



Public

Approved by
ARMECONOMBANK OJSC Executive Board's
Resolution N23-A/01-07.02.2018
Enters into force on 19.02.2018
Chairman of Executive Board
----- A. Khachatryan

PROCEDURE OF
ARMECONOMBANK OJSC ON UNIFIED SYSTEM OF SECURITIES REGISTRATION AND SETTLEMENT
OPERATION

YEREVAN 2018

<i>HISTORY ON DOCUMENT AMENDMENTS</i>			
<i>N/N</i>	<i>Date of Resolution/Order</i>	<i>Number of Resolution/Order</i>	<i>Document Identifier</i>
<i>1</i>	<i>06.07.2015</i>	<i>122/01-06.07.2015</i>	<i>R/A/0/015/06.07.2015</i>
<i>2</i>	<i>29.06.2016</i>	<i>121/01-29.06.2016</i>	<i>R/A/0/015/29.06.2016</i>
<i>3</i>	<i>20.06.2017</i>	<i>113-A/01-20.06.2017</i>	<i>R/A/0/015/20.06.2017</i>
<i>4</i>	<i>07.02.2018</i>	<i>23-A01-07.02.2018</i>	<i>R/A/0/015/07.02.2018</i>

1. GENERAL PROVISIONS

1.1 This document establishes the procedure of ARMECONOMBANK OJSC (hereinafter referred to as the Bank) Unified System of Securities Registration and Settlement Operation (hereinafter “the Procedure”).

1.2 This procedure has been developed in compliance with the rules of the Central Depository of Armenia “On Operation of Unified System of Securities Registration and Settlement” (hereinafter “CDA rules”), the RA law “On Securities Market Regulation”, Armenian legislation, normative acts of the Central Bank of Armenia, the Bank’s Charter, internal legal and other acts.

1.3 By this procedure:

1.3.1 **“Securities Maintenance”** shall mean receipt, registration and preservation of data on issuers, securities issued by the latter, registered securities owners (nominees) and securities owned by them, as well as operations with securities;

1.3.2 **“Securities Maintenance and Settlement Unified System” (“System”)** shall mean the complex of technical and legal means, ensuring registration of securities, execution of mutual liabilities arising from the security transactions

1.3.3 **“DEPEND” system** shall mean the complex of software systems, ensuring execution of the Central Depository’s functions;

1.3.4 **“Securities Account”** shall mean information framework for maintenance of securities and ownership rights towards them;

1.3.5 **“The Customer”** shall mean a corporate entity or individual with whom the Bank signed a Registry maintenance or Custody Agreement. The Issuer, the Nominee and the Account holder are considered the customers.

1.3.6 **“Account Holder”** shall mean a person, which holds securities account (there is securities account on behalf of that person), opened with the System;

1.3.7 **“Nominee”** – a participant of custody System, on the name of which securities of other entities are maintained without transfer of ownership right towards the latter;

1.3.8 **“Issuer”** shall mean the entity, which issues (issued) securities or makes proposal on issuing securities on its own behalf and submitted or applied to the Central depository for submission of registry of its securities owners (nominees);

1.3.9 **Registry of shareholders” or “the Registry”** shall mean the system of data on the Issuer, securities, issued by the latter, and shareholders (nominees) thereof;

1.3.10 **“Corporate action”** shall mean change in nominal value, conversion, split, consolidation, buyback, acquisition, redemption, cancelation of the Issuer’s securities of any type (class) or reorganization of the Issuer (based on the Issuer’s decision);

1.3.11 **“Split of securities”** shall mean conversion of the Issuer’s securities of particular class to greater number of securities of the same class;

1.3.12 **“Consolidation of securities”** shall mean conversion of the Issuer’s securities of particular class to less amount of securities of the same class;

1.3.13 **“Acquisition of securities”** **“Acquisition of securities”** shall mean the process of acquiring certain portion of securities, placed by the Issuer, without legal liability for the latter to make decision thereon;

1.3.14 **“Buyback of securities”** shall mean the process of buying back certain portion of securities, placed by the Issuer (except for securities of open-end investment fund) by the same Issuer, which is required to be accomplished based on decision on securities issuance (placement) or the Law;

1.3.15 **“Conversion of securities”** shall mean the withdrawal of the Issuer’s securities of particular class and their cancelation (removal from System) through exchange of those securities with securities of the same or another issuer;

1.3.16 **“Operation”** shall mean an operation, executed in the System based on the instruction by Account Holder, Issuer, their authorized persons or other persons, defined by the RA Legislation and registered in the System, which results in opening of a securities account, making changes to the securities account information, closing of the securities account, change in securities balance of the securities account, as well as registration of other information in the System and/or provision of information from the System;

1.3.17 **“Instruction”** shall mean hard copy or electronic document, serving as a ground for execution of operations in the System (except for provision of information);

1.3.18 **“Free delivery or ST transfer”** shall mean the type of securities transfer from one securities account to another, when confirmation or acceptance is not required from the recipient;

1.3.19 **“Delivery against acceptance or FOP transfer”** shall mean the type of securities transfer from one securities account to another, when matching orders of both parties, transferor and recipient, are required;

1.3.20 **“Delivery Versus Payment or DVP transfer”** shall mean the type of securities transfer from one securities account to another, at which simultaneous transfer of funds in the respective accounts is carried out based on the transfer and receipt instructions both from the transferor and the recipient, accordingly, as well as in the presence of the cash or securities ensuring settlement, necessary for DVP transfer;

1.3.21 **“Securities portfolio transfer or portfolio transfer”** shall mean the type of securities transfer from one securities account to another, whereby the transfer of all the securities account is performed by registration of single transfer operation;

1.3.22 **“Blockage”** shall mean the operation, as a result of which securities transfers in the System shall be blocked or limited in cases, order and terms, specified by the CDA Rules and/or the Law.

1.3.23 **“Trading blockage”** shall mean the type of blockage, required for trading on the Regulated Market;

1.3.24 **“Termination of blockage”** shall mean the operation, whereby the blocked securities are released from the blockage;

1.3.25 **“Government bond”** shall mean the Government (treasury) bonds issued by the RA Ministry of Finance;

1.3.26 **“Foreign securities”** shall mean securities issued by a foreign country, international organization, legal entity, investment company or a property complex not having a status of a legal entity registered by a foreign country, the shareholders’ registry of which is not or has not been maintained by the Central Depository of Armenia. Moreover the principles defined in the CDA rules for the Custody of foreign securities shall also be applicable to the securities issued or registered in Armenia and allocated in foreign currency or/and in a foreign country in the name of Issuer (by the Issuer), *the sub-custodian of which is the Central Depository of Armenia.*

1.3.27 **“The list”** shall mean the *list of security holders (nominees)*

1.3.28 **“Extract”** shall mean a document, which verify that the entities (entity), the Issuer (issuers) mentioned in the latter are the Owners (Nominees) of the securities of a certain type, class and number as of a certain date.

1.3.29 **“Working day”** shall mean any calendar day, rather than a Sunday or a Saturday, as well as non-working days — holidays and commemoration days, set by the RA Legislation (unless otherwise these days or any of these days have been declared as a working day by the RA Government in the manner prescribed by the RA Legislation)

1.3.30 **Identification document:**

1.3.30.1 For RA citizens- passport, ID card, military identification document for persons in mandatory military service, Return Certificate to return to Armenia only, temporary identification document or certificate issued by RA Police, for the children up to 16 years – passport, certificate of birth

1.3.30. For asylum seekers – Identification document, for the persons recognised as refugees, as well as for persons granted by the right of asylum –convention travel document

1.3.30.3 For foreign citizens - passport or travel document given by a foreign state or international organization (internationally accepted), as well as documents certifying the legal residence in RA - permanent residence certificate or temporary residence card, RA special passport

1.3.30.4 For stateless persons- travel document granted by a foreign state, residence certificate for stateless persons permanently residing in the Republic of Armenia, documents certifying the legal residence in RA - permanent residence certificate or temporary residence card, RA special passport

1.3.30.5 For refugees granted temporary asylum - identification document (temporary asylum certificate)

1.3.31 **Document containing public services number**

1.3.31.1 **Social card**

1.3.31.2 Identification card of the RA citizen or

1.3.31.3 RA residence card for a foreign citizen (if any) containing public services number or

1.3.31.4 Identification documents of refugees, stateless persons permanently residing in the Republic of Armenia, containing public services number or

1.3.31.5 Statement containing public services number

1.3.32 A document confirming state registration:

1.3.32.1 In case of RA resident legal entities – State registration certificate (in case of the resident legal entities registered in RA State Registry and non-resident legal entities having branches and representations in the Republic of Armenia, also a transcript on the acting authority (the document may not be required if the Bank receives the given information electronically in defined order))

1.3.32.2 In case of non-resident legal entities – notarially certified Armenian translation of the original document confirming the registration of the non-resident legal entity by the Authority carrying out the state registration of legal entities in the country of origin of the non-resident legal entity, notarially certified Armenian translation of the original document on the registration and jurisdiction of the non-resident legal entity’s manager given by the Authority carrying out the registration of legal entities in the country of origin of the non-resident legal entity, notarially verified copy of the identification document of the non-resident legal entity’s manager

1.3.33 «DEPEND» system direct user and operator – Central Office for Customer Service of the Bank (hereinafter “CSCO”)

1.3.34 Responsible employee - CSCO employee carrying out the registration and settlement of securities in “DEPEND” system.

1.3.35 Confirming employee – the Head of Loan-deposit division of CSCO department

1.3.36 “**Tariffs**” shall mean tariffs available at ARMECONOMBANK OJSC for the provision of services in the Unified System of Securities registration and settlement.

2. SERVICE RENDERING PROCEDURE

2.1 Documents, instructions and applications acceptance procedure

2.1.1 In order to benefit the registry maintenance and/or custody services the customer should submit the documents and/or the application and/or the instructions required by this Procedure to the Bank’s CSCO or the Branches (duly signed and sealed (if any) by the Head, (the instruction may be approved also by the authorized representative of the customer within the scopes of the respective authorizations).

2.1.2 The employee of the CSCO or the Branch shall:

2.1.2.1 Identify the Customer ((authorized representative, the existence of identification document is obligatory)

2.1.2.2 Submit the customer’s application to the inscription of the Head of CSCO or the Head of the branch, and the instruction - to the approval (signing and sealing)

2.1.2.3 Scan the received documents and /or the application and/or the instructions and send to the relevant employee through “WorkFlow” system within the same working day.

2.1.2.4 The original copies of the documents served as a basis for operations in the System (including submitted documents, instructions, applications and /or agreements) shall be saved at the CSCO or the branch for 10 years after their receipt.

2.2 Agreements signing, renewal process

2.2.1 The responsible employee:

2.2.1.1 Assured that there are no discrepancies and flaws in the information provided by the customer, the documents have been duly compiled and confirmed and correspond to the CDA rules, compiles the documents and delivery-acceptance act (only in case of signing of a registry maintenance agreement, when the document confirming the list of documents is not available) (Appendix 2) and sends to the CSCO’s or the Branch’s employee through WorkFlow system within one working day.

2.2.1.2 Upon discovering defects and inaccuracies in the documents received:

2.2.1.2.1 Informs the Customer about the inaccuracies and should these inaccuracies be fixed the process will continue, otherwise it will be cancelled.

2.2.1.2.2 In case of necessity submits the documents to the Legal Department. The latter shall present its conclusion within 2 working days. In case of positive written conclusion the process shall continue.

2.2.2 The CSCO or the Branch employee prints the Registry maintenance agreement (3 copies) and/or the Securities Custody Agreement and/or the delivery-acceptance act (2 copies) and submits it to the signing.

2.2.3 Documents mentioned in the paragraph 2.2.2 of this procedure shall be signed and sealed (if any) by the Head of CSCO or the Head of the Branch and the Customer, moreover one copy of the original documents shall be provided to the Customer.

2.3 Functions implementation procedure

2.3.1 The responsible employee:

2.3.1.1 Assured that there are no discrepancies and flaws in the information provided by the customer, the documents have been duly compiled and confirmed and correspond to the CDA rules, enters the submitted instructions and the details required by the CDA rules into the “DEPEND” system (subject to approval)

2.3.1.2 upon discovering defects and inaccuracies in the documents received:

2.3.1.2.1 informs the customer about the existing defects and inaccuracies and should these inaccuracies be fixed the process will continue, otherwise it will be cancelled.

2.3.1.2.2 in case of necessity submits the documents to the Legal Department. The latter shall present its conclusion within 2 working days. In case of positive written conclusion the process shall continue.

2.3.2 The confirming employee checks and confirms the instructions and details required by the CDA rules entered into “DEPEND” system by the responsible employee, after which the details are entered into the System.

2.3.3 The details entered into the “DEPEND” system are compared with the similar information existing in the system and if there is no discrepancy the operation is registered in the system.

2.3.4 In case of discovering discrepancies when comparing the instructions and the information existing in the DEPEND system, the System rejects the implementation of the instruction and the Bank is notified about that with the appropriate message.

2.4 Information provision process

2.4.1 The responsible employee informs (notifies) the Customer about the execution of the instruction within the same working day through the notification on the “Execution of the Securities account opening/reopening/data amendments instruction” (Appendix 25) or through the provision of a reference. Upon the Customers request the responsible employee shall provide a statement to the Customer if the operation executed through the securities account hasn’t been conditioned by the order given to the Bank. Moreover:

2.4.1.1 If the customer is the holder of securities which issued by the Bank or the issuer of which has signed a registry maintenance agreement with the Bank, as a notification on the execution of the instruction the customer will be given a statement and in other cases the customer will be informed through the notification on “Execution of Securities account opening/reopening/data amendments instruction” (Appendix 25),

2.4.2 The responsible employee submits the documents, orders and the data required by the CDA rules provided by the customer to the depository in the manner and terms fixed by the CDA rules.

2.4.3 The CSCO or the Branch employee provides the Customer with a statement, report, list or a reference (signed and sealed by the Head of CSCO or the Branch Manager) in the manner and terms set by the CDA rules and this Procedure which the responsible employee shall compile and transfer through “WorkFlow” system.

2.4.4 The information provided (the statement, report, list, reference, notification, etc.) is verified by the signature of the Head of CSCO or the branch manager and sealed.

3. REGISTRY MAINTENANCE OF NOMINAL SECURITIES HOLDERS

3.1 Registry Maintenance Agreement signing and renewal process:

3.1.1 Parallel with the Registry Maintenance Agreement signing or renewal process, the Bank also signs an agreement with the Issuer on the Issuer’s securities custody and opens security account for the Issuer if the latter has repurchased (acquired) and outstanding securities of the given class, in particular the Issuer owns a non-zero balance securities account in the System, as well as in the case when the Issuer hasn’t yet concluded such an agreement with the Bank. (the samples of the agreements are defined by the Central Depository)

In that process, in the relations with the Issuer the Central Depository is represented by the Bank.

3.1.2 The Bank renders Registry maintenance services to the issuers, which are the Bank's clients. The existence of AMD bank account is obligatory for the customers.

3.1.3 Documents required for the conclusion of an agreement on the provision of Registry Maintenance Services:

3.1.3.1 An application (which should include the names of documents enclosed to the application, information on the submitted documents and the number of the pages) (Appendix 1),

3.1.3.2 The copy of the Issuer's state registration certificate verified and with the inscription of "A certified true copy" or an extract given by the unified state register (the document may not be required if the Bank receives the given information electronically in defined order)

3.1.3.3 Taxpayer Identification number (TIN) (if it is not mentioned in the state registration certificate) or a document (in case of non-resident issuers) confirming other equivalent number (if any)

3.1.3.4 A verified copy of the document confirming the powers of the head of the Issuer's executive body and with the "A certified true copy" inscription.

3.1.3.5 Identification document of the head of the Issuer's executive body which should be verified and shall include "A certified true copy" inscription.

3.1.3.6 A reference on the availability (printing) of securities certificates

3.1.3.7 Electronic and paper versions of the list of holders (nominees) of securities (if any) formed as a result of the completed and with the fixed results distribution process, including as well information on the limitation of rights over securities. The paper version should be certified with the Issuer's seal (if any) and signed by the head of the Issuer's executive body or the person authorized by the latter in case of availability of the relevant power of attorney.

The list or the supporting document shall also include a provision approving that the information has been included under the conditions of the best awareness (the form of the list is defined by the CDA rules), and if an information about the limitations of the rights over the securities is also available then documents or their copies serving as a basis for these limitations shall also be attached to the list.

3.1.3.8 If the Issuer implements additional allocation of previously placed shares while signing registry maintenance agreement, the process of which has not been completed yet or the Issuer signs a Registry Maintenance agreement of such securities, the placement of which have not been carried out or completed yet, the allocation has been implemented partially or the placement results of the given securities have not been fixed yet, the Issuer should provide the Bank with an information on the characteristics of the securities to be placed(class/type, quantity, nominal value), the resolution on the issue of the securities, the allocation procedure, as well as on the terms and conditions of the securities, taking into consideration that securities placement operation shall be registered in the System in the order set forth by the CDA rules after signing the Registry maintenance agreement.

3.1.3.9 Application for granting International Securities Identification Number (ISIN) or Securities Identification Code (SIC) in 2 copies, which shall be filled out and submitted in accordance with the rules of the Depository Rules "On Assigning International Securities Identification Numbers", or information on acting ISIN and SIC of the given securities granted by Central Depository of Armenia, if any, and if the previously submitted information on ISIN and SIC assignment has not been changed:

3.1.3.10 Information on the Issuer's paying agent, who is eligible for making payments on behalf of the Issuer to the security holders (if any)

3.1.3.11 in case of having authorized person (persons) - the certified copy of the identification document of the authorized person (persons) with the inscription of "A certified true copy" and a power of attorney confirming the scope of the latter's powers.

3.1.3.12 1 copy of the Charter which should be sealed and with an "A certified true copy" inscription (the document may not be required if the Bank receives the given information electronically in defined order)

3.1.3.13 the issuer's contact details

3.1.3.14 other documents required by the Bank

3.1.4 In case of Registry maintenance agreement renewal the Issuer should not submit the documents stated in 3.1.3.6 and 3.1.3.7 paragraphs of this Procedure, but an information on the availability of the Issuer's securities account, on which the securities owned (including purchased and repurchased) and distributed by the Issuer are registered, shall be submitted to the CSCO's or the Branch's employee, and in case of availability providing information on the securities registered on that account.

3.1.5 In case of renewal of the Registry Maintenance Agreement (agreements) signed between the Issuer and the Central Depository through the intermediation of the Bank the previously signed registry maintenance agreements and the custody agreements ensuring Issuer's security account opening and service, if any, shall be deemed terminated from the moment the new registry maintenance agreement is being signed. In case of termination of the agreements motioned in this paragraph all the overdue liabilities of the parties shall continue to remain in force until their full execution.

3.1.6 Within 3 business days after the signing of registry maintenance agreement or with the Issuer's consent within the longer period of time, the responsible employee shall provide the Issuer with a list of registered security holders (nominees) free of charge as of the date of the agreement in compliance with the provision of 2.4 paragraph of this Procedure.

3.1.7 Registry maintenance services shall commence and tariffs on registry maintenance services shall be calculated starting from the date of concluding Registry maintenance contract.

3.1.8 The Documents required for the purpose of rendering registry maintenance services shall be submitted to the CSCO or the branch employee. The documents and the instructions are accepted and executed in compliance with the provisions set forth by the 2nd paragraph of this Procedure and the CDA rules.

3.2 Operations conditioned by the placement of securities

3.2.1 The securities allocation operation is registered in the System in the form of securities primary allocation or additional allocation.

3.2.2 For the purpose of implementing securities placement operations, the Issuer shall submit the documents and instructions necessary for the registration of the operation to the employee of CSCO or the Branch. The documents and the instructions are accepted and made in compliance with the procedures of the 2nd paragraph of this Procedure and the rules of Central Depository of Armenia.

3.2.3 The securities allocation instructions shall be made within 3 working days after the receipt of instructions from the Issuer (allocator)

3.2.4 The Issuer shall submit the copy of the resolution on the issue (distribution) of securities, as well as the copy of the document defining the securities placement procedure, conditions and terms, if the aforementioned information is not included in the resolution on the issue (distribution) of securities.

3.2.5 The placement of the additional or new type of securities are carried out in accordance with the provisions of CDA rules.

3.2.6 In case of securities placement in the regulated market, the responsible employee, based on the Issuer's instruction, opens an account for the securities to be placed, on which the volume of the securities subject to placement is accounted at least one day prior to the placement of the securities in the regulated market based on the copy of the resolution on the placement of securities given by the operator of regulated market.

The Issuer's instruction shall include securities placement start and end period or order of their definition.

3.2.7 In case of acquiring securities through the securities placement system of the regulated market, the Bank shall immediately terminate the trading blocking of the purchased securities.

3.2.8 If by the end of securities placement via placement system of regulated securities market there are still securities blocked on securities placement account, the Bank shall terminate trading blockage of mentioned securities on the day of completing placement.

3.2.9 If by the end of the placement there are still undistributed (residual) securities on the securities placement account, the Bank shall cancel them.

3.2.10 The securities placement account shall be closed upon the Issuer's request or upon the termination of Registry Maintenance Agreement signed with the Bank at the same time vetoing the undistributed (residual) securities available on the account.

3.2.11 In case of placement of additional and new type of securities outside of the regulated securities market in order to register securities placement results in the System, the Issuer or the Allocator, acting based on the contract sign with the Issuer, shall submit the following documents and securities placement instructions (Appendix 3):

3.2.11.1 Copy of the resolution on the issue of the Issuer's securities, the certified copies of the documents defining the securities placement procedure, the conditions and the terms, if the mentioned information has not been included in the resolution of securities issue (allocation)

3.3 Operations related to the corporate activities

3.3. In case of registration of operations, caused by change in nominal value of securities, consolidation of securities, split of securities, upon the Issuer's decision on conversion of one class (type) of securities with other class (type) of securities, the Issuer shall submit an instruction to the CSCO or a branch employee (Appendix 4), the following documents should be attached to it:

3.3.1.1 Issuer's corporate decision's number on the Issuer's corporate activity and the copy of the respective decision attached- verified and with the "Certified true copy" inscription.

3.3.1.2 Application on assigning international securities identification number (ISIN) or securities identification number (SIN) in two copies 2 in accordance with the Central depository's Rules "On Assigning International Securities Identification Numbers";

3.3.1.3 Verified and with "Certified true copy" inscription copies of the documents confirming state registration of the Issuer and amendments to the Issuer's Charter (amended charter) (documents mentioned in this paragraph may not be required if the Bank receives them electronically in defined order.

3.3.2 In order to register actions conditioned by the conversion of one type of securities by another type upon the Issuer's request in the System, in addition to the information (documents) stated in 3.3.1 paragraph of this, the Issuer shall also submit the certified copy of Issuer's decision on the issue (placement) of securities to be converted, if the mentioned conversion is followed by the placement of securities ensuring the conversion and if such decision has not yet been submitted.

3.3.3 Corporate actions, caused by the Issuer's reorganization shall be registered in the System by amending information on the Issuer, if there are no changes in securities nominal value and/or quantity as a result of such reorganization.

If there are changes in securities nominal value and/or quantity as a result of the Issuer's reorganization, these corporate actions shall also be registered to the System.

3.3.4 In order to register corporate actions, caused by reorganization of the Issuer through accession, in addition to information mentioned in paragraph 3.3.1 of this Procedure, the Issuer being the legal successor of the Issuer, which was liquidated due to accession, shall also submit the certified copy of letter confirming the Issuer's liquidation due to reorganization, given by the state registration body.

3.3.5 For the purpose of registration of corporate actions, caused by the Issuer's reorganization through spin-off in the System, in addition to information (documents) defined in in paragraph 3.3.1 of this Procedure, the reorganized Issuer shall submit the certified copy of the document verifying state registration of newly established companies, issued by state registration body ((the given document may not be required if the Bank receives the given information electronically in defined order))

3.3.6 While concluding Registry maintenance contract with the Issuer(s) through the Bank's intermediation, corporate actions, caused by the Issuer's reorganization through merger and division, shall be registered in the System by the Issuers being legal successors of the companies liquidated as a result of reorganization.

In this case, in addition to information (documents) stated in paragraphs 3.1.3 and 3.3.1 of this Procedure, the Issuer considered as the successor, shall also submit the reference(s), issued by the state registration authority, on company(ies) liquidated as a result of reorganization.

3.3.7 In case of fractional (non-integer) securities (including shares) emerged as a result of corporate action; they shall be repurchased by the Issuer in order and time defined by the RA Legislation and the Issuer's decision.

3.3.8 If the corporate action requires transfer of securities by the holder of securities to the Issuer's securities account, the holder of securities shall submit an instruction (Appendix 5), with the exception of cases of the repurchase or purchase of distributed securities by the Issuer, through free delivery against acceptance (FOP transfer) or delivery Versus Payment (DVP transfer) means of transfer (Appendix 10 or Appendix 11)

3.3.9 In order to register corporate actions conditioned by the repayment or cancellation of securities, the Issuer shall submit an instruction (Appendix 6)

3.3.10 In case of the Issuer's corporate actions the relevant recordings shall be made in all the securities accounts of securities holders (nominees) of the given class according to the proportion of the quantity of the Issuer's securities belonging thereto (registered on their behalf), unless other procedure arises from the nature of particular corporate action.

3.3.11 Instructions and documents shall be accepted and executed in compliance with the provisions of the 2nd paragraph of this Procedure and procedures set by CDA rules.

3.3.12 The operation concerning corporate actions shall be registered in the System within three business days after receipt of respective information and documents from the Issuer, unless other longer period is specified by instruction on corporate action or other procedure arises from the nature of corporate action.

3.4 Amending Information in the Registry

3.4.1 The Issuer shall inform the Bank on making decision on liquidation of the Issuer, initiating or terminating bankruptcy procedures against it, changes in the Issuer's name, state registration data, location or contact details, entity authorized to issue orders or requests on behalf of the Issuer, change in information on securities issued (placed) by the Issuer available in the System, as well as upon revealing discrepancies or inaccuracies in the information provided to the Central Depository Registry in relation with registry maintenance, submitting documents certifying the relevant changes or necessary to correct shortcomings or inaccuracies.

3.4.2 If amendments of information on the Issuer and its securities shall lead to necessity of amending information, previously submitted in accordance with the Central depository Rules on "Assignment of International Securities Identification Numbers", the Issuer shall also submit to the Bank amendment to the Application on assigning ISIN or SIN respectively.

3.4.3 The Issuer, in order to eliminate possible obstacles for execution of rights of the securities issued by him, caused by not updated information, and to keep the information up-to-date in the Registry may submit information, it has become aware of, on the holders (owners) of the securities issued by him. The update of the information may not lead to the change of the holder of the securities or the number of securities owned by him.

3.4.4 The Bank may decline registration of amendments to the information available in the Registry, if the presented documents and/or information are incomplete or do not comply with the requirements of the Law, legal Responsible employee shall inform the customer indicating reasons for decline.

3.4.5 Within one business day after receipt of information and documents necessary for making amendments to the information available in the System, the Responsible employee within its authorities shall make amendments to the information received from the Issuer and/or submit information and documents related to that amendment to the Central depository, if whole or partial registration of amendments to the information in the System lies within the Central depository's authorities.

3.4.6 Registrations in the System shall be done or rejected within maximum 3 (three) business days after receipt of the relevant application and necessary documents and information, unless other procedures arise from the nature of making the relevant record in the System.

3.4.7 The Issuer shall submit the information and documents necessary for the proper maintenance of the Register within the reasonable period of time.

3.4.8 Documents shall be accepted and executed in compliance with the provisions of 2nd paragraph of this Procedure and the procedures set forth by the CDA rules.

3.4.9 To register the corrections (omissions) of the information provided to the Bank within the framework of registry maintenance in the System, on the issuer's initiative, the Issuer shall pay fees set for the registration of corrections.

3.5 Termination of Registry Maintenance Contract

3.5.1 Registry maintenance contract for the Issuer's given type (class) of securities can be terminated in case of the Issuer's reorganization (except for cases of reorganization from open joint stock company to closed joint stock company and vice versa) or if given securities are not existing based on other grounds and/or in other cases, stipulated by the CDA Rules, the Law or the CBA regulations. In case of termination of the registry maintenance agreement, the all the outstanding liabilities of the Issuer shall continue to remain in force until their repayment.

3.5.2 In case the Law and the CBA legal acts do not limit termination of Registry maintenance contract, in order to terminate such contract the Issuer must submit the following to the CSCO or the branch employee:

3.5.2.1 application (Application 22) directed to the head of the executive body of the Central Depository, the head of CSCO or the head of a branch;

3.5.2.2 relevant reference from state authority registering legal entities (in case of reorganization);

3.5.2.3 document, certifying fulfilment of liabilities (if any) towards the Bank set forth by the agreement and the tariffs.

3.5.3 If the Issuer has not yet renewed the Registry maintenance contract with the Bank within the scope of Registry maintenance contract, the Issuer (its authorized representative) shall apply directly to the Central Depository without intermediation of the Bank for terminating Registry maintenance contract.

3.5.4 The Registry maintenance contract shall be considered terminated based on redemption of term securities (particularly, bonds, convertible securities).

3.5.5 In case of liquidation of the Issuer, the registry maintenance contract shall be deemed terminated.

3.5.6 In case of termination of the agreement signed between the Issuer and the Central Depository through the Bank's intermediation, the Bank, after being informed about the below mentioned cases, shall inform the owners of securities (nominees) which the latter serves.

4. CUSTODY OF SECURITIES

4.1 Accounts Opened in the System and Types Thereof

4.1.1 For the registration of securities and operations executed with securities, the Bank opens securities and operational accounts.

4.1.2 The following types of securities accounts can be opened in the System:

4.1.2.1 Own securities account, opened for the purpose of maintaining securities possessed by individuals (including contractual investment funds)

4.1.2.2 Nominee account opened on behalf of the RA resident custodians for registering securities owned by other entities.

4.1.2.3 *Foreign nominee account, opened for foreign custodians for the purpose of maintaining securities, owned by other entities;*

4.1.2.4 *Securities account of Issuer Securities account of Issuer, on which securities possessed by the Issuer (including acquired or repurchased), are maintained;*

4.1.2.5 *Share ownership securities account is a common ownership account, in which the securities belonging to more than one person by right of common ownership, are registered;*

4.1.2.6 *Joint ownership securities account is a common ownership account, in which securities belonging to more than one person by right of joint ownership are registered;*

4.1.3 *The following types of operational accounts can be opened in the System:*

4.1.3.1 *Account for securities subject to placement, which shall be opened in the System with the purpose of performing securities placement in the regulated market. Securities, issued but not yet placed, are maintained on this account.*

4.1.3.2 *Pledge account of pledgee, which shall be opened in the System for registration of securities pledge transactions, if the pledger does not provide the number of active securities' own account or the pledgee does not have active securities own account in the System.*

4.1.3.3 *Depo account, which shall be opened in the System within the securities own account with the purpose of maintaining rights towards Government bonds and limitations over them.*

4.1.4 *Securities account opened in the System can have one of the following statuses:*

4.1.4.1 *“Status of temporary account” (hereinafter “Securities temporary account”) shall mean a securities account, which is not yet renewed by the Bank, as well as opened in the System on the basis of data (list of registered shareholders (nominees)), submitted by the Issuer in the scope of conclusion of registry maintenance contract.*

4.1.4.2 *“Status of non-identified account” (hereinafter “Non-identified securities account”) shall be given to the securities account of non-identified account holder during reopening of securities temporary account by the Bank;*

4.1.4.3 *“Status of active account (hereinafter “Securities active account”) is given to opened or reopened account.*

4.1.4.4 *“Status of testator account” is a status, granted to the account opened (reopened) by Bank, from which, due to the registration of inheritance, securities shall be transferred to the securities account of the Account Holder being the heir.*

4.2 *Securities Account Opening*

4.2.1 *The Bank can open a securities account for the account holder through one of the following means:*

- 4.2.1.1 *Through reopening of securities account, opened by the Central Depository and having status of temporary account, which also assumes the identification defined by this Procedure and the CDA Rules;*
- 4.2.1.2 *Through opening of new securities account.*
- 4.2.2 *The Bank shall be entitled to open only one account of the same type for the same entity, except for the cases of opening common ownership accounts.*
- 4.2.3 *Common (equity or joined) ownership accounts shall be opened in the cases, when the same securities are owned by more than one entity. In case of opening equity and shared ownership accounts, requires information and documents should be submitted for each Account Holder separately. If the account holder is the Bank, the provisions set by the rules shall be applied.*
- 4.2.4 *If the Account Holder (or other authorized entity in cases defined by the Rules) is willing to reopen temporary securities account or ensure possibility of operations in securities of this account, the Account Operator shall take up necessary and sufficient actions according to the Rules to identify the Account Holders based on the information available in the account.*
- 4.2.5 *Norms stipulated for physical entities by this Procedure shall be applicable to legal relations with entities engaged in private entrepreneurship.*
- 4.2.6 *In order to open (reopen) account, except for testator account reopening, the Account Holder, being physical entity, or its authorized person, shall submit the following documents to the Bank:*
- 4.2.6.1 *Copy of documents, verifying Account Holder's identity;*
- 4.2.6.2 *Certified copy of document verifying RA resident Account Holder's public services number (or social card) or notice on not having such (the document may not be required if the Bank receives the given information electronically through the base of "Nork" system)*
- 4.2.6.3 *In case of reopening of the account –other documents necessary for the identification of the Account holder*
- 4.2.6.4 *in case of authorized person, the original or the notarially verified copy of the document certifying the authorizations, as well as the certified copy of the authorized person's identification document.*
- 4.2.6.5 *Other documents required by the Bank*
- 4.2.7 *In order to open (reopen) an account the authorized person of the legal entity account holder shall submit the following documents to the Bank :*
- 4.2.7.1 *certified copy of the document verifying account holder's state registration or an extract given from the United State Register of legal entities (this document may not be required if the Bank receives the given information electronically in defined order)*

- 4.2.7.2 One copy of the Charter signed and sealed with “Certified true cope” inscription (this document may not be required if the Bank receives the given information electronically in defined order)
- 4.2.7.3 Taxpayer Identification number (TIN) (if it is not mentioned in the state registration certificate) or a document (in case of non-resident issuers) confirming other equivalent number (if any)
- 4.2.7.4 Certified copy of the document verifying the fact of the appointment of entities entitled to act on behalf of the legal entities without power of attorney to the appropriate position (may not be submitted with consent of the Central depository).
- 4.2.7.5 Certified copy of identification document of the person acting on behalf of the legal entity.
- 4.2.7.6 In case of an entity acting based on the power of the attorney, the original or the certified copy of the document verifying the powers of the latter
- 4.2.7.7 Reference on the participants (given at least 30 days prior) if the information on participants has not been included in the Charter, or a letter that after the registration of the last amendments to the Charter till the day of submitting an instruction on the account opening, the participants have not changed.
- 4.2.7.8 Contact details
- 4.2.7.9 Other documents that the Bank may require
- 4.2.8 In order to open own security account the Bank signs a written agreement on the custody of securities with the Issuer (the sample of the agreement is defined by the CDA). For the purpose of signing securities custody agreement the account holder shall submit the following documents: in case of being individual the original or the certified copy of the identification document, in case of being legal entity the original or the certified copy of the document verifying the state registration (this document may not be required if the Bank receives it electronically in defined order), original or certified copy of the document verifying the appointment of the entities acting on behalf of the legal entity without the power of attorney to the appropriate position (in case of non-resident entities the document should also be notarially verified).
- 4.2.9 The instruction to be submitted by the individual for the opening of own securities account (Appendix 7):
- 4.2.10 The instruction to be submitted by the legal entity for the securities account opening (Appendix 8) .
- 4.2.11 To open nominee account in the System, the Custodian shall submit an instruction (Appendix 8) with the following documents attached:
- 4.2.11.1 All the requisites necessary for concluding a sub-custody agreement, including eligible email address (if any) and bank requisites
- 4.2.11.2 Copy of the permission for carrying out custody services, notification, submitted to the CBA, defined by the Law, or copy of license (in case of foreign custodian, a copy of permission or license, granted by state authority of that foreign country, according to which the foreign custodian is entitled to manage on its name securities accounts belonging to other persons);
- 4.2.11.3 Copy of document verifying state registration (this document may not be required if the Bank receives the given information electronically in defined order)
- 4.2.11.4 Copy of document certifying assignment of the Custodian’s Head of executive body;
- 4.2.11.5 Document certifying authorities of the Custodian’s authorized representative, which shall at least ensure identification of the authorized representative and clearly define the scope of its authorities.
- 4.2.12 In order to reopen temporary account (except for testator’s account) in the System , the Account Holder shall submit to the Bank documents specified in the paragraphs 4.2.9 and 4.2.10 of this Procedure respectively, and an instruction on account re-opening , which in addition to the information specified in the above mentioned paragraphs shall also include the following:
- 4.2.12.1 Securities temporary account number opened with the Central Depository (if the relevant information is available);

4.2.12.2 the Account Holder's public services (or social card) number or number of notice on not having such, in case of physical entity; taxpayer identification number (TIN) or other relevant identification code (if available), in case of legal entity;

4.2.12.3 ISIN (SIN) of securities, maintained in the temporary account, or their class (type) and issuers' name;

4.2.12.4 Number of the securities owned by the entity as defined in the paragraph 4.2.12.3 of this procedure

4.2.13 The temporary account existing in the System shall be reopened (deemed reopened) and the custody (sub-custody) agreement between the Bank and the Account Holder shall be signed after the identification in compliance with defined order.

4.2.14 The Bank shall verify existence of the given customer's temporary account in the DEPEND System based on the relevant documents and information, submitted thereto by the customer with the purpose of reopening the account, having temporary status. For verification purposes the Account Operator shall input the following data or the part of it to the System, which will allow to verify the Account Holder:

4.2.15 The Bank, in identifying the customer as the Account Holder, is guided by the CDA rules.

4.2.16 In case of registering inheritance, the testator shall be identified based on application of successor(s) and certificate of inheritance, as well as if necessary, based on statement, provided by the Issuer, additional clarifying documents and information from the notary, based on notary request made by the Central Depository of Armenia in compliance with the procedures of CDA rules.

4.2.17 During the process of registering inheritance, the identified temporary testator account shall be granted by the status of temporary account by the Bank .

4.2.18 If upon the Account Holder's request the Bank reopens such a securities account, which has already been opened and serviced by the Bank, a new custody agreement shall not be signed, and the reopened and existing accounts shall be immediately merged ensuring presence of the account, preferred by the Account Holder, if the latter has indicated an account in response to the Bank's request. The Responsible employee shall inform the Account Holder and the Central Depository of Armenia on the merge of accounts within one working day.

4.2.19 For the service of opened or reopened securities accounts the Account Holder shall pay fees defined by the custody (sub-custody) agreement and the Bank's tariffs.

4.2.20 In the process of opening (reopening) securities account the documents to be signed by the Account Holder shall be signed by the Account Holder or its authorized representative with mentioning preference of the form of providing information from the System to the Account Holder- documentary or electronic. If the Account Holder or its authorized representative, being legal entity, has seal, documents, specified in this point shall also be sealed by mentioned entities.

4.2.21 Operation of securities account opening (reopening) shall be registered in the System and the relevant custody (sub-custody) contract shall be signed with the Account Holder within 3 (three) business days after receiving the information and documents (if identification is necessary, after identifying the entity), specified by the CDA rules and this Procedure.

4.3 Change Of Securities Account Information

4.3.1 In case of changes in the data of the securities account the Account holder or his/her authorized entity shall submit a document certifying the relevant amendments to the employee of the CSCO or a branch. If the entity is identified through the "Nork" system, the Responsible employee shall endorse "the entity was identified through Nork system" and stamp.

4.3.2 Documents certifying the amendments are accepted and executed pursuant to the provisions of the 2nd paragraph of this Procedure and procedures fixed by CDA rules .

4.3.3 The Account holder is obliged to inform the Bank about any changes to the information provided during the opening (reopening) of the securities account (entered into the System).

4.3.4 The Bank shall not be liable for the loss incurred by the Account holder if the latter has not inform the Bank about the changes to the information registered in his/her account in defined order.

4.3.5 Account data amendments shall be registered in the System within 3 working days after the receipt of necessary documents and instructions.

4.4 Closing of securities account, termination of custody (sub-custody) agreement.

4.4.1 The securities account can be closed and/or the custody (sub-custody) agreement can be terminated in the following case:

4.4.1.1 Upon the Account holder's request based on the relevant application (Appendix 23)

4.4.1.2 In the order and cases defined by the CDA rules.

4.4.2 In case of termination of the custody (sub-custody) agreement, all the overdue liabilities of the account holder shall remain in force until their full repayment

4.4.3 Only accounts with null residuals of securities may be closed in the System.

4.4.4 Upon the Account Holder's will in order to close securities account with non-null residual the Account Holder shall transfer portfolio of securities to other securities account with active status prior to submitting application (instruction) on closing securities account.

4.4.5 Securities account shall be closed, based on the Account Holder's request, as a result of termination of agreement on securities custody (sub-custody) signed with the Account holder.

4.4.6 Upon the Account Holder's will contract on securities custody (sub-custody) shall be terminated as a result of signing (approving) agreement on terminating the contract by the Account Holder and the Bank.

Agreement on termination of the agreement on securities custody (sub-custody) shall be signed only if the Account Holder has fulfilled all its liabilities defined by the rules of Central Depository and the Bank's internal acts.

4.4.7 After concluding the agreement of termination of contract on custody (sub-custody) of securities account with null residual, the Responsible employee shall immediately register the account closing instruction in the System, as a result of which the securities account receives status of closed.

4.5 Operations conditioned by securities transfer and the registration of the right over the pledge

4.5.1 Operations conditioned by the transfer of securities and the registration of rights over the pledge are carried out in the System through the following types:

4.5.1.1 "Free delivery or ST transfer" (Appendix 9),

4.5.1.2 "Delivery against acceptance or FOP transfer" (Appendix 10),

4.5.1.3 "Delivery Versus Payment or DVP transfer (Appendix 11),

4.5.1.4 Securities portfolio transfer or transfer of portfolio (Appendix 12),

4.5.1.5 Registration of the right over the securities' pledge / suspension of the pledging right (Appendix 13),

4.5.1.6 Freezing of securities or securities account/ Termination of Freeze (Appendix 14),

4.5.1.7 Temporary Limitation of Voting Rights During General Meeting of Joint-Stock Company/ termination of limitation (Appendix 15):

4.5.2 Transfer of securities through the Bank can be implemented, only if the securities accounts of transferor and recipient have status of active accounts, except for cases defined by CDA Rules.

4.5.3 Securities transfers based on court decision and inheritance shall be made in the System through Free delivery, upon request of the stakeholders. Securities transfers based on charity (donation) shall be made through free delivery (ST transfer) upon donator's request, if the donator submits donation contract, or through Free Of Payment (FOP transfer) upon consent, if no donation contract is available. Securities transfers to the Issuer's securities accounts as a result of repurchase or purchase of securities placed by the Issuer, shall be performed through free delivery with acceptance (FOP transfer) or delivery versus payment (DVP transfer).

4.5.4 In case of securities transfer on the basis of court decision, the interested party shall submit the effective court decision, or respective decision of judicial acts compulsory enforcement service, and an application for securities transfers to the Bank

4.5.5 For the purpose of free delivery of securities, resulting from registration of inheritance, the heir must submit the following information and documents to the CSCO's or the branch employee

4.5.5.1 Inheritance certificate;

4.5.5.2 Documents, defined by this procedure for opening of securities account, unless the securities account was opened for the heir (heirs) in the past through the intermediation of the Bank;

4.5.6 The Bank registers the securities transfer operation carried out through free delivery, if the heir's account has been granted by a status of testator account by the Bank.

4.5.7 The registration and terms of operations conditioned by the transfers caused by "Repo/reverse repo and repo agreements termination" transactions shall be regulated in the System by the relevant agreements.

4.5.8 The transfer of securities arising from repo, reverse repo transactions shall be executed in compliance with the procedures fixed by CDA rules.

4.5.9 The instructions shall be accepted and executed pursuant to the provisions of the 2nd paragraph of this Procedure and procedures defined by CDA rules.

4.5.10 The instructions shall be registered in the System within 3 working days after receipt, with the exception of instructions for securities portfolio transfer, registration of right over pledge/ termination of right over pledge, freezing of securities or securities account/ termination of freeze, which are subject to execution within 1 working day, unless a longer period is defined.

5. FEATURES OF GOVERNMENT BONDS CUSTODY

5.1 General Principles of Government Bonds Custody in the System

5.1.1 Functions of the Bank in implementing government bonds custody (sub-custody) are regulated by the Bank's internal legal acts, the RA laws, legal acts of the Ministry of Finance and the Central Bank, adopted based on the RA laws, the contract concluded between the Central Bank and the Central Depository, rules and other legal acts of the Central Depository.

5.1.2 Government bonds custody services (including opening of the Account Holder's Depo accounts) are done based on the contract concluded between the Bank and the Account Holder.

5.1.3 Precondition for the provision of government bonds custody (sub-custody) services (including opening of depo account) is the existence of Account holder's (with the exception of foreign nominees) bank account at the bank.

5.1.4 The Bank may carry out operations with the Account Holder's government bonds

5.1.4.1 Depo instructions completed and submitted by a person having rights over Government bonds, as well as other documents certifying those rights, in cases defined by legal acts on regulating circulation of the Government bonds.

5.1.4.2 judicial acts defined by the RA legislation in case of operations performed for limitation, transfer, termination of rights over securities based on judicial verdict; and/or enforcement decisions.

5.1.5 The methods of registration of the operations conditioned by the transfer of government bonds and the registration of right over the pledge are as follows:

5.1.5.1 Free delivery,

5.1.5.2 Delivery Versus Payment or DVP transfer,

5.1.5.3 Registration of the right over the pledge of government bonds through the transfer of counter funds, when along with pledge of Government bonds provision of loan is done by the pledger

5.1.5.4 Registration of right over the pledge

5.1.5.5 Termination of right over the pledge

5.1.5.6 Termination of the pledging right over the government bonds through transfer of counter funds, when along with release of Government bonds from pledge loan repayment is not done by the pledger.

5.1.5.7 Refusal from the subject of pledge,

5.1.5.8 Replacement of collateral,

5.1.5.9 Replacement of pledger,

5.1.5.10 Replacement of pledgee,

5.1.5.11 Blocking of pledged state bonds

5.1.5.12 Release of pledged Government bonds from blockage,

5.1.5.13 Transfer of pledged government bonds

5.1.5.14 Repayment of pledged government bonds

5.1.5.15 Repayment of interest on pledged government bonds

5.1.6 Operations stated in paragraph 5.1.5 of this Procedure can be implemented within the limits of Depo account (free or pledged) balance.

5.1.7 Depo instructions shall be submitted either in hard copy or electronically.

5.1.8 Depo instructions shall be accepted and executed in compliance with the provisions of 2nd paragraph of this Procedure and procedures defined by the CDA rules.

5.2 Terms of securities account closure and termination of custody agreement in case of government bonds custody.

5.2.1 If the Account Holder wants to terminate the custody agreement with the Bank and to close the securities account, where government bonds are registered, the Account holder is obliged to inform the Bank at least 20 (twenty) working days prior and shall be guided by the provisions set forth by the CDA rules.

5.2.2 In case of account closure request, if there are government bonds recorded on it, the Bank shall notify the Account Holder in written on the necessity of submitting an instruction on portfolio transfer of the Government bonds to the account opened at another Account Operator.

5.2.3. If the Account Holder wishes to terminate custody agreement with the Bank *Եթե Հաշվետերը ցանկանում և՛ր և՛ր ժամանակում չի ներկայացրել ցուցումներ փոխանցելու Գերատնտեսական կապիտալի պահպանման համար բացված հաշվի վրա, ապա Բանկը, 10 (տաս) օրվա ընթացքում և՛ր և՛ր ցուցումներ ներկայացրելու համար, պարզապես պետք է հաղորդի Հաշվետերին և՛ր և՛ր փոխանցելու Գերատնտեսական կապիտալի պահպանման համար բացված հաշվի վրա, ապա Բանկը, 10 (տաս) օրվա ընթացքում և՛ր և՛ր ցուցումներ ներկայացրելու համար:*

5.2.4 If the Account Holder does not submit a “Free Delivery of Securities” instruction for transferring his securities for custody to another person providing custodial services, the Account Operator shall be authorized not to terminate the custody agreement.

6. SUB-CUSTODY OF FOREIGN SECURITIES

6.1 The Bank implements custody (sub-custody) of foreign securities through the separated (nominee’s) account opened based on the securities custody (sub-custody) agreement signed with the foreign custodian.

6.2 Account Holder, in order to execute operations with securities registered or to be registered in the latter’s securities account and envisaged by the CDA rules, shall submit the instructions to the CSCO or the Branch employee.

6.3 The instruction shall be accepted and executed in compliance with the provisions of paragraph 2nd of this Procedure and procedures set forth by the CDA rules.

6.4 The Account Holder, for the purpose of receiving information on the balance of foreign securities available in his/her account, can apply to the Bank. The Bank, based on the Account Holder’s request, shall provide the latter with the reports (extracts, reference) defined by this Procedure.

6.5 The Account Holder is eligible to demand other reports and/or information from the Bank in the order set forth by the foreign securities sub-custody contract, if such are defined by the agreement signed between the Foreign Custodian and the Central Depository.

6.6 In the cases when the Bank provides information through such means of communications, as facsimile, electronic mail, etc., the latter shall not be held liable for the possible access to the information by third parties.

6.7 The Account Holder may submit to the Bank final settlement instruction on operations performed with foreign securities, the submission and execution features of which are defined by the sub-custody contract signed between the Bank and the Account Holder.



7. BLOCKAGE OF SECURITIES, CASH FUNDS DEPOSITION AND WITHDRAWAL FOR IMPLEMENTING OPERATIONS WITH SECURITIES IN THE REGULATED MARKET

7.1 The Bank, according to this Procedure, as well as the agreement on granting status of ‘‘ Member of unified system of securities registration and settlement’’ signed with the Central Depository, mediates for services provided in the system to execute his or his customer’s instructions for the purpose of implementing transactions with securities in the Regulated Market.

7.2 For the purpose of executing operations with securities, the customer, upon the availability of relevant amount in his/her AMD account or the relevant quantity of securities on his/her securities account, shall submit the appropriate instructions to the CSCO or the Branch employee.

7.3 For the execution of the instruction the Bank shall check the details presented in them and implement the below mentioned operations defined by this Procedure:

7.3.1 Trading blockage or termination of securities existing in the Bank's or its customer's securities account (Appendix 16)

7.3.2 Deposition, withdrawal of monetary funds to its or its customer's account (Appendix 17):

7.4 The instructions shall be accepted and executed according to the provisions of the 2nd paragraph of this Procedure and the procedures fixed by the CDA rules.

8. PROVISION OF INFORMATION FROM THE SYSTEM

8.1 The following entities shall be entitled to receive information from the System:

8.1.1.1 The Issuer;

8.1.1.2 Account Holder;

8.1.1.3 Other entities, stipulated by the Law.

8.2 Provision of information to the Issuer from the System

8.2.1 The Issuer shall have a right to receive information from the Registry within the scope of its authorities and in volume corresponding to the Issuer's written request to the Bank.

8.2.2 The Bank shall provide the Issuer with the List of shareholders (nominees) within 5 working days (or at a later date, indicated in the request) after the receipt of the Issuer's written request as of the date indicated in the request.

8.2.3 The List shall include the following information:

8.2.3.1 name, surname and place of residence of the account holder, (for individuals), name, location and/or postal address (for legal entities)

8.2.3.2 type, serial number of ide

8.2.3.8 notification document (for individuals), the taxpayer identification number or other identification number, given by respective state authority (for legal entities);

8.2.3.3 Number and share total number of the Issuer's securities (in percent) of given class, belonging to the Account Holder;

8.2.3.4 Information on Settlement Agent of Account Holder (current/settlement account number);

8.2.3.5 Securities account number of the Account Holder in the System, including the Issuer's securities;

8.2.3.6 Information on limitations of voting rights (if any), attached to securities of the Account Holder;

8.2.3.7 Information, identifying the Issuer and Issuer's securities

8.2.3.8 Date and time of preparing the List;

8.2.3.9 Date and time, as of which the information of the List is presented.

8.2.4 Upon Issuer's request, the Bank shall provide the list of security holders registered on the name of the nominee indicated in the List, to the Issuer. The Bank shall receive the information defined by this paragraph from the Central Depository in the order set by sub-custody agreement.

8.2.5 Within 3 (three) business days after receipt of the Issuer's written request (or at a later date, mentioned in the request) the Bank shall provide the Issuer with a reference on operations implemented with the securities issued or distributed by the Bank, or other information defined by the Rules, for the period indicated in the request.

8.2.6 The bank shall reject provision of information, indicated in the Issuer's request, if the request does not comply with the requirements, defined in the Rules, or the Issuer refuses to pay tariffs on provision of information, defined by the Bank's tariffs.

8.2.7 The Bank provides the information defined by paragraph 8.2.3 of this Procedure only to the Issuer's authorized representatives, for which relevant information about the validity of that authorization exists in the System or in other submitted documents.

8.2.8 The list shall be provided to the Issuer in compliance with the provision of paragraph 2.4 of this Procedure.

8.3 Provision of information from the System to the Account Holder

8.3.1 The Account Holder shall have a right to receive information from the Registry within the scope of its authorities and in volume corresponding to Account Holder's written request (Appendix 19), with the exception of notification on the securities account opening, which the Bank submits to the Account Holder as a result of account opening. (Appendix 25).

8.3.2 The Account Holder, based on the securities custody agreement, has a right to waive his/her right to receive notice on opening of securities account

8.3.3 The notice on opening of securities account shall be submitted to the Account Holder in electronic form or in hard copy. Notification method shall be defined by the Account Holder during conclusion of the contract with the Bank. The notice shall include information on securities account number and the Bank (name, business address, telephone, website, contact details of the Responsible Employee)

8.3.4 The Account Holder has a right to receive the following information from the System:

8.3.4.1 Statement of securities account, which contains data on only one class of securities, from those existing in the securities account;

8.3.4.2 Report on its securities account balance, which contains data on balance of all the securities, existing in the securities account;

8.3.4.3 Report on transactions through the securities account.

8.3.4.4 Report on the pledge rights registered in the securities account.

8.3.5 The statement of securities account, as well as the report on securities account balance shall include the following information:

8.3.5.1 Securities account number

8.3.5.2 Account Holder's first name, last name, series of passport (if any), residence and/or registration address for individuals, and name, state registration number, location and/or postal address for legal entity

8.3.5.3 Identification code, quantity, share, nominal value and currency of securities, registered in the securities account;

8.3.5.4 Identification code (class) and quantity of pledged or frozen securities;

8.3.5.5 Information on the Issuer and its securities existing in the System;

8.3.5.6 Date and time of preparation of statement

8.3.5.7 Date for which the data, included in the statement or report, are presented.

8.3.6 The Report on operations in securities account shall include the following information:

8.3.6.1 Securities account number;

8.3.6.2 Account Holder's first name, last name, series of passport (if any), place of residence for an individual, and name, state registration number, location and/or postal address for legal entity;

8.3.6.3 Requested operations, executed in securities account for the period, mentioned in the request, by indicating the date of registration of each operation and short description thereof;

8.3.6.4 Date and time of preparation of report;

8.3.6.5 Period for which the report is submitted;

8.3.6.6 Identification codes and quantity, nominal value and currency of securities of operation (if the requested operation has caused any change in information on securities balance).

8.3.7 The entities, not being owners of securities, as well as those having pledge or other rights towards the securities, on the condition of paying the defined fee, shall have the right to obtain information not containing commercial secret, with intermediation of the Bank or directly from the Central Depository. Information containing commercial secret shall be provided only to persons authorized to obtain it.

8.3.8 The information, defined in point 8.3.4 of this Procedure, shall be provided within 5 (five) business days after receipt of the relevant written request.

8.3.9 The Bank shall provide the information defined in paragraph 8.3.4 of this Procedure only to the entities, entitled to receive that information, including those authorized representatives, for which relevant information about the validity of that authorization exists in the System or in other submitted documents.

8.3.10 Once per annum, but no later than by 31st of January of the next year the Bank shall submit an electronic report to the Account Holder on securities account balance and operations executed in its securities account as of the last day of reporting year, if the Account Holder has submitted written request electronically for receipt of that information and has provided active electronic mailing address.

8.3.11 The report shall be provided to the Account holder in compliance with the provisions of paragraph 2.4 of this Procedure.

8.3.12 Notary, in the cases set by the law, shall have a right to receive information from the System, within the scope of its authorities and in volume corresponding to the request.

9. ADDITIONAL SERVICES

9.1 Operations concerning payment of coupons, redemption of bonds, payment of dividends

9.1.1 For the purpose of distribution of cash funds, resulting from payment of bond, coupons or redemption of bonds, a service contract shall be concluded between the Issuer and the Central Depository through the intermediation of the Account Operator (or directly, if the Issuer is Direct system participant), whereby the Issuer shall submit the respective order to its servicing Bank for payment of coupon bonds and redemption of bonds. Above mentioned order shall indicate the following: (Appendix 20):

9.1.2 In case of payment of dividends, a service contract shall be concluded between the Issuer and the Central Depository through the intermediation of the Bank (or directly, if the Issuer is Direct System participant), whereby the Issuer shall submit the respective order to the Bank for making payments of dividends to the shareholders. (Appendix 21):

9.1.3 The instructions shall be accepted and executed in compliance with the 2nd paragraph of this Procedure and the procedures fixed by the CDA rules.

10. RESPONSIBILITY OF THE BANK

10.1 The Bank shall bear the responsibility towards the customer for the non-fulfillment or improper fulfillment of his/her obligations set forth by this Procedure, except the cases when;

10.1.1 This Procedure has been violated due to the unlawful actions of the Customer, including the cases when the Customer has submitted false and/or misleading information and documents to the Bank.

10.1.2 The obligations of the Central Depository envisaged by the Law, sub-legislative acts and/or by its internal legal acts have not been fulfilled or have been fulfilled improperly.

10.2 The Bank, unless otherwise defined by the CDA rules, shall not be obliged to check the correctness of the documents submitted by the customer to the Bank within the framework of this Procedure and their compliance of with the law. The risks of consequences of the documents being inaccurate and contradicting the law, including the risk of rejection of implementation of the relevant operation shall be borne by the Customer.

11. OTHER PROVISIONS

11.1 Transactions on behalf of 14 years old minors can be signed only by their parents, adopters or trustees.

11.2 The minors from 14 up to 18 years old can sign transactions upon the consent of their legal representatives- parents, adoptive parents or trustees.

11.3 Fees for the provision of the services shall be charged in compliance with the tariffs acting in the Bank.

11.4 The documents to be submitted by the Customer for the conclusion of registry maintenance, securities custody, account opening (reopening) agreements may not be required, if the customer, for the implantation of other transaction, has already submitted all the necessary documents to the CSCO or a branch employee. In this cases, the employee of the CSCO or a branch transfers the stamped copies of the documents (which must also include " Copied from the original document at the CSCO or the branch" inscription) to the Responsible employee or the appropriate branch.

11.5 Relations not regulated with this procedure shall be regulated by the rules on operation of unified system of securities registration and settlement

11.6 The Bank shall be eligible to render services defined by this Procedure in the order set by the Central Depository after receiving the latter's consent.

11.7 For the implementation of operations on behalf of the customer within the framework of this Procedure .

The rights of the aforementioned entities shall be confirmed by the written power of attorney, which shall be granted:

11.7.1 in case of legal entity – signed and sealed (if any)

11.8 Any operation envisaged by this Procedure to be implemented based on the power of attorney shall be executed after fulfilling the requirements of paragraphs 11.8.1 and 11.8.2 of this Procedure, with the exception of operations based on the power of attorneys granted at the Bank in presence of the Head of CSCO and the Head of loan-deposit operations division in case of the power of attorneys being granted at the CSCO, in case of power of attorneys being granted at the branches in the presence of the Head of the Branch and the head of the customer service division (in the branches not having a head of customer service division the latter shall be granted in presence of an accountant- cashier), which shall be immediately be accepted and executed.

11.8.1 At the branches the head of customer service division (in the branches without the head of customer service division – the accountant- cashier) (at the CSCO- the head of the CSCO) shall check the content, the scope of authority and the term of execution of the submitted power of attorney and during the execution of the relevant operation the Bank's appropriate employee, by telephone or through other means of communication, shall check the fact of provision of the power of attorney by the Customer. After the verification, the abovementioned employee shall make "the authenticity of the power of attorney was verified by Telephone from/name of the company/manager...../name, surname/" note confirming it with signature and indicate the date on it.

11.8.2 In case the provision of the power of attorney or its validity is has not been disclosed, the branch or the Legal Department shall send it to the Security Department for the additional examination, as a result, a conclusion shall be given about the authenticity/ falseness/ of the power of attorney or on the impossibility of disclosing the fact.

11.8.3 According to the paragraph 11.8. of this Procedure the verification of the power of attorney and the operation execution term shall not exceed 3 banking days. The certified power of attorney with the supporting documents and the positive conclusion shall be accepted and executed.

12. Appendixes

<i>No</i>	<i>NAME OF APPENDIX</i>	<i>IDENTIFIER</i>
1	<i>Application on signing /renewal of “Registry maintenance agreement”</i>	<i>R/DZ/0/A015.1/07.02.2018/</i>
2	<i>“Delivery –acceptance” act</i>	<i>R/DZ/0/A015.2/07.02.2018/</i>
3	<i>Securities placement instructions</i>	<i>R/DZ/0/A015.3/07.02.2018/</i>
4	<i>Instruction for securities corporate operation</i>	<i>R/DZ/0/A015.4/07.02.2018/</i>
5	<i>Securities transfer instruction</i>	<i>R/DZ/0/A015.5/07.02.2018/</i>
6	<i>Instruction on securities redemption (termination)</i>	<i>R/DZ/0/A015.6/07.02.2018/</i>
7	<i>Instruction on the Securities account opening/reopening data amendments</i>	<i>R/DZ/0/A015.7/07.02.2018/</i>
8	<i>Instruction on the Securities account opening/reopening data amendments</i>	<i>R/DZ/0/A015.8/07.02.2018/</i>
9	<i>Instruction on free delivery or ST transfer</i>	<i>R/DZ/0/A015.9/07.02.2018/</i>
10	<i>Delivery Versus Payment or DVP transfer instruction</i>	<i>R/DZ/0/A015.10/07.02.2018</i>
11	<i>Delivery against acceptance or FOP transfer instruction</i>	<i>R/DZ/0/A015.11/07.02.2018</i>
12	<i>Instruction on securities portfolio transfer</i>	<i>R/DZ/0/A015.12/07.02.2018</i>
13	<i>Instruction on the registration/termination of right over the securities pledge</i>	<i>R/DZ/0/A015.13/07.02.2018</i>
14	<i>Freezing of securities /termination of freeze instruction</i>	<i>R/DZ/0/A015.14/07.02.2018</i>
15	<i>Instruction for the Temporary Limitation of Voting Rights/ termination of limitation</i>	<i>R/DZ/0/A015.15/07.02.2018</i>
16	<i>Instruction on securities blockage/termination of blockage</i>	<i>R/DZ/0/A015.16/07.02.2018</i>
17	<i>Cash funds deposition and withdrawal instruction</i>	<i>R/DZ/0/A015.17/07.02.2018</i>
18	<i>Issuer’s information inquiry</i>	<i>R/DZ/0/A015.18/07.02.2018</i>
19	<i>Accountholder’s information inquiry</i>	<i>R/DZ/0/A015.19/07.02.2018</i>
20	<i>Instruction on bonds redemption or coupon bonds repayment վճարման</i>	<i>R/DZ/0/A015.20/07.02.2018</i>
21	<i>Instruction on dividend payment</i>	<i>R/DZ/0/A015.21/07.02.2018</i>
22	<i>Application on termination of “Registry maintenance agreement”</i>	<i>R/DZ/0/A015.22/07.02.2018</i>
23	<i>Application</i>	<i>R/DZ/0/A015.23/07.02.2018</i>
24	<i>Agreement on termination of “Securities Custody Contract”</i>	<i>R/DZ/0/A015.24/07.02.2018</i>

25	<i>Notification on the execution of Securities account opening/reopening data amendments instruction</i>	<i>R/DZ/0/A015.25/07.02.2018</i> <i>/2</i>
26	<i>Power of attorney</i>	<i>R/DZ/0/A015.26/07.02.2018</i>