

Iraqi branch office setup

Our Client's name

Company license No.: 268868

Our Client's address

TRN.: 100399843000003

Date: Monday, June 10, 2024

Invoice No: 20xx – xx – xxxxxx

Professional services for Iraq Branch (without travel)	Notes	Year 1 US\$	Year 2 US\$
Iraqi branch office formation fees (without travel)	1.	16,500	8,000
Assistance to locate office premises – one time fee	2.	1,200	0
Estimated Iraq Government registration fees	3.	3,500	2,500
Tax and VAT registration fees	4.	925	0
Appointment of local accountant & lawyer one-time fees	5.	900	0
Project management fees	6.	3,950	0
Iraq corporate bank account opening fees (without travel)	7.	4,950	0
Estimate of annual accounting & audit & tax fees	8.	0	7,970
Total Healy Consultants Group fees payable this month	9.	31,925	0
Estimate of total Healy Consultants Group fees payable after 12 months	10.		18,470

Note: 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 fees to efficiently and timely complete Iraq branch registration within [twelve weeks \(click link\)](#) by **i)** choosing the optimum regulatory license and type of entity for our Client's business activities **ii)** agreeing the optimum corporate structure for the Iraqi branch, including the appointment of a branch manager, local CPA and local attorney **iii)** securing Government pre-approval for the proposed branch registration and **iv)** settling our accountant and lawyer fees and **v)** submitting a high quality branch registration application for the [Baghdad Chamber of Commerce](#).
2. Before branch registration is complete, the Iraqi Government must review and approve a lease agreement for office premises. This one-time fee includes the time taken to **i)** secure a Iraqi virtual office address **ii)** negotiate the best lease terms and rental on behalf of our Client. The monthly rental fees will be paid directly to the landlord. Independently of Healy Consultants Group. An estimate of virtual office address monthly fees of US\$3,600 in Basra or US\$4,200 in Baghdad. These virtual offices cannot house any employees and only utilised for the purposes of branch registration. If our Client wishes to house staff in an office, a physical office space must be leased. My Firm will help your Firm find physical office premises. Additional fees apply;
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 and **iv)** obtaining the branch registration certificate from the companies registry at the [Ministry of Trade](#). Following engagement completion, Healy Consultants Group will refund our Client any excess funds received over actual Government costs paid.
4. In accordance with Iraqi Tax Law, Healy Consultants Group will assist your Iraqi branch register the foreign branch for corporate tax and VAT at the [General Commission of Tax](#) (GCT).
5. In accordance with Iraqi Company Law and during the branch registration process, each Iraqi entity must appoint a local [legal advisor](#) and local chartered accountant. As always, Healy Consultants Group will aggressively and skillfully negotiate with the Iraqi Government to secure a waiver from this statutory requirement. If the Iraqi Government insists on the appointment of local lawyers and accountants, our one-time fee of US\$1,200 applies, to appoint quality professionals;

Independent of Healy Consultants Group, the monthly lawyers and accountants fee thereafter is payable directly to the appointees. Our estimate of monthly fees is US\$1,000 per month per appointee, thus a total of US\$24,000 per annum for both appointees. If our Client's Iraqi entity is dormant for the first 6 months from registration, Healy Consultants Group local lawyer and chartered accountant monthly fees will be waived. If our Client requires accounting or legal support after the entity becomes active, Healy Consultants Group in-house Accounting and Tax Department will project manage the same. Additional fees will apply.

6. Over the coming months, Healy Consultants Group will secure multi-currency corporate bank account numbers for our Client's Iraqi branch. From the moment a complete quality corporate bank account opening application is submitted to the Iraqi banks, it will take on average [two months](#) to secure corporate bank approval. While in most cases we can secure corporate bank account numbers without our Client's travel to the bank branch, some Iraqi banks may demand **i)** appointment of a local or resident bank signatory or **ii)** the foreign branch manager to travel to the bank branch. When travel is unavoidable, we refund US\$950 to our Client. In addition, should the Iraqi bank demand the foreign bank signatory secure an Iraqi work permit/employment visa, Healy Consultants Group will temporarily appoint a professional, passive nominee Iraqi manager as sole bank signatory, until our Client's preferred employee secures the Iraqi employment visa. Additional fees will apply for this service.

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Iraqi multi-currency corporate bank account opening is the most challenging part of the engagement. Consequently, we apply our [guaranteed bank account approval or your Money Back](#) policy. To maximise the probability of successful multi-currency corporate bank account approvals Healy Consultants Group will:

- ✓ prepare a quality business plan, including expected inflow and outflow of funds for the first 12 months;
- ✓ contact multiple banks to secure their written confirmation, welcoming a formal application from our Client's business;
- ✓ weekly negotiate and aggressively follow up with the bank relationship managers to ensure a timely corporate bank account approval;

To minimise engagement surprises and align all parties' expectations, I recommend you read [this web page](#).

7. Healy Consultants Group project management fees relate to time and resources dedicated to:
 - ✓ thoroughly research and plan Iraq business set up for our Clients specific business.
 - ✓ devise strategies to **i)** minimise total engagement period and **ii)** complete the engagement without travel.
 - ✓ collate and supervise the legalisation and attestation and translation of Client documents.
 - ✓ weekly detailed engagement [status updates](#) to our Client and weekly conference calls.
 - ✓ ensure our Client complies with local regulations and legally owns and controls the new entity.
 - ✓ ascertain the specific accounting, tax, legal and compliance considerations.
 - ✓ find solutions to [challenges that occur](#) throughout the engagement.
 - ✓ determine the local and international tax obligations of the new entity, including corporate income tax, payroll taxes, withholding tax and sales taxes.
8. Assuming our Clients' branch is active, an estimated fee of [US\\$ 7,970](#) will be charged by Healy Consultants Group's to timely accurately and completely discharge our multi-national Clients' annual Iraq legal & accounting & [audit](#) statutory obligations. Refer to this [web page](#) to better understand this important annual professional service. A dormant inactive company is also required to submit audited financial statements;
9. Please review this invoice carefully to identify errors. During the rush of the business day, it is possible that our Staff inadvertently made fee calculation or typing errors, or omitted services or omitted previous fee payments from our Clients. In the unlikely and unfortunate event you identify errors, please revert to us directly and we will immediately amend the invoice. I apologize in advance if I or my staff made invoice errors;
10. Assuming our Clients re-engage Healy Consultants Group in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of branch office registration.
11. There is no fund remittance (nor paid up share capital) requirements for 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.

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12. Each entity must appoint a manager or director who is resident in Iraq. If required, and until our Client has secured a work and residence permit in Iraq, Healy Consultants Group will be happy to supply our Client with a professional, passive nominee Iraqi branch manager for 12 months. The passive nominee will be neither involved in our Client's daily business activities nor corporate bank accounts, but will be merely an appointee to comply with Iraqi law. Our annual nominee fee is US\$10,600 for a low-risk Client. These fees include the nominee's monthly remuneration, social security contribution and direct withholding taxes.

Alternatively, should our Client require a semi-active nominee, Healy Consultants Group will be pleased to supply our Client a menu of passive [nominee branch managers](#) for a one-time finder fee of US\$4,950. Our fee includes i) appointing a quality nominee that can supply our Client detailed due diligence ii) aggressively and skilfully negotiating the monthly/annual branch manager fee iii) crafting a nominee agreement that protects our Client's foreign investment in Iraq and iv) preparing a detailed comparison table, comparing and contrasting multiple nominees for our Client's selection. Depending on the 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.

13. During the course of your engagement, multiple couriers will be sent to i) Governments and banks ii) lawyers and accountants and iii) to you. Average total engagement courier fees approximate US\$150 and it is fair and reasonable we ask our multi-national Clients for these third-party costs. As always, courier fee payments will be supported by original receipts and invoices. Following engagement completion, Healy Consultants Group will refund our Client any excess of funds received over actual courier costs paid during the engagement. Thanking you for your understanding.
14. Over the coming months, you may need Healy Consultants Group support for i) [book-keeping](#) and ii) [monthly and quarterly](#) Government reporting and iii) [employee](#) matters; and
15. Refer to [this important web page](#) for additional terms and conditions applying to this country engagement; and
16. Engage Healy Consultants Group 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.

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 business set up.