

Iraq Branch Invoice

Client to provide

Company Reg. No.: 921530

Address to be provided

Date: Monday, March 02, 2020

Invoice No: 2019 – 10 – 003p

Professional services for Iraq Branch (without travel)	Notes	Year 1 US\$	Year 2 US\$
Iraq Branch formation fees (without travel)	1.	15,500	8,000
Assistance to locate office premises	2.	1,200	0
Estimated Iraq Government registration fees	3.	3,500	2,500
Tax registration fees	4.	925	0
Iraq corporate bank account opening fees (without travel)	5.	4,950	0
Estimate of annual accounting audit and tax fees	6.	0	4,950
Total Healy Consultants fees payable this month	7.	26,075	0
Estimate of total Healy Consultants fees payable after 12 months	8.		15,450

Note: this invoice needs to be tailored for each Client. The above services and fees represent the average requirements of our Clients. I recommend you carefully read all notes to confirm and understand all services required by your Firm, eliminating the risk of unwanted fee surprises during the engagement;

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Notes to invoice above

1. Healy Consultants Group PLC fees to efficiently and timely complete Iraq company registration within [nine weeks \(click link\)](#), by **i)** choosing the optimum regulatory license for our Client's business activities **ii)** agreeing the optimum corporate structure for the Iraqi branch **iii)** settle our accountant and lawyer fees and **iv)** submitting a high quality company incorporation application for the [Baghdad Chamber of Commerce](#);

All [engagement fees](#) (click link) are agreed and paid up front and agree to the fees published on our country web pages. Consequently, there are no hidden fees or surprises or ambushes throughout the engagement. All engagement deadlines are agreed up front in the form of [a detailed project plan](#), mapping out deliverables by week throughout the engagement term;



Every second day during the engagement, we email our Client a [detailed email engagement status update](#). Our Client is immediately informed of engagement problems together with solutions. Your dedicated engagement manager is reachable by phone, skype, live chat and email and will communicate in your preferred language;

2. Before branch registration is complete, the Iraq Government must review and approve a lease agreement for office premises. Due to lack of business centers and commercial properties, many clients rents a Hotel space to fulfil these requirement. During company incorporation, the Iraqi Government may inspect the office to confirm its existence. If your Firm requires this service from Healy Consultants, our one-time fee amounts to US\$1,200. The monthly rent thereafter will be paid independently and directly to the landlord by our Client. An estimate of such a rental for a space of 10 sq. m. for one employee is US\$900 per month;
3. This fee is an estimate of government costs payable during your Firm's engagement. All government fee payments will be supported by original receipts and invoices. Examples of government costs include **i)** reservation of the branch name with [Baghdad Chamber of Commerce](#) **ii)** filing a registration application at the companies registry; **iii)** obtaining the manager's tax clearance; **iv)** obtaining the branch registration certificate from the companies registry at the [Ministry of Trade](#); Following engagement completion, Healy Consultants will refund our Client any excess of funds received over actual Government costs paid;
4. In accordance with Iraq Tax Law, a branch of a foreign company must register for corporate tax at the [General Commission of Tax](#) (GCT);
5. Healy Consultants Group PLC will be pleased to open an Iraqi multi-currency corporate bank account, without bank signatory travel. Our preferred banks are Abu Dhabi Islamic Bank or Baghdad Bank. It is a time-consuming task, and Healy Consultants Group PLC will shelter our Client from the associated administrative challenges. As you can appreciate, it is a difficult task to obtain bank account approval through a newly formed company when shareholders, directors and bank signatories reside overseas.

Depending on our Client's business and nationality, there is a 30% probability the banks will request the bank signatory to travel for a one-hour bank interview. Healy Consultants Group PLC will aggressively and skilfully negotiate for a travel exemption. The final decision rest with the bank Legal and Compliance Department. If our Client [must travel](#) to Iraq for corporate bank account opening, Healy Consultants will refund our Client US\$950;

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If our Client is not comfortable with only an Iraq corporate bank account, Healy Consultants Group PLC will be pleased to open [an international corporate bank account](#) (click link) outside of Iraq. Examples include New York, Germany, Liechtenstein, Austria, Bulgaria, South Africa, Australia, London, South America or Dubai. All banks will be top tier banks in these countries with excellent internet banking services. Example of our global banking partners include HSBC, Standard Chartered Bank, Citibank, Barclays, Standard bank, Rasheed bank, VTB bank, UBS, Credit Suisse;

Before corporate bank account approval, there is a 30% probability that the Iraqi bank will demand the foreign bank signatory have an Iraqi work permit/employment visa; just like Saudi Arabia. Consequently, it may be necessary to temporarily appoint the nominee professional, passive Iraqi shareholder as sole bank signatory; until our Client's preferred employee secures his employment visa. Additional fees will apply to be nominee professional, passive bank signatory including securing employment visa approval;

Healy Consultants Group PLC will prepare a quality business plan for the bank to optimize the probability of corporate bank account approval. The banks enjoy ultimate power of approval of corporate bank account applications. Consequently, guaranteed success is outside of Healy Consultants Group PLC' control. What is inside our control is the preparation and submission of a high-quality bank application that maximizes the likelihood of approval.



Global banks continue to tighten corporate bank account [opening procedures](#), their internal compliance departments completing more thorough due diligence of Clients. Consequently, our Clients should expect the bank account approval period to take up to 8 weeks from submission of a complete application. Furthermore, global banks now require evidence of proof of business in the country where the corporate bank account will be, including sales contracts or lease agreement;

There is a 40% probability the directors, shareholders and foreign bank signatory will need to undergo a security check with the [Ministry of Interior](#) (MOI). Although the same can usually run simultaneously with the company set up and bank account opening procedures, some banks prefer to wait until our Client is cleared. Unfortunately, this often creates engagement delays between 2 weeks and 3 months. Consequently, we recommend our Client keep the corporate [structure simple \(click link\)](#);

6. For an active trading entity, these [accounting, audit and tax](#) fees are an estimate of Healy Consultants fees to efficiently and effectively discharge your annual branch accounting, audit and tax obligations. Following receipt of a set of draft accounting numbers from your branch, Healy Consultants will more accurately advise accounting and tax fees. For a dormant branch office, Healy Consultants fees are only US\$2,300;



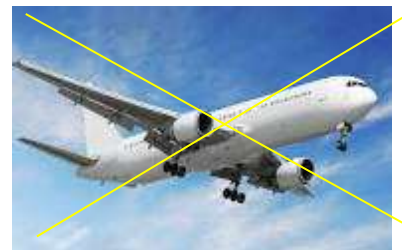
7. All fees quoted in this invoice correspond to fees quoted on Healy Consultants' [website](#). Please review this invoice carefully to identify errors. During the rush of a business day, it is possible Healy Consultants inadvertently made fee calculation errors, typing errors or omitted services or omitted historic fee payments from Clients. In the unfortunate event you identify invoice errors, please revert to me directly re the same. I apologize in advance if I or my staff made invoice errors;

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8. Assuming our Clients' re-engage Healy Consultants in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of branch office registration;
9. The fees quoted in this invoice are a prediction of the fees required to efficiently and effectively complete this engagement in a timely manner. If during the engagement Healy Consultants realizes that the project is more complex than anticipated, requiring a large additional investment of time, my Firm will revert to request additional fees. If Healy Consultants completes the engagement faster than expected and more easily than expected, Healy Consultants is happy to refund some fees to our Client;
10. In accordance with Iraq Company Law, each Iraqi entity must appoint a local lawyer and local accountant during the company registration process. If required, Healy Consultants Group PLC will be happy to assist our Client appoint our preferred local lawyers and accountants. The monthly fee is thus payable directly to the appointees. Our estimate of monthly fees is US\$1,000 per month per appointment, thus a total of US\$24,000 per annum for both appointees;
11. There is no fund remittance (nor paid up share capital) requirements for a branch registration in Iraq. However, the parent company must be at least 2 years old and must supply the latest audited financial statements to the Iraqi Authorities;
12. Each branch must appoint a branch manager. Although it is not mandatory to comply with the local laws that this branch manager is resident in Iraq, there is a 30% probability that Government and banks may request the same. If required and until our Client has secured a work and residence permit in Iraq, Healy Consultants Group will be pleased to supply our Client a menu of passive [nominee branch managers](#). We will charge a one-time finder fee of US\$4,950 for this service including **i)** appointing a quality nominee that can supply our Client with detailed due diligence and **ii)** aggressively and skilfully negotiate the annual shareholder fee and **iii)** craft a nominee shareholder agreement that protects our Client foreign investment in Iraqi and **iv)** we will prepare a detailed comparison table; comparing and contrasting multiple nominees for our Client's selection;

The passive nominee will not be involved in our Client's daily business activities nor corporate bank accounts, but merely an appointee to comply with Iraqi law. Depending on the nominee professional, passive nominee selected, our Client should budget to pay annual nominee fees ranging from US\$12,000 to US\$30,000. For transparency purposes, this annual fee is payable directly to the Iraqi nominee by our Client; independent of Healy Consultants PLC. To ensure our Client selects the best nominee shareholder, Healy Consultants PLC will facilitate phone and skype interviews between all parties;

13. If required, Healy Consultants Group PLC will be pleased to assist our Client secure employee [visa](#) approvals. Our fee is US\$4,950 for the first employee, US\$3,950 for the second employee, US\$2,950 per employee thereafter. It will take 4 to 8 weeks to secure the same. Our employee visa fees include preparation of a quality visa application and submitting to the correct Government immigration officers. The Government enjoys ultimate power of approval of visa applications. Consequently, guaranteed success is outside of Healy Consultants' control. What is inside our control is the preparation and submission of a high-quality immigration visa application that maximizes the likelihood of visa approval;
14. If our Client and Healy Consultants properly plan this engagement, our Clients' will not have to travel during this engagement. Healy Consultants will efficiently and effectively and aggressively complete branch registration and corporate bank account opening in a timely manner without our Client presence. Instead, our Client will need to **i)** sign and get documents legalized in the embassy in their country of origin and **ii)** courier the originals to Healy Consultants office;



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15. Monthly, quarterly and mid-year Government tax obligations include **i)** payroll reporting and **ii)** monthly and quarterly VAT and corporation tax return filing. If you need our help, Healy Consultants can complete monthly Government reporting for a monthly fee of US\$860. Healy Consultants monthly support will include **i)** receive in dropbox the monthly invoices from our client **ii)** label monthly bank statement transactions **iii)** preparation and submission of VAT returns and **iv)** monitor monthly profit levels to minimize annual tax **v)** submission of monthly employee payroll reporting;
16. Depending on our Client business and nationality, the Iraq Government may require a special regulatory license to carry on your business in the country. Healy Consultants will assist our Client secure license approval. However, the Government enjoys ultimate power of approval of branch registrations and business licenses;
17. During the engagement, shareholders and General Manager documents must be translated into the local language (Arabic) and attested in the Iraqi embassy in country of residence and in Iraq, before the Government and Bank approve branch registration and corporate bank account opening respectively. Consequently, our Client must budget for possible additional translation and embassy atestation fees. Either our Client or Healy Consultants can complete this administrative task;

As always, Healy Consultants will negotiate with all third parties to eliminate or reduce additional engagement costs. For transparency purposes, all third party fee payments will be supported by original receipts and invoices. Examples of possible third party payments include **i)** embassy fees **ii)** notary public costs **iii)** official translator fees;

18. It is important our Clients' are aware of their personal and corporate tax obligations in their country of residence and domicile; and they will fulfil those obligations annually. Let us know if you need Healy Consultants help to clarify your local and international annual tax reporting obligations;
19. To assist our Clients to minimize foreign exchange costs, we offer the payment in SG\$, Euro, Pounds or US\$. Kindly let me know in which currency your Firm prefers to settle our fees and I will send an updated invoice, thank you;
20. Engage Healy Consultants to [project manage \(click link\)](#) the set up of your business in every country on the planet. We are the best in the [world \(click link\)](#) at what we do and we are a one-stop-shop for [the A to Z \(click link\)](#) of every country engagement;
21. As stipulated on our [business website](#) and in section 3 of our engagement letter, Healy Consultants will only commence the engagement following **i)** settlement of our fees and **ii)** completion and signing of our legal engagement letter;
22. Healy Consultants will only incorporate your branch office after 75% of [due diligence documentation](#) is received by email. Healy Consultants will only open a corporate bank account after 100% of the Client's original due diligence documentation is received by courier;
23. During the annual renewal engagement with our Client, our in-house [Legal and Compliance Department \(click link\)](#) reviews the quality and completeness of our Client file. Consequently, Healy Consultants may revert to our Client to ask for more up to date [due diligence documentation](#);

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Thank you for your business and we look forward to working closely with you over the coming weeks as we [project manage \(click link\)](#) your Iraq corporate structure.

Best regards,

Aidan Healy

Aidan Healy

[Business owner](#)

Healy Consultants Group PLC

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