

Criteria on Registration of Companies, and Industrial and Intellectual Property Rights

Chapter One: Definitions

Decreed by the High Council of Free Trade-Industrial Zones August 12, 1996, No. K 150 1 IT/21453

May 20, 1995, No. K 16874T/45052

Article 1

In this Decree, the following terms are used in lieu of the corresponding phrases:

Country: Islamic Republic of Iran

Zone: Each one of the Free Trade-Industrial Zones Organization: Each Organization of Free Trade-Industrial Zones established in accordance with Law

Law: Law on Administration of Free Trade--Industrial Zones of I.R. Iran.

High Council: The High Council of Free Trade-Industrial Zones **Registry Office:** Authority in charge of registration of companies / Industrial and intellectual ownership's in each organization of Free Trade-Industrial Zones.

Branch of Company or Institute: Branch of a company or institute, is the legal person which is set up in the Zone by the principal company or institute located outside of the Zone. The majority of its shares belong to that of the principal company or institute and this legal newly established person in the Zone is the subsidiary company or institute of that principal one. **Representative of Company or Institute:** Representative of a company or institute to whom necessary authorization is vested and its liabilities in the position of representative of company

or institute shall be deemed as the liabilities of the authorizing company or institute.

Chapter Two: Establishment and Functions of Registry Office

Article 2

In order to perform the function pertaining to registration of companies and industrial and intellectual ownership's, the organization of each Zone shall set up a

unit named as "Companies, and Industrial and Intellectual Property Rights Registry Office " in that Zone.

Article 3

The functions of the registry office are as follows:

1) Registration of Iranian and foreign companies and institutes;

- 2) Registration of Trademark and trade and industrial names; -
- 3) Registration of inventions, patents, monograms and industrial drawings; -
- 4) Registration of traders' commercial books; -
- 5) Plumbing of commercial and non-commercial books in the territory of each Zone; -
- 6) Registration of banks and credit institutes with regards to the bylaw on Monetary and Banking - Operations in the Free Zones; -
- 7) Registration of insurance companies in accordance with the governing regulations in the Free Zones. -

Chapter Three: Legal Formalities for Registration of Companies and Industrial-intellectual Ownership

Article 4

Each company or institute registered in the Zone, whose principal center is in the same Zone, shall be deemed as Iranian and registered in the Zone.

Note 1

From the date of enforcement of this decree, any foreign company or institute willing to carry out economic activities through its branch or representative in the Zone, must have been registered in accordance with the regulation of Islamic Republic of Iran and registered also in the Zone's Registry Office.

Note 2

Any foreign company or institute which, from the date of enforcement of this decree, is engaged in economic activity through its branch or representative in the Zone has to be registered within three months from the enforcing date of this decree otherwise such a company has no legal status and its founders are jointly responsible for probable indemnities.

Article 5

All kinds of companies and non-commercial institute mentioned in the Commercial Law and other Iranian laws may be registered in the Zone's Registry Office. Provided

that the subject of their activity is legal. Establishment and activity of companies in accordance with enacted laws, in any case, is possible.

Article 6

All legal persons having economic activities in the Zone are to adjust their status with the provisions of this decree and its pertinent executive instructions thereto, within three months of the proclamation made by the Registry Office.

The executive instruction of this Article shall be written and implemented by of each Zone authority.

Note

The State Title Deeds and Real Estate Registration Organization shall, upon the request of the Zone's Registry Office, send to the said Office, all the documents and files pertaining to the legal persons who have been, prior to the establishment of the Zones Registry Office, registered in other places of the country and whose principal center (domicile), according to their charter is in the Zone and have obtained license for their activities in the Zone.

The State Title Deeds and Real Estates Registration Organization shall also cooperate with the Zone `s Registry Office to prevent and avoid determining similar names for the companies who are in the process of tile registration.

Article 7

registration of a company or institute in the Zone shall be made upon submission of the following documents:

- 1) Letter of declaration applying for registration
- 2) Company's articles of association
- 3) Minutes of the founders general assembly
- 4) Minutes of the first session of the board of directors
- 5) Certificate issued from one of the banks located in the Zone
- 6) attesting that a minimum of 35% of cash capital has been paid
- 7) License of the activity issued by the Organization.

Note 1

In case of foreign legal persons, it is necessary to provide and submit the original letter of authorization indicating representation and the license of the establishment of those legal persons. Issuance of such documents must be in accordance with those laws and regulations of the legal persons sovereign state (and attested by representative of

Islamic Republic of Iran in that country). In order to register a branch or a representation in Iran, the foreign legal persons, are to attach tile Farsi translation of the company's registry declaration Forms, and attested copy of the documents indicating the registration of company in the their own sovereign country.

Note 2

All documents subject of the article 8 of this decree are also to be submitted, by foreign legal persons, in officially translated Farsi version.

Note 3

In all cases, steps shall be taken for registration, once the pertinent fees are received.

Article 8

Letter of declaration pertaining to registry of branches or representations of foreign legal persons in addition to the date and signature, containing the following points: -

- 1) Full name of company or institute in Farsi language with its probable acronyms, and specifications -
- 2) Type of company or institute and its activities -
- 3) The main office and domicile of company or institute abroad -
- 4) Nationality of the company or institute -
- 5) The amount of capital of the company or institute -
- 6) The last balance sheet of the company or institute -
- 7) Registering authority, postal code (country and city) and registering date of company or institute abroad. -
- 8) The envisaged activity of company or institute to be performed in the Zone -
- 9) The other branches or representatives of the company or institute in Iran and names of their directors (if any) -
- 10) The domicile of company or institute in the mainland of Iran and the Zone and introduction of competent authorities who are responsible to receive the summons and communiqués -
- 11) Affidavit signed by director or directors of branches or representations, on permits or authorization letters subject to Note (I) Article (7) of present decree, -
indicating they have accepted the assigned position. -
- 12) Names, surnames and domicile of the directors or administrators of company or institute. -

Note

Name, surname, domicile and nationality of the proxy and also the original and a copy of attested letter of proxy, in case, the letter of declaration and application for registry is to be submitted by the proxy.

Article 9

The legal persons shall have legal personality once they are registered and may have activity in the Zone in accordance with the governing laws and regulations. The Registry Office of the Zone Organizations is bound to submit to applicants a certificate, sealed by the Registry

(office indicating the registration of the legal persons or their branch or a representative).

Article 10

Legal persons are required to declare in writing to the Registry Office any changes in their charter, composition of the board of directors, inspector authorized signatories, and increase or decrease in capital and liquidation, within one week lack of timely declaration shall not obviate the responsibilities of the director of the legal persons.

Article.11

any party having interest may get information from the contents of the Registry Office files, and obtain attested copies upon request.

Article12

The Registry Office is required to declare the establishment of a company or institute and the alterations on its status within 10 days following the date of registration in order to be publicized in the Office Gazette Islamic Republic of Iran and local newspaper. Such proclamation shall be financed by the applicants.

Article 13

Application for registering of trademark and trade-Industrial names and registering of inventions, designs, and industrial drawings in the Zone shall be made upon submission of a letter of declaration. The requisites for registration at the Registry Office shall be in compliance with the executive directives adopted by each Zone authority.

Article 14

All the Iranian nationals who, under the Commerce Law do business in the Zone, are bound to register their names or their managers` names in the commercial register of the Registry Office within three months of the proclamation made by the Registry Office.

Article 15

Registration of the Iranian and foreign nationals in the registers which shall be made upon submission of three copies of completed declaration form, and within three months of proclamation of the Registry Office, shall contain the following points:

- 1) Name and surname of trader;

- 2) Date and place of birth, identity certificate number and its place of issuance, and the photocopy of the pages of identity certificate in case of the Iranian nationals
and photocopy of the passport pages in case of foreign nationals; -
- 3) Original and present nationality of tile individuals, if any new nationality has been obtained besides - the date and the manner of obtaining the new nationality; -
- 4) Date *of* entry into the Zone, number and place of issuance of residence permit, and place of residence;
- 5) Legal residence of natural persons; -
- 6) Registering and sealing (plumb) number *of* commercial books provided in accordance with the - provisions *of* paragraph (5) *of* the Article (3) *of* the present decree; -
- 7) Type *of* activity in Iran and abroad separately or in both cases; -
- 8) Other trading specifications of traders inter alia tile registry number, trademark, commercial - codification books, etc. -

Article 16

The Registry Office is required, after registering within 10 days, the contents mentioned in the letter of declaration, to submit a signed and sealed copy of a letter of declaration to the applicant and send another copy to the pertinent office in the Zone's organization.

Article 17

Applicant for registration is bound, when any new alteration occurs, to provide a new letter of declaration in three copies and submit it to the Zone authority's Registry Office within one week.

Article 18

The natural and legal persons, who in accordance with the provisions of this decree, register their names, are bound to mention their registration number as well as their commercial title on the papers, invoices, order forms and any other kind of documents they utilized.

Chapter Four: Miscellaneous

Article 19

The commercial books of the natural and legal persons shall be sealed (plumbed) in accordance with the manner determined by the organization of each Zone and shall be stamped once the representative of the Registry Office has signed them.

Article 20

expenses pertaining thereto the registration of a company, institute and the alterations thereafter, and registration of trademarks, commercial and industrial titles and brands, inventions and designs and drawings, also registration of commercial books and sealing

(plumbing) of commercial and non-commercial books shall be collected in accordance with the directions provided by each of the Zone authorities.

Article 21

Upon the request of the Zone authority the activities of those who violate the provisions of this decree shall be prevented by the disciplinary forces. Such deeds shall not eliminate the responsibilities of the directors of company or institute or natural persons against the third parties.

Article 22

Directions pertaining to this decree and related printed forms shall be provided and put to effect by the authority of each Zone within one month from the approval of the present decree.