

# Let's Talk Legal For Startups

Hosted by:



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## Webinar Series Key Takeaways & Questions

### What kind of company can I be?

#### Single Shareholder

- A new limited liability structure with only one shareholder
- Limited to Omanis or GCC nationals
- No minimum share capital required
- Quick easy setup

#### Limited Liability Company

- No nationality requirement
- 2-50 shareholders
- 150,000 OMR minimum share capital if there are non-Omani's as shareholders. This needs to be proven 1 year later
- Requires more time and documents for setup

### What regulations do I need to consider?

- If your idea is novel, you will need to register your IP with the Ministry of Commerce & Industry
- You may also need licenses depending on your activities. A list of all activities is available on the [MOCI website](#). Different activities may require approvals from different ministries
- Employee contracts and entitlements for employees
- Omanisation rate: Depends on size and activity of the business is. The rate must be adhered to and is subject to penalties if the rate is not met

### Don't forget privacy policies!

Any website or app that is collecting customer/user information requires a privacy policy on how the data is used.

Explicit consent needs to be taken from each user! Otherwise that is against the Electronic Transaction Law.

The privacy policy should include:

- Purpose of collection of data
- How it is stored used and accessed
- If you use cookies

### Questions:

#### 1. When do I need to think of engaging a lawyer?

- Ideally, it should be at the seed funding stage when the startup is ready to launch. At this stage the company will be hiring more and start engaging customers and employees, and should seek legal advice

#### 2. Do I need to think about VAT?

- Companies with an annual turnover of less than 200,000 OMR are given leniency, and can register for VAT on a voluntary basis

#### 3. How do I list my companies share classes?

- This can be covered in the shareholders agreement, what each share class will entail, and define what can and can't be done by every share class
- This is governed by the commercial companies law as well

#### 4. Do you need special approvals to hire freelancers?

- Yes! MOCI will need to approve your companies engagement with any freelancers



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Have more questions for Sarah? Drop her a line: [sarah.alhinai@cms-cmno.com](mailto:sarah.alhinai@cms-cmno.com)