

RAKFTZ AND RAKIA MERGED INTO ONE ENTITY



As it was announced in our April Newsletter, offshore registries of RAKFTZ and RAKIA have been merged into RAKICC (Ras al Khaimah International Corporate Centre). Previously two different authorities have registered two different types of companies: RAK IBC and RAK Offshore. The main reason of merging the two registries into one is to upgrade the service standards. Since 2010, the UAE corporate services are developing at a very high rate. The merge of the registries will increase the competence in this type of companies.

The operations of the new company are similar to the ones performed earlier by former registries. Although these company types were similar, the companies were different in the regulations, had different company documents, and had different company names.

New Companies going forward

After the merge, the new companies will be registered under the Business Companies Regulations 2016. Regulations outline all definitions of company types including various forms such as parent company, affiliate, and subsidiary. The regulations also cover the main part of the upgraded registrar forms as well as applications for registration and various changes in company structure, amendments to memorandum and articles of association, and other features of the RAK IC. The terms and definitions of the regulations outline the management bodies, the rights, duties, and appointment as well as dismissal procedures.

Effect on existing companies

There are no major changes to the existing companies registered with RAKIA or RAKFTZ. Indeed, the RAK IBC and RAK Offshore companies will continue to function under the same company names, with the same registered agent, the same registration number, date of incorporation/registration, registered address and other incorporation details. The minor change relates to the renewal of the company. Once the company should be renewed, the shareholder will be requested to sign the declaration on the adoption of the revised RAKICC regulation with the main changes in the definitions. Companies can benefit from the 2-year transition period with the option to be re-registered in 2016 or 2017.

The re-registration process will be completed on 31st December 2017. **The re-registration process does not bear any fee/charges for re-registration. Standard fee will apply for renewal, Certificate of Good Standing and Certificate of Incumbency related to set of documents subsequent to re-registration of the companies.** After re-registration, the company will be renewed with the ICC abbreviation at the end. As a registered agent, we will send the necessary forms to be signed by the shareholders of the companies registered with us. The company will also receive the relevant re-registration certificate.

In conclusion

Most importantly, there are no alterations in terms of taxation regime, regulations on shareholders, requirements on reporting, permitted activities or other principal regulations. RAKICC company is the same company from its fundamentals as the previous RAK IBC or RAK Offshore company. The companies registered and re-registered with RAKICC will have a different logo of RAKICC that is Ras al Khaimah International Corporate Centre.

All RAK ICC Offshore company's incorporations would be processed same as earlier, with the same due diligence documents and through the licensed registered agents. Since 2001 Freemont Group has been specialized in different company formations and 2011 became a licensed registered agent of RAKIC.

RAKICC Companies: key features revisited



The main benefit to form an international company (offshore company) in RAKICC is to enjoy the favourable tax regime and the possibility to open a bank account in reputable UAE banks. The company can operate internationally but not within the UAE. The company also does not provide a resident visa but can be a holding company requiring minimum one shareholder and one director. The following documents are required for incorporation:

1. Passport copy
2. Utility Bill (no longer than three months old)
3. Bank Reference Letter (no longer than three months old)
4. CV

The company can be incorporated on distance by signing the necessary company documents and sending the original documents, notarised originals of Memorandum and Articles of Association along with the passport copies. However, the UAE banks require meeting the shareholders in person for an interview.

Freemont Group's advice

We advise our clients to meet the bank representatives at our premises. The procedure takes approximately one hour. Henceforth, the company can be incorporated in 5 working days, after the signing of the documents. After the company is incorporated, the bank account will open in 7 working days.

By registering your RAKICC Company with us, you will get an access to our extensive networks, ability to set up a virtual office, and most importantly have a registered address in Jumeirah Lakes Towers, Dubai.

Contact us

If you are interested in setting an offshore company in Ras al Khaimah please contact our regional director Mr. Mahmood Tassadaq at m.tassadaq@freemontgroup.com or business consultant Miss Zhansaya Tukeyeva at z.tukeyeva@freemontgroup.com.