

QFC FOUNDATION



مركز قطر للمال
Qatar Financial Centre

ABOUT QFC

As one of the leading onshore business and financial centres, the QFC offers both domestic and international firms a world-class platform to establish and operate their business in Qatar, providing access to a broad range of services, regulated and non-regulated, under a legal and regulatory regime based on international best practices. Whether you are a start-up or a large company seeking to establish or expand your presence in the region, the QFC provides a transparent and flexible environment for your business to flourish and grow in Qatar and beyond.

BENEFITS OF SETTING UP IN THE QFC



Onshore
Jurisdiction



100% Foreign
Ownership



English Common
Law



10% Tax on
Locally Sourced
Profits



100% Repatriation
of Profits



No Minimum
Capital



One Stop Shop



Trade in any
Currency

A Foundation in the Qatar Financial Centre (QFC) is established under the [QFC Foundation Regulations 2016](#) and registered with the QFC Companies Registration Office (CRO) as a QFC Foundation. It has the capacity, rights, and privileges of a natural person. The structure of a Foundation in the QFC is flexible and can be used for succession planning, asset protection, and employee share plans.

What is a Foundation?

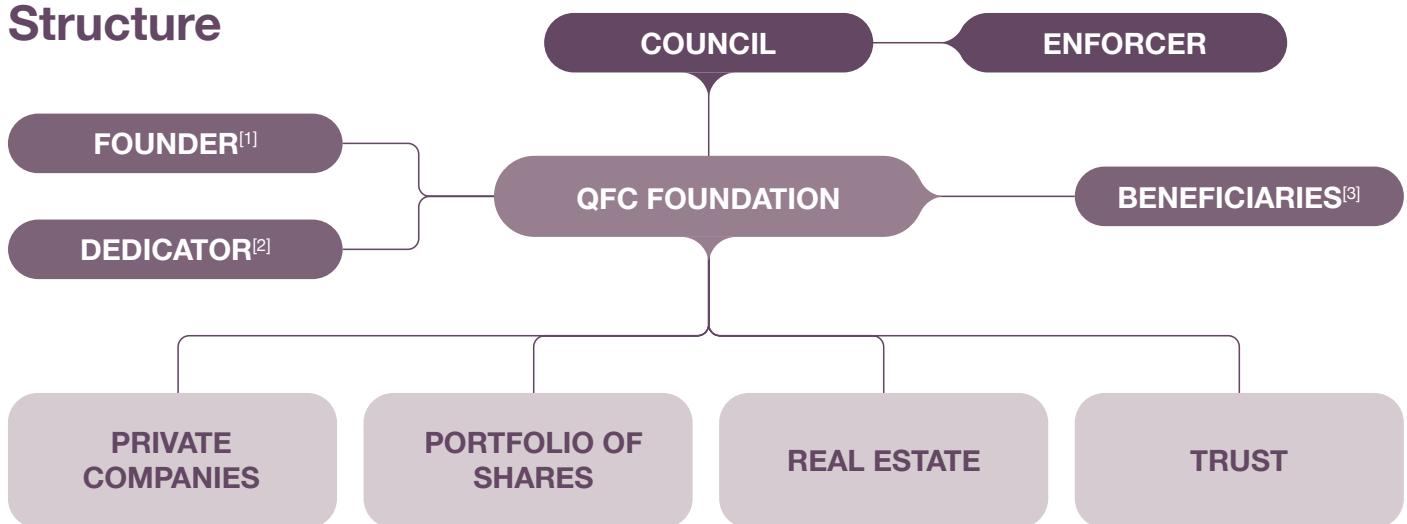
- A Foundation is a legal entity with its own distinct attributes and legal personality, allowing it to enter into contracts and arrangements directly while, at the same time, permitting the separation of liability between the founder and the Foundation.
- A Foundation ensures that assets and the income from the assets will be distributed according to the founder's wishes.
- A Foundation serves various purposes, including wealth management, wealth planning and preservation, asset protection, succession planning, tax planning and corporate structuring.
- A Foundation possesses perpetual existence, continuing to exist even after the founder's demise.

QFC Benefits for Foundations

- The Foundation property, founder(s), dedicato(s), members of council, and beneficiaries can be from any jurisdiction(s) acceptable to the Qatar Financial Centre Authority (QFCA).
- The constitution of a QFC Foundation is only made available to the QFC Registrar.*
- A QFC Foundation is eligible for all the QFC benefits associated with being established in the QFC.

*The Constitution can only be made available on the Register or to the public where there is either a Statutory obligation or an order of the QFC Court to disclose, and the QFCA may do so on such terms as it considers appropriate.

QFC Foundation Structure



^[1]The founder has no rights, benefits, or entitlements to the Foundation and its assets.

^[2]The dedication of assets to a Foundation by a dedicator does not make the dedicator a founder or give the dedicator any rights to the Foundation.

^[3]A beneficiary under a Foundation has no interest in the Foundation's assets.

Examples of how a QFC Foundation can be used

- Investment (holding shares) in family companies.
- Ownership in a private trust company (family members acting as directors of the trust company can undertake a more aggressive investment strategy than an institutional trustee would be prepared to undertake if the assets were held in a Trust).
- A Foundation can be set up for educational purposes but is not allowed to solicit cash.
- Separation of voting and economic benefits, e.g., separation of voting and non-voting shares in a family company whereby the Foundation receives the economic benefits of the non-voting shares for the family, and the voting shares continue to be held by the founder in his individual capacity.
- To provide for an employee share option scheme.
- Subordinated debt – to provide certainty with regards to the ranking of priority amongst creditors involved in a loan transaction or on the issue of debt securities in insolvency.
- To hold the benefit of warranties/collateral for lenders of finance (who become beneficiaries in the Foundation) to a borrowing company incorporated by the Foundation.



Features of a Foundation

Objects	<ul style="list-style-type: none">The objects of the Foundation outlined within its constitution may be to benefit a person or class of persons defined in the constitution (but must not be charitable) and/ or to carry out a specified purpose, including, without limitation, the selection of the class of assets. The objects may benefit the founder only to the extent permitted by the QFCA.	Council	<ul style="list-style-type: none">A Foundation must have a council to administer the assets and carry out the objects of the Foundation. The council must have at least two members (one of whom must be the registered representative).
Constitution	<ul style="list-style-type: none">A Foundation must have a constitution which specifies its objects, the names and addresses of the members of the council, the name and address of the registered representative, details of any dedicated assets, details of the event or period upon which the Foundation is to be wound up and dissolved, who has the rights to wind up and dissolve, and what is to happen to any assets that remain should the Foundation be wound up and dissolved. The constitution must be in English and submitted to the QFCA, which will be treated as a confidential document.	Enforcer	<ul style="list-style-type: none">A Foundation must have an enforcer who will be responsible for carrying out the functions of the Foundation as set out in the constitution and ensuring that the council is performing its functions in accordance with the constitution and acts in the best interest of the Foundation. Except in the case of a registered representative, a person may not be both a member of council and an enforcer.
Registered Representative	<ul style="list-style-type: none">An application to establish a Foundation must be made by the person who will become the registered representative. <p>The Foundation must always have a registered representative – which must be a Licensed Firm licenced to carry out one or more of the following activities under Part 2 of Schedule 3 of QFC Law:</p> <ul style="list-style-type: none">- Professional services limited to auditing, accounting or legal services.- Business activities involving the administration of Trusts and similar arrangements of all kinds. <p>A registered representative must be:</p> <ul style="list-style-type: none">- A Designated Non-Financial Business or Professional (DNFBP) under the AML/CFT Rules.- A member of the council of the Foundation.	Registered Office	<ul style="list-style-type: none">A Foundation must have a registered office situated in the QFC. It may use the registered office of the registered representative as its registered office. <p>The name of the Foundation, its registered office address and registration number must be included in all its written communications, including electronic communications.</p>

Application for Establishment of Foundation

- Complete the online application form for registration and licensing of a Foundation.
- The application must be made by the person who will become the registered representative.
- The application must be accompanied by a copy of the constitution of the Foundation.

Compliance & Disclosure Requirements

All QFC-registered entities are required to maintain certain documents at their registered office.

In addition, Foundations are required to make certain periodic and event-driven filings to the CRO/QFCA, such as:

- Annual Return.
- Annual Ultimate Beneficial Owner (UBO) Report.
- Notice of change in constitution, registered office, etc.
- Appointment and cessation or change in particulars of registered representative, members of council, enforcer, protector, etc.

For the full and detailed compliance and disclosure requirements, please refer to the [QFC Foundation Regulations 2016](#) and the [QFC Foundation Rules](#).

Fees

Purpose	Fee USD
Application for establishment of a Foundation	500
Annual Licensing Fee (prorated for the first year)	5,000
Annual Return for a Foundation	50
Notice of amendments to the constitution	50
Notice of change of registered office	50
Notice of change of objects of the Foundation	50
Registration of the particulars of each member of the council of the Foundation appointed, removed or who resigns and any change in the particulars of the members of the council	50
Notice of change or appointment, removal, or resignation of a registered representative	50

For more information, contact our team at:

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