

# **Texas Department of Banking**

## **Press Release**

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### **Texas Hosts International Examination Team from Azerbaijan**

Date: August 14, 2006

Capital Bank, Houston, Texas, and the Texas Department of Banking recently welcomed examiners from the National Bank of Azerbaijan and representatives of Bankworld, Inc. in a joint effort to discuss regulatory oversight of Texas' state-chartered banks and to provide practical hands-on experience of state-chartered bank examination processes and procedures.

The National Bank of Azerbaijan is a government-owned bank that functions similar to that of the Federal Reserve Bank in the United States. It was established in February 1992 and today controls about \$1.5 billion of the country's bank assets. Bankworld, Inc. was instrumental in orchestrating the effort for the United States Agency for International Development (USAID). The Azerbaijan team visited Texas at the invitation of USAID in order to strengthen the bank regulatory system in Azerbaijan.

In April Bank Chairman Jeff Austin and President Paul E. Maaz enthusiastically agreed to the Azerbaijan examiners participation in its upcoming examination by the Texas Department of Banking. The team was actively involved in almost every facet of the examination and attended examiner meetings with bank management, assisted in the performance of work procedures, and interacted with Capital Bank's staff. Chairman Austin and President Maaz both commented on the professionalism of the Azerbaijan team and their ability to quickly grasp concepts and theories.

Azerbaijan became an independent country in August 1991 after the break-up of the Soviet Union and the country is located on the western side of the Caspian Sea. Bankworld representative Terry Stroud said that Baku, the country's capitol city, is an emerging Houston. The country controls billions of dollars in oil and gas reserves and is in the early stages of developing this resource. Mr. Stroud complimented the Texas Department of Banking and Capital Bank for the manner in which they welcomed the international team and expressed appreciation for the valuable direction provided toward their development as bank regulators.

Commissioner James reiterated the importance of the United States taking an active role in providing assistance to countries such as Azerbaijan to ensure that democracy and free trade are afforded every possible opportunity to take root in these developing regions.