

❖ Second: Legal Forms:

❖ UAE nationals:

UAE nationals have the right to engage in all commercial, professional and industrial activities after the fulfillment of all requirements and conditions. They may conduct activities under any of the following forms:

- Sole Proprietorship (Sole Establishment)
- Limited Liability Company (LLC)
- General Partnership
- Simple Limited Partnership (Simple Commandite Company/ Company Limited by Shares)
- Public / Private Joint Stock Company.
- Civil Company.

❖ GCC nationals

- Sole Proprietorship
- Limited Liability Company (LLC)

All partners must be GCC nationals. In case there is one or more partners of other nationality, at least 51% of the paid-up capital must be owned by UAE nationals.

What activities that fall under LLC Form?

All commercial and industrial activities and most professional activities, except consultancy activity which requires the approval of the regulator (regulatory entity) of this business.

- **Public / Private Joint Stock Company**

All partners, who must not be less than three, should be of GCC nationality. In case there is one or more partners of other nationality, then the following conditions apply:

GCC nationals have the right to engage in most commercial, professional and industrial activities upon fulfillment of all requirements and conditions (except Pilgrimage and Umrah, commercial agencies, centers for disabled, nursing homes, community service, printing press and newspaper and magazine publishing houses which are reserved for Emiratis). They may conduct any activity under any of the following legal forms:

- At least 51% of the paid-up capital must be owned by one or more UAE partners:

Example: a GCC partner and expatriate partner require a UAE partner.

What activities fall under Public Joint Stock Company Form?

Commercial, industrial and professional activities.

What activities fall under Private Joint Stock Company Form?

Commercial and industrial activities and some professional activities.

○ Civil Company

A civil company can be incorporated by any two or more persons of GCC nationality without the need for service agent. However, if the company has one or more partners of other nationality, then a UAE national must be appointed as national service agent or included as partner.



Other nationalities

○ Sole Proprietorship (Sole Establishment)

Sole proprietorship can be formed to conduct only professional activities provided that a UAE national is appointed as national service agent.

○ Limited Liability Company (LLC)

LLC is incorporated for the conduct of any commercial or industrial activities and requires that at least 51% of the paid-up capital be owned by one or more UAE nationals.

What activities fall under LLC Form?

All commercial and industrial activities and most professional activities, except consultancy activity which requires the approval of the regulator of this business.

○ Private Joint Stock Company

A private joint stock company is established to conduct any commercial or industrial activity and requires that at least 51% of the paid-up capital be owned by one or more UAE nationals.

What activities fall under Private Joint Stock Company Form?

Most commercial and industrial activities and some professional activities.

○ Civil Company

Any two persons have the right to establish a civil company provided that a UAE national is appointed as national service agent or included as partner.