

Submitting an application for Foreign bank Licensing

The applicant

General Description

- Name
- Ownership structure
- Total assets
- Total Capital/Capitalization
- Number of employees
- Location of Headquarters
- Foreign supervisory authority
- Credit ratings
- The applicant should have practiced current or future banking operations for at least three years
- The applicant should be subject to a comprehensive and consolidated supervision by the supervisory authority in their parent country

International presence

- Number of Branches/ Offices existing around the world
- Number of Branches/ Offices existing in the Middle east
- Exclusive summery and the bank presence:
 - In the Middle east
 - In developing and transitional economies

Proposed Iraqi Investment

- Investment Structure (A branch or subsidiary) and if the applicant was an affiliated company, a brief must be submitted on the proposed structure.

Business Plan (expectations for three fiscal years)

- Number of Branches/ offices the applicant proposes to open within what time frame?
- Number of Branches proposed to support the business plan
- Summarize market segments the investment targets including the products to be provided to each sector.

Risk and Credit Management Strategies

- Exclusive summary on procedures and credit policies in addition to loan strategies for Iraq?
- Does loan strategy include Commercial loan products and retail loan products?

Banking Organization

- Define the senior management and define their responsibilities
- Do any of the senior employees have a project that forms a source of conflict with this proposed investment? if the answer is yes, please clarify in brief

Information Technology(IT)

- Summary on the training plan of the employees

Additional Information

- List of the names of the major owners of the foreign bank or the parent bank.
- List of the names of the affiliated companies that link the investment with the parent company and the place of merger.
- Certificate of incorporation of the company approved by an authorized Official party indicating the structure of ownership of the company and the law that governs it.

- Certificate of assignment determining the name of the branch concerned and his permanent residency, nationality, occupation, As a high level staff of the bank in Iraq responsible for managing the banks functions, along with a statement indicating his qualifications in details.
- Source and quantity of funds which will be used in capitalization of Iraqi investment.
- Disclose any financial penalties or any other fines charged by the applicants the foreign supervisory authority.
- Description of the parent country requirements to combat Money Laundering and terrorism or other illegal activities.
- A statement indicating the parent bank implementation of the recommendations set forth in the Anti-money Laundering Law which is forty recommendations.
- Naming the point of contact the foreign supervisory authority.
- A letter from the foreign supervisor on the applicant's position
- A letter from the foreign supervisor confirming that the applicant is subject to an actual and consolidated supervision.
- A description evaluating the foreign supervisor and inspection system.
- Copies of the latest three audited financial statements.
- Statement issued by the auditor indicating his willingness to undertake external auditing task.
- Disclose any actual change in the financial position since the latest financial statement published.
- Risk-based capital ratio of the applicant and a statement indicating the applicant compliance with the regulations of the foreign supervisory authority and the regulation issued by the Central bank of Iraq.

- A statement assuring the central bank of Iraq of the applicant's disclosure of the information that the bank requires to determine and achieve compliance with the Iraqi Law.
- Disclose any laws in the parent country of the applicant which limits his capacity to comply with the Central bank of Iraq in submitting information.
- The bank warrants that it has never been liable to any financial penalties or other sanctions by the supervisory authority within the past 10 years or any other legal proceedings filed against it or any issues or decisions by the supervisory authority during the past 3 years.
- If the applicant intends to work as a branch in the attached draft and as specified in article (6) paragraph (1) (F) of the Iraqi banking Law.
- Any other necessary summarized comments.
- Copy of the Articles of Incorporation according to which the company was established with the Memorandum of Association and the Articles of Association if any, and the company's main address
- Identify each owner of a qualified holding his/her nationality ,and permanent address of residency ,profession and business including the ultimate beneficiary of this holding a part from two other individuals that we can refer to certify the soundness of his /her financial position ,in case the owner of a qualified holding is a company ,three copies of the most recent audited balance sheets and loss and profits account ,should be attached.
- List of shareholders and ultimate beneficiaries
- List of projects joined and the size of partnership, the projects registered addresses, that is for the applicant company and every owner of a qualifying holding according to the definition provided for in the Law of Anti- Money Laundering including the ultimate beneficiary owner of this holding
- Description of the proposed organizational chart for the intended branch including the internal control system (including the

appropriate procedures to combat Money Laundering and terrorist Financing) in addition to the expected balance sheets, loss and profits account and the expected cash flow statement for the next three years in full

- A statement from the Central bank of Iraq indicating the approval to open a bank branch in Iraq
- Copy of the banking License to practice Banking Business
- A statement indicating whether the applying company is a subsidiary of a foreign bank or a foreign bank holding company, and that the foreign supervisory authority responsible of prudential supervision in the parent country of the foreign bank or bank holding company has no objection on the application and that it practices a consolidated supervision on the applicant company.