

“Approved”
Financial Markets Supervisory Authority
of the Republic of Azerbaijan
Resolution № 18
7 July 2017

Chairman of the Board of Directors

Rufat Aslanli

Regulations on the form, content and submission of reports of a local representative office of a foreign bank

1. General provisions

These Regulations have been prepared in accordance with Article 46.4 of the Law of the Azerbaijan Republic “On Banks” and determine the format, content and procedure of submission of reports submitted by the local representative of a foreign bank (hereinafter – the representative office) to the Financial Markets Supervisory Authority of the Republic of Azerbaijan (hereinafter - the Authority) on its management procedures and current activities.

2. Preparation and submission of the report

21. The Representative office shall prepare an annual report (Annex 1) reflecting the management procedure and current activities and submit it no later than June 1 of the year following the reporting period.
22. The reporting period shall be the period from 1 January to 31 December inclusive. The first reporting period for a new representative office established during the year until 1 October shall be the period from the date of its state registration in the order prescribed by law until 31 December inclusive, and the first reporting period for the representative office established after 1 October shall be the period from the date of its state registration until 31 December of the next year.
23. The report shall be submitted to the Authority in the form of a paper carrier signed by the head of the representative office and stamped, or in the form of an electronic document certified by an electronic signature.

**Annex 1 to the Regulations
on determining the format, content and procedure
for submitting the report of the
local representative office of a foreign bank**

REPORT

on the management procedure and current activities of the local representative office of

(name of the founder bank)

I, _____

(name, surname, patronymic name)

head of the representative office _____

of the _____

(name of the founder bank)

hereby submit the report of the representative office reflecting the following information on its activities for _____ year.

1. Information about the representative office:

- 1.1. name of the representative office;
- 1.2. address _____;
- 1.3. e-mail _____;
- 1.4. phone _____;
- 1.5. organizational structure _____;
- 1.6. name of the bank (banks) where the representative office opened accounts in the Republic of Azerbaijan _____;

2. Information about the founder bank:

- 2.1. name of the bank _____;
- 2.2. address _____;
- 2.3. e-mail _____;
- 2.4. phone _____;
- 2.5. website _____;
- 2.6. Chairman of the Supervisory Board (Board of Directors) (name, surname and patronymic name)
_____;
- 2.7. Chairman of the Management Board (Chief Executive Officer) (name, surname,

patronymic name)

- _____;
- 2.8. name of the supervisory authority regulating the activity of the founder bank
_____;
- 2.9. if the founder bank is part of a holding company, the information contained in sub-items 2.1 – 2.8 of these Regulations
_____;
- 2.10. information on subsidiaries, branches and representative offices of the founder bank in foreign countries at the end of the reporting year (names and addresses)
_____;
- 2.11. local banks having correspondent accounts (“Nostro”) in the founder bank and its branches
_____;
- 2.12. local banks having correspondent accounts (“Loro”) accounts of the founder bank and its branches _____;
- 2.13. the reasons for the termination of the correspondent relations of local banks with the founder bank or its branches
_____;
- 2.14. local banks that received interbank loans or deposits from the founder bank and its branches during the reporting year, as well as local banks that provided loans or deposits to them
_____;
- 2.15. information on supervisory actions taken against the founder bank by the banking regulatory and supervisory authority of the registration country on the prevention of legalization of criminally obtained funds and the financing of terrorism, or a note that no such supervisory actions have been applied
_____;
3. Information on the management of the representative office and its current activities:¹
- 3.1. information on the activities carried out by the representative office during the reporting period
_____;
- 3.2. forms and frequency of supervision of the founder bank over the activities of the representative office (monitoring, reporting system, audit)
_____;
- 3.3. the number of employees of the representative office and, reasons of changes in the composition of the management, if any

- _____;
4. Information on cash flow on bank accounts of the representative office in local and foreign banks (in mln. manats):
- 4.1. Funds received on the account during the year:
(mln manat)
- 4.1.1 for the salary _____;
- 4.1.2 for the acquisition and maintenance of fixed assets _____;
- 4.1.3 for other purposes (to be disclosed) _____;
- 4.2. Funds spent on the account during the year:
- 4.2.1. for the salary _____;
- 4.2.2. for the acquisition and maintenance of fixed assets _____;
- 4.2.3. for other purposes (to be disclosed) _____;
- 4.3. the amount of the average monthly cash balance in the cash desk of the representative office _____;
- 4.4. the amount of the average balance in the bank accounts of the representative office _____;
5. The report shall be accompanied with the following documents:²
- 5.1. the annual financial report of the founder bank audited by an external auditor and copies of the auditor's review translated into Azerbaijani and certified notarially;
- 5.2. documents reflecting the results of the audit carried out by the founder bank in the representative office.
6. Other important information about the management and current activities of the representative office and the founder bank.³

Head of the representative office _____
(signature) (name, surname and patronymic name) (date)

¹ Cash flows in foreign currency are expressed in manats against foreign currency at the official exchange rate at the reporting date.

² these documents will be submitted as soon as they are ready, if the time of submission of the financial report and the auditor's report of the founder bank does not correspond to the time of submission of this report in accordance with the legislation of the country where the foreign bank is located, and also if the representative office did not conduct an audit at the time of submission of the report by the founder bank.

³ Provided at the discretion of the representative office.