

Approved
Central Bank of the
Republic of Azerbaijan
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Governor

Elman Rustamov

REGULATIONS
on
OPENING, MAINTAINING AND CLOSING BANK ACCOUNTS

1. General provisions

- 1.1. These Regulations have been developed in accordance with the Civil Code of the Republic of Azerbaijan and other acts of legal nature pursuant to Article 44.4 of the Law of the Republic of Azerbaijan on the Central Bank of the Republic of Azerbaijan.
- 1.2. These Regulations determine the procedures for opening, managing and closing current, advance and savings (deposit) accounts, current sub-accounts, bank correspondent accounts, as well as bank accounts (hereinafter referred to as «bank accounts») of Azerbaijani residents with non-resident banks for banks operating in the Republic of Azerbaijan, including local branches of domestic and foreign banks, and bank divisions (hereinafter referred to as «banks»).
- 1.3. The procedures for opening, maintaining and suspending special election accounts shall be identified by the Central Election Committee of the Republic of Azerbaijan in conjunction with the Central Bank of Azerbaijan Republic (hereinafter referred to as the Central Bank).
- 1.4. Definitions – residents and non residents herein shall bear the meanings

as defined in the Law of the Republic of Azerbaijan on Currency Regulation.

- 1.5. Provisions hereof shall apply to national (hereinafter – the national currency) and foreign currency-denominated bank accounts of residents and non-residents established in the Republic of Azerbaijan.
- 1.6. Foreign currency-denominated accounts operations of residents and non-residents shall be subject to the existing currency regime and for this purpose, documents defining the resident and non-resident status of persons shall be required in accordance with the currency legislation additionally.
- 1.7. National currency-denominated accounts of non-residents shall be subject to the same national currency-denominated accounts regime of residents set herein.
- 1.8. Bank accounts shall be established for public authorities, municipalities, legal entities, their branches and representative offices, primary organizations of Trade Unions, family farms, as well as unincorporated individual businesses (hereinafter referred to as «private entrepreneurs»), as well as individuals (hereinafter collectively referred to as «customers»).
- 1.9. Customers shall be free to choose any bank to open a bank account and may establish bank accounts at one or more banks.
- 1.10. Local banks shall establish national currency-denominated (AZN) correspondent accounts only with the Central Bank.
- 1.11. Each bank's relevant internal policies shall determine the procedures for reviewing applications of persons interested in opening a bank account. When developing such internal policies, banks shall also, in addition to the provisions hereof, consider the requirements of the Law of the Republic of Azerbaijan on Prevention of Legalization of Criminally Obtained Funds or Other Property and the Financing of Terrorism.

2. Types of bank accounts

2.1. There are the following types of bank accounts:

- current accounts;
- current sub-accounts;
- advance/loan accounts;
- deposit accounts;
- correspondent accounts.

2.2. Current accounts shall established for the following purposes:

2.2.1. Maintenance of bank operations of public authorities, municipalities, legal entities, their branches and representative offices, family farms, as well as private entrepreneurs in relation to their business and financial activities.

2.2.2. Current accounts of individuals shall be established for the purposes of receiving and posting funds to their accounts, making

money transfers and paying funds from accounts, as well as for other account operations.

2.2.3. Current accounts for primary Trade Union organizations are established for the purposes defined in the law and their respective charters.

2.2.4. Current accounts for budget-funded organizations are established for the purposes of bank operations involving receipt and use of aids and grants donated by foreign governments, legal entities and international organizations.

2.3. Current accounts also include temporary current accounts and special current accounts. Special current accounts include: deposit accounts of a court, executive body, customs agency, and public authorities conducting criminal investigations, as well as, in cases stipulated by the legislation, of other public authorities, deposit, security and guarantee accounts of notaries, and special election accounts.

2.4. Temporary and special current accounts are established for the following purposes:

2.4.1. Temporary current accounts - for the purpose of paying the charter and partner capital as well as property share contributions of legal entities before they obtain state registration.

2.4.2. Deposit accounts of a court, executive body, customs agency, and public authorities conducting criminal investigations, as well as, in cases stipulated by the legislation, of other public authorities - for the purpose of bank operations as defined under the legislation;

2.4.3. Security and guarantee cash accounts - for private notaries to collect and use funds designated by the law to pay for the damages that may result from notary activities and to guarantee the liabilities of private notaries;

2.4.4. A notary deposit account - for state and private notaries for receipt, maintaining and other operations involving funds, and securities from legal entities and individuals as provided by the applicable laws;

2.4.5. A special election account – for the purposes defined by the Election Code of the Republic of Azerbaijan.

2.5. Current sub-accounts are established for non-branch and non-representative office structural divisions of legal entities located elsewhere. Funds posted to these accounts are to be transferred to the legal entity's current account within a timeframe defined under the underlying bank account agreement, other than salary and other compulsory associated transfers, as well as significant utility bills supporting the structural divisions' operations.

2.6. Loan accounts are established for keeping record of loans granted by the bank to customers, and, if the underlying loan agreement so stipulates, for bank operations involving use and disbursement of loan proceeds.

- 2.7. Deposit accounts are established for keeping record of customer deposits received under bank deposit agreements, taking funds on deposit and conducting relevant operations.
- 2.8. Correspondent accounts are established for local and foreign banks for the purposes of conducting bank operations of banks and their customers.

3. Documents required to open a bank account

- 3.1. Public authorities, municipalities, legal entities and individual entrepreneurs must submit an application (Annex 1) attached with the following documents to open a **current account**:
 - 3.1.1. a letter of permission by the State Treasury Agency of the Ministry of Finance of the Republic of Azerbaijan to open a bank account for institutions funded by the state budget or Nakhchivan AR's budget;
 - 3.1.2. the text of the legal act on approval of the municipality's charter, registered with the State Register of Legal Acts of the Republic of Azerbaijan;
 - 3.1.3. a notarized copy of the legal entity's charter;
 - 3.1.4. a documentary evidence of approval of the Charter (by-law) of a public authority acting under a charter (by-laws) approved by the relevant executive power's act;
 - 3.1.5. a notarized copy of the state registration statement of legal entities (for legal entities).

Note:

1. The state registration statement is issued to commercial legal entities and branches and representative offices of foreign commercial legal entities by the Ministry of Taxes of the Republic of Azerbaijan, to non-commercial legal entities and educational institutions by the Ministry of Justice of the Republic of Azerbaijan, to religious entities by the State Committee for Work with Religious Organizations.

2. State registration statements of entities that acquired state registration with relevant executive authorities before October 1, 1992, and with any of the competent authorities listed below by June 1, 1996, shall have the same legal effect as the registration statement in sub-Item 3.1.5 herein:

- 2.1. insurance companies — State Insurance Inspectorate under the Cabinet of Ministers of the Republic of Azerbaijan;
- 2.2. banks — the Central Bank;
- 2.3. education institutions — the Cabinet of Ministers and the Ministry of Education of the Republic of Azerbaijan;
- 2.4. executing agencies, residential construction cooperatives and agribusinesses (farming) — local executive authorities;
- 2.5. mass media — the Ministry of Press and Information of the Republic of Azerbaijan;
- 2.6. joint ventures and fully foreign-owned enterprises — the Ministry of

Finance of the Republic of Azerbaijan;

2.7. branches and representative offices of foreign legal entities — the Ministry of Foreign Economic Relations of the Republic of Azerbaijan.

3.1.6. ID for individual entrepreneurs (the ID information will be verified against the account application and signature specimen sheet. *A copy of the document is made to be kept at the bank and the document original is returned to the owner*);

Note. *For the purposes of Items 3.1.6, 3.5.2, 3.6.2, 3.8.2.1, 3.9.1, 3.9.2 and 7.2.3 hereof, IDs include:*

1. *identity document (for citizens of the Republic of Azerbaijan);*
2. *passport (for expatriates);*
3. *identity document issued to permanent non-citizen residents of the Republic of Azerbaijan;*
4. *identity document of a temporary non-citizen resident of the Republic of Azerbaijan issued in the country of permanent residence/registration;*
5. *military card (for individuals on active service);*
6. *identity documents issued to military servants, ranking officers and women (other than military trainees) volunteering to military service, depending on the type of military service they are admitted to;*
7. *military card issued to citizen of the Republic of Azerbaijan to military trainees who moved to active military service;*
8. *refugee certificate (persons with refugee status).*

3.1.7. Original of the duplicate certificate issued by the State Social Protection Fund of the Republic of Azerbaijan (hereinafter - the State Social Protection Fund) (except profit legal entities and unincorporated individual entrepreneurs);

3.1.8. original of the duplicate certificate issued by the relevant tax authority.

Note:

1. The duplicate certificate consists of two parts. One part remains at the bank where the customer established an account, and the other one - notification, after the bank makes appropriate notes and records, is immediately returned to the relevant tax authority and the State Social Protection Fund (directly by the bank to the tax authority, via the customer to the State Social Protection Fund).
2. The duplicate certificate permits opening a bank account only at the bank (branch office, division) specified therein.
3. If the duplicate certificate is sent to the bank electronically, a hard copy shall not be required and information on the established account shall be sent to the tax authority and the State Social Protection Fund electronically.

- 3.1.9. signature and seal/stamp specimen sheet.
- 3.2. An application (Annex 1) attached with the following documents are required to establish **current accounts for branches, and representative offices of legal entities:**
 - 3.2.1. a notarized copy of the state registration certificate of the legal entity;
 - 3.2.2. original or a notarized copy of the charter (by-laws) of the branch, the representative office approved by the legal entity (entities operating under a model charter (by-laws) must provide documentary evidence of the model charter (by-laws));
 - 3.2.3. original of the duplicate certificate issued by the State Social Protection Fund (for branch and representative offices of profit legal entities);
 - 3.2.4. original of the duplicate certificate issued by the relevant tax authority;
 - 3.2.5. signature and seal/stamp specimen sheet.
- 3.3. An application (Annex 1) herein **for opening current accounts for individuals** shall be attached with the documents listed in sub-item 3.8.2 herein.
- 3.4. Application (Annex 1) attached with the following documents must be submitted to establish a **current account for a Trade Union primary institution:**
 - 3.4.1. resolution or an excerpt from a resolution by the Trade Union association, the Trade Union primary is a member of, documenting creation thereof;
 - 3.4.2. notarized charter of the Trade Union association, the institution is a member of;
 - 3.4.3. signature and seal/stamp specimen sheet;
 - 3.4.4. original of the duplicate certificate issued by the relevant tax authority;
- 3.5. Application (Annex 1) attached with the following documents is required to open a current account for a family farm:
 - 3.5.1. a notarized copy of the certificate issued by the municipality where the farm is registered under the relevant application;
 - 3.5.2. ID of the head of the family farm (the ID shall be verified against the account application and signature specimen sheet, *a copy of the ID shall be kept at the bank and the document returned to the owner*);
 - 3.5.3. original of the duplicate certificate issued by the State Social Protection Fund;
 - 3.5.4.. signature specimen sheet.
- 3.6. Application (Annex 1) attached with the following documents must be submitted to establish a **temporary current account** (the application shall be signed by the founder(s) or the authorized person(s):
 - 3.6.1. if the authorized person(s) of the founder(s) applies to open an account, a notarized power of attorney issued by the founder(s);
 - 3.6.2. ID of the authorized person (the ID shall be verified against the account application, *a copy of the ID shall be kept at the bank and the document shall be*

returned to the owner);
3.6.3. signature specimen sheet.

Note:

1. **The temporary current account** may be used only for formation of the vendor's paid-in capital (partner capital, equity) and payment of the bank's service fees.
2. After the vendor acquires state registration, a current account shall be established at the bank, where the temporary account was opened, or at any other bank of its choice, in accordance with the provisions hereof, and the funds in the temporary current account shall be transferred to this current account at the authorized person's order.
3. When the company does not acquire state registration, the funds in the temporary current account shall be returned upon the authorized person's application or transferred to bank accounts of the founders at the authorized person's order.

3.7. Application (Annex 1) attached with the following documents must be submitted to establish a **loan account**:

3.7.1. if loan proceeds are used and disbursed using a current account as per the underlying loan agreement, the documents for loan documentation;

3.7.2. if loan proceeds are used and disbursed directly through a loan account as per the underlying loan agreement, the documents required hereunder to establish a current account;

3.7.3. documents required hereunder to establish deposit accounts for non-business individuals and stipulated for loan documentation.

3.8. Application (Annex 1) attached with the following documents must be submitted to establish a **deposit account**:

3.8.1. documents specified in paragraph 3.1 above for state authorities, municipalities, legal entities, branches and representative offices of legal entities;

3.8.2. for individuals:

3.8.2.1. identity document (the ID will be verified against the signature specimen sheet, *a copy of the ID shall be kept at the bank* and the document returned to the owner);

3.8.2.2. signature specimen sheet.

3.8.3. documents specified for family farming businesses in Item 3.5. above.

3.9. Application (Annex 1) attached with the following documents must be submitted to establish a **bank deposit account in favor of third parties**:

3.9.1. data, which enable to identify the person in whose favor the account is established (for legal entities — name and state registration document details, for individuals — full name, ID details, copies of those documents when submitted);

3.9.2. if an individual opens an account, identity document (the ID shall be verified against the signature specimen sheet, a copy of the ID shall be kept at the bank and

the document returned to the owner);

3.9.3. if a legal entity opens an account, notarized copies of the legal entity's charter and the state registration certificate.

3.10. if the legal entity, in whose favor the deposit account is established, notifies the bank of its intention to exercise depositor rights with respect to the account, an application (Annex 1) attached with documents required hereunder to establish a deposit account must be submitted;

3.11. if the person establishing the account uses the account himself/herself in accordance with the Civil Code of the Republic of Azerbaijan, he/she must additionally submit the documents required for a deposit account, and the legal entity must submit the signature and seal/stamp specimen sheet and documents specified in paragraph 3.1.7. and 3.1.8. herein.

3.12. Application (Annex 1) attached with the following documents must be submitted to establish a **current sub-account**:

3.12.1. a notarized copy of the state registration certificate of the legal entity;

3.12.2. original of the duplicate certificate issued by the State Social Security Fund (for non-profit insurers);

3.12.3. original of the duplicate certificate issued to the legal entity by the relevant tax authority (if the local entity is a registered taxpayer, the original of its own duplicate certificate);

3.12.4. signature and seal/stamp specimen sheet.

3.13. For **banks and non-bank credit institutions to open bank accounts**, they must submit, in addition to the application (Annex 1) and the documents listed in paragraph 3.1 above, a notarized copy of the banking license issued by the Central Bank, and a certification sheet confirming that the bank's administrators authorized to dispose of the account has been duly certified by the Central Bank.

3.14. The relevant requirements applied on combating legalization of criminally obtained funds and terrorism financing with respect to correspondent accounts of foreign banks established in accordance with the provisions hereof shall also apply to establishment and documentation of correspondent accounts of local banks.

3.15. If a customer establishes several bank accounts of different types at the same bank, an application to open a new account, and the originals of duplicate certificates issued by the relevant tax authority and the State Social Security Fund shall be submitted. If the right of disposal with respect to the new account established at the bank is assigned to other persons, a signature and seal/stamp specimen sheet must also be submitted for the new account.

4. Special current accounts

4.1. The application (Annex 1) attached with the signature and seal/stamp specimen sheet must be submitted to establish a deposit account specified in Item 2.4.2. herein:

4.2. The application (Annex 1) attached with the following documents must be submitted to open a security account:

4.2.1. a notarized copy of the certificate for professional notary activity;

4.2.2. signature and seal/stamp specimen sheet.

4.3. The application (Annex 1) attached with the following documents must be submitted for a guarantee cash account:

4.3.1. a notarized copy of the private notary's registration sheet;

4.3.2. signature and seal/stamp specimen sheet.

4.4. The application (Annex 1) attached with the following documents must be submitted for a deposit account for state and private notaries:

4.4.1. a letter of consent for establishment of the notary's account at the bank from the relevant structure of the Ministry of Justice of the Republic of Azerbaijan responsible for regulation of notaries;

4.4.2. a notarized copy of the private notary's registration sheet (for private notary offices);

4.4.3. signature and seal/stamp specimen sheet.

5. Foreign exchange-denominated accounts for residents

5.1. An application to open an account and documents specified in paragraph 3 hereof shall be submitted to establish foreign exchange-denominated accounts for residents.

5.2. To open a foreign exchange-denominated account at the same bank, where a national currency-denominated account exists, an application for a new account and the originals of the duplicate certificates issued by the relevant tax authority and the State Social Protection Fund shall be submitted.

6. Bank accounts for residents at non-resident banks

6.1. Residents are free to establish bank accounts at any non-resident bank.

6.2. When establishing accounts at non-resident banks for business purposes, residents must obtain a registration certificate from the tax authorities and, having made appropriate notes in the notification section of the certificate by the date the account operations commence, submit it to the tax authorities.

7. Azerbaijan national currency and foreign currency-denominated bank accounts for non-residents

7.1. Non-residents may establish any bank accounts denominated in the national and foreign currencies.

7.2. The application (Annex 1) attached with following documents must be submitted to establish national and foreign currency-denominated bank accounts for non-residents:

7.2.1. a notarized copy of the certificate of state registration in the Republic of Azerbaijan of foreign legal entities' branch or representative offices (if the account is opened for foreign legal entities' branch or representative offices);

7.2.2. original or a notarized copy of the charter (by-laws) of foreign legal entities' branches or representative offices approved in accordance with the legislation (if the account is opened for foreign legal entities' branches or representative offices);

7.2.3. ID for individuals (the ID will be verified against the signature specimen sheet,

a copy of the ID will be kept at the bank and the document is returned to the owner);

7.2.4. unless otherwise provided in the international treaty the Republic of Azerbaijan has acceded to, copies of the incorporated non-resident's properly legalized constituent and registration documents with a notarized Azerbaijani translation (if the account is established for a foreign legal entity);

7.2.5. original of the registration certificate issued by the State Social Protection Fund (for non-profit incorporated insurers);

7.2.6. original of the registration certificate issued by the relevant tax authority (for foreign legal entities, branches or representative offices of foreign legal entities, individual entrepreneurs, except non-business related accounts);

7.2.7. signature and seal/stamp specimen sheet;

7.2.8. when the international treaties acceded to by the Republic of Azerbaijan so provide, a special permission (as defined in Item 7.2.4. herein) to establish the account from the relevant foreign state authority (central bank or another competent authority).

7.3. The application (Annex 1) attached with following documents must be submitted to establish bank accounts for official representative offices:

7.3.1. documentary evidence of the status of the foreign diplomatic or other official representative office (translated into Azerbaijani and notarized copy);

7.3.2. signature and seal/stamp specimen sheet.

8. National currency and foreign currency-denominated bank accounts for foreign banks at local banks

8.1. The following documents must be submitted to open national currency (Manat) denominated and foreign currency-denominated correspondent accounts of foreign banks at local banks:

8.1.1. application (Annex 1);

8.1.2. a copy of the bank's charter or other documentary evidence of legal status, as well as a copy of the banking license issued by the competent authority of the country of incorporation/registration;

8.1.3. annual financial statement of the last year confirmed by an auditor opinion;

8.1.4. *information about the bank's management*, as well as a sheet of signature specimens of the person(s) authorized to dispose of the account and the bank's seal/stamp;

8.1.5. when the international treaties acceded to by the Republic of Azerbaijan so provide, a special permission to establish the correspondent account from the relevant state authority of the country where the foreign bank is located (central bank or another competent authority);

8.1.6. information about the bank's internal control system on and responsible person in charge of combating legalization of criminally obtained funds and terrorism financing, the bank's major activities and sound reputation, as well as any investigative and/or supervisory measures taken by any competent authority against

the bank with respect to combating legalization of criminally obtained funds and terrorism financing;

8.1.7. statement of no business relations or operations with shell-banks (a bank that has no physical presence anywhere and is not regulated or supervised by relevant banking regulators or supervisors).

8.2. The documents and information submitted by a foreign bank to open correspondent accounts shall be verified by a local bank via reliable channels (mass media, Internet resources, official publications, inquiries to the banking supervisor).

8.3. For the purposes of establishing national currency or foreign currency-denominated correspondent accounts of foreign banks, local banks shall also evaluate the adequacy of supervisory measures taken by the bank regulator with respect to the foreign bank in question on combating legalization of criminally obtained funds and terrorism financing.

8.4. If the correspondent account agreement with a foreign bank provides for payable-through accounts, the local bank must make sure that:

8.4.1. customers who have a direct access to the foreign bank's correspondent accounts are covered by customer due diligence;

8.4.2. the foreign bank is capable to provide due diligence on persons specified in Item 8.4.1. herein of its own accord or at the local bank's appropriate request.

8.5. The local bank's AML/TF officer shall prepare a written analysis report on the basis of the foreign bank's account-related submissions and the data obtained. This report shall be submitted to the bank's executive officer empowered to document the account in question.

9. Bank account documentation/origination

9.1. Bank accounts shall be established for customers as per bank account agreements signed between the customer and the bank.

9.2. The bank account agreement shall be documented by the bank's authorized person's signature. The bank account agreement for a correspondent account of a foreign bank may only be signed by an executive officer of the bank (a member of the Management Board). The correspondent account agreement with a foreign bank shall also identify the responsibilities of the foreign and local banks on combating legalization of criminally obtained funds and terrorism financing.

9.3. The bank shall refuse to sign a bank account agreement if any of the following applies:

9.3.1. documents required to establish the relevant account have not been submitted completely;

9.3.2. the documents submitted have been found to contain inaccurate or falsified information;

9.3.3. the duplicate certificate issued by the tax authority and the State Social Protection Fund specifies a different bank (bank's branch office, department) for the purposes of establishing a bank account;

9.3.4. the duplicate certificates issued by the tax authority and the State Social Protection Fund have not been used within 10 days to establish an account;

9.3.5. the bank is unable or prohibited by the law or other legal acts to admit

customers to service;

9.3.6. grounded suspicions exist that the proposed bank account will be used for money laundering and terrorism financing;

9.3.7. if the bank's internal controls on anti-money laundering and terrorist financing are inadequate to identify customers and beneficiaries using the correspondent account and for internal control of operations, as well as the bank has been found to operate the correspondent account or establish business relations using the correspondent account opened via a shell-bank;

9.4. if the bank refuses to open a bank account, documents submitted for the bank account shall be returned, and copies of the documents kept at the bank. Except for Item 9.3.6. herein, the applicant shall be provided with a written explanation of reasons of refusal, at his/her request.

9.5. When bank accounts are documented by banks, account numbers shall be opened on IBAN (International Bank Account Number) structure of 28 symbols shown below.

9.5.1. "AZ"- the first 2 (two) symbols – the country code of the Republic of Azerbaijan;

9.5.2. "NR"- the next 2 (two) symbols – control figures;

9.5.3. "BANK"- the next 4 (four) symbols – the first 4 symbols of a financial institution's SWIFT BIC;

9.5.4. "HHHHHHHHHHHHHHHHHHHHHHHH"- the last 20 (twenty) symbols – customer account number (the number of symbols of the customer account number is less than 20, zeros are added to the beginning).

9.6. Documents on account opening shall be kept in the account documentation paper, and signature and seal/stamp specimen sheets with the executor or supervisor.

10. Signature and seal/stamp specimen sheet

10.1. The signature and seal/stamp specimen sheet (Annex 2) of state authorities, municipalities, official representative offices, legal entities, their branches and representative offices, as well as primary Trade Union institutions must be notarized.

10.2. Rights of disposal with respect to bank accounts of state authorities, municipalities, official representative offices, legal entities, their branches and representative offices, may be exercised by the administrators of these organizations and/or their authorized assignees.

10.3. If signatures of two and more persons having the first and/or second signature are provided on the signature and stamp specimen sheet the procedure on use of those signatures shall be determined by the bank account agreement concluded with the customer and a relevant note shall be made to this effect on the signature and stamp specimen sheet.

10.4. If the rights of disposal with respect to an account rest with one person, an appropriate note shall be made to this effect on the signature and seal/stamp specimen sheet.

10.5. The specimen sheet shall have an embossing of the customer's seal/stamp.

Seals/stamps designated for special purposes (human resources, pass, references, etc.) may not be used on the specimen sheet.

10.6. If the customer has no seal/stamp, an appropriate note shall be made to this effect on the specimen sheet.

10.7. If a seal/stamp is temporarily unavailable (the customer's name or reporting line changed, the seal/stamp is lost or outdated), documentation rules of bank documents shall be determined under a bilateral written agreement between the customer and the bank.

10.8. Signature specimen sheets of private entrepreneurs, family farms, individuals, as well as individuals who open temporary current accounts (Annex 3) shall be certified by the bank. If the person's credibility or ability of legal activities is doubted, the bank shall request notarization of the person's signature specimen sheet.

10.9. The signature specimen sheets shall be certified by the bank's administrator and/or chief accountant or another authorized person as per the bank's written policy. The signature shall be authenticated in the presence of the signatory.

10.10. If the rights of disposal with respect to an account established for an private entrepreneur, family farm or individual are assigned to two or more persons, an appropriate note shall be made on the specimen sheet indicating whether they exercise these rights separately or jointly. Unless such a note is made on the specimen sheet, the account may be disposed of only with joint signatures of the persons specified on the specimen sheet.

10.11. If the customer assigns the right of disposal with respect to the account to other persons, the bank shall certify the signatures of these persons on the specimen sheet based on a notarized power of attorney or the customer's application, in his/her presence, except for the case defined in Item 10.8 herein.

10.12. If the authorized signatories on the notarized specimen sheet change or the number of authorized signatories increase (decrease), or if the seal/stamp on the specimen sheet changes, a new notarized signature and seal/stamp specimens sheet shall be provided. The old invalid specimen sheet shall be retained in the account origination file.

10.13. Specimen sheets shall be submitted to the bank in two copies. When conducting operations, if necessary, additional copies shall be certified by the bank's chief accountant or other authorized person and submitted to relevant operation divisions.

11. Re-documentation of bank accounts

11.1. Bank accounts shall be re-documented if any of the following applies, with the account title and the number remaining unchanged:

11.1.1. the name and/or reporting line of the state authority or municipality has been changed;

11.1.2. the legal entity's name has changed;

11.1.3. the reporting line of the branch and representative office, the parent's name and/or legal and organizational form has changed;

11.1.4. the individual's first name, last name or patronymic (middle name) has been changed;

11.2. Accounts shall be re-documented based on documents confirming the circumstances that provide grounds for such re-documentation, and the documents required herein to establish the account of the respective kind.

11.3. A new duplicate certificate is not required when the bank account is re-formalized. In this case, a notarized copy of the legal entities' state registration certificate, stating the changes made, shall be submitted.

12. Closure of bank accounts

12.1. Termination of the bank account agreement shall constitute grounds for closing the bank account of the customer.

12.2. The bank account agreement is terminated if any of the following applies:

12.2.1. the customer application;

12.2.2. the permission issued by the State Treasury Agency of the Ministry of Finance of the Republic of Azerbaijan to establish a bank account for an institution funded from the state budget or Nakhchivan AR's budget has been revoked;

12.2.3. information on invalidity of the duplicate-certificate has been received from the tax authority;

12.3. Unless otherwise provided by the bank account agreement as per the Civil Code of the Republic of Azerbaijan, the bank account agreement may be terminated by the court at the bank's request if any of the following applies:

12.3.1. the amount of funds maintained in the customer's account falls below the amount set by the bank's policies or the underlying agreement, provided such an amount is not recovered within a month upon the bank's relevant notification;

12.3.2. no operations have been made with the account for one year;

12.3.3. serious grounds exist, in particular, there is evidence of the account holder using the bank account for illegal purposes.

12.4. The balance of the funds in the account shall be returned to the customer or transferred to another account at the customer's instruction within no later than seven calendar days from the date of receipt of the customer's relevant written request.

12.5. If the customer fails to take the balance of the account or inform the bank of a new account to transfer the balance to, these funds shall be transferred to the relevant «Closed Customer Accounts» account, and the customer shall be informed in writing. The legal regime of the funds maintained in the said account shall be regulated by the Civil and Civil and Procedural Codes of the Republic of Azerbaijan.

12.6. The legal regime of balances of the deposit accounts of deceased persons shall be subject to the Civil Code of the Republic of Azerbaijan.

12.7. When the bank account is closed, all account formalization documents shall be retained at the bank, but outstanding execution documents shall be returned accordingly.

12.8. When the bank account of a state authority, municipality, legal entity, its branches and representative office, primary organization of the Trade Union, family farm and private entrepreneur is closed, relevant information shall be sent to the tax authority and the State Social Protection Fund in a soft or hard copy within 3 (business) days.

13. Characteristics of bank accounts' closure

13.1. Bank accounts shall be closed if any of the following applies:

13.1.1. the bank has requested to do so in writing;

13.1.2. the banking license has been revoked, at the Central Bank's written request.

13.2. A current account shall be established at the Central Bank for liquidation activities at the request of the liquidation commission when a bank undergoes a voluntary liquidation process, or at the request of the liquidator appointed by the court in case of a forced liquidation or bankruptcy proceedings, and the funds in the bank's correspondent and other accounts shall be transferred to this current account.

13.3. The following documents must be submitted to the Central Bank to establish a current account for the bank:

13.3.1. application (the application on behalf of the liquidation commission is signed by the persons authorized to dispose of the current account);

13.3.2. if the bank is liquidated voluntarily, a decision of the General Meeting of Shareholders on voluntary liquidation of the bank and establishment of a liquidation commission (the decision must specify the persons authorized to dispose of the account);

13.3.3. the court decision on forced liquidation or bankruptcy of the bank, as well as appointment of a liquidator;

13.3.4. signature and seal/stamp specimen sheet.

14. Final provisions

14.1. Charters (by-laws) and excerpts from the State Registry of Legal Entities, of structures, which are state registered electronically, shall be generated from the State Registry of Legal Entities upon their application by banks.

14.2. Regulations for opening, maintaining and closing bank accounts of foreign banks, except for correspondent accounts, are regulated by existing banking practices.

14.3. Every bank may attach other information not contradicting with the legislation to the application form (Annex 1) specified herein.

Bank Account Application Form

« _____ »
(name of bank)

APPLICATION

I hereby kindly request establishment of a _____ account for

(type of account)

(full name of the business, private entrepreneur's or individual's
full name, TIN of the business and individual entrepreneur)

I submit the following documents and information to open this account:

I hereby ask to obtain the following documents electronically:

Address: _____

Tel/Fax: _____

Person (authorized person):

_____ (full name)

_____ (signature)

SEAL/STAMP « _____ » _____ 20____

		Back Side
Account Holder's Name		Account No. _____ _____

Position	Full Name	Signature Specimens	Term of office of the executive officer using the first or second signature on a temporary basis
First Signature			
Second Signature			Seal/Stamp Specimen

Confirmation Notes of Notary Public

« _____ » _____ 20 _____

I, _____
_____ (office of notary public)

notary public

_____ (full name)

hereby certify the identities of citizens

_____ (full name).

Recorded in the Register under No. _____, state duty of AZN _____ received.

SEAL/STAMP
Notary Public _____
(signature)

Annex 3
Regulations on Opening, Maintaining and
Closing Bank Accounts

Front Side

**SIGNATURE AND SEAL/STAMP SPECIMEN
SHEET
FOR PRIVATE ENTREPRENEURS (INDIVIDUALS)**

BANK'S NOTES

CODES

Account holder/owner (full name)		Permission to accept signature specimens Chief Accountant (authorized person) (signature)
ID _____ No. _____ Date _____ Issuing authority _____	TIN <i>(individual entrepreneur)</i>	
Address		« _____ » _____
Telephone _____ Fax _____		_____20_____
		Other Notes
Name of Bank		
SWIFT CODE		
Bank's Address Please use the signature and seal/stamp specimens provided herein in account operations.		

Back Side

Account No. _____

Full Name of the Person Operating the Account	Signature Specimens	Notes
1		
2		

Notes by the bank's responsible officer

I,

_____ (full name of the bank's
responsible officer)

hereby confirm that citizen

_____ (full name)

placed the above signature in my presence. The said citizen has been identified and his creditworthiness has been checked.

Bank's Executive Officer or other authorized person:

(signature)

« _____ » _____ 20 _____

SEAL/STAMP