

Requirements for opening a foreign branch of a local investment company

Documents to be submitted at an appeal (Article 72 of the Law of the Republic of Azerbaijan on the Securities Market (the Law))		
№	Document name	Note
1	application	The branch address should be submitted, specifying the investment services (operations) to be performed
2	a copy of the decision of the authorized corporate body of the investment company on opening a branch	
3	a statute of the branch	
4	A list indicating significant participation shares of the branch manager in the investment company or other legal entities, notarized copies of documents showing information about his/her work experience and education, or, if the person is a foreigner, copies legalized or apostilled in accordance with the procedure established by law, as well as information regarding his/her civil impeccability.	to be developed as per Forms No 14 and 15 of the 'Documents submitted for the issuance of licenses and permits to operate in the financial markets, including forms of information on relations between shareholders (participants) and beneficiary owners, as well as on civil impeccability'.
		to be developed in accordance with Annex No 1 to the 'Regulation for interviewing members of the supervisory board (board of directors) and the executive body of supervised entities in the financial markets'.
		If the person is a foreigner, a certificate issued by the relevant public authority of his/her country of residence whether he/she has been subject to criminal liability shall be provided, legalized, or apostilled in accordance with the procedure established by law
5	commercial strategy, organizational structure of the branch, including a business plan with financial forecasts for next three years	
6	a copy of the decision of the authorized corporate body of the foreign investment company on appointment of the branch manager	
7	a notarised copy of the certificate of the right to use the office premises for operations.	
8	information on information technologies and telecommunication systems, and other software necessary to engage in relevant activities	computer and telecommunication systems, electronic accounting, and other software shall be operational, and evidence of their presence shall be submitted
9	employee qualification certificates related to investment services (transactions) that the branch is going to provide	All personnel of the branch of a foreign investment company involved in the execution of the core investment services (operations) under Article 30.3 and the ancillary investment service (operation) under Article 30.4.1 shall be qualified, and certified copies of their qualification certificates shall be submitted.
Note: In case of possibility to obtain documents or information specified in Articles 71.3 and 71.4 of this Law through the Electronic Government Information System from the relevant public authority (institution), those documents or information shall not be required from the applicant.		

Other appeal related information	
Initial appeal review period - 60 calendar days	
Documents may be submitted either in hard or in soft copy	
Grounds for the rejection of an appeal (Article 72.5 of the Law)	<ol style="list-style-type: none"> 1. the documents required under Article 72.2 of the Law are incomplete (considering the provisions of Article 71.4-1), or contain inconsistencies with the Law, or where the information therein has not been completed in accordance with Article 72.4; 2. the requirements of Article 63 of the Law are not met.

Note: After a local investment company that opens a foreign branch receives a relevant permit in the host country of its branch, it should send a written notice to the Central Bank within five business days.

Revocation of the permit for a foreign branch of an investment company to operate (Article 72.8 of the Law of the Republic of Azerbaijan on the Securities Market)	
Grounds for the revocation of the permit issued	<ol style="list-style-type: none"> 1. the license of the investment company is revoked; 2. the investment company is declared bankrupt; 3. the investment company is liquidated; 4. the branch fails to commence operations within twelve months from the date of issue of the permit or the Central Bank identifies that the branch has terminated its operations within six months; 5. non-compliance with Article 63 of this Law is discovered; 6. the repeated decision to issue a binding instruction, taken in accordance with Article 86.5 of this Law, is not implemented within the period specified in that decision; 7. the branch engages in the activities not provided for in its permit; 8. the investment company takes a decision on closing the branch.

Note 1: In the event the local investment company applies to the Central Bank for revocation of the permit for operation of a foreign branch, it should provide reasons for the decision.

Note 2: When a local investment company decides to suspend or terminate activities of its branches, it should send a written notification to the Central Bank within five business days, stating the reason for such a decision. The notification shall specify the procedure for transferring assets and liabilities of the suspended or terminated operational unit to the investment company or to another operational unit of the investment company.