

Approved by  
ARMECONOMBANK OJSC  
Board Resolution # \_\_\_\_ 21.07.2023  
Effective from\_27.07.2023\_\_\_\_  
Chairman of the Board  
\_\_\_\_\_ S. Sukiasyan

**PROCEDURE  
FOR PAYMENT OF ARMECONOMBANK OJSC DIVIDENDS**

**YEREVAN 2023**

## 1. GENERAL PROVISIONS

- 1.1 This procedure establishes the order of calculating and paying the dividends (hereinafter the Procedure) in ARMECONOMBANK OJSC.
- 1.2 This Procedure has been composed in compliance with the requirements of Armenian Law and the Bank's internal legal acts.
- 1.3 By this procedure;
  - 1.3.1 **Identification Document:**
    - 1.3.1.1 RA citizen's passport, identification card, military book for the entities with mandatory term of military service, certificate of return only for returning back to RA, temporary identification document or temporary certificate given by the RA Police under the RA Government, passport, birth certificate in case of teenagers up to 16 years old;
    - 1.3.1.2 Identification document for refugee applicant, entities who are recognized as immigrant as well as entities who have civil refuge right - passport for refugee applicants, travelling document;
    - 1.3.1.3 in case of foreign citizens a foreign passport or passport given by international organization or travelling document (internationally recognized) as well as documents certifying legal residency in RA - permanent residence card, temporary residence card), RA special passport,.
    - 1.3.1.4 For entities without citizenship - travel document given from the foreign state, residency certificate for the entity not having citizenship and living permanently in RA, documents certifying legal residency in RA - permanent residence card, temporary residence card, RA special passport,
    - 1.3.1.5 For the immigrant with temporary protection – identification document of temporary protected entity (certificate of temporary refuge).
  - 1.3.2 **Accountholder-shareholder** – shareholding owning an account (including card account) in the Bank and other banks which submitted to the Bank through accounting dividends on the account for getting periodic application-instruction directed to the head of Customer service central office (hereinafter COCS)/branch manager.
  - 1.3.3 **Non accountholder – shareholder** – the rest of shareholders not mentioned in point 1.3.2 of this procedure.
- 1.4 The Bank pays annual dividends based on the annual results of the Bank's operations.
  - 1.4.1 The holders of preference shares may be paid quarterly amounts (dividends).
- 1.5 The size, order and period of dividend payment are established by the resolution of the Annual Meeting submitted by the Bank's Board.
- 1.6 The shareholders included in the list of participants of the Annual General Meeting have the right to receive annual dividends from the Head Office and branches (per registration place).
- 1.7 The general list (Form 1) of those having the right to receive annual dividends is approved by the Board during the meeting convened on the day of the Annual Meeting.
- 1.8 The lists (per branches and Head Office) drafted from the register program under the list approved by the Board are provided per this Procedure.
- 1.9 The annual dividends are paid from the net (accumulated) profit of the Bank.
- 1.10 The process of calculation of dividends, drafting of the necessary lists, their submission to branches and COCS is carried out by the subdivision responsible for maintaining the Bank's register – Loan-deposit division of COCS through STOCKS software (register software).
- 1.11 Before drafting the list of participants having right to participate in the Bank's general annual meeting based on the data of register, the employee of loan-deposit division of COCS checks the compliance data of register as of the date of drafting the list of participants having right to participate in the Bank's general annual meeting to the data of reference received from account-operator and in case of necessity makes relevant corrections.

- 1.12 Dividends are paid non-cash by transferring the dividend amount to the shareholder's (authorized person's, heir's, legal successor's) bank (card) account on the basis of the regular application-instruction submitted by the shareholder (authorized person, heir, legal successor).
- 1.13 The employee of loan-deposit division of COCS enters the relevant shareholder account numbers received in accordance with Paragraph 3.11 of this Procedure into the register.

## **2. MANNER OF CALCULATION OF DIVIDENDS**

- 2.1 The following lists of annual dividend payment drafted from the Shareholders' register program under the list approved by the Board are composed.
  - 2.1.1 on the meeting date:
    - 2.1.1.1 summarized and classified by resident and non-resident shareholders, where the amount of the calculated dividend and the number of shares are indicated by a single number.
  - 2.1.2 within ten business days after the annual meeting:
    - 2.1.2.1 per branches (COCS in the Head Office) as of consolidated and classified in accordance with points 1.3.2 – 1.3.3 as accountholder and non-accountholder shareholders where the size of the calculated dividend and the number of shares are mentioned in one figure .
    - 2.1.2.2 per branches (COCS in the Head Office) classified in accordance with paragraphs 1.3.2 – 1.3.3 as accountholder, separated per resident and non-resident shareholders, and non-accountholder shareholders where:
      - 2.1.2.2.1 in case of accountholder shareholders, the name, address, ID/state register data of shareholder as well as account number to which dividend account with be accounted, stake, dividend size.
      - 2.1.2.2.2 in case of non-accountholder shareholders, the name, address, ID/state register data of shareholder as well as account number to which dividend account with be accounted, stake, dividend size, shareholder's signature, dividend payment date are mentioned.
- 2.2 The electronic copy (in PDF format) of the list specified in 2.1.2.1 paragraph of this Procedure, on the annual meeting date, and the electronic copy (in PDF format) of the list specified in 2.1.2.1-2.1.2.2 paragraphs of this Procedure, within ten business days after the meeting are delivered by COCS through WorkFlow application to Chief Accountant for tax accountability and required booking, after which:
  - 2.2.1 The lists of account holder-shareholders included in paragraph 2.1.2.1 of this procedure are sent by Loan-DepositDdivision of COCS to Customer Service division of COCS in xlsx format through Workflow application.
  - 2.2.2 The lists of non-account holder-shareholders included in paragraph 2.1.2.1 of this procedure are sent by Loan-DepositDdivision of COCS to Customer Service division of COCS in xlsx format through Workflow application.

## **3. THE ORDER OF PAYMENT**

- 3.1 Based on the approved lists referred to in paragraph 2.1.2.2, as of the previous working day of the dividend payment approved by the annual meeting, the Accounting Department transfers the amount of dividends in one figure from the net profit to the account Subject to Payment per branches (in case of COCS – per the accountholder-shareholders and non-accountholder-shareholders).

- 3.2 The branches (COCS in head office) carry out the payment of dividends from the day of dividend payment approved by the annual Meeting per the received lists (per paragraph 2.2.2).
  - 3.3 On the day of payment of the dividend approved by the annual meeting, the employee of the Customer Service Division of COCS, based on the lists received in accordance with paragraph 2.2.1 of this Procedure credits (transfers) the dividends to the specified accounts.
- 3.4 For the purpose of receiving dividends the non-accountholder shareholders in the established order submit the following:
  - 3.4.1 In accordance with the current procedure in the Bank, a bank (card) account is opened (in case the shareholder has no active account with the Bank), and the shareholder signs a regular application-instruction to transfer the dividend amount to the given account or to another account operating in the bank, or
  - 3.4.2 At the request of the shareholder, for the payment of dividends, the latter shall provide an account in another bank by means of a regular application-instruction, submitting the following documents:
    - 3.4.2.1 in case of an individual, identification document;
      - 3.4.2.1.1 in case of a corporate entity, the copy of state registry or a statement given by the Unified state register (these documents may not be required if the Bank received them electronically in defined order).
- 3.5 Nonresident (considering non-accountholder) shareholders are informed about the dividends receivable from loan-deposit division of COCS within 15 days period after the Meeting is over and manage their dividends based on the written order issued.
  - 3.6 Dividends for shares registered in the name of a natural person may be paid to the authorized person by a power of attorney certified by a notary established by law or to the heir with documents substantiating the inheritance (notary, will, etc.).
  - 3.7 In case of legal succession, all the substantiating documents required by law are submitted.
  - 3.8 Dividends on shares registered in the name of a minor under the age of fourteen may be paid to the minor's legal representatives, such as a parent, adoptive parent or guardian, with an identity document. In case one of the parents wants to receive the dividends of the shares of a minor under the age of fourteen, the latter must present the written power of attorney issued to him / her by the other parent (notarized or issued in the Bank in accordance with the procedure for issuing power of attorney).
  - 3.9 Dividends on shares registered in the name of minors between the ages of fourteen and eighteen may be paid to that minor with his / her identity document (birth certificate or identification card for a person under sixteen, and a passport or identification card for a minor over sixteen). In this case, the identification must be done with the signature of one of the parents. A single parent receiving a dividend from the shares of a minor between the ages of fourteen and eighteen must submit a power of attorney issued by that minor with the consent of both parents (notarized or duly issued by the Bank).
  - 3.10 Shareholders can change the dividend receipt account through an application-instruction.
  - 3.11 Account numbers opened for new and existing shareholders in accordance with this procedure in the reporting month of branches and, Customer Service Department of COCS, current account numbers issued by shareholders in accordance with clause 3.4 of this Procedure, account numbers changed by shareholders in accordance with clause 3.10 of this procedure. On the fifth working day of the month, the WorkFlow application

is submitted to the Credit-Deposit Division of COCS with attached scanned versions of the regular application-assignments for transferring the dividends given by the shareholders to the account.

#### **4. OTHER PROVISIONS**

- 5.1 The unpaid dividend amounts are kept in accounts Subject to Payment in branches and COCS until the shareholder visits the Head Office (branch).
- 5.2 The lists of dividends together with supporting documents attached are kept in the branch (COCS).