

Iraqi judiciary dismissed Ishtargate plea

IRAQ, October 6, 2022 /EINPresswire.com/ -- A decision by the Iraqi judiciary obligated the Al-Rafidain Bank to pay US \$600 million to electronic payment processing entity Ishtargate Company sparked outrage in Iraq due to the nature of the contract signed between the parties in the middle of 2021.

However, on August 10th of this year, Ishtargate Company waived its right to financial compensation. A fiery letter sent from Iraqi Member of Parliament (MP) Dr. Hannan Al Fatlawi on August 5th to the Iraq Council of Representatives embodied the sentiment of those confused and upset regarding the contract between Al-Rafidain Bank and Ishtargate Company.

After reviewing a translated copy of Dr. Al Fatlawi's letter, we can confirm the Member of Parliament rose numerous complaints regarding the contract between the two parties going as far as stating, '...This contract aims to steal public money and seize the funds of Rafidain Bank in full.' Dr. Al Fatlawi would go on to detail the legal issue:

The Ministry of Finance of the Legal Department conducted a ministerial investigation of the matter. It was found that there were 54 legal infringements in this contract. According to the letter 15950 in the 4/5/2021 and sent to Rafidain Bank, in it a direct order to the terminate the contract. The bank continued its tyranny and did not implement this order in favor of the Ishtargate company.

Dr. Al Fatlawi also directed blame at Hussein Ali Muhaysen, former Director-General of Al-Rafidan Bank. Muhaysen was dismissed by Iraqi Finance Minister Ali Allawi on March 9, 2021, due to Muhaysen approving the Al-Rafidan and Ishtargate contract without his approval. He was succeeded by Bilal Sabah Al-Hamdani as Director-General of Al-Rafidain bank.

When Muhaysen approved the Al-Rafidan Bank and Ishtargate contract, the Central Bank of Iraq had a license granting suspension in place for any company, and Ishtargate did not meet the terms and conditions set by the finance ministry for an exemption.

On February 23, 2021, MP Dr. Jamal Abdulzahara Al Mohmmadawi issued a letter to the Iraqi Council of Representatives regarding the peculiar nature of Ishtargate being granted a license despite the suspension being in place. We were able to review the English translation of the original letter Dr. Al Mohammadawi sent to the Council of Representatives, where he raised questions regarding the legality of the contract:

What is the legal basis under which Ishtar Systems and Electronic Payment Services (Ishtar Gate) has been granted the license number (14) in (2020/11/29) despite the decisions to suspend the licensing referred to above? Please answer us within 15 days from the date of receipt of this letter in accordance with article 15 of the House of Representatives Act and its formations.

In relation to the perceived corruption and irregularities within the contract between Al-Rafidain Bank and Ishtargate, the Integrity Commission announced on August 10, 2022, an order to speak with those at Al-Rafidain Bank and those involved with drafting and agreeing to the Ishtargate contract, which failed to provide appropriate protections for the Iraqi people's money in case the bank terminated the deal prematurely.

"A summoning order was issued against the former Rafidain Bank director and 23 directors, heads and members of its committees, as a result of the violations committed in the case of the contract concluded between Rafidain Bank and Ishtargateway Company for Systems and Payment Services."

The Central Criminal Court Anti-Corruption investigation judge also issued a summons order against the former General Manager of Rafidain Bank, seven members of the Board of Directors, and six members of the Bid Analysis Committee -- in what is a probe into possible corruption surrounding the approval of the Ishtargate contract.

A statement from the Integrity Commission outlined its intentions to understand how Rafidain Bank came to allow a provision that would see it pay Ishtargate US \$600 million upon the bank terminating its contract with Ishtargate, without nearly any provisions to protect the banks' assets:

The authority revealed last Monday that it had completed its investigation and audit procedures that led to referring the case to the judiciary, to issue the appropriate judicial decision, as it pointed out that there were irregularities in the contract that caused its passage, and obligating the Rafidain Bank to pay (600) million dollars to the portal company.

The investigation into the contract could unearth a hand-in-glove arrangement that was intended to transfer the funds to Ishtargate, who was curiously able to secure a VISA partnership in Iraq within two weeks of its inception, leading to the situation which has completely unraveled.

*The fully translated copy of Dr. Hanan Al-Fatlawi's letter :

Republic of Iraq Iraqi Council of Representatives Iraqi MPs' Office of MP Dr. Hannan Al Fatlawi

No. MB 29 Date : 8/5/2022 To His Excellency the Chairman of the Honorable Integrity Commission SUBJECT / Procedures Greetings We wish to inform you that the former General Manager of Rafidain Bank Hussein Ali Muhaysen has signed a contract with Ishtar Systems and

Electronic Payment Services Company. This contract aims to steal public money and seize the funds of Rafidain Bank in full. We will explain to your distinguished body the legal irregularities in this contract in accordance with the following detail:

1. The contract with Ishtargate Company was signed by the defendant without taking official approvals and without ascertaining the company's experience, efficiency and work practice.

The

company obtained its license two months before the conclusion of the contract and has no experience or capability and has no actual practice in the Electronic Payment Services field .

The aim is to seize public money.

2-The Ministry of Finance of the Legal Department conducted a ministerial investigation of the matter. It was found that there were 54 legal infringements in this contract. According to the letter 15950 in the 4/5/2021 and sent to Rafidain Bank, in it a direct order to the terminate the contract. The bank continued its tyranny and did not implement this order in favor of the Ishtargate company.

3- Owing to the inability of Ishtargate to perform the contract because it does not possess technical, professional and scientific competence, it issued a warning to Rafidain Bank demanding payment of US \$5 billion and equivalent to IQD 7 and a half trillion as a result of its loss of profits. In order to complete this fraud, Ishtargate file a motion to sue case in the Commercial Court numbered (205/Commercial/2021), demanding reimbursement.

Jack Herald

Clariant News

Jacherald@proton.me

This press release can be viewed online at: <https://www.einpresswire.com/article/593836250>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 Newsmatics Inc. All Right Reserved.