

The logo for POA.ae, featuring the text 'POA.ae' in a white, sans-serif font. The '.ae' is highlighted in orange.

Your Guide To

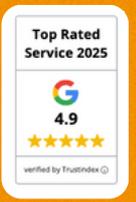
ISSUING A

BUSINESS POA

In Dubai



Your Guide To Issuing Business POA In Dubai



DEFINITION

A Power of Attorney (also known as a POA) is a legal document through which a person or entity (known as a principal) authorizes one or more persons or entities (known as an agent or attorney-in-fact), to act on behalf of the principal. The reasons for issuing a POA can be various, such as busy schedule, being outside the country, illness or not having enough knowledge in a particular field etc.

VALIDITY

To be effective, a POA must be prepared in Arabic. If a POA is prepared in another language (e.g. English), then it must be legally translated into Arabic and must be notarized (i.e. signed in the presence of a Notary Public in the UAE whether in person or electronically). The purpose of notarization is that the Notary Public ensures the legality of a Power of Attorney, checks the identity of the principal, checks the supporting documents and verifies his capacity/authority and his consent.

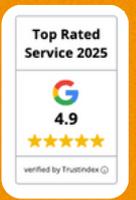
The principal and the agent must be a mentally sound adult above the age of 21 years. The agent can be a family member or a friend or any professional, accountant or lawyer. However, as per Dubai rules, some types of POA can be given to a specific person. For instance, a POA for representation in the court can be given to a lawyer/law firm.

The other conditions for the validity of the POA are the following:

- a) The principal must himself have the right to do the acts constituting the object of the POA.
- b) The agent must not be prohibited from doing what he has been empowered to perform.
- c) The object of the POA must be known and apt to be given by POA.



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DURATION

If there is no time limitation specified in the POA, a POA is valid until it is revoked by the principal. However, certain types of Power of Attorneys in Dubai can be valid only for limited time in any case. For instance, the duration of a Power of Attorney in Dubai for property sale, transfer or gifting is restricted for a period of 2 years by the Dubai Land Department. Moreover, it is always possible to give a Power of Attorney for a limited time period or for limited tasks, by specifying it within the Power of Attorney itself. Apart from that, any POA becomes invalid on the principal's passing away or when he is mentally incapacitated or when a legal entity is dissolved or liquidated.

TYPES OF POWER OF ATTORNEY

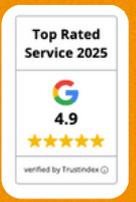
A Power of Attorney can be general, known as general power of attorney, that gives broad and usually unlimited powers, or it can be specific, called special power of attorney, that gives only specified and limited powers to the agent. Thus, a Power of Attorney is a quite flexible document that can be tailored to specific needs. In order to avoid a misuse of a Power of Attorney by an agent, it should be carefully drafted taking into consideration principal's requirements and will.

Common Types of Business POA are following:

- General Power of Attorney
- Power of Attorney for Company Incorporation
- Power of Attorney for Company Management
- Power of Attorney for Company Shares
- Power of Attorney for Tax/FTA Representation



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GENERAL POWER OF ATTORNEY FOR BUSINESS

General Power of Attorney for Business grants the agent broad and unlimited authority to manage various aspects of the principal's business affairs, including financial transactions, property management, and business operations. General Power of Attorney for Business is usually given to close family members or trusted friends or business partners to ensure smooth business operations when the principal is unavailable for an extended period.

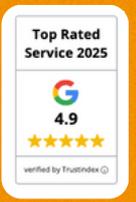
A POWER OF ATTORNEY FOR COMPANY INCORPORATION

A Power of Attorney for Company Incorporation authorizes one or more agents to establish a company or enter into a partnership for and on behalf of a principal. POA for Company Incorporation authorize an agent to sign company formation documents such as Memorandum and Articles of Association, lease agreement, partnership agreement, local service agent agreement and other legal documents and application forms to register a company and obtain a license.

This type of Power of Attorney is ideal for appointing an agent specifically for establishing a company, without granting the broad powers that are normally included in a general power of attorney. For company formation, agent doesn't have to be a lawyer; however, it is advisable to appoint an agent who is familiar with local rules and regulations.



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POWER OF ATTORNEY FOR COMPANY MANAGEMENT

A Power of Attorney for Company Management authorizes a person or the company's General Manager to run and manage the day-to-day operations of a company. The range of activities which the attorney or a general manager is authorized under such Power of Attorney include:

- negotiating and signing contracts for the sale of the company's products or services,
- hiring or terminating employees,
- hiring auditors or lawyers,
- buying and selling property,
- dealing with banks and managing bank accounts,
- dealing with export/import and customs,
- representing the company before any judicial and other authorities and federal and state government departments,
- signing applications and other documents relating to utilities services, assigning tasks to employees of the company, etc.

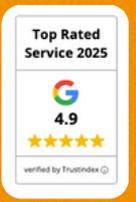
POWER OF ATTORNEY FOR COMPANY SHARES

A Power of Attorney for Company Shares allows a shareholder of a company to authorize another person to represent his/her interests in relation to his/her shares in a company.

The range of powers which a POA for Company Shares authorizes include signing resolutions, attending shareholders meetings, transfer of shares, representing interests before any judicial authorities, federal and local government departments, third parties etc. Powers and authorities of the agent can be broad or limited to certain tasks.



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POWER OF ATTORNEY FOR TAX/FTA REPRESENTATION

A Power of Attorney for VAT allows a company to appoint one or more agents to represent the company before tax authorities in relation to tax matters including VAT registration, filing VAT returns, claim refunds, submission of documents, etc.

To register for VAT, some specific documents must be submitted to the Federal Tax Authority (FTA), including the business or trade license, certificate of incorporation, as well as proof of authorization for the manager or the authorized signatory (e.g. Articles of Association, Board Resolution, or a Power of Attorney). Thus, a POA for VAT is one of the mandatory requirements of the FTA, if the company is being represented not by its owner but by a manager or a third party (e.g. tax agent).

This type of Power of Attorney is ideal for authorizing the company's manager or appointing a tax agent or an accountant specifically to deal with VAT matters on behalf of the company.

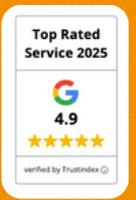
REQUIREMENTS FOR ISSUING A BUSINESS POA

Required documents to issue POA on behalf of a company are following:

1. Company documents:
 - a. Certificate of Incorporation/Registration of the Company (or any equivalent)
 - b. Trade License (if applicable)
 - c. Memorandum and Articles of Association (if any) - not applicable for Sole Establishment or Branch
 - d. Previous Board Resolution or POA for the signatory (if any)
 - e. Additional company documents based on the company legal form



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2. Passport copy of the principal (person giving the POA)
3. Passport copy of the attorney (person receiving the POA)
4. Emirates ID copy of the principal (if UAE Resident)
5. Emirates ID copy of the attorney (if UAE Resident)
6. Mobile numbers for principal and agent
7. Email addresses for principal and agent
8. POA validity – if any (e.g. 1 month, 1 year or unlimited)

PROCESS OF NOTARIZING A POWER OF ATTORNEY IN DUBAI

Step 1: Drafting

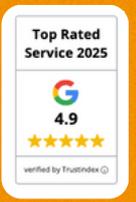
The first step is to get your Power of Attorney drafted. Without a doubt, this is the most crucial step. It is important to ensure that your POA is drafted clearly and professionally and precisely conveys your situation. This approach will minimize the risk of POA rejection from third parties and/or government entities at a later stage and will save your time and money. A Power of Attorney must be prepared in Arabic primarily as an official language, and can be accompanied by official translation to any other languages.

Step 2: Notarization and Attestation

After your POA has been drafted and tailored to the specifics of your situation, it will need to be notarized. This can be accomplished through e-notary services of Dubai Courts electronically, or by physically going to Dubai Courts Notary Public offices. During the notarization, the notary public checks the identity of the parties issuing the POA and verifies their capacity and powers to sign the POA. The Director and/or Manager can only delegate powers that have been explicitly granted to them in the MOA, or Shareholders Resolution or POA from the Shareholders, provided the sub-delegation power is also included in the Director's and/or Manager's powers.



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After verifying the documents and the authority of the principal, the POA shall be registered and validated using One Time Password (OTP) sent to the principal's mobile and email, whether you apply for POA notarization electronically or physically at the Dubai Courts Notary Public offices. After the Notarization, the electronic POA is shared to the parties by email and SMS. The notarized POA contains a special QR code to verify the POA validity.

If a POA is issued outside the UAE but shall be used in the UAE, then such POA should be notarized, translated into English or Arabic and legalized by the local authorities and the UAE Embassy or Consulate in the country of origin, and the original legalized POA has to be sent to the UAE and be attested by the Ministry of Foreign Affairs in the UAE. If there is no UAE Embassy in the country of origin, the POA can be attested by the respective country's Embassy or Consulate in UAE and then attested by the Ministry of Foreign Affairs in the UAE.

Business POA Revocation

You can cancel or revoke a Power of Attorney at any time, regardless of any reason or purpose. The revocation should be made in writing using a Revocation of Power of Attorney declaration, and it must be notarized and intimated to your agent or attorney-in-fact. A POA Revocation form has to be notarized and attested in the same way the POA was originally done. You can opt to notify the agent through the bailiff of the Notary Public or you can notify your agent through a registered mail.

When changing the content of your Power of Attorney, it is important to revoke the previous one and issue a new Power of Attorney, as the previous may still be considered valid unless it is explicitly revoked in writing.



CONTACT US

At POA.ae, we understand the demands of the running a successful business and are committed to providing top-notch document processing services to support your success.

Contact us now to discuss your specific needs and discover how we can assist you with our services.

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