



Regulations on Credit and Investment Committee

Developed by: Banking and Credit Department	Ratified by: Morteza Shahidzadeh (Chairman of the Board) Massoud Sharifat (Deputy Chairman) Ismail Jalili (Economic Deputy)
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Article 1: Introduction

In line with Paragraph 10 of enactments of the Fund's Board of Trustees on May 23, 2018, these regulations have been developed to address the formation of a credit and investment committee whose main responsibilities are evaluating the applications for agency contracts on foreign exchange facilities and deposits to Iranian banks (either in Rial or a foreign currency) and also evaluating the eligibility of applicants for the Fund's foreign exchange facilities.

Article 2: Members of the Committee

- Banking and Credit Deputy (Chairman of the Committee)
- Economic Deputy
- Legal and Law Compliance Deputy
- Banking and Credit Director (Secretary of the Committee)
- Contract Follow-up, Receivables, and Monitoring Director
- Treasurer
- Financial Director

Note 1: Considering the breadth of the Committee's responsibilities, three working groups, namely Credit and Investment, Receivables, and Monitoring, shall operate under the supervision of the Committee.

Note 2: If necessary, the experts specializing in the meeting topics shall be invited, from among either the Fund's staff or others, to attend the meetings at the discretion of the Chairman of the Committee. It is noteworthy that the guest experts shall be directly related to the meeting topic and they have no right to vote.



Article 3: Responsibilities of the Committee

3-1- Evaluating the reports submitted by Credit and Investment, Receivables, and Monitoring working groups and decision-making based on the Fund's statute and resolutions of the Fund's Board of Trustees and Board of Directors.

3-2- Evaluating the price of foreign exchange agency contracts concluded with agent banks, considering the Fund's available financial resources, the Board of Trustees' policies and priorities, and resolutions of the Board of Directors, and submitting their comments to the Board of Directors.

3-3- Evaluating the price of foreign exchange or Rial deposit contracts with agent banks, considering the Fund's available financial resources, the Board of Trustees' policies and priorities, and resolutions of the Board of Directors, and submitting their comments to the Board of Directors.

3-4- Evaluating the foreign exchange credit certificates submitted by agent banks based on reports of the Credit and Investment Working Group.

3-4- Evaluating other issues emphasized by the Board of Directors or the Chairman of the Board of Directors.

Article 4: Workflow

A) Workflow regarding Paragraph 3-1:

- 1- Receiving the applications of public banks for the extension of deadlines announced in resolutions of the Fund's Board of Directors, including the deadline for the post-receipt submission of account blocking documents and the deadline for the first CBI's post-blocking compensation, modification of the financing period of projects and plans financed from the Fund's resources, applications for receiving Fund's facilities for the second time, permits on the share of public non-governmental symbols, and other application submitted by agent banks or the Banking and Credit Department.
- 2- Receiving reports from the Foreign Investment Department and the Economic Department.
- 3- Evaluating the reports prepared by Credit and Investment, Receivables, and Monitoring working groups or relevant departments and also commenting on or approving the cases delegated by the Board of Directors or the Chairman of the Board of Directors.
- 4- Evaluating the reports of relevant departments and referring the cases that meet the Fund's rules and regulations to the Board of Directors for further decisions.

B) Workflow regarding Paragraph 3-2:

- 1- The Banking and Credit Department shall receive the reports prepared by the Credit and Investment Working Group on the acceptance of the foreign exchange facilities agency until January every year.



- 2- The Credit and Investment Working Group shall evaluate the applications submitted by agent banks to ensure that they comply with the policies and priorities of the Board of Trustees, resolutions of the Board of Directors, and other relevant rules and regulations.
- 3- The Banking and Credit Department shall receive reports on foreign exchange resources and uses from the Administrative, Financial, and Logistics Department.
- 4- Receiving the resource allocation tables from the Portfolio and Risk Management and Fight against Money Laundering Committee.
- 5- Submission of bank applications to the Economic Department for ranking the banks and projects.
- 6- After reviewing the reports received from the Portfolio and Risk Management and Fight against Money Laundering Committee and the Economic Department, the Credit and Investment Working Group shall prepare and submit its proposals for concluding contracts with banks to the Committee.
- 7- The Committee shall review the proposals of the Credit and Investment Working Group on concluding contracts with banks considering the Fund's rules and available resources and then submitting the proposals to the Board of Directors for further decisions.
- 8- The Banking and Credit Department shall perform the formalities related to concluding foreign exchange agency contracts with agent banks based on the resolution of the Board of Directors.

C) Workflow regarding Paragraph 3-3:

- 1- The Banking and Credit Department shall review the credit certificates submitted by agent banks and then prepare a report on them for the Committee.
- 1-1- The Banking and Credit Department shall notify the agent bank of any discrepancy, defect, or shortage.
- 2- The Committee shall review the reports of the Banking and Credit Working Group on accepted credit certificates and send the results to the Board of Directors for further decisions.
- 3- The Banking and Credit Department shall notify the agent bank of the resolution of the Board of Directors (receipt of plans or projects).
- 4- After the agent bank submits the account blocking documents, the Banking and Credit Department shall review the contract concluded between the agent bank and the applicant, declaration of understanding and acceptance of possible risks caused by exchange rate fluctuations, installment repayment tables, and other relevant documents. Moreover, the Financial Director shall confirm the commitment fee payment.
- 5- The reports prepared by the Banking and Credit Department shall be submitted to the Board of Directors for further decisions on the blocking announcement.



- 6- According to the resolution of the Board of Directors, the Banking and Credit Director shall prepare a letter of blocking facilities announcement and send it to CBI, agent banks, and the relevant ministers and provincial governors.

Article 5: Procedure for meetings and responsibilities

5-1- The banking and Credit Deputy shall chair the meetings and monitor the proper implementation of regulations.

5-2- The banking and Credit Director shall be the secretariat of the Committee’s meetings.

5-3- Meetings need a quorum of 5, and any decision supported by the positive vote of the majority of members present shall be considered official.

5-4- In coordination with the Chairman of the Committee, the Secretary of the Committee shall prepare the agenda of meetings and inform the members of it at least one day before the meeting.

5-5- The Chairman of the Committee shall send the Committee’s decisions to the Secretariat of the Board of Directors to be discussed in meetings of the Board of Directors.

5-6- The secretariat of the meeting shall prepare the proceedings of all meetings of the Committee, and clearly state any minority opinion in the proceedings.

Article 6: Performance report

The Banking and Credit Department shall prepare quarterly reports of the performance of agent banks and CBI regarding the Rial and foreign exchange deposit contracts and agency contracts to be discussed in meetings of the Committee and submitted to the Board of Directors.

Article 7: These “Regulations”, consisting of 7 articles and 3 notes, were approved by the Board of Directors on, and shall be put into force from as a replacement for the previous regulations contained in the Board of Directors’ resolution dated February 7, 2015.