



## Ras Al Khaimah Fact Sheet

### GENERAL INFORMATION

|                                 |  |
|---------------------------------|--|
| Company type                    | International Business Company (IBC)   |
| Timeframe for company formation | 1 to 2 days*   |
| Governing corporate legislation | RAK International Corporate Centre (RAKICC) is a Corporate Registry operating in Ras Al Khaimah, United Arab Emirates.   |
| Legislation                     | Modern offshore legislation  |
| Legal system                    | UAE Law  |
| Corporate taxation              | A Ras Al-Khaimah IBC is exempt from any form of taxation and withholding taxes in the United Arab Emirates. While the company may not be liable to pay taxes, please consult with a tax/legal advisor in your country of residence, to determine your own tax liability. |
| Accessibility of records        | There is no public register of company officers. However, the particulars of the company structure are registered and must be maintained up-to-date with RAK ICC.  |
| Time zone                       | GMT +4   |
| Currency                        | UAE dirham (AED)   |

### SHARE CAPITAL

|                             |            |
|-----------------------------|------------|
| Standard currency           | AED        |
| Standard authorised capital | AED 10,000 |
| Minimum paid up             | None       |

### SHAREHOLDERS, DIRECTORS AND COMPANY OFFICERS

|  |    |
|--|----|
| Minimum number of Shareholders           | 1  |
| Minimum number of Directors              | 1  |
| Locally-based requirement                | No |
| Requirement to appoint Company Secretary | No |

## ACCOUNTING REQUIREMENTS

|                                 |   |
|---------------------------------|---|
| Requirement to prepare accounts | No accounting / reporting requirements<br>However, the company must maintain its underlying documentation, including accounting records, for a minimum of 5 years, as prescribed by Regulation 101 – 107 of the RAK ICC Business Companies Regulations 2018 and Federal requirements. |
| Requirement to appoint auditor  | No  |
| Requirement to file accounts    | No  |
| Accessibility of accounts       | None  |

## DOCUMENT REQUIREMENTS

Certified copy of valid passport by Notary.\*\*

Certified copy of utility bill or tenancy agreement showing address of current residence or bank statement dated within last 3 months.\*\*

## INCORPORATION FEES

|                               |          |
|-------------------------------|----------|
| Initial set-up and first year | USD 2210 |
| Per year from second year     | USD 2100 |

## GOOD TO KNOW

Ras Al Khaimah is a "white-listed" IBC jurisdiction, the international business companies of RAKICC are straightforwardly well known by local and international financial institutions and hence are entitled for corporate bank accounts in numerous banks across the UAE and overseas.



## JURISDICTION INFORMATION

Located in the northern part of the UAE, bordering Oman's exclave of Musandam, Ras Al Khaimah (RAK) is one of the seven emirates that make up the United Arab Emirates. The emirate covers an area of 1,684 square-kilometres and its capital city and home of most residents is also called Ras Al Khaimah. Formerly known for the building of ships and commercial activities in the maritime sector, it is now better known for its large industrial sector. RAK is the largest producer of cement in the UAE and one of the world's largest producer of ceramics. A lot of interest has gone towards the financial and investment sector in RAK due to new legislation and regulations adopted by the authorities; this in turn has led to business and investment opportunities for individuals and companies worldwide. An International Business Company in RAK can conduct business internationally, own real estate in the UAE, be used as a trading vehicle, maintain bank accounts, and much more.

## POLITICAL STRUCTURE

The United Arab Emirates (UAE) is a federation of seven constituent monarchies: the Emirates of Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al Khaimah, Sharjah, and Umm Al Quwain. The nation's politics take place in a framework of a federal, presidential, absolute monarchy and all responsibilities not granted to the national government are reserved to the emirates. According to convention, the ruler of Abu Dhabi is President of the United Arab Emirates, the head of state, while the ruler of Dubai is the Prime Minister of the United Arab Emirates, the head of government. Upon the founding of the UAE, the rulers drew up a Constitution, which provided for the establishment of the Supreme Council of the Rulers of all the Emirates as the foremost authority in the Federation and a Council of Ministers as the Executive Branch of the Federation. Federal Ministries of Foreign Affairs, Defence, Justice, Public Health, Communications, Information Interior, Finance and Industry, Economy and Commerce, Education, Public Works, Agriculture, Labour and Social Affairs, and Planning were established. The UAE has a federal court system. There are three main branches within the court structure: civil, criminal and, Sharia law. The UAE's judicial system is derived from the civil law system and Sharia law. The court system consists of civil courts and Sharia courts.

## ECONOMY

UAE has the second largest economy in the GCC after Saudi Arabia with a gross domestic product (PPP) of USD 640 billion in 2015. Since independence in 1971, UAE's economy has grown by nearly 231 times to 1.45 trillion AED in 2013. The non-oil trade has grown to 1.2 trillion AED, a growth by around 28 times from 1981 to 2012. UAE is ranked as the 31st best nation in the world for doing business based on its economy and regulatory environment, ranked by the Doing Business 2016 Report published by the World Bank Group. Not being a producer of oil, Ras Al Khaimah specifically has focused on developing its industrial sector. The emirate's main economic sectors are real estate, tourism, building materials, manufacturing and high-tech, service, and agriculture and fisheries. New legislation and regulations in the emirate favour international investments as a combination of security and confidentiality is ensured to entrepreneurs. An international company, for instance, is not liable to pay local taxes as long as it only has foreign customers. It can also open a local bank account, make investments tax-free, and obtain mortgages for investing in UAE assets. Furthermore, no income, sales, or wealth taxes are payable by individuals and no corporate taxes are charged. In addition, there are no exchange controls, no withholding nor import or export taxes.

## POPULATION

The demography of the UAE is extremely diverse. In 2015, the UAE's population was estimated to be 9,581,000, of which only approximately 15% were UAE nationals or Emiratis, while the majority of the population were expatriates. The country's net migration rate stands at 21.71, the world's highest. The United Arab Emirates' population includes Emirati citizens, South Asians (predominantly Bangladeshi, Pakistani, Sri Lankans and Indian) which constitute the largest group, making up 58.4% of the total, and other Asians (predominantly Chinese, Filipino, Thai, Iranian, South Korean and Afghani) making up 16.7%, while Western expatriates (predominantly British, European, North American and Latin American) form 8.4% of the total population.

## LANGUAGE

Arabic is the national language of the UAE, with an Arabian Gulf dialect of Arabic spoken natively by the Emirati people. Since the area was protected by the British until 1971, English is the primary lingua franca in the UAE. As such, a knowledge of the language is a requirement when applying for most local jobs. Other world languages are represented by the expatriate population drawn from a wide mix of nationalities.

## COMPANY FORMATION INFORMATION

### INCORPORATION PROCEDURE

Upon receipt of the client's KYC documents and description of the intended business activity, and after our legal department's due diligence checks, SFM will incorporate the IBC via our Dubai office, which is licensed as a local resident agent, as it is necessary for the registered office of the company to be maintained in the UAE at the address of a licensed management company.

## COMPANY FORMATION INFORMATION

### INCORPORATION TIMEFRAME

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One to two days.\*

### TRADING RESTRICTIONS

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A RAK IBC cannot trade within the UAE. It may engage in any lawful activity except for insurance, assurance, reinsurance, banking, and the investment of money for other parties.

### NAME RESTRICTIONS

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A RAK IBC's name must end with "Limited" or "Ltd". Restricted names include those suggesting the patronage of the UAE Government, any name related to the financial sector, any country or city name, any name containing abbreviations without a valid explanation, and any name that contains a registered trademark not owned by the company. Other restrictions are placed on names that have already been incorporated or names that are similar to those that have been incorporated to avoid confusion. Additionally, names that are considered misleading, indecent, or offensive are also restricted in RAK.

### CORPORATE DOCUMENTS LANGUAGE

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English

## NOTES

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\* Subject to the constraints of the due diligence procedure.

\*\* If the company applies for a financial license, accounting requirements will be applicable

\*\*\* Documents must be provided for every person related to the company.

Disclaimer: Nothing on this fact sheet shall be construed as a contractual commitment or as a warranty. Services conditions are governed by the applicable terms and conditions.