

ADGM Registration Authority Guidance Note for Applicants from Al Reem Island

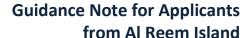






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Abbreviations

ADDED: Abu Dhabi Department of Economic Development

ADGM RA: ADGM Registration Authority

AML: Anti-Money Laundering **CSP:** Company Service Provider

DNFBP: Designated Non-Financial Businesses and Professions

FSRA: Financial Services Regulatory Authority

ICP: Federal Authority for Identity, Citizenship, Customs & Port Security

IPA: In-Principle-Approval
LLC: Limited Liability Company
LLP: Limited Liability Partnership

LTD: Limited Company

MLRO: Money Laundering Reporting Officer

MOHRE: Ministry of Human Resources and Emiratisation

NOC: No Objection Certificate **ORS:** Online Registry Solution

Capitalized terms used in this guidance document have the same meaning as set out in the 'Abbreviations' unless the context requires otherwise.



Introduction

The UAE Cabinet Resolution No. 41 of 2023 expands the jurisdiction of ADGM to include Al Reem Island, alongside its existing jurisdiction in Al Maryah Island. This expansion aligns with Abu Dhabi's economic vision, emphasizing the importance of its financial sector in the diversification strategy.

The resolution was enacted on April 24, 2023. Following this, **ADGM announced various regulatory amendments to support existing Al Reem Island businesses**. These **businesses have until December 31, 2024 to comply with ADGM's registration and licensing requirements**. From November 1, 2023, new businesses on Al Reem Island are required to obtain a commercial license from ADGM.

ADGM endeavours to extend an invitation to all business entities, urging them to become integral components of the thriving ADGM ecosystem. Recognizing the paramount importance of a seamless transition for current Al Reem entities, we are actively engaged in promoting and facilitating this transformative journey, working closely with various government bodies including ADDED, DMT, ICP and MOHRE

- On October 30, 2023, a joint communication from ADGM and ADDED was released.
- Starting from November 1, 2023, ADGM began implementing transitional arrangements which
 included an exemption order and ADDED stopped issuing new commercial licenses for Al
 Reem Island addresses.
- This transition period is set to conclude on December 31, 2024, by which time all businesses
 on Al Reem Island are expected to comply fully with ADGM's regulatory and licensing
 requirements, marking the completion of a critical phase in the establishment of a more
 expansive and integrated financial district in Abu Dhabi.

To ensure orderly and efficient transition, ADGM has diligently implemented a phased migration approach. This strategic initiative involves close collaboration with various stakeholders, collectively working towards the comprehensive resolution of challenges inherent in this transition. Based on the phased plan, ADGM will contact you through the transition period.

This document aims to guide businesses in Al Reem on the next steps regarding their migration to ADGM.



A. PRE-APPLICATION

This guidance note aims to assist businesses currently operating on Al Reem Island with their applications to register in ADGM.

Please follow the five steps outlined below to register your business on Al Reem Island in ADGM:

- 1. Identify Legal Form
- 2. Assess Business Activities and Category
- 3. Ensure Application Prerequisites Are in Place
- 4. Choose New Registration or Continuation method and proceed to next stage of 'Application'
- 5. Understand Employment, Data Protection and other Considerations for Continuing and New Businesses

A.1. Identify Legal Form

Identify the equivalent ADGM legal form for your business based on the legal form stated on your existing ADDED license by referring to the table below:

	Existing ADDED License	Equivalent ADGM License
1	Limited Liability Company	Private Company Limited by Shares
2	Sole Proprietorship	Private Company Limited by Shares
3	Branch of a Free Zone Company	Branch of a Company*
4	Branch of a UAE Company	Branch of a Company*
5	Branch of a GCC Company	Branch of a Company*
6	Branch of a Foreign Company	Branch of a Company*
7	Establishment	Private Company Unlimited with Shares
		or
		Private Company Unlimited without Shares

^{*}It is not anticipated that any branches will be able to continue in ADGM (all branches wishing to remain on Al Reem will be subject to New Registration rather than Continuation).

A.2. Assess Business Activities and Category

Use the link below to determine the category of your business based on the business activities it conducts. Depending on these activities, you will be classified in one of the following three categories:

- FINANCIAL CATEGORY A
- NON-FINANCIAL CATEGORY B
- RETAIL CATEGORY C

Permitted Activities

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Once you have determined the category of your business, follow the corresponding guidance below:

FINANCIAL - CATEGORY A:

Category A businesses must contact the FSRA to obtain an IPA prior to proceeding with the registration process for the commercial license.

Please refer to the links below for contact information of the FSRA, and details of the FSRA Rulebook:

Make an Enquiry

ADGM Legal Framework - FSRA Legislation

NON-FINANCIAL – CATEGORY B:

Category B businesses may have activities that are subject to additional regulations and license conditions ('Controlled Activities'). One of such sub-categories is DNFBP.

DNFBPs are defined within the following six sub-categories:

- **a.** Real estate agencies carrying out transactions that involve acquiring or disposing of real property
- **b.** Dealers in precious metals or precious stones
- c. Dealers in any saleable item of a price equal to or greater than \$15,000
- d. Accounting, audit, insolvency, or taxation consulting firms
- e. Law firms, notary firms, or other independent legal businesses
- **f.** CSPs

Sub-categories a to f are subject to the AML Rulebook, which requires the appointment of a MLRO and having AML policies and frameworks in place. For further details, please refer to the relevant rulebook available here:

Anti-Money Laundering and Sanctions Rules and Guidance

For further information on DNFBPs and their key role in protecting financial systems and economies from money laundering risks, please visit this webpage:

Designated Non-Financial Businesses and Professions (DNFBPs)

For a checklist of documents required for the appointment of a MLRO, please refer to: Checklist - Appointment of an MLRO

Sub-categories d to f are further subject to additional criteria as outlined below.

d. Audit firms

ADGM audit regime was launched in December 2021. It enhances powers of the ADGM RA in multiple areas to help ensure effective audit oversight. For information on application forms, fees, requirements, and regulations for 'registered auditor' and 'registered audit principal', please visit the webpage Registration Forms, and read Companies Regulations (Auditors) Rules 2023.

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e. Law firms

Law firms in ADGM have the business activity 'legal consultancy'. In order to apply for this activity, applicant firms must meet the following qualifying criteria:

- Be a body corporate to register a branch/ subsidiary of an existing legal entity
- Be in operations for 8 years since inception of business
- Have 2 offices in distinct jurisdictions or states
- Have 2 offices in the same country
- Each managing partner of the firm to have at least 10 years of post qualification experience
- Have at least 8 partners
- Have at least 25 qualified legal professionals employed by the firm in other jurisdiction
- Have professional indemnity insurance that can be extended to ADGM offices upon registration in ADGM

Individuals are not allowed to apply for this activity.

f. CSP

CSPs submit applications for incorporation on behalf of businesses and serve as the registered office and the main contact for ADGM. CSP activity is a controlled activity subject to Commercial Licensing Regulations (Conditions of License and Branch Registration) Rules 2023

For details on how to qualify as a CSP and the required documentation, please visit the following webpage: Company service providers (CSPs)

Guidance notes for CSPs are located on this webpage: Guidance and resources

Please note, the CSP activity is currently under moratorium announced as of 1 January 2024 -a temporary prohibition of the activity - until 30 June 2024, which means no new CSPs can be registered in ADGM until this date.

If your business needs a dual license:

ADGM and the ADDED have an agreement to facilitate a dual licensing regime for entities established in the ADGM.

Under this agreement, certain entities holding ADGM commercial licenses will be eligible for mutual license recognition with the ADDED provided that they satisfy and fulfil the respective licensing requirements of each jurisdiction and operate according to their respective rules and regulations. This means that eligible ADGM entities may be permitted to service businesses in onshore Abu Dhabi without having an office presence on the mainland.

ADGM entities providing financial services to customers in mainland Abu Dhabi will remain subject to any other relevant regulatory obligations and applicable laws which may be imposed on the mainland by the Federal regulators (such as the UAE Central Bank or Securities and Commodities Authority).

Some businesses may be required to obtain further licenses from other onshore authorities, depending on the scope of their activities.

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The dual licensing regime aims to encourage business activity from the ADGM into mainland Abu Dhabi, and increase the competitiveness of the ADGM and Abu Dhabi as business centres in the region.

A.3. Ensure Application Prerequisites Are in Place

The following documents and information will be required during your application for New Registration or Continuation of your business. Please ensure they are all prepared beforehand to ensure an orderly and quick application review process:

- Company / Trade Name
- Selected Business Activities
- Details of Registered Office Address
- Lease Agreement
- Mailing Address details
- Amount of Issued Capital
- Shareholding Structure Chart and Shareholder Details
- Ownership Structure
- Director(s) details
- Authorised Signatory(ies) details
- MLRO details (applies only to DNFBP)
- AML policy and supplementary documents (applies only to DNFBP)
- Data Protection Contact Person details:
 - a. How to complete the Data Protection Registration in ADGM Registry Solution 2.0
 - b. <u>ADGM Office of Data Protection</u>
- Beneficial Owners details
- NOC from ADDED (for entities choosing Continuation into ADGM)

Checklists of documents required for registration of companies, partnerships, foundations and branches are available here: Setting up in ADGM

A.4. Choose New Registration or Continuation

Once you have identified your category and fulfilled all additional requirements as outlined in steps A.1. to A.3. above, please ensure all requirements are in place before initiating the application process.

First you need to determine whether you are applying for a **New Registration** or **Continuation** of registration to ADGM. Note that branches do not have the option to choose Continuation and must register a new branch or a new entity, at the applicant's discretion.

The differences between Continuation and Registration are as follows:

- **Continuation:** a person exists in another jurisdiction before application for a license is lodged with ADGM RA and such person migrates to ADGM
- New Registration: a person currently does not exist under ADGM jurisdiction, and a brandnew person is created in ADGM. This option applies if applicant selects it voluntarily and if
 applicant currently holds branch license issued by ADDED, in which case the applicant must
 register a new branch in ADGM.

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Continuation from another jurisdiction into ADGM

Continuation is the process by which a legal entity (e.g., a company) registered in one jurisdiction moves to another jurisdiction. In some jurisdictions this process is known as 'migration', in others as 'transfer of incorporation'. The legal form is not intended to change (unless required due to differences in legal forms allowed by the respective jurisdictions), however, the place of registration changes by way of continuation.

There are **provisions in ADGM Companies Regulations** which facilitate this process of continuation. During the process of continuation, the **company continues to exist**, and all its business dealings **are intended to continue uninterrupted**. It is a convenient way to change the 'nationality' of the company by moving it from one jurisdiction into another.

Under continuation, the company becomes registered under ADGM Companies Regulations. When a company continues as a company formed or registered under ADGM Companies Regulations, all property and rights to which the company was entitled immediately before the certificate of continuance is issued continue to be the property and rights of the company. The company continues to be subject to all criminal and civil liabilities, and all contracts, debts and other obligations, to which it was subject to immediately before the certificate of continuance is issued. All actions and legal proceedings that were pending by or against the company immediately before the issuance of the certificate of continuance may be continued by or against the company. Once the certificate of continuance is issued by ADGM RA, it serves as conclusive evidence that the company has migrated and is formed or registered under ADGM Companies Regulations. The ADGM incorporation certificate for a business continuing into ADGM will contain the former license details of the business.

Requirement of ADDED NOC for Continuation

Please note that current ADDED licensees operating on AI Reem Island choosing to apply using 'Continuance to ADGM' process, would be required to obtain a NOC from the ADDED confirming eligibility to apply for continuation. Without the NOC, the application will not be accepted by ADGM RA. This would require clearing any outstanding fees payable to ADDED as well as other regulating authorities, if applicable. To obtain this document, please contact ADDED using following contact details:

Email on transfertoadgm@ded.abudhabi.ae or call on +971 2 401 7965

Please also watch the video on Continuation providing information on the expansion, the transitional period, obtaining your ADDED NOC, and contact details to approach ADGM and initiate the application process: <u>2 Islands</u>, <u>1 District</u>

New Registration in ADGM

New Registration is the process by which a new legal entity or branch is created and never existed before. Registration of a new legal entity or branch in ADGM and the date of its registration marks the commencement of its lifecycle.



A.5. Fees for Registration or Continuation

As part of its welcome offering, ADGM RA revised its fees associated with registration and continuation of the legal entities to ADGM as follows:

- ADGM RA has waived all fees associated with registration of Cat B and Cat C businesses;
 this incentive ends on 31 October 2024
- ADGM RA has waived \$7,500 continuation fees for businesses continuing into ADGM; this incentive ends on 31 December 2024

The incentivised fees do not apply to Cat A. The incentivised fees apply only to partnerships and companies engaged in non-financial businesses without exclusive activities.

In order to utilize incentivised fees, please use the following business activity codes for each category of license:

- Category B (non-financial businesses) **Activity Code:** 7452, **Activity name:** Migrated Al Reem Island legal entity
- Category C (retail businesses) **Activity Code:** 4500, **Activity name:** Migrated Al Reem Island entity retail

The incentivised fees do not apply to Cat A. The incentivised fees apply only to partnerships and companies engaged in non-financial businesses without exclusive activities.

A.6. Understand Employment, Data Protection and Other Considerations for Continuing and New Businesses

ADGM has its own Employment Regulations (2019), and the UAE Federal Labour Law does not apply within ADGM. **ADGM Employment Regulations** can be found here: <u>ADGM Legal Framework - Employment Regulations</u>

Applicants continuing into ADGM will need to transfer their employees from their existing employment contracts issued by the MOHRE to employment contracts governed by the ADGM Employment Regulations.

Guidance and FAQs concerning the ADGM Employment Regulations, including an employment contract template can be found here: Employment Affairs Office

In addition to ADGM Employment Regulations, ADGM has other Rules and Regulations, which apply to businesses, depending on their scope of activities, and will be relevant for any business in ADGM. These include Data Protection Regulations and certain sector-specific rules, such as ADGM Healthcare Regulations.

B. APPLICATION



There are multiple ways to approach ADGM RA to apply for a New Registration or Continuation of your business in ADGM, which include:

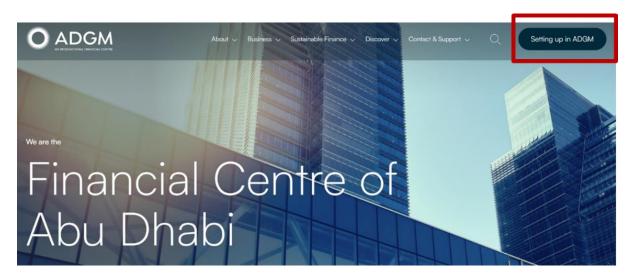
- Call center: Please call on +971 2 333 8888
- Customer Relationships & Management team: <u>CRM@adgm.com</u>
- Apply using designated Tasheel centers: Yas Centre LLC, Aamer, Al Reem Supports Hub, PWG
 Document Typing Centre LLC, Al Saada Transactions Follow-Up Centre, SAHL Business Service
 Centre
- Apply using an ADGM licensed CSP you can select one from the list of registered CSPs here: List of licensed company service providers
- Apply directly on ADGM website: ADGM Login Page

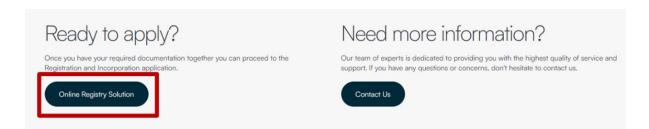
To apply directly on the ADGM website, follow the below five steps:

B.1. Create User and Log In

Applications for licenses are lodged with ADGM RA through the platform ORS. In order to access ORS, please visit ADGM.

If you are already a registered user, you can login to ORS here: ADGM Login Page.



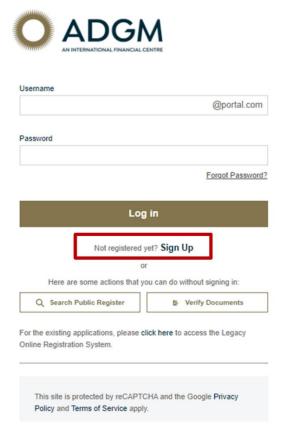








Please use the **Sign Up** option to create a user account if not yet registered, or alternatively you can log in to your account.



A detailed guide on how to use ORS can be accessed here: Online Registry Solution – User Manual

For further information on how to register and access ORS, please watch this video: Online Registry Solution Portal – User Videos and Guides

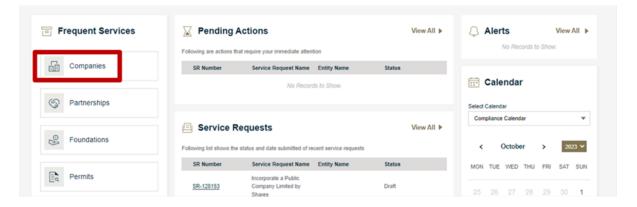
B.2. Select Legal Form and Process Application



There are several **legal forms** an applicant may choose from when obtaining a license from ADGM as highlighted above in the Pre-Application section of this guidance document.

Begin by determining your legal form using the table in section A.1. After logging in, use the left-hand side menu to navigate to the form you wish to register.

For instance, if you intend to establish a company, refer to the "Companies" section, as shown in the screenshot below. Alternatively, for setting up a different form of legal entity, such as a Partnership or Foundation, or branch select the corresponding menu item.



After deciding your legal form, you have 3 main options to choose from for applying for an ADGM license:

- Continuation into ADGM (migration of a legal entity from one jurisdiction into another)
- **New legal entity set up** (incorporation of a brand-new entity)
- Registration of a branch of an existing legal entity registered outside ADGM

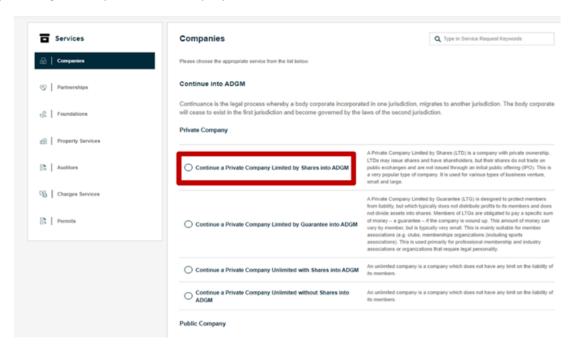
For each option, you can select the decided legal form and continue with your application accordingly. Below are the details for each option:

Option 1: Continuation into ADGM: Please navigate to 'Continue into ADGM' option:



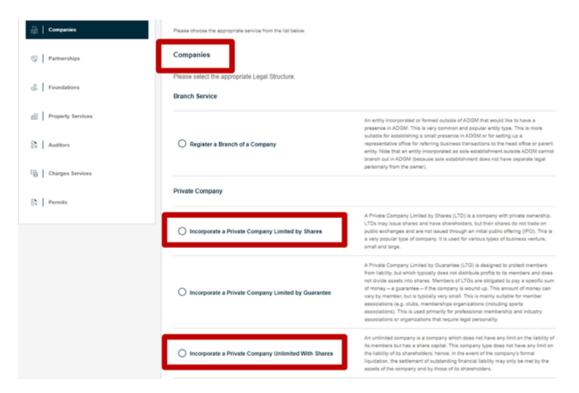
Special Purpose Vehicle (SPV) Special Purpose Vehicles (SPVs) are passive holding companies established for the purpose of isolating financial and legal risk by ring-fencing certain assets and liabilities. The Restricted Scope Company is a corporate vehicle offering a greater degree of confidentiality than other forms of corporate entity in ADGM. A Private Company Limited by Shares (LTD) is a company with private ownership. LTDs may issue shares and have shareholders, but their shares do not trade on public exchanges and are not issued through an initial public offering (IPO). View Options → RegLab / Tech Start up (Innovation License) The ADGM RegLab is a specially-failored regulatory framework which provides a controlled environment for FinTech participants to develop and test innovative FinTech solutions. Global startups that want to gain access to ADGM's vibrant tech ecosystem including capital, market opportunities, longer-term visas and a highly skilled tallent pool. View Options → Continuae into ADGM Continuance is the legal process whereby a body corporate incorporated in one jurisdiction, migrates to another jurisdiction. The body corporate will cease to exist in the first jurisdiction and become governed by the laws of the second jurisdiction. View Options → Corporate Services Corporate Services are available to provide documentation/certificates for ADGM registered entities. View Options →

Select corresponding type of legal form matching the current legal form in home jurisdiction (below examples are given only for illustration purpose):

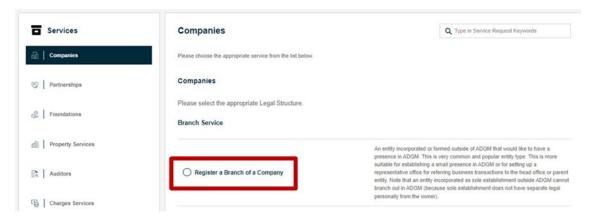


<u>Option 2: New legal entity or branch set up</u> (incorporation of a brand-new legal entity or a brand-new branch of the existing legal entity): for incorporation of a new entity, please select the relevant application form as shown below (examples are given for illustration purpose, please select correct legal form).





Option 3: Registration of a branch of the existing legal entity registered elsewhere outside ADGM: please select the option as shown below.



B.3. Select Business Activities

After determining which option suits your business needs to get an ADGM license, you may continue your application by selecting correct business activities that are allowed in ADGM. Follow the steps below depending on your category as identified in the 'Pre-Application' section:

- FINANCIAL CATEGORY A: Contact FSRA to obtain an IPA prior to lodging application for incorporation as described in the 'Pre-Application' section. To find out how to obtain an IPA, please contact ADGM on 02-3338888 or email CRM@adgm.com.
- NON-FINANCIAL CATEGORY B: Apply by lodging an application directly with ADGM RA and select correct business activities from the <u>Permitted Business Activity List.</u> Applicants would

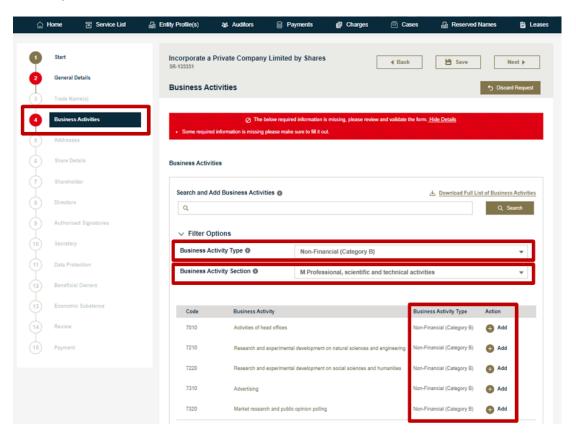


require lodging a brief business plan setting out intended business model and services offered with this application too.

• **RETAIL – CATEGORY C:** Apply by lodging an application directly with ADGM RA and select correct business activities from the list of available business activities.

ADGM RA has published a **comparative list of business activities where ADDED business activities** can **be matched to ADGM business activities** to assist applicants in selecting correct business activities. This list is available on ADGM's Al Reem Expansion webpage: <u>Business Activity Mapping</u> Table (DED - ADGM).

Please refer to the following image when identifying and assigning all activities that relate to your business as outlined below. To assign all activities that relate to your business, begin by navigating to the 'Business Activities' section of the application form. Select the Business Activity Type and Business Activity Section as shown below:



- Financial firms are required to select the **Category A** from activity drop down list if the applicant holds a valid IPA issued by ADGM FSRA.
- Retail (Category C) entities should select G Wholesale and retail trade in Business Activity Section.
- If your current business activity is 'General Trading', this activity is not available in the ADGM activity list. You will need to select specific activities to reflect your current business activities. Please note that the activity of 'Import and Export' is also not available in ADGM.

To identify your relevant business activities, type relevant words that describe your business in the **Search window and Add Business Activities** field, click the **Search** button, and a proposed list of potential activities will appear below. If you find a suitable activity, click the **Add** button. Please select the closest match to your current activities. All your relevant business activities should be added.



You may wish to download a full list of business activities found here Permitted Business Activity List.

Note: Not all activities may be found, therefore, please use the search to find the closest match.

B.4. Reserve Name

You may wish to reserve a name for your business in advance as a separate service before you initiate the registration process for your business. This is an optional service and not compulsory in ADGM as name is reserved as part of the application process for incorporation/registration in ADGM. The name is reserved for 30 days. For fees associated with name reservation, please refer to Schedule of Fees.

Search for the proposed name on the public register prior to applying to ensure availability of the proposed name. Please note, the use of restricted words or expressions listed in <u>ADGM Business and Company Names Rules 2021 is not permitted</u>.

Search the public register from this page on ADGM's website: Search Public Register

B.5. Complete the Application

Read the help text and instructions carefully and complete each section of the application form. Follow the instructions and <u>upload all required documents</u> to complete the application. When the application form is completed and payment is made, 'submit' the application for review.

ADGM RA will review the application and provide feedback where required. Upon approval of your application, you will receive a digital certificate of incorporation or registration and a commercial license.

Checklists of the required documents are available on ADGM's website, and accessible here:

Private Company Limited by Shares - Financial Services

Branch - Financial Services

Private Company Limited by Shares - Non-Financial Services

Branch - Non-Financial Services

Private Company Limited by Shares - Retail

Branch - Retail

To access other checklists, please visit this webpage: Setting up in ADGM

B.6. Arrange Lease Agreement of a Licensee

FINANCIAL – CATEGORY A, NON-FINANCIAL – CATEGORY B, RETAIL – CATEGORY C:

Licensed businesses are required to always maintain a registered office address in ADGM. When lodging the application for incorporation of a legal entity, please upload the lease agreement for the proposed office space in ADGM.

You can also search for office spaces on Al Reem Island and Al Maryah Island through ADGM's website: Office Spaces in ADGM Jurisdiction.



Your current lease validity may be shorter than 1 year at the time of re-registration in ADGM. In this case, please use your current lease/ Tawtheeq as evidence of the address where the business operates from. ADGM RA will accept a lease that is shorter than 1 year.

It is the **responsibility of the licensee to ensure the lease is valid** for the duration of the commercial license. You will be required to extend or renew your lease at the time of its expiry to facilitate operation of your business.

C. POST-APPLICATION

Once you have completed the necessary steps outlined in the 'Application' section and obtained your license, you can continue with the post-application processes. Post application process depends on your application route, i.e. entities that have obtained their licenses through Continuance process and New Registration process should follow different steps.

C.1. ADGM Commercial Licenses issued through the Continuation process

ADGM is a financial freezone with its own ADGM Employment Regulations, hence the MOHRE regulations generally do not apply within the ADGM jurisdiction. Therefore, all work permit types issued by MOHRE will be cancelled after the ADGM commercial license is issued, however, the existing employment visas linked to the legal entity will remain active.

In order to update information on your **Establishment Card**, please follow these steps:

 Request the service called "Establishment Card – All Establishment Card Types – Data Modification" by using your current/ existing E-channels account with ICP in the Smartservices system.

Required documents to be uploaded in the data modification request are:

- a. Copy of the new ADGM commercial license
- **b.** Copy of the previous ADDED license
- c. Copy of the existing Establishment Card
- Notify ADGM upon submitting the request by sending a copy of the application to this email address: accessadgm.cases@adgm.com

Upon receiving ICP approval on the submitted request, ADGM will notify you to:

AccessADGM account: Register for a company user access under the <u>AccessADGM</u>
 Government Services Portal. AccessADGM is an integrated portal that provides a wide range
 of services including Visa services, Company services, and Letters & Permits. ADGM registered
 entities must use the portal to request for applications related to visas, work permits,
 commercial permits, etc.

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- Investor visa holders: Request to change the job title for all individuals holding "Investor visa" linked to this legal entity. In freezones, the Investor visa is not applicable. Therefore, it will be mandatory to apply for this service request through AccessADGM. Possible job titles are: Director, CEO, Managing Director etc.
- Visa quotas: Email a copy of your office/premises lease agreement to <u>accessadgm.cases@adgm.com</u> to update your entity visa quota. This will allow you to request for new employment visas/ work permits.
- Work permits: Apply for new work permits/ new temporary work permits for all individuals working for your legal entity that are not under the visa sponsorship. More details on different work permits and temporary work permits types can be found in this Work Permit Guide

Guidance and FAQs concerning visas, work permits, and other offered government services can be found here: Corporate Relations - Government Services.

C.2. ADGM Commercial Licenses issued through the New Registration process

ADGM government related services can be accessed through ACCESSADGM client portal, a highly efficient, comprehensive and integrated online portal. ACCESSADGM client portal provides a wide range of services for ADGM registered entities including visas, permits, postal services. To access employment visa services and other services, you are kindly requested to:

- Register for a user access under the government services portal "AccessADGM".
- Apply for an Establishment Card & E- Channels Account

To enable the employment visa services, all newly registered legal entities / branches in ADGM are required to apply for an Establishment Card and E-Channels account which is a requirement for all visa related services.

- **a. Establishment Card:** This card is issued by the ICP and is a requirement for all ADGM entities that wish to apply for employment visa services for their employees.
- **b. E-Channels Account:** It is an online subscription to the ICP services system for your entity.
- Apply for employment visas

Guidance and FAQs concerning visas, work permits and other offered government services be found here: Corporate Relations - Government Services

C.3. Key Elements to Consider for Businesses After Migration

• Establishment card, employees' visas

(see https://www.adgm.com/operating-in-adgm/employment-affairs-office):

- a. Application to update of Establishment Card in ICP system ("Smart Services")
 - Existing visas and IDs will be linked automatically by ICP to the ADGM issued license and do not need to be cancelled
 - Investors holding an investor visa, will need to apply for change of job title right after linking the visas to the ADGM entity

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- New required visas (for new employees) should be obtained via ADGM (AccessADGM)
- NB Residency visas of dependents of employees will remain valid without any changes

Employment contracts

(see https://www.adgm.com/operating-in-adgm/employment-affairs-office):

- **a.** Preparation of a new form of employment contract as per the ADGM Employment Regulations*
- **b.** Provision of such form for employees' review*
- **c.** Signing new employment contracts as per such form with each employee
- **d.** Paying out of end of services due under employment contracts under onshore laws, where required. There is a possibility of transferring accumulated end of services to the new employment contract

Work permits

- **a.** Employees holding a valid <u>visa under the newly licensed ADGM entity</u>: Employers will be required to apply for Work Permit service for visa sponsored employees
- **b.** Employees holding employment <u>visa from other jurisdiction</u>: Employer must obtain a temporary work permit through AccessADGM for all part time employees
- **c.** Employees who are <u>UAE/GCC nationals</u>, <u>Sponsored by Parents/Spouses or Long Term visa holders (Golden/ Green)</u>: Employer must obtain a Full time non-sponsored employee Work Permit through AccessADGM

Bank account

- **a.** Notification of bank managers of banks where existing accounts are held regarding upcoming changes*
- **b.** Provision of all documentation confirming migration of an entity to ADGM (e.g., constituent documents, commercial license) including ADGM issued corporate documents, once available
- **c.** Change of account names, where applicable
- d. Note: NB Additional rules may apply, depending on specific bank policies

Lease agreements

(see https://www.adgm.com/operating-in-adgm/post-registration-services/lease-and-real-property):

- **a.** The lease agreements need to be updated to reflect new company details and, after 31 December 2024, to comply with the ADGM Real Estate Regulations
- **b.** Registrations need to be made as per ADGM rules

Powers of attorney

- a. Preparation of new PoAs with new company details*
- **b.** Issuance of new PoAs
- **c.** Updating of PoAs to counterparties and, where applicable, the authorities

• Onshore or other (e.g., including foreign) authorities

- **a.** Where an entity:
 - Reports to an authority (e.g., tax authorities);
 - Has a license, permit or another authorisation from an authority (e.g., construction, other business-specific licenses and permits);



- Has registrations with an authority (including any registered property, such as trademarks or other intellectual property); or
- Has ongoing proceedings (e.g., litigation) in a court or tribunal, it will need to notify such onshore authority or court of change of its name and change of legal form, and other relevant changes (if applicable) and details.
- **b.** NB Depending on the onshore authority in question, license may need to be re-issued.

Counterparties

- **a.** All counterparties including:
 - Suppliers;
 - Customers;
 - Banks; and
 - Service providers,

need to be given notice of the upcoming changes*

- **b.** Commercial contracts, including any forms used by the entity, need to be updated/amended to, inter alia, change:
 - Company details;
 - Details of the bank account, if applicable (e.g., see 3. above);
 - Details of signatories based on new powers of attorneys (e.g., see 5. above);
 - NB address may need to be changed, if ADGM company uses a corporate service provider in ADGM as per ADGM requirements;
- **c.** NB commercial contracts may require novation, additional notices, including advance notices, to counterparties*
- d. NB Online service providers, including domain registrars need to be notified of the changes following relevant procedures set in contracts, e.g., all domain registrars need to be informed of changes in the company name, if applicable, and registration details, where specified in the domain registry, following the procedure set by the domain registrar.

^{*} Steps which should be completed prior to registration of a new entity.



Appendix A

Disclaimer

Note: This Guidance Note is a non-binding indicative guide and should be read together with the relevant legislation, in particular the ADGM Companies Regulations 2020 (as amended) and any other relevant regulations and enabling rules, which may change over time without notice. Information in this Guidance is not to be deemed, considered or relied upon as legal advice and should not be treated as a substitute for a specific advice concerning any individual situation. You may wish to consider consulting a professional if you need technical or legal advice. Any action taken upon the information provided in this Guidance is strictly at your own risk and the Registration Authority will not be liable for any losses and damages in connection with the use of or reliance on information provided in this Guidance. The Registration Authority makes no representations as to the accuracy, completeness, correctness or suitability of any information provided.