comprehensive solution for incorporating companies in Jebel Ali Free Zone. Apart from the incorporation services we can offer clients with other services as detailed below:

BANK ACCOUNTS

In opening the company's bank account in the U.A.E and in some jurisdictions outside the U.A.E.

AUDITING SERVICES

Professional audit and assurance services in accordance with international standards.



ADMINISTRATION AND ACCOUNTING SERVICES

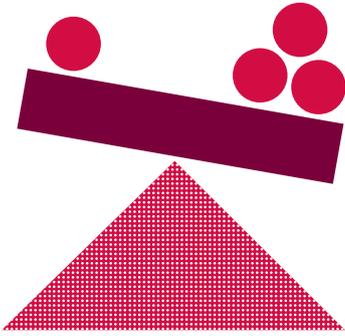
Our firm has a large pool of qualified staff which can take care of most of your administrative & accounting services

BANKING AND TRADE FINANCE SERVICES

Outsourcing of banking and trade finance.

INFORMATION AND TECHNOLOGY SERVICES

We provide a full range of IT software and business solutions through MultiMission, a division of the firm.



ABOUT US

UHY is a leading audit and consultancy firm in the United Arab Emirates, established in 1992. The firm also specialises in corporate formation in the UAE free zones, mainland and offshore location, both in the UAE and globally.

UHY has a team of qualified professionals on its panel supported by over 90 well-experienced and trained staff. The core team has a rich, collective experience and their diverse skills sets span across functional domains and geographies, enabling the firm to deliver value added solutions to its clients.

In 20 years since its inception, the firm's clientele has grown to include more than a thousand companies covering a wide range of business and trade. They include governments, private and overseas clients.

UHY is a member of UHY International. Established in 1986 and based in London, UK, UHY is a network of independent member firms. The network's teams, who cover nearly 250 business centres in 81 countries, pride themselves on their ability to combine local knowledge with regional, national and international skill sets. UHY brings together the global expertise of independent member firms, who are all highly regarded, professional and reputable in their own local markets.

LET US HELP YOU ACHIEVE FURTHER BUSINESS SUCCESS

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