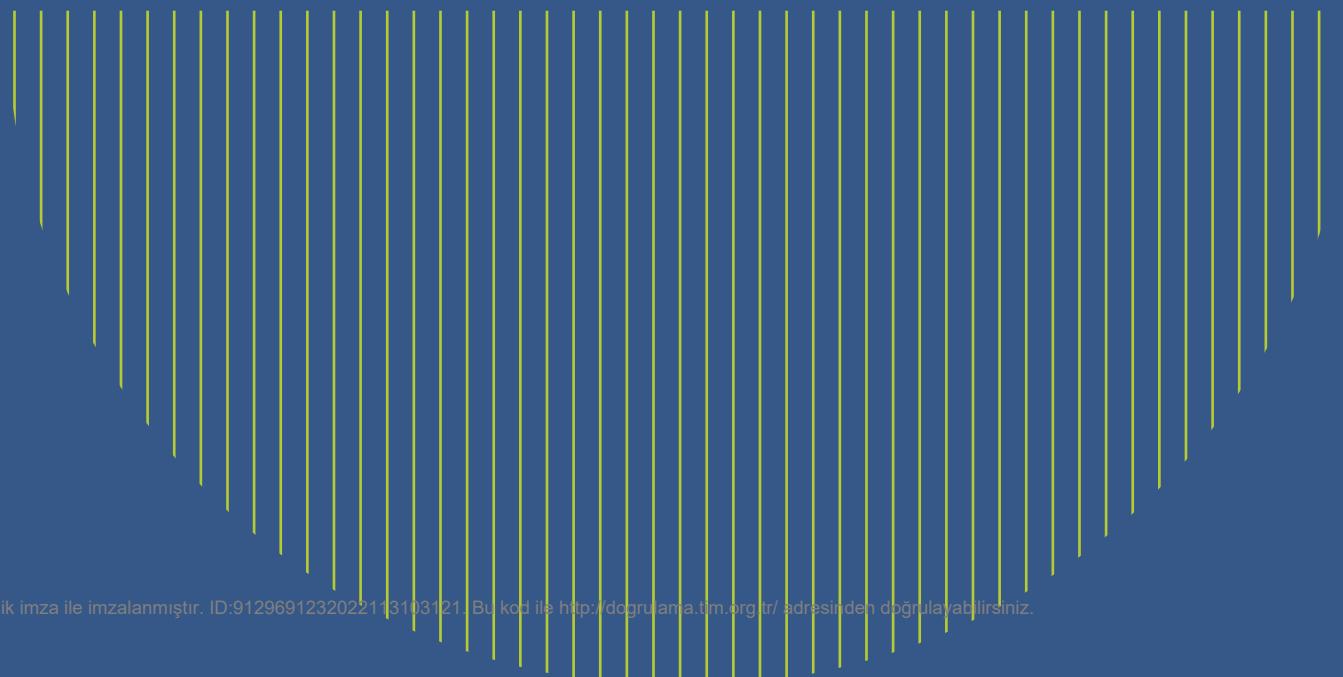


ALAT FREE ECONOMIC ZONE

Investor Guide



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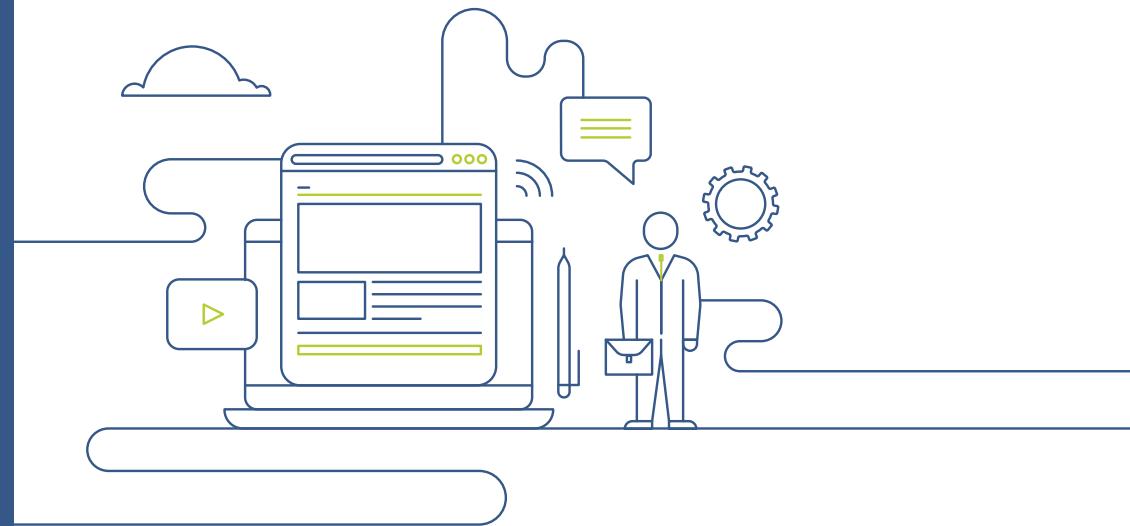
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01

Introduction

The Law of the Republic of Azerbaijan "On the Alat Free Economic Zone" (AFEZ Law) sets out the legal framework for the operation, development, and governance of Alat Free Economic Zone (AFEZ). AFEZ legislation which consists of AFEZ Law and Internal regulations, has exclusive jurisdiction in AFEZ.

AFEZ legislation has been prepared from the perspective of potential Investors and best international practice. The AFEZ Authority can ensure Investors that internal regulations are fit for purpose, which will guide day-to-day activity in AFEZ in compliance with AFEZ law.

The AFEZ Authority will provide certainty to Investors that all matters concerning operation of their businesses will be subject to AFEZ legislation which takes precedence over base economy laws. To provide certainty to Investors and to demonstrate precedence of AFEZ Law and internal regulations of AFEZ, amendments in multiple relevant base economy laws were adopted by the Parliament and signed by the President of the Republic of Azerbaijan.



02

What type of Investors do we welcome at AFEZ?

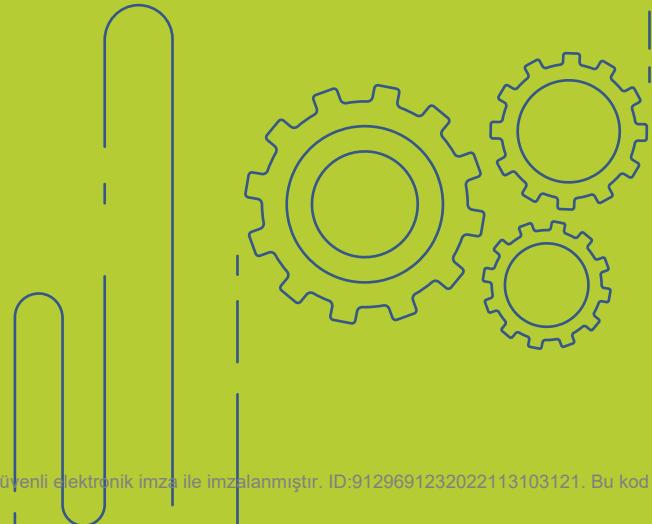
What type of Investors do we welcome at AFEZ?

Businesses engaged in high value-added and export-oriented manufacturing and services, internationally traded activities, using innovative technologies and management experience.



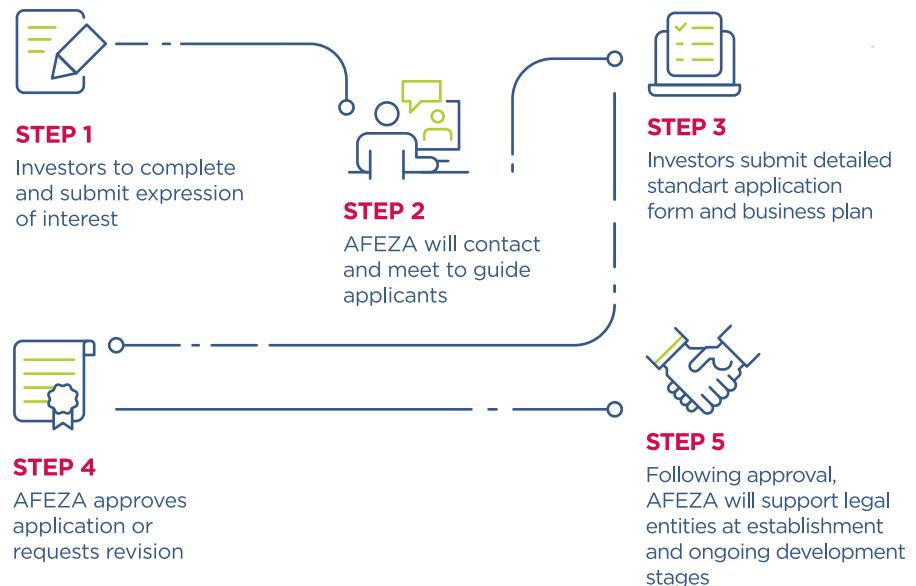
03

An Overview of Investment Procedures



The process of setting up a legal entity in AFEZ is conducted by the AFEZ Authority in an efficient and smooth way. The AFEZ Authority will guide the Investors through every step and assure that establishing a legal entity in AFEZ is as easy as possible.

Procedure Overview

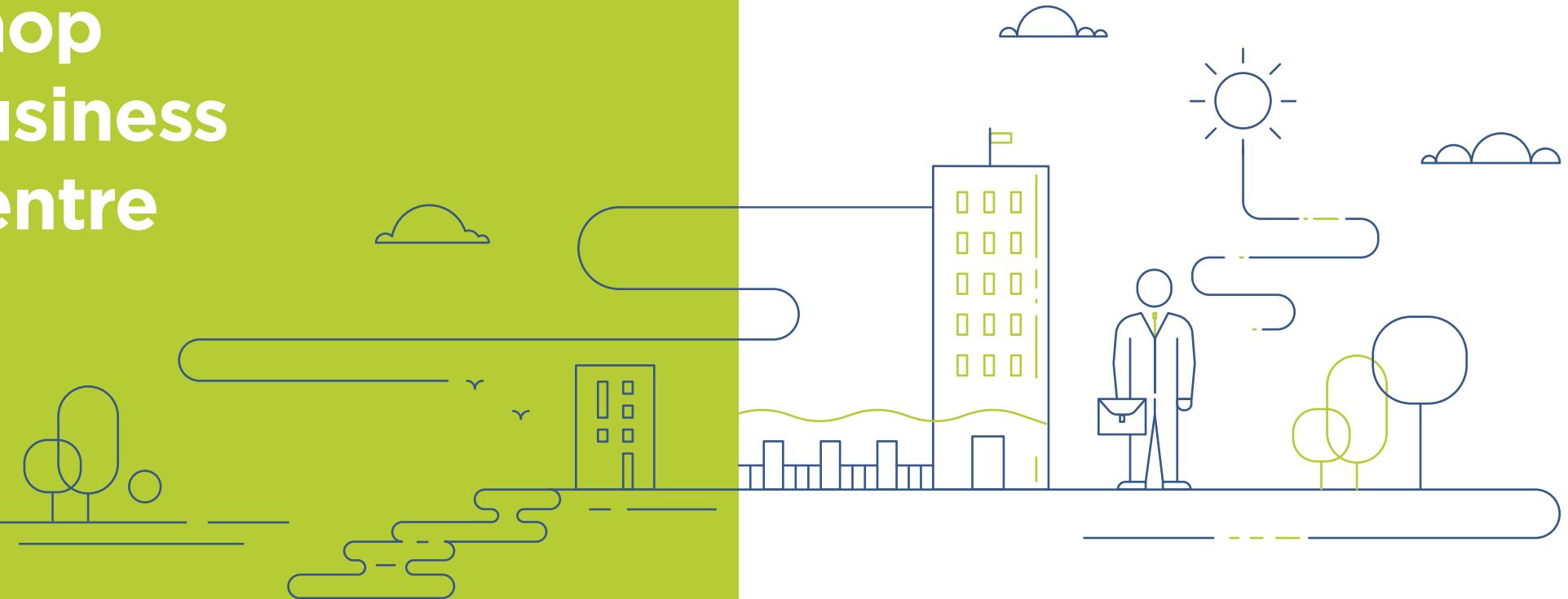


Based on Investors' intention and readiness, the whole process could take from few hours up to few days. This guide provides the Investors with all needed information to start their businesses in AFEZ, including a step-by-step plan. In addition, the guide demonstrates the collaborative approach that the AFEZ Authority takes in partnering with potential Investors.

04

One-Stop Shop Business Centre

To make the investment process as simple as possible, the AFEZ Authority have established a one-stop shop business center. This is the only place where Investors would need to go for establishing and functioning a legal entity in AFEZ. Functions of the business center will cover business appraisal, issuance of a license, visas, permits etc.



05

How to Secure Approval?



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STAGE 1

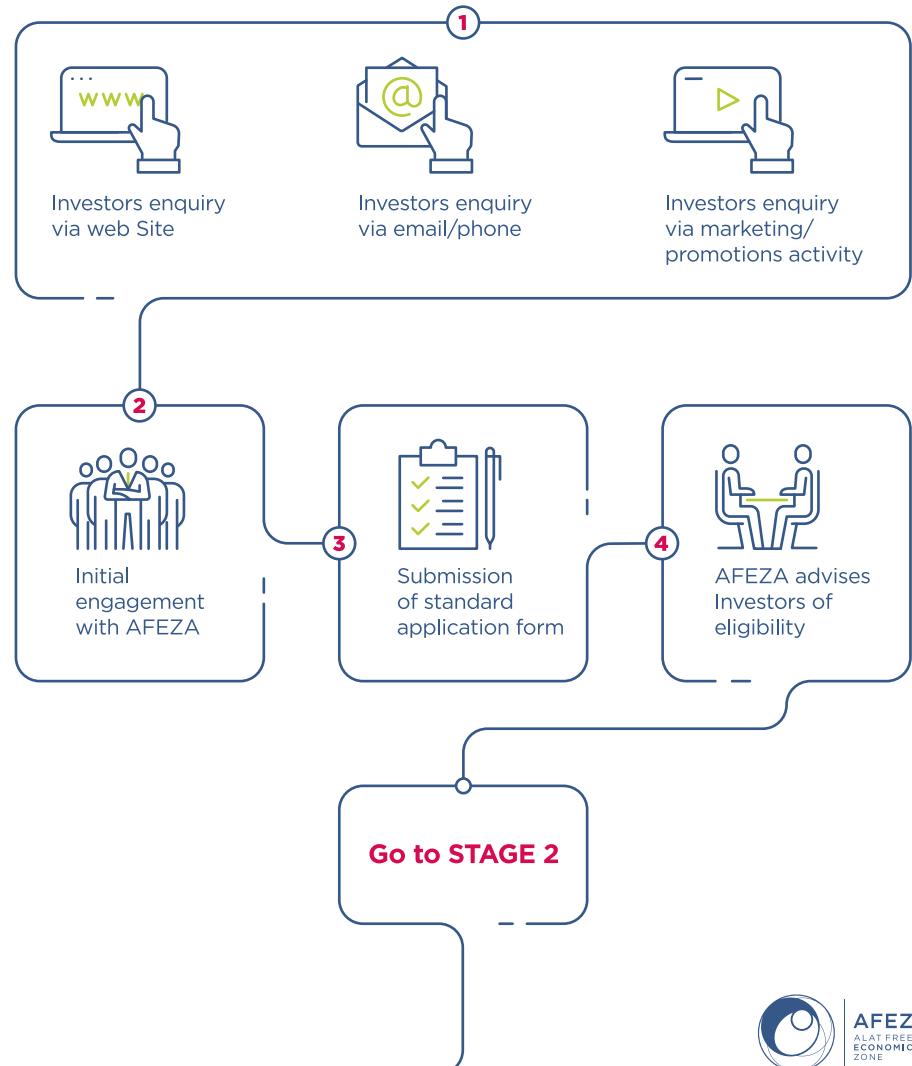
Initial Enquiry

Understanding the opportunity

Investor journey begins with the following actions:

- Step 1** Investors contact the AFEZ Authority.
- Step 2** The AFEZ Authority arranges meeting(s) with Investors to guide in the investor journey process, as well as inform of what AFEZ and Azerbaijan offer for favorable business environment.
- Step 3** Investors submit standard application form available on the AFEZ website.
- Step 4** Within 2 working days the AFEZ Authority confirms Investors' eligibility.

Procedure Overview



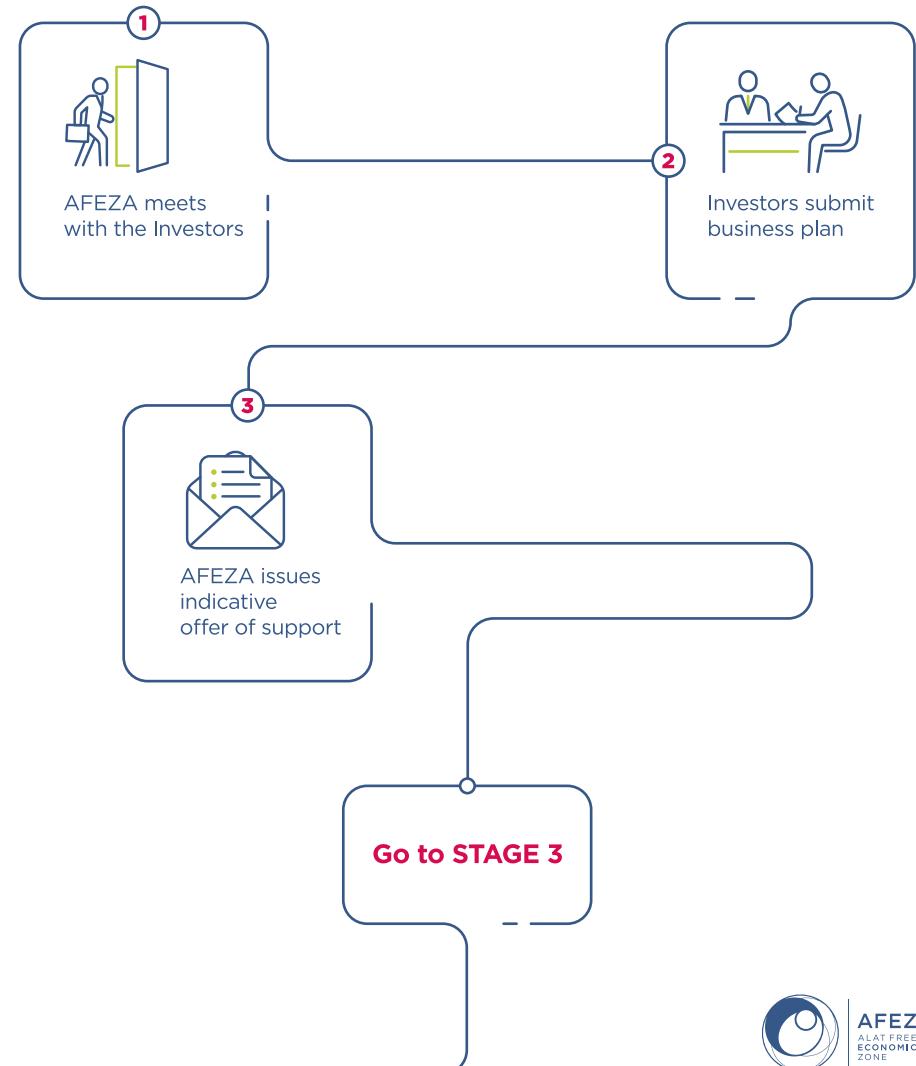
STAGE 2

Advance Enquiry See the opportunity

At this stage Investors have the option of visiting Alat Free Economic Zone.

- Step 1** Investors are welcomed to visit AFEZ site to further understand proposed opportunities. The AFEZ Authority provides all required support for the visit.
- Step 2** Based on developed template, Investors submit and discuss Business Plan with AFEZ Authority.
- Step 3** Following the receipt of the Business Plan, the AFEZ Authority will issue an indicative offer of support.

Procedure Overview



STAGE 3

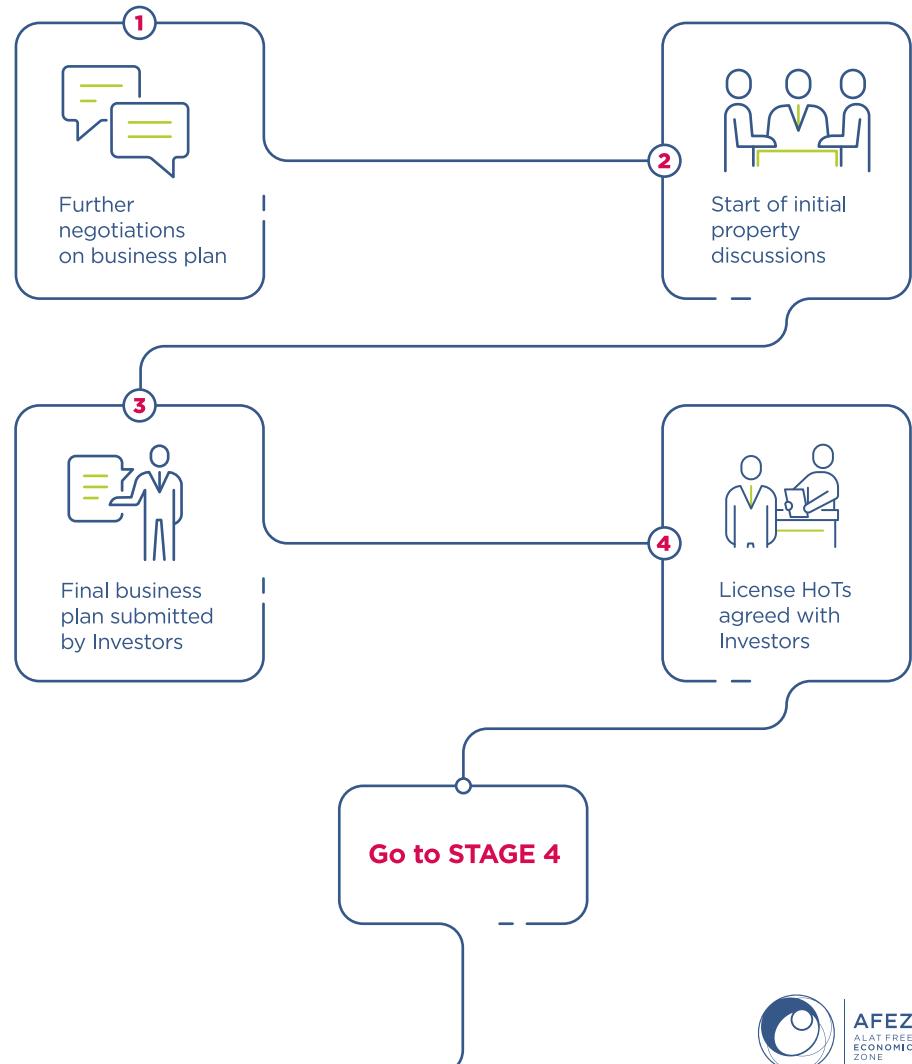
Pre-Approval Discussions

Maximize the opportunity

Having received an indicative offer of support, Investors are invited to develop and submit Final Business Plan and secure License approval:

- Step 1** Further negotiations on Business Plan continue.
- Step 2** Property discussions commence with the AFEZ Authority Property Team.
- Step 3** Investors submit Final Business Plan for AFEZ Authority's review.
- Step 4** License Heads of Terms (HoTs) agreed between Investors and the AFEZ Authority.

Procedure Overview



STAGE 4

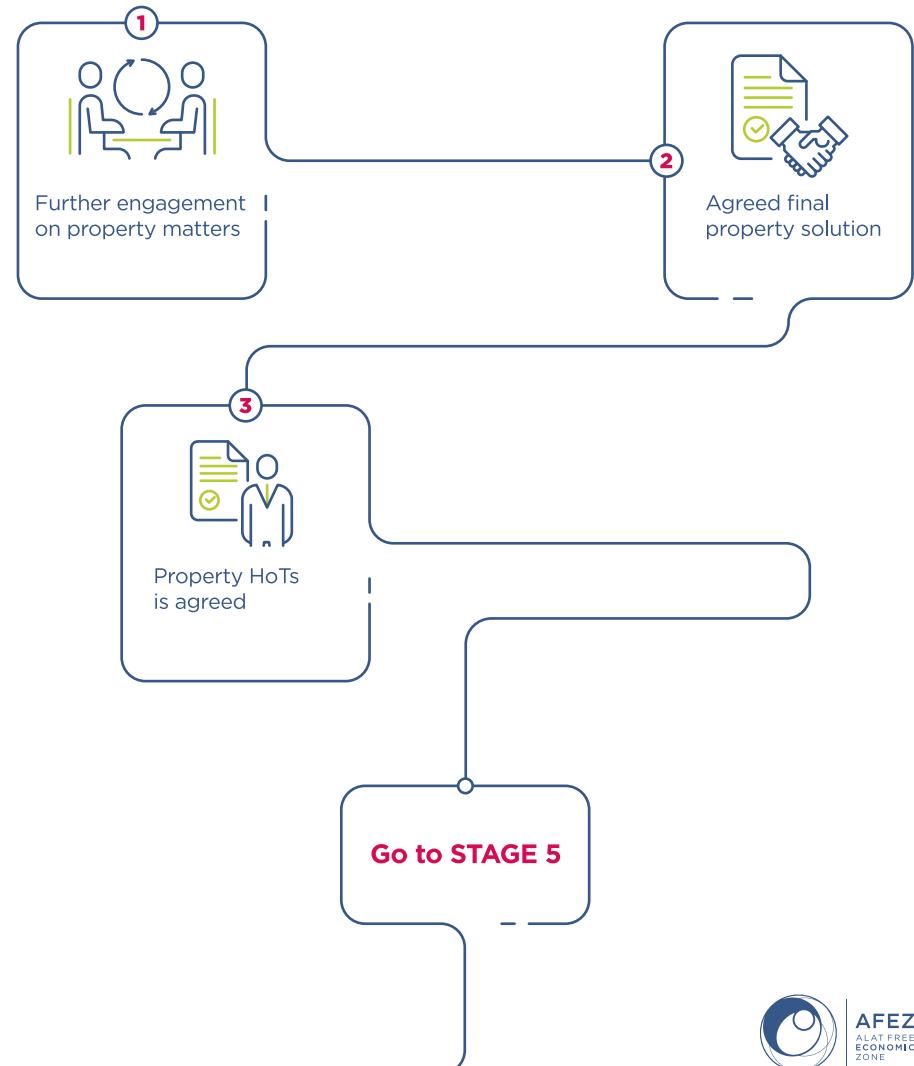
Property Options Discussions

Maximize the opportunity

The AFEZ Authority facilitates detailed discussions on property options. The AFEZ Authority Legal and Regulatory Team is actively involved at this stage:

- Step 1** Continue engagement in exploring available property options.
- Step 2** Property solution is agreed based on the Investors' Final Business Plan.
- Step 3** Property Heads of Terms (HoTs) is agreed.

Procedure Overview



STAGE 5

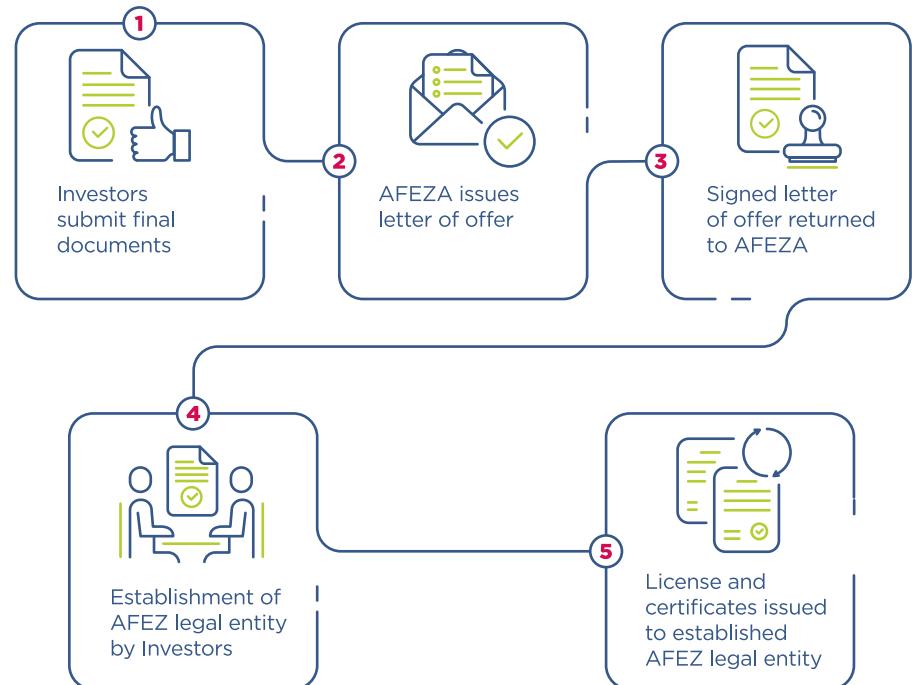
AFEZ Authority Approval

Confirm the opportunity

Following the formal approval by the AFEZ Authority:

- Step 1** Investors submit final documents in accordance with AFEZ procedures.
- Step 2** The AFEZ Authority issues Letter of Offer and notifies the Investors on the full range of supports.
- Step 3** Investors sign and return the Letter of Offer.
- Step 4** Establishment of AFEZ legal entity by Investors.
- Step 5** The AFEZ Authority issues License and certificates to the established AFEZ legal entity.

Procedure Overview



06

Business Establishment Support

The Opportunity Realized



Establishment

AFEZ Authority will closely work with the Investors to support successful establishment of their legal entities in AFEZ. This may include:

Finalizing the lease of a plot or office accommodation providing direct assistance where necessary with:

- Recruitment
- Accessing training programs
- Identification of sub-suppliers and service providers
- Support new legal entities in integrating into the AFEZ business community.

Finalizing

Afterwards, AFEZ Authority will continue to maintain regular contact with the established legal entity and provide ongoing support as required.

Procedure Overview



Thank you for reviewing AFEZ Investor Guide. At this stage, we look forward to continuing our successful cooperation. If you have any questions, please don't hesitate to connect with AFEZ Authority team via contact information provided on the back of this guide.

