THE REPUBLIC OF ARMENIA

LAW

ON THE CENTRAL BANK OF THE REPUBLIC OF ARMENIA*

Adopted 30.06.1996

CHAPTER 1

GENERAL PROVISIONS

ARTICLE 1. The Central Bank of the Republic of Armenia

1. The Central Bank of the Republic of Armenia (hereinafter referred to as the Central Bank) is a legal entity vested with state duties, the sole founder of which is the Republic of Armenia. The Central Bank operates in accordance with the Constitution and legislation of the Republic of Armenia.

2. The Central Bank is a unified, centralized system, which includes headquarters and its subordinate territorial subdivisions. The headquarters of the Central Bank is located in the city of Yerevan.

3. Territorial subdivisions of the Central Bank are its branches and representative offices. Territorial subdivisions have a seal with the symbol of the Central Bank and their names.

4. In order to achieve its objectives the Central Bank may:

- sign agreements, undertake commitments in accordance with the legislation (including loan attraction), and acquire rights;

- be a claimant and/or respondent party;

- acquire, own, use and manage real estate and other property, property and personal non-property rights, in cases envisaged by the present law.

5. Central Bank, while implementing its objectives is independent of the authorities of Armenia.
6. Central Bank and the Government are not responsible for each other's obligations, except for the cases when such responsibilities are not committed under respective contracts.
(Amended according to AL-245-S, 08.12.05)

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ARTICLE 2. Powers of the Central Bank

1. In order to achieve its objectives the Central Bank performs the rights envisaged by the Law, as well as other rights necessary for implementation of its objectives and other rights arising from such authorities.

2. The Central Bank keeps registry of the Central Bank acts.

3. In order to achieve its objectives the Central Bank issues guidelines, directives and other normative and separate legislative acts within its authorities.

The Board of the Central Bank adopts normative and occasional resolutions; the Chairman of the Central Bank adopts occasional and internal legal acts – resolutions and orders.

4. Normative acts, which strengthen or supplement the Central Bank governance norms, or impose stricter liability are not retroactive.
(Amended according to AL-45-S, 03.03.04)

ARTICLE 3
(Annulled according to AL-45-S, 03.03.04)

ARTICLE 4. Basic Objective of the Central Bank

1. The basic objective of the Central Bank is ensuring the stability of prices in the Republic of Armenia. To attain its basic objective the Central Bank takes measures in order to ensure the stability of prices. In order to achieve its basic objective the Central Bank elaborates, approves, and implements monetary policy programs..
In case other objectives of the Central Bank contradict its basic objective, the Central Bank grants priority to the basic objective and is governed by the necessity of its implementation.
(Amended according to AL-36-S, 25.12.06)

ARTICLE 5. The Other Objectives of the Central Bank

1. The other objectives of the Central Bank are:
a. ensure necessary conditions for the stability, solvency, liquidity and normal activities of the banking system of the Republic of Armenia;
b. create and develop effective payment and settlement system;
c. issue currency of the Republic of Armenia, and organize and regulate money circulation,
d. organize and monitor implementations of measures against money laundering and terrorism financing;
e. protect interests of investors in securities, organize and safeguard fair mechanisms of pricing in securities market, ensure fair, transparent, reliable operation and development of securities market;
f. ensure essential conditions for protection of e rights and lawful interests of the financial system consumers.

2. In order to perform its objectives, the Central Bank, in accordance with the legislation shall:

a. exercise bank servicing of the Government;

b. be the financial agent and advisor to the Government;

c. license banks, and in cases envisaged by the legislation, other persons; and shall regulate and supervise their activities;

d. extend loans to banks as the lender-of-last-resort;

e. regulates and supervises payment and settlement system activities, including non-bank payment and settlement servicing organizations;

f. own, use, and manage international reserves of the Republic of Armenia,

g. collect, finalize and promulgate monetary and financial system statistics.

h. collect, coordinate and analyze information concerning money laundering and financing of terrorism, exchange and deliver such information to competent authorities of the RA, international organizations, and, in cases stipulated by the international agreements of the RA, competent authorities of other countries.

(Amended according to AL-243, 23.10.01; AL-371-S, 29.05.02; AL-17-S, 14.12.04; AL-245-S, 08.12.05)

ARTICLE 6. Monetary Policy Programs

1. Once in a quarter the Central Bank publishes Monetary Policy Program for the next 12 months, which serves as a guideline.

2. Monetary Policy Program covers:

a. forecast of inflation;

b. Monetary Policy guidelines;

c. other clauses defined by the Board of the Central Bank for implementation of issues as required by the Law.

3, The Central Bank shall deliver Monetary Policy Program approved in the first quarter of the current year to the National Assembly before May 1 of each year and introduce it at the National Assembly session in accordance with the terms and conditions established by the Republic of Armenia law “On the National Assembly Agenda”.

(Amended according to AL-209, 18.03.98; AL-36-S, 25.12.06; AL-114-S).

ARTICLE 7. Cooperation with the Government and Other Authorities

1. The Central Bank cooperates with the state bodies in it’s work.

2. The chairman and deputy chairmen of the Central Bank regularly extend comments or clarifications to the National Assembly and the NA committees on the policy of the Central Bank.

3. The Central Bank participates in drafting the economic and financial programs of the Government, and also assists in their implementation, if they do not contradict the objectives of the Central Bank. The Central Bank consults with the Government when drafting the program of monetary policy.

4. The Chairman of the Central Bank can participate at the open meetings of the Government without voting power and file written comments on the topics discussed. An authorized Government representative can participate at the open meetings of the Board of the Central Bank and file written comments on the topics discussed.

ARTICLE 8. International Cooperation

The Central Bank, within its authorities, represents interests of the Republic of Armenia in international financial organizations, international and overseas banks, as well as in relations with central and other banks of other countries, signs international agreements as required by the Law. The Central Bank shall have the right to cooperate with foreign regulators of securities market. The cooperation shall include finding and exchange of information concerning the subject of regulation, contributing in receiving such information. The Central Bank shall have the right to transfer the lawfully possessed information to other bodies provided that the transfer shall not contravene the law, the regime of confidentiality as set forth by the law shall not be violated, and the information shall be used exclusively for the purpose of prevention of law violations or prosecution.

For the purpose of such cooperation, the Central Bank shall have the right to establish information exchange systems or to participate in such on its behalf, in particular, to sign memorandums and agreements whish set forth the composition of information, procedures and conditions of its exchange.
(Amended according to AL-200-S, 11.1007).

ARTICLE 9. Deposit and Credit Activities

1. The Central Bank may accept dram or foreign exchange denominated time or demand deposits, or material values exclusively from authorities of the republic, banks and other financial and crediting organizations, central banks of foreign countries and other financial and crediting organizations, international financial and crediting organizations, and, in accordance with the respective Decision of the Board of the, from other persons and organizations, as well as, at the order of the latter, own and use deposits and material values.
2. The Central Bank in executing it's monetary policy can purchase for the purpose of resale and sell government bonds or other securities at the financial markets, according to the procedure set by this law.
(Amended according to AL-243, 23.10.01)

ARTICLE 10. Open Market Operations

1.The Central Bank, while executing the monetary policy can buy and sell state securities at financial markets.
2.The Central Bank cannot buy at its own expense state securities during the process of primary distribution. The Central Bank can buy them at the instruction of other Central Banks or top-rate banks.
3.In accordance with it's main objective, the Central Bank can issue short-term securities, with a maturity of up to one year, through a procedure coordinated with the Government.
(Amended according to AL-243, 23.10.01)

CHAPTER 2.

FINANCIAL PROVISIONS

ARTICLE 11. CAPITAL OF THE CENTRAL BANK

1. 1. The Capital of the Central Bank shall include the statutory capital, general reserves, revaluation reserves of foreign currency, precious metals, securities, fixed and other assets, retained earnings and profit.

2. The statutory capital of the Central Bank is one hundred million of Armenian drams.

3. The capital of the Central Bank completely belongs to the RA and cannot be pledged, confiscated against the obligations of the country or otherwise alienated.

4.If the losses of the Central Bank are equal or exceed the aggregate amount of its reserves as reflected in the balance sheet, within 30 days from the moment of publication of such balance sheet, the Government transfers state securities at an average market rate to the Central Bank. The repayment of the securities is done through the state budget, or according to Article 12 of this law.

(Amended according to AL-243, 23.01.01; AL-45-S, 03.03.04 and AL-36-S, 25.12.06)

ARTICLE 12. Calculation and Allocation of the Profit of the Central Bank

Accounting and Allocation of the Profit of the Central Bank

1. The profit of the Central Bank is calculated on an annual basis, in accordance with the international accounting standards, as the difference between the total incomes generated and total expenses incurred (including losses) during the given financial year.
2. The following deductions are made out of the profits of the Central Bank:
- 20% of the profit is channeled to replenish the Head Reserve, until the total amount of such reserves makes 25% of the broad money,
- at the amounts necessary to repay the securities envisaged for under Article 12 of the present Law.

3, The annual profit balance after the deductions is transferred to the state budget. ***(Amended according to AL-45-S, 03.03.01; AL-17-S, 14.02.04 and AL-36-S, 25.12.06)***

ARTICLE 13. Income, Expenses and Capital Investments of the Central Bank

The Central Bank income is the income derived from the operations in accordance with this law:

a. interest received and accumulated against loans, securities, banks' provisions, balance on banks' correspondent accounts,

b. all types of fees received during banking operations,

c. fines and penalties collected from the banks registered by the Central Bank, other customers and contractual obligations (including those for non-performance of mandatory provisioning by the banks as defined),

d. proceeds gained from the sale of foreign currency, precious metals and other monetary values at a higher price than the book value,

e. proceeds from the sale of fixed and intangible assets at a higher price than the book value and the sale of stock,

f. payments on providing banking services,

g. payments on loans, interest and bad debts, written-off earlier,

h. donations,

h^1. amounts generated from revaluation of gold, SDR, foreign currency and their equivalents,

h^2. amounts gained from acquisition of precious metals, SDR, foreign currency and their equivalents

i. other income received on the activities envisaged by this law.

2. The Central Bank shall be independent in planning its own income. Income of the Central Bank shall not be subject to approval by any state authority.

3. The expenses of the Central Bank shall include:

a. Operational expenses, such as:

- Interest accrued on deposits attracted, credits received, securities issued and balances of customer accounts;
- Expenses associated with the issuance, transportation, maintenance and elimination of bank notes, coins and monetary values;
- All types of commissions and fees paid during banking operations;
- Losses incurred from the revaluation of foreign currency, securities, precious metals and other assets;
- Losses incurred from the sale of foreign currency, securities, precious metals and monetary values at prices lower than the book value and the purchase price;
- Expenses incurred from the revaluation of fixed assets, intangible assets and stocks, sale of fixed assets, intangible assets at prices lower than the book value, as well as the ones incurred from the sale of stocks;
- Expenses associated with provisions for and write-offs of bad loans, receivables, monetary values and other assets;
- Expenses associated with the depreciation of fixed assets;
- Payments against all kinds of services related to bank operations;
- Expenses associated with international reserves management;
- Expenses associated with payment system services;
- Expenses associated with state foreign debt service;
- Expenses associated with maintenance, service, use and insurance of other assets of the Central Bank, such as buildings, premises, fixed assets and stocks;
- Fees for auditing and consulting services; and
- Other expenses associated with implementation of objectives of the Central Bank.

b. Administrative expenses shall include, for example:

- Expenses associated with staff maintenance (staff salaries, rewards, payments to pension fund, staff training and skill upgrading, business trips and representation expenses, office vehicle operation costs and other social security expenses);
- Expenses associated with the acquisition of press information and professional literature;
- Expenses associated with the write-off of materials and non-durable assets;
- Expenses associated with the communication means used for office purposes; and

Contingent expenses (reserve for expenses).

4. Capital investments of the Central Bank include:

a) capital investments on carrying out the main activities of the Central Bank, i.e.:

- construction, acquisition and major repair of working premises and constructions,
- acquisition and capital repair of computers, office furniture, communication equipment and other fixed assets,
- investments in the capital of legal persons for the implementation of projects directly linked with the objectives of the Central Bank,

b) capital investments on administrative purposes include:

- capital investments aimed at providing recreation, medical care and social benefits to the staff of the Central Bank (acquisition and major repair of premises, constructions, equipment on such purposes),
- acquisition and major repair of cars and vehicles,
- acquisition and major repair of telecommunication equipment used for non-operational purposes.

(Amended according to AL-243, 23.10.01; AL-45-S, 03.03.04; AL-17-S, 14.02.04; AL-226-S, 24.10.07)

ARTICLE 14. Approval of the Annual Expenses and Capital Investments Program

1. The Board of the Central Bank shall approve, before September 15 of each year, the capital investments program and the budget of expenditures of the Central Bank for the next year. The plan of expenses and the maximum value of the capital investments shall be passed by a separate article of the law on state budget adopted by the National Assembly, at the presentation of the government.

2. The plan of expenses and the maximum value of the capital investments shall allow the Central Bank to fulfill the objectives:

a) stability of prices and keeping inflation down,
b) proper management of the foreign reserves and control of the exchange rate,
c) banking supervision in accordance with the international standards,
d) manufacture, protection and circulation of the national currency,
e) setting a system of accounting in accordance with the international standards,
d) ensuring proper representation in the international organizations and, accordingly, payment of wages at the level of commercial banks to involve qualified experts in the work of the Central Bank.

(Amended according to AL-45-S, 03.03.04 and AL-226-S, 24.10.07)

ARTICLE 15. Accounting and Financial Reporting

1. Accounting at the Central Bank shall be conducted in the manner defined by the Board of the Central Bank, in accordance with the Accounting Standards of the Republic of Armenia.

2. The Central Bank compiles financial reports for each year in accordance with the internationally adopted practices. The financial report includes annual balance sheet, profit allocation report, as well as other reports defined by the Central Bank Board.

3. The financial report which the Central Bank files to the National Assembly shall consist of the reports on the Central Bank administrative costs and capital investments.
(Amended according to AL-243, 23.10.01;AL-36-S, 25.12.06; AL-114-S).

ARTICLE 16. External Audit

Financial statement of the Central Bank shall be audited each year by internationally known independent auditing companies. External audit company(ies) shall be selected by the Board of the Central Bank for the term up to three years.
(Annulled according to AL-114-S)

The Audit Chamber of the Republic of Armenia shall supervise the activity of the Central Bank with regard to state budget and public debt service of the Republic of Armenia.
(Amended according to AL-45-S, 03.03.04; AL-7-S, 25.12.06, AL-114-S, 30.04.09).

ARTICLE 17. Annual and Quarterly Reports

1. Each year the Central Bank must file and publish the annual report of the previous year adopted by the Central Bank Board, before May 1, including the following:
   a. financial report approved by the auditing company,
   b. other provisions on the Central Bank governance.

Chamber of Control shall provide opinion on the Central Bank annual report.

1.1. Prior to May 1 of each year, the Central Bank shall prepare and file to the National Assembly the report defined under Article 15.3, hereof.

2. The Central Bank, on a regular basis, but not less than once in a year, shall publish the report on financial stability of the Republic of Armenia, which shall include the analysis of banking, crediting, insurance an securities markets, as well as information about the measures taken to regulate and supervise these markets.
The Central Bank, on a regular basis, but not less than once in a quarter, shall publish the balance sheet of the Central Bank for the proceeding reported period.

3. The Central Bank, within two months upon completion of each quarter, shall publish the report on implementation of the Monetary Policy Program for the previous 12 months, approved by the Board of the Central Bank.

4. The Central Bank, within two months following the first and the third quarter of each year, shall present to the National Assembly of the Republic of Armenia and according to the procedure and term, specified in the Republic of Armenia Law “On Regulations on the National Assembly of the RA”, file to the National Assembly session the Monetary Policy Programs approved for the first and the third quarters and the reports on implementation thereof published within two months following the quarters. The report to be submitted to the National Assembly after the first quarter shall be submitted together with the annual financial report of the Central Bank.

5. The report specified herewith may comprise also other provisions or information set forth by the Board of the Central Bank.
(Amended according to AL-209, 18.03.98, AL-36-S, 25.12.06 and AL-114-S, 30.04.09)

CHAPTER 3.

ORGANIZATION AND MANAGEMENT OF THE CENTRAL BANK

ARTICLE 18. Chairman and Deputy Chairman of the Central Bank

1. The Chairman of the Central Bank is the highest rank official of the Central Bank. The Chairman shall be responsible for the fulfillment of the objectives of the Central Bank set forth and prescribed by this Law.
In the event when the Chairman is absent or is otherwise unable to act, such powers shall be vested in the Deputy Chairman, and in the event that the Deputy Chairman is absent or otherwise unable to act, such powers shall be vested in the eldest Board member of the Central Bank.

2. The Chairman of the Central Bank shall be appointed for a term of six years by the National Assembly of the Republic of Armenia on recommendation of the President of the Republic of Armenia.
The Deputy Chairman of the Central Bank shall be appointed for a term of six years by the President of the Republic of Armenia.

3. The Chairman and the Deputy Chairman of the Central Bank may not be a member of managing body of any party, be involved in political activities, hold another state position or perform other paid work, except for the scientific research, pedagogical and creative activities.

4. The Chairman of the Central Bank shall:
a. coordinate and organize the work and ensure the soundness of the activities of the Central Bank, the Board and the Board members,
b. take the chair of the Board sessions, and sign acts and session protocols of the Board of the Central Bank,
c. ensure execution of the acts of the Board of the Central Bank,
d. represent the Central Bank in the Republic of Armenia, other states and international organizations,
e. issue powers of attorney,
f. approve the structure of the Central Bank and the staff,
g. appoint and dismiss heads of subdivisions and other employees of the Central Bank unless otherwise stipulated by this Law,
g^1. adopt individual and internal resolutions and orders, including resolutions on assigning inspections in supervised entities,
h. assume other authorities, which are not reserved for the Board of the Central Bank by law.
(Amended according to AL-45-S, 03.03.04; AL-245-S, 08.12.05, and AL-36-S, 25.12.06)

ARTICLE 19. The Board of the Central Bank

1. The Central Bank Board is the highest body of the management of the Central Bank.
The Central Bank Board consists of the chairman, his deputy and 5 members.

2. The Central Bank members are appointed by the President of Armenia for a period of 5 years. The following are the official terms for the members of the Central Bank Board.
One member - 1 year
One member - 2 years
One member - 3 years
One member - 4 years
One member and all members appointed from now on - 5 years
In case a vacancy occurs in the Board, the new member of the Board is appointed for the period remaining for the substituted member.

3.A member of the Central Bank Board is responsible for the fulfillment of tasks delegated to him by the Board in the specific area of banking activity.

4. Members of the Central Bank Board may be citizens of the RA, who have professional capacities to fulfill the provisions stipulated in Article 20 of this law.
The following persons can not be members of the Central Bank Board:
a) were found incompetent or partly incompetent by the decision of the court or were accused of committing an intentional crime,
b) were disqualified or disqualified from a certain position by the decision of the court.

5. Members of the Central Bank Board can not work as managers of any public-political organization, members of any authoritative body, hold any other state position, or perform any other paid work, besides scientific, pedagogical and creative.

Members of the Central Bank Board can not hold any other paid position in the Central Bank.

ARTICLE 20. Powers of the Board of the Central Bank

a. approve the charter of the Central Bank,
b. approve monetary policy program of the RA,
c. approve the limits and interest rates for open market operations conducted, credits provided and deposits attracted by the Central Bank,
d. approve the procedure and terms for mandatory provisioning for reserves held by the banks in the Central Bank,
e. adopt normative acts defined by the Central Bank,
f. establish and adopt the distribution of responsibilities among the Board members on the presentation of the Chairman,
g. establish nominal value and type of national currency (both banknote and coins), order and conditions of their issuance and withdrawal, takes decisions on issuance and revoke and withdrawal of banknote and coins establishing the terms for withdrawal,
h. decide upon membership of the Central Bank in international organizations,
i. approve reports and findings of the Central Bank,
j. ***(Annulled according to AL-36-S, 25.12.06),***

Ja. approve procedure on crediting the banks, and Bureau of insurance companies performing compulsory insurance of liability arising out of the use of motor vehicles (hereinafter referring to as the Bureau) in accordance with the law on Compulsory Insurance of Liability arising out of the use of motor vehicles.

jb. take decisions on opening or closure of territorial subdivisions of the Central Bank

jc. approve the annual budget and annual and other statements of the Central Bank,

jd. define the list of the securities, which the Central Bank may acquire, hold and alienate as well as provide the required procedures thereof,

je. define the types of short-term securities issued by the Central Bank, as well as the terms of their issuance and redemption, the procedure of carrying out operations by them - adjusting it with the body authorized by the Government of the Republic of Armenia,

jf. grant banking and other licenses, recognize those invalid, as well as set procedures for licensing banks and other entities as prescribed by law,

jg. pursuant to the law of the Republic of Armenia On the Bankruptcy of Banks, Credit Organizations, Investment Companies, investment fund managers and Insurance Companies" recognize a bank, credit organization, investment company, investment fund manager or insurance company as insolvent and initiate bankruptcy procedures thereof, exercise other powers prescribed by the same law, as well as take decisions on reorganization of banks, credit organizations, investment companies investment fund managers or insurance companies to the extent its authorities allow,

jh. Establish work norms and regulations of the Board of the Central Bank,

ji. set the norms regulating the activities of the banks and accounting thereof,

k. give its initial consent to the acquisition of a significant participation in the statutory fund of the banks or reject it,

ka. approve the forms of statements, filed to the Central Bank by banks and other entities, licensed and supervised by the Central Bank,

kb. set forth the minimum requirements for internal control at banks,

kc. *(Annulled according to AL-76-S, 23.05.06)*,

kc[1] approve the procedures for operation by securities (depositary activities, accounting and settlements system operation, allocation, re-allocation, circulation, repurchase and redemption of securities in the secondary market, as well as procedures for securities pledging) - adjusting it all with the body authorized by the Government of the Republic of Armenia, kd. adopt normative regulations regulating the settlement relationships and money circulation in the Republic of Armenia,

kd. adopt normative regulation on payment and settlement relations and cash circulation in the Republic of Armenia,

ke ***(Annulled according to AL-281, 30.12.10)***,

kf. approve procedures and terms of issuing and promulgating official and other periodicals of the Central Bank,

kg. give explanations to normative regulations of the Central Bank,

kh. determine credit risk assessment regulations subject to execution by banks, as well as terms and regulation for supervising those entities, the balance sheets of which are incorporated in the balance sheet of the Central Bank (consolidated balance sheet) in a manner defined by law and the normative regulations of the Central Bank,

ki. carry out other responsibilities envisaged by law,

la. according to the Armenian law "On Credit Organizations" approve normative documents regulating the activities of credit organization, including the model regulations of credit organization, determines the procedure and conditions of participation of credit organizations in Credit Registry: information system of assessment of creditworthiness of customers,

l. ***(Annulled according to AL-281, 30.12.10)*,**

la. ***(Annulled according to AL-281, 30.12.10),***

lb. ***(Annulled according to AL-281, 30.12.10)***

(Amended according to AL-243, 23.10.01; AL-256, 06.11.01; AL-371-S, 29.05.02; AL-427, 23.10.02, AL-45-S, 03.03.04;, AL-147-S, 24.12.04; AL-17-S, 14.12.04; AL-245-S, 08.12.05; AL 76-S, 23.05.06; AL-183-S, 09.04.07; AL-200-S, 11.11.07; AL-83-S, 26.05.08; AL-189-S, 22,10,08, amended AL-66, 09.06.2010, amended AL-281, 30.12.10).

ARTICLE 21. Board Meetings of the Board of the Central Bank

1. The Meetings of the Board of the Central Bank shall be convened as deemed necessary and at the request of the Chairman, the Deputy Chairman or at least three Board members of the Central Bank no less than once a month. The sessions of the Board of the Central Bank shall be minuted.

2. Closed sessions may be convened when issues related to individual banks are discussed, which contain banking secrecy, issues related to confidential information as set forth in the law of the Republic of Armenia On Securities Market, or issues related to individual insurers, which contain insurance secrecy, or issues subject to concern of the Board members are on the agenda. Only the members of the Board, and those invited personally can participate at the close Board session.

3. The Board of the Central Bank shall be authorized to take decisions if at least five members of the Board are present at session, including the Chairman and the Deputy Chairman of the Central Bank. A decision taken by the Board shall be deemed passed if more than half of the members present at the meeting have voted for. In case of a tie vote, the vote of the Chairman, and in case of his/her absence or inability the vote of the Deputy Chairman, of the Central Bank shall be decisive.

4.The authorized representative of the Government as well as the member who have voted against the decision by the Board may require that their opinion be properly detailed in the minutes.

5. When necessary, the Board of the Central Bank may make decisions on and through inquiry in compliance with the work norms prescribed for the Board thereby. Such decisions shall be made with respect to the voting procedures indicated in Paragraph 3 of this Article.

(Amended according to AL-243, 23.10.01, AL-183, 09.04.07 and AL-200-S, 11.10.07)

ARTICLE 22. Grounds for Dismissal of the Board Members of the Central Bank

1. The Chairman of the Central Bank may resign from office voluntarily on providing the President of the Republic of Armenia and the National Assembly of the Republic of Armenia a thirty days' written notice before the date of resignation. On the thirty second day upon informing the Chairman of the Central Bank shall be deemed relieved of his post.

Other Board Members of the Central Bank and the Deputy Chairman of the Central Bank may resign from office voluntarily on providing the Chairman of the Central Bank a month's written notice before the date of resignation thereof.

2. The National Assembly, at the presentation of the President of the RA, dismisses the Chairman or his Deputy, and the President of Armenia the other Board members, if they:

- changed the citizenship,
- were recognized incapable under the Court Decree, or are prosecuted by the Court for deliberate crime,
- did not perform their responsibilities,
- were disqualified by an authorized body or organizations, or devoid of the right to hold certain position;
- because of illness or other reason have been incapable of performing their obligations and duties within a period exceeding 6 months,
- were absent at the Board sessions more than 5 times in the year without objective reasons.

(Amended according to AL-36-S, 25.12.06)

ARTICLE 23. Obligation of Members of the Central Bank Board on Disclosure the Income

1. The Chairman, the Deputy Chairman and other Board Members of the Central Bank, when proposed for and appointed to their respective positions, and after being appointed thereto, once in every year, shall announce in public the sources of their income and any substantial financial interests they and those who have common household with them may have.

2. Whenever any issue related to the interests indicated in this Article is discussed at the Board of the Central Bank, the Board Member in concern shall, before starting discussion, disclose his or her interest and shall not participate in such discussion and in voting process thereon.

ARTICLE 24. Employees of the Central Bank

1. Employees of the Central Bank are the persons who are employed in the Central Bank as well as the servicing personnel.
Employees of the Central Bank are those persons who are directly involved in performing the objectives of the Central Bank, or those who hold positions according to the Charter or Staff-list of the Central Bank.

2. While serving in the Central Bank the employees of the Central Bank may not hold other public position without permission of the Chairman, or perform any other payable works, except for scientific, pedagogical and creative activities.
Employees of the Central Bank may not be engaged in entrepreneurial activity, work in banks or be a bank manager.

3. The Chairman, the Deputy Chairman, the Board Members of the Central Bank and the Central Bank staff shall be prohibited to take loans, personally or through interrelated persons, from commercial banks for entrepreneurial or commercial purposes. Such persons shall keep the Central Bank informed of all the loans received by them not prescribed herewith, which are not provided by the Central Bank. Such loans shall be accounted by the Central Bank.

4. The service staff of the Central Bank shall be employees whose duties are not directly related to the execution of the objectives of the Central Bank, including those involved in auxiliary household services. The staff-list, duties, remuneration rate and working conditions thereof shall be determined by the Chairman of the Central Bank.

ARTICLE 25. Internal Audit Group and Chief Auditor

1. The Internal Audit Group of the Central Bank shall be the special structural unit of the Central Bank. The Internal Audit Group of the Central Bank shall be managed by the Chief Auditor. The Board of the Central Bank shall, on the Chairman's recommendation, appoint and dismiss from office the Chief Auditor and the members of the Internal Audit Group.

2. The Internal Audit Group of the Central Bank shall:

a. carry out control over the activities of the subdivisions of the Central Bank,

b. audit the performance of the budget of expenditures of the Central Bank, as well as the accounting and accounts thereof,

c. audit and ratify the financial statement of the Central Bank, other similar documents thereof.

3. The Internal Audit Group of the Central Bank shall be accountable and report to the Board of the Central Bank. The Internal Audit Group of the Central Bank shall inform the Chairman and the Board of the Central Bank on each disclosed case of breach or dereliction.

(Amended according to AL-243, 23.10.01)

ARTICLE 26. Remuneration of the Board Members and Employees of the Central Bank

The salary rates of the Chairman, Deputy, members of the Board are established by the Central Bank Board.

2. Salary rates of employees are established by the Chairman, on the basis of the principles stipulated in Part 2 of Article 14 . The calculation of salary rate includes both the salary itself, and supplementary payments made by the Central Bank.

ARTICLE 27. Conflict of Interests

1.While performing their official duties and responsibilities the Chairman, the Deputy Chairman, the other Board Members and the staff of the Central Bank shall be governed by laws and interests of the Central Bank that are necessary to achieve the objectives thereof.

2. The Chairman, the Deputy Chairman, the other Board Members and Heads of Subdivisions of the Central Bank as well as persons of common household thereof, may not, during their term of employment, acquire shares or advice to acquire shares in banks.

3. The Chairman, the Deputy Chairman, other Board Members shall have no rights to participate directly or indirectly in any transactions by the securities of a reporting issuer or of a specialized entity otherwise than set forth in the law.

4. The securities issued by the reporting issuer which belong to the Chairman, the Deputy Chairman, other Board Members and the employee of the Central Bank (their spouses) should be handed to disposal or to trust management within one month upon their coming into office or taking up their duties.
(Amended according to AL-200-S, 11.10.07).

ARTICLE 28. Confidential Inforimation

1. The Chairman, the Deputy Chairman, the other Board Members and the staff of the Central Bank neither may make public or otherwise disseminate information containing secrets, nor may use such information for personal gain.

2. The Chairman, the Deputy Chairman, the other Board Members and the staff of the Central Bank may and, if provided for by law, shall disclose and provide confidential information:

a. upon a written permission of the Chairman or the Board of the Central Bank, or upon agreement of such person or organization who such information relates to, and if such secret is an exclusive privilege of such person or organization,

b. on carrying out their obligations or duties prescribed thereto by law, including court decisions, as well as decisions by other authorized bodies that are taken within their jurisdiction,

c. to the Internal Audit Group of the Central Bank, and to an external audit company, except for information determined by law and other normative acts,

d. while defending, at court trials or other legal proceedings, the interests of the Chairman, the Deputy Chairman, other Board Members or staff of the Central Bank.

3. A secret, in context of this Law, shall construe and apply to information which the officers of the Central Bank become known of, whilst performing their underlying functions, including information on possible application of tools, and terms and plans thereof provided for monetary policy operations, as well as data on banking supervision, with the exception of:

a) published or otherwise disseminated information,

b) information items containing banking secrecy the content, terms and conditions of disclosure of which are duly stipulated by law.

4. The Board of the Central Bank may establish a list of items of secret-bearing information and determine the degrees of secrecy and the manner such information shall be used and promulgated thereon.

ARTICLE 29. Charter of the Central Bank

The Charter of the Central Bank shall define the structural divisions of the Central Bank, the scope of managerial and staff competencies, it shall also define procedures for establishment, liquidation and functioning of territorial subdivisions as well as other corporate management issues.
(Amended according to AL-45-S, 03.03.04)

CHAPTER 4.

CENTRAL BANK RELATIONS WITH AUTHORITIES THE REPUBLIC OF ARMENIA

ARTICLE 30. Bank Servicing of the Government

The Central Bank shall implement free banking servicing of the Government as prescribed by laws and other normative acts.

ARTICLE 31. Consulting

The Government or an authorized agency thereof, upon drafting the state budget, shall consult the Central Bank on issues related to the draft state budget, including issues on domestic and external public sector borrowings, on sources, amounts, terms and conditions thereof, as well as main directions and targets the borrowed funds shall be addressed to. The Central Bank shall file to the Government an official conclusion on the state budget. The official conclusion of the Central Bank shall be attached to the draft state budget and submitted to the National Assembly for consideration pursuant to the prescribed by laws procedures.

ARTICLE 32. Fiscal Agent

The Central Bank shall act as fiscal agent of the Government of the Republic of Armenia for:

a. allocation, registration and transfer of debt and other state securities issued by the authorized government agency, as well as perform payments of principal and interest amounts, or other fixed payments, and shall serve as central depository of debt securities issued by the authorized government agency,

b. performing transactions related to the state budget, and servicing of domestic and external public debt, as well as conducting other payment transactions,

c. conducting other transactions, which do not contradict the objectives of the Central Bank.

(Amended according to AL-243, 23.10.01)

ARTICLE 33. Information

1. The Central Bank, accorded with the authorized government agency, shall provide information to the Government on monetary and other issues prescribed by this Law for the Central Bank.

2. Information containing banking secrecy shall be provided in accordance with applicable laws.

3. The authorized government agencies, as well as the National Statistical Service of the Republic of Armenia, in the manner the Central Bank may require, shall furnish the following information to the Central Bank:

a. on the state budget performance, its current expenses and revenues,

b. on the borrowings by the state, including their sources, amounts, interest rates, maturity or repayment terms, and other commitments, as well as appropriations and targets of such funds,

c. data on Balance of Payment and other financial and economic issues.

4. Information containing state secret shall be provided in accordance with the procedures set forth by laws.

(Amended according to AL-243, 23.10.01)

ARTICLE 34. Crediting to Government

Any direct or indirect crediting or otherwise financing of the Government or other state authorities by the Central Bank shall be prohibitive, except for the cases specified by this Law.
(Clause 2 is repealed according to AL-243, 23.10.01)
(Clause 3 is repealed according to AL-243, 23.10.01)
(Clause 4 is repealed according to AL-243, 23.10.01)
(Clause 5 is repealed according to AL-243, 23.10.01)
(Article 34 is repealed according to AL-243, 23.10.01)

CHAPTER 5.

CENTRAL BANK RELATIONS WITH BANKS AND OTHER ENTITIES

ARTICLE 35. Relations with Banks and Other Entities Licensed by the Central Bank

1. The Central Bank shall promote bank activities and sustained development of banks and other entities licensed by the Central Bank and shall provide equal and fair conditions for their competition through undertaking proper measures envisaged by laws.

2. The Central Bank may not interfere with current activities of banks and other entities licensed by the Central Bank, unless otherwise provided for by laws.

3. Under the procedures and terms set forth by the Central Bank, a customer solvency information system, i.e. a Credit Registry, shall be established in the Central Bank. Participation in Credit Registry for all the banks operating on the territory of the Republic of Armenia shall be mandatory. The Central Bank shall publish names of negligent debtors, holding major liabilities to banks and (or) a bank, as determined in article 6 of the RA law “On banking secrecy”.
(Amended according to AL-243, 23.10.01; AL-45-S, 03.03.04)

ARTICLE 36. Regulation and Licensing of Banking Activities. Licensing of Other Entities

1. The Central Bank shall be empowered by law to establish main and other prudential economic standards for regulation of banking activities and define calculation procedures thereof, and set regulations on possible loss provisioning and capital calculation.

2. The Central Bank shall be empowered by law to license banking activities, supervise banks operating in the territory of the Republic of Armenia, and define reporting formats, timeframes and forms of banks to the Central Bank. Banking supervision shall be the exclusive authority of the Central Bank. The Central Bank may, if required by law, enforce penalties and sanctions against banks.

3. The Central Bank shall license other entities in accordance with laws.

4. The exclusive right to obtain statements from banks, credit organizations and other entities, licensed and supervised by the Central Bank, belongs to the Central Bank, except for the cases, envisaged by the law.
(Amended according to AL-243, 23.10.01; AL-45-S, 03.03.04)

ARTICLE 37. Mandatory Reserves of Banks

1.The Central Bank shall establish the size of mandatory reserves to be placed by banks in the Central Bank against time, demand and savings deposits and other liabilities, as well as define procedures for provisioning and usage thereof.

2. An identical mandatory provisioning procedure shall be established for and applied to the banks with identical banking activities and against identical liabilities incurred thereof.

3. The Central Bank may establish a special mandatory provisioning procedure for non-resident foreign banks` branches operating in the territory of the Republic of Armenia, which shall be applicable to all such bank branches.

4. The Chairman of the Central Bank shall establish the size of amounts subject to mandatory provisioning (provisioning rate) by banks and the size of interest rates payable against the exceeding portion of such provisioning rate.

The size of interest rates prescribed herewith shall be the same for all the banks with identical activities and for identical liabilities incurred thereon.

5. In the event when a bank fails to meet mandatory provisioning requirements, the Central Bank shall extract a penalty from the bank in an amount set by the Central Bank, however, no more than 1% of the averaged amount of difference between the required and actual reserves calculated for each day of their noncompliance.

6. Based on the recommendation of the bank, the Central Bank Chairman, inspection department or on the initiative of the Board of the Central Bank, as agreed with the bank, under article 39^{10} of this Law, the Board of the Central Bank shall adopt resolution on postponing imposition, reduction of the penalty or defining a time-schedule for imposition of the penalty, if such imposition of the penalty may lead to a distressed financial condition in the bank according to the criteria of the Board of the Central Bank.
(Amended according to AL-243, 23.10.01, AL-45-S, 03.03.04; AL-70-S, 23.05.06)

ARTICLE 38. Crediting of Banks

1.The Central Bank, as a lender of last resort, may provide, in accordance to its procedures, loans to banks with a maturity not exceeding six months.
In order to preserve the integrity and soundness of the entire banking system of the RA, the Central Bank may extend loans for the term exceeding six months, with a maturity of up to five year.

1.1 The decisions on crediting the banks specified in this article is adopted by the Board of the Central bank.
2. Loans provided by the Central Bank to banks must be secured by:
a. state securities,
b. cheques and promissory notes having no more than nine-month maturity,
c. other securities agreed upon with the Board of the Central Bank,
d. coins and standardized bullions made of gold and other precious metals,
e. deposits in the Central Bank or in other banks as agreed with the Board of the Central Bank, in drams, in any sound foreign currency or in items defined in the clauses (a), (b), (c) and (d) of this Article.

3. In occasional cases, in order to ensure the sustainability and development of the entire banking system of the RA, the Central Bank, in accordance with provisions set forth by the Board of the Central Bank, may extend loans secured by other means or provide unsecured loans.

4. The Board of the Central Bank may establish differentiated interest rates and special lending procedures and conditions for certain types of loans.

5. In occasional cases, the Board of the Central Bank may issue guarantee in favor of banks liabilities in order to acquire loans from banks and other investors to support development and other special projects, particularly in case if:
- the interest rate paid by a bank against for a given loan, is substantially lower than the average market interest rate for similar loans,
- a given loan is a long-term one, and
- the loan utilization program has been approved by the Board of the Central Bank. The

The Central Bank Board may define additional terms for provision of guarantees.
(Amended, edited according to the AL-114-S, 25.05.2009)

Article 38.1. Provision loan to the Bureau

The Central bank can provide loan to the Bureau with terms and conditions stipulated by the law of the Republic of Armenia “on Compulsory Insurance of Liability arising out of the use of motor vehicles”.
(Article 38.1. added, AL-66, 09.06.2010)

Article 38.2. Provision loan to the Deposit Quarantee Fund of Armenia

Where reimbursement may endanger sustainability of the Republic of Armenia banking system (liquidity and/or solvency), the Central Bank, in accordance with terms and conditions established by its Board, may extend budget guaranteed loans to reimbursement guarantee fund, pursuant to provisions on extension of budget guarantee defined by Article 11.1 of the Republic of Armenia law “on Budgetary System of the Republic of Armenia”
(Article 38.2. added, AL-110, 07.07.2010)

ARTICLE 39. Cooperation with Banking Unions and Associations

1. The Central Bank shall cooperate with banking unions and associations on banking issues. To this regard, before adopting any norm that may have major impact on the

banking system and its activities, the Central Bank shall consult the said organizations and provide necessary clarifications thereto.

2. The Central Bank can participate in the work of working groups and other structures of banking unions and associations for the purposes of regulating and studying the banking activity.

CHAPTER 5[1].

INSPECTIONS, SUPERVISION, EXAMINATIONS, CARRIED OUT BY THE CENTRAL BANK AND HOLDING ENTITIES, LICENSED BY THE CENTRAL BANK, TO RESPONSIBILITY

(Chapter 5[1]is added according to AL-45-S, 03.03.04)

ARTICLE 39[1]. Supervision and Inspections, Carried out by the Central Bank

1. The Central Bank carries out inspections (hereinafter – inspections in supervised entities) in banks, foreign bank branches, credit organizations, payment and settlement organizations, security market participants, non-government organizations carrying out pension activities, insurance companies, pawnshops, securitization funds, corporate investment funds, investment fund managers, foreign investment fund managers, manager of the guarantee fund (concerning to the management of the guarantee fund), and other licensed parties and Bureau to carry out activities thereof operating in the Republic of Armenia (hereinafter - supervised entities) - on grounds, in cases and in the order, determined by this Chapter. The inspections in overseas branches and subsidiaries of banks and credit organizations, established in the Republic of Armenia, are carried out in cases and in the order, determined by international contracts of the Republic of Armenia. The Central Bank may provide the corresponding body of a foreign country having the exclusive rights to supervise the entities set forth herein with disclosed information which shall be necessary to that body to carry out the supervision of operating in his country branches and subsidiaries of the supervised entity, operating in the Republic of Armenia, or to give consent to establishment of a branch or subsidiary in their country- under the international agreement signed between the Central Bank and the body of a foreign country with exclusive rights to supervise the entities as set forth herein. The Central Bank may provide information as set forth herein even if the information comprises banking or other secrecy.

2. The Central Bank also implements daily off-site supervision of supervised entities based on statements, references, filed to the Central Bank by supervised entities, and other documents or information, provided for by this Chapter, as required by law, normative regulations of the Central Bank and by the Central Bank Board, Chairman or inspection department, based on the Central Bank normative regulations (hereinafter inspections in supervised entities and off-site supervision to be meant inspections).
In the context of this Law, rules on inspections refer to inspections in supervised entities and off-site supervision, unless the latter deals only with inspections in supervised entities, or only with off-site supervision.

3. Inspections are carried out by an authorized department of the Central Bank (hereinafter inspection department).

4. Inspections in supervised entities are carried pursuant to the decisions of the Central Bank Board or Chairman by the officials, stated by a letter of attorney issued by the head of the inspection department on the basis of such decisions. The Central Bank employees, who do not work in the inspection department, may also participate in the inspection process. The letter of attorney shall be given on the form of inspection department signed by the head of the department or an authorized person without the seal of the Central Bank. If the inspection is carried out by the head of inspection department the letter of attorney shall be not necessary. The decision stated herein shall indicate the name of entity to be inspected, the aim of inspection, whereas the letter of attorney shall include information on the inspection team staff, including its head, the beginning and the end of the inspection. The Central Bank may determine minimum quantity of members of the inspection team under its normative regulations.

5. Information in statements and acts (references), following inspections in banks, is deemed banking secrecy. It is deemed business and internal information in investment companies, regulatory market operators, corporate investment funds, as well as the Central Depositary, and insurance secrecy in case of inspections in insurance and reinsurance companies, such as in Bureau, which may be provided to the third party exclusively as determined by the Law.

6. In the event of identification of violations, involving features of a known, prepared or already committed offence, subject to prosecution during inspections in banks, insurance or reinsurance companies, Bureau, investment companies, investment fund managers, corporate investment funds, the Central Bank shall report such disclosure to the respective law enforcement authorities through the procedure determined by the laws of the Republic of Armenia "On Banking Secrecy", "On Insurance and Insurance Activities", "On Securities Market" or "On Cumulative Pensions".

7. During inspections in non-bank, corporate investment fund, non-investment company, non-insurance or non-reinsurance companies, and non-bureau supervised entities, in the event of identification of violations, involving features of a known, prepared or already committed offence, subject to prosecution, the Central Bank shall report such disclosure to the respective law enforcement authorities, as determined by the Law.

8. The Central Bank may also examine the activity of supervised entities at the supervised entity or at the Central Bank, in order to clarify or comment on statements and other documents, filed to the Central Bank, as well as for carrying out independent reviews. Measures of liability, determined by this chapter, cannot be applied because of examinations.
(Amended according to AL-45-S, 03.03.04; AL-245-S, 08.12.05; AL-183-S, 09.04.07; AL-200-S, 11.10.07; AL-99-S, 26.05.08, edited AL-66, 09.06.2010, edited AL-281, 30.12.10)

ARTICLE 39[2]. Terms of Inspections

1. Inspections are held based on the review of the charter of the supervised entity, changes thereto, internal acts of the entire management, accounting documents prepared based on the operations performed, financial statements, internal and external

communication, contracts (acts, protocol, etc.), as well as electronic and paper-based information.

2. During inspections at the supervised entities, the outsiders are prohibited from entering the office room of the inspection team without the permission of the inspection team.

3. At the end of the business day, the office room of the inspection team may be sealed up and given into the supervised entity's charge.

4. If necessary, the head of the inspection team is authorized to seal up other office rooms of the supervised entity, if the inspection, registration and inventory of documents, cash and other values kept there, is otherwise impossible at that moment. In such case a relevant act, signed up by the head of the inspection team and authorized employees of the supervised entity, is prepared. The form of this act is approved under the normative regulations of the Central Bank.

5. Non-performance or improper performance of obligations as per this chapter, as well as delay, filing false or inaccurate data by the supervised entity, its managers or other employees, is deemed impediment to inspections. Any such case shall be recorded in the minutes and presented to the Chairman of the Central Bank and the supervised entity by the head of the inspection team or an authorized official from the Central Bank in case of an inspection on the same day. The form of the minutes shall be approved under the normative acts of the Central Bank.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39[3]. Obligations of the Supervised Entity. Responsibility of the Central Bank

1. The supervised entity shall do the following for the inspection team:
   i. during inspection provide free access to the office of the supervised entity, as well as to server and computer software rooms during the business day, and on mutual arrangement on non-business days and hours,
   ii. arrange the inspection team members' meeting with executive manager/s and authorized employees of the supervised entity supporting inspections, on the first day of inspections,
   iii. provide an office equipped with sufficient working conditions, and adequate technical, communication and other capacities,
   iv. deliver claims and recommendations from the supervised entity's customers and participants to the inspection team,
   v. organize a meeting so requested by the inspection team with customers and/or participants of the supervised entity.

The supervised entity shall comply with lawful requirements of the head and members of the inspection team, and deliver explanations, information and clarifications, in writing or verbatim, to the head and members of the inspection team regarding the documents and information subject to inspection.

2. In inspections, impediment or intervention to lawful actions of members of the inspection team is prohibited.

3. For implementation of inspection, the Central Bank's Board, Chairman, and the supervising unit may assign the supervised entity to request required documents or information from the supervised entity's customer, counterpart, creditor, participant or a party obtaining participation. The supervised entity must file information obtained from customer, counterpart, creditor, participant or a party obtaining participation to the Central Bank.

4. The Central Bank shall ensure that the documents, temporarily provided to members of the inspection team or officials of the Central Bank by the supervised entity, are safe and returnable.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39[4]. Rights and liabilities of the inspection team

1. For implementation of inspections, the inspection team is authorized to:
a) get a free access to the premises of the supervised entity, other than the cash vault, access to which is made only if accompanied by relevant staff of the supervised entity,
b) use technical capacities available with the supervised entity, and bring computer, magnetic carriers, calculators and other equipment in,
c) request necessary documents from the supervised entity, its managers and relevant staff, even if such documents contain banking, commercial or other secrecy, including:
- the supervised entity's constituent documents, changes made thereto, internal regulations of the management, internal control policies and other procedures,
- contracts, internal and external correspondence, cash and settlement documents, financial statements, original and other accounting documents, internal reports, references, communications, minutes,
- information on the transactions made, loan applications declined, customer claims and applications,
- documents relating to computer system of the supervised entity,
- all relevant documentation on relationship with an independent audit firm,
- reports of the supervised entity's control committee and internal audit unit,
- information and other relevant data on action taken by the supervised entity to correct wrongdoings and drawbacks disclosed through inspection,
- information and other relevant data on action taken by the supervised entity to observe the Central Bank Board or Chairman assignments,
- information and other relevant data on advancement of the plan of activities of the supervised entity,
- necessary documents and information on customers, participants and counterparts of the supervised entity,
d) make copies of required documents, files, and networked or computerized records, as and when appropriate,
e) provide other reasonable requests to the supervised entity's managers and authorized employees within their competence, if such are necessary for the inspection.

2. The inspection team shall carry out inspections under this Law and relevant normative acts. The inspection team shall file the statements on inspections at the supervised entity to the Board and the Chairman of the Central Bank according to the time-schedule and in the order, determined by the Chairman of the Central Bank.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39[5]. Scope of Inspections and Follow-up

1. The inspections may involve scope as follows:

a) checking the legality of the charter and changes thereof,

a. evaluation and review of the total capital size and prudential economic standards,

b. evaluation and review of liquidity,

c. review, classification and evaluation, evaluation and review of liabilities,

d. evaluation of the management quality,

e. evaluation and review of financial results (income and expenses),

f. evaluation and review of risks and (or) their other types,

g. evaluation and review of cash flows,

h. checking accuracy of data in statements and information, provided to the Central Bank,

i. checking the process and results of performing the assignments and recommendations of the Central Bank and performing the contract under Article 39[10] of this Law:

ja) checking the legality of other types of financial operations, performed by the supervised entity,

jb) checking the space and technical equipment,

jc) checking the activity of branches or part of them,

jd) checking the compliance of the activity of the supervised entity with requirements of laws and other normative regulations, regulating its activity,

je) checking the compliance of the activity of the supervised entity (except for banks, investment companies, investment fund managers, insurance or reinsurance companies, and credit organizations) with requirements of laws and other normative regulations for licensing, regulating its activity.

2. The inspections may contain evaluation and review involving scope or part of it, determined in clause 1 of this article.

3. The scope of inspections is determined under legal acts of the Board and Chairman of the Central Bank.

4. The time-schedule for reviewing and filing the results of inspections at the supervised entity is determined under legal acts of the Board and Chairman of the Central Bank.

5. Upon request of the Board, Chairman or the supervising department of the Central Bank, the supervised entity shall prepare or file to the Central Bank the required documents and information before the inspection.

6. Within two weeks after the end of the inspection, a preliminary review of results of the inspection with managers of the bank, investment company, investment fund manager, insurance or reinsurance company, bureau or credit organization, the members of the inspection team and participants from the bank, investment company, investment fund manager, insurance or reinsurance company, bureau or credit organization, included in the list, filed by the Central Bank, shall take place.

The supervising department shall file the names of participants of the bank, Investment Company, investment fund manager, insurance and reinsurance company,

bureau or credit organization, or their representatives, participating at the preliminary discussion, to the Chairman of the Central Bank for approval.

Based on the assignment of the Central Bank, the bank, investment company, investment fund manager, insurance or reinsurance company, or credit organization must provide the participants of the bank, insurance or reinsurance company, or credit organization with information on results of the inspection, as well as provide their representatives' and their participation at the preliminary discussion of results of the inspection. Absence of the participants of the bank, investment company, management of the investment fund, insurance or reinsurance company, or credit organization, or their representatives cannot be a reason for failure of the preliminary discussion of results of the inspection. If necessary, the inspection team may invite representatives of an independent audit firm, which has already performed audit in that bank, investment company, investment fund manager, insurance or reinsurance company, or credit organization, to participate in the preliminary discussion.

Minutes on results of the preliminary discussion shall be taken.

7. After the end of the inspection, the inspection team shall draw up a statement based on the results of the inspection, according to the time-schedule and in the order, determined by the resolution of the Chairman of the Central Bank

8. This statement shall be drawn up in two copies, signed and delivered to managers of the supervised entity by the inspection team.

9. The supervised entity, its executive manager or an alternate executive official shall examine the statement during one week and return one copy to the inspection team with a resolution "Acknowledged with the statement".

10. The supervised entity, its executive managers, as well as parties with significant participation shall have a right to make recommendations and explanations in written and attach it to the statement within the time-schedule, determined in clause 9 of this article, as well as participate in discussions of the statement at the Central Bank. Discussions of the statement, recommendations and explanations of the supervised entity at the Central Bank shall be organized within the time-schedule and in the order, determined by the Chairman of the Central Bank.

(Added according to AL-45-S, 03.03.04; AL-183-S, 09.04.07;AL-200-S, 11,10,07, edited AL-66, 09.06.2010)

ARTICLE 39[6]. Inspections in Branches of the Supervised Entity

1. Inspections in branches of the supervised entity shall be conducted in the order, determined in this chapter.

2. After the end of the inspection in branches of the supervised entity, the preliminary results of the inspection shall be discussed with the head of the branch, or with other authorized employees, as necessary.

3. After the end of the inspection, the inspection team shall draw up a statement based on results of discussions as per point 2, which shall be signed with a resolution "Acknowledged with the statement" by heads of the inspection team and the branch of the supervised entity within two days. The statement shall be drawn up in three copies (with the copy delivered to the supervised entity, its branch and the inspection team).

The head of the branch of the supervised entity may attach his written objections and explanations to the statement within two-day period, determined in this point.

4. The review of results of the inspection in the branch of the supervised entity shall be conducted under article 39^5 of this Law.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39^7. Grounds of Sanction and the Sanction

The Central Bank may use sanction under Law to supervised entities and their heads, if the requirements of laws, regulating their activity, and other normative regulations have been violated (hereinafter violation).
(Added according to AL-45-S, 03.03.04)

ARTICLE 39^8. Recording Violation

1. The supervising department shall record violations by the supervised entity or its managers, disclosed during inspections, in a protocol (hereinafter protocol), and the violation is deemed recorded upon that moment. Proceedings on sanction to the supervised entity or its managers shall begin upon the moment of recording the violation (hereinafter proceedings).

2. The protocol shall contain a detailed description of the violation and mention the violated provision of the law or other normative regulations.
3. Within seven days upon drawing up the protocol, it shall be filed to an executive manager and the Board Chairman, if there is such, of the delinquent supervised entity, together with a letter from the head of the inspection team.

4. Within seven calendar days upon receiving the protocol, the supervised entity can file to the Central Bank written explanations, objections or clarifications on the protocol.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39^9. Charge of Fines, Other Sanctions

1. If penalties are imposed or other sanction are applied to the supervised entity or its manager, the Central Bank shall notify this to the supervised entity or its manager in writing, in the manner defined by its normative acts.

2. After receiving the notification on imposing fine under clause 1 of this article, the supervised entity or its manager may file to the Central Bank a copy of the document, verifying the payment of the penalty, within the time-schedule defined in the notification, or instruct the Central Bank to withdraw the amount of penalty from its banking or correspondent accounts with the Central Bank, if it has such.

3. If the copy of the document or the instruction, mentioned in clause 2 of this article, is not received, the Central Bank shall resort to the court under the Law.

4. Fines under this article shall be paid to the state budget of the Republic of Armenia.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39[10]. Contracts Between a Bank, Investment Company, investment fund manager, Insurance or Reinsurance Company, Bureau, Credit Organization, and the Central Bank

1. In order to improve performance and/or business activity of a delinquent bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization the Central Bank may sign a contract with it, if there are no grounds for insolvency, determined in article 2.1 of the law of the Republic of Armenia "On Bankruptcy of Banks, Credit Organizations and Insurance Companies". The Board of the Central Bank shall adopt a resolution on signing a contract under this article.

2. Upon signing the contract under clause 1 of this article, proceedings instituted with respect to the bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization may be suspended or abated, charge of penalty or fine may be deferred or suspended, the amount of the penalty or the fine may be lowered, or a time-schedule for charging the penalty or the fine may be set.

3. The contract may specify the following terms and conditions (if applicable):

a. implement a program on restructuring or development within a specified time-schedule,

b. take measures to cure violations,

c. suspend the payment of dividends,

d. set more exacting prudential standards,

e. reduce management salaries and terminate premiums,

f. suspend or limit separate asset and liability operations;

g. limit advertisements,

h. impose other restrictions, as deemed necessary in order to improve performance and business activity of the bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization.

(Title added according to AL-183-S, 09.04.07; AL-200-S, 11.10.07)
(Article 39[10] added according to AL-45-S, 03.03.04; AL-183-S, 09.04.0; AL-200-S, 11.10.07, edited AL-66, 09.06.2010)

ARTICLE 39[11]. Limitation Period

The Central Bank may use sanction to the supervised entity or its manager for the identified violations within one year upon record of the violation.
(Added according to AL-45-S, 03.03.04)

ARTICLE 39[12]. Abatement of the Proceeding

1. The Chairman of the Central Bank shall abate the proceeding by his resolution, if:

a. the limitation period under article 39[11] was not applied,

b. no responsibility for violation is specified under law,

c. under the amended legislation no other sanction is envisaged for the violation so recorded at the beginning of the proceeding, or it is not deemed a violation,

d. the fact so recorded is not a violation,

e. after termination of the contract described in Article 39[10] of this law, the bank, investment company, investment fund manager, insurance or reinsurance company or credit organization has fully implemented its provisions.

2. Chairman of the Central Bank may abate the proceedings, if the supervised entity or its head voluntarily cured the violation before entry of such decision into force.

3. The Board of the Central Bank will abate the proceedings, if the bank, investment company, insurance or reinsurance company, Bureau or credit organization has been recognized insolvent, the Board may abate the proceedings, if the contract provided for in Article 39[10] of this law has been signed with the bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization.

4. If the proceedings on violation were abated pursuant to clause 2 of this Article, the violation is deemed committed and shall be accounted within the violations committed by the bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization,.
(Article 39[10] added according to AL-45-S, 03.03.04; AL-183-S, 09.04.0; AL-200-S, 11.10.07, edited AL-66, 09.06.2010)

ARTICLE 39[13]. Suspension of Proceedings

The Board or Chairman of the Central Bank may suspend the proceedings, if use of the sanction requires additional clarification on the violation recorded, new circumstances have been disclosed, or a contract under article 39[10] of this law has been concluded with the bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization. The decision on suspension shall specify the period and reason for suspending the proceedings. The Board or Chairman of the Central Bank may prolong the suspension period if in the previous suspension period a comprehensive review and analysis of the additional clarification or the new circumstances was not carried out.
(Amended according to AL-183-S, 09.04.07, edited AL-66, 09.06.2010)

ARTICLE 39[14]. Decision on Deferring Penalty, Non-Imposition, or Mitigation of Penalty or Other Sanction

The Central Bank Board may make a decision on deferring, non-imposition, or mitigation of penalty or other sanction under Article 39[10] on bank, investment company, investment fund manager, insurance or reinsurance company, Bureau or credit organization or its management, based on recommendation of the Chairman or the supervising department of the Central Bank, or its own decision, if collection of the penalty may significantly worsen performance of the bank, investment company, investment fund manager, insurance or reinsurance company or credit organization, according to criteria set forth by the Board of the Central Bank.
(Amended according to AL-183-S, 09.04.07, edited AL-66, 09.06.2010)

CHAPTER 6.

CURRENCY OF THE REPUBLIC OF ARMENIA

ARTICLE 40. Currency of the Republic of Armenia

1. The official currency of the Republic of Armenia is Dram. One Dram is equal to 100 loumas. Dram may be issued (circulated) as a banknote and a coin (including souvenir coin), and Louma is only coin (including souvenir coin).
2. According to the present Law, the banknote and coins (including souvenir coins) issued into circulation and not withdrawn are the responsibility of the Central Bank and are secured by all its resources.
(Amended according to AL-44-S, 25.12.06)

ARTICLE 41. Legal Tender

The banknote and coins (including souvenir coins) issued and not withdrawn by the Central Bank shall be legal tender against property, proprietary rights and services and shall be unreservedly accepted at their face value against all denominated in money debts and liabilities all through the Republic of Armenia.
(Amended according to AL-44-S, 25.12.06)

ARTICLE 42. Exclusive Right to Issue and Withdraw Banknote and Coins into and from Circulation (including souvenir coins)

1. Banknote and coins (including souvenir coins) which are legal tender in the RA may be issued into, revoked and withdrawn from circulation, and this right exclusively belongs to the Central Bank.
2. The Central Bank shall organize the printing of banknotes and minting of coins (including souvenir coins) and take measures for safekeeping of banknotes and coins (including souvenir coins) available at the Central Bank, as well as, by the laws and normative regulations of the Republic of Armenia, shall annihilate the retired banknotes and coins.
(Title is amended according to AL-44-S, 25.12.06)
(Article 42 is amended according to AL-44-S, 25.12.06)

ARTICLE 43. Currency Reserves of the Republic and their Issuance Program

The Central Bank reflects in its balance sheet accounts and manages reserves of national currency of the Republic of Armenia, develops a National Currency Issuance Program, and ensures regular supply of banknotes and coins (including souvenir coins) in order to fulfill the annual monetary policy program and meet the economic demand.
(Amended according to AL-44-S, 25.12.06)

ARTICLE 44. Accounting of Issued Banknotes and Coins (including souvenir coins)

Aggregate amount of the issued banknote and coins is accounted in the accounts of the Central Bank, as an obligation of the Central Bank. Banknote and coins placed in the

safes of the Central Bank are not obligations of the Central Bank, and are accounted in off-balance accounts.
(Title is amended according to AL-44-S, 25.12.06)
(Article 42 is amended according to AL-44-S, 25.12.06)

ARTICLE 45. Specifications of Dram

The Central Bank defines nominal values, size, weight, pictures and signatures, protective and solvency specifications of the banknotes and coins (including souvenir coins) which are the legal tender in the RA.

The banknotes as legal tender of the Republic of Armenia contain the signatures of the Chairman of the Central Bank and the head of the authorized Government agency.
If the image on the banknote of the Republic of Armenia is printed on paper for advertising purposes or other intention, the linear measures of the image (length and width) must be at least by 25 percent smaller or bigger of its real dimensions set forth by the Central Bank, except when the image is used by the Central Bank.

It is allowed to use concurrently the images of obverse and reverse of the banknote of the Republic of Armenia for the purposes and in the dimensions specified hereinabove of this Article only on one side of the page, except the cases when the image is used by the Central Bank.

While shooting films or during theater, circus and other performances, operational investigations and other exclusive cases, some exceptions may be allowed from the rules specified hereinabove subject to the Central Bank approval. In such cases, strictly after the use, the images of a Republic of Armenia banknote must be destroyed together with the materials of their design (files, matrixes, prints and so on) in a manner the Central Bank will define and under its control.

The governmental body of management shall implement the supervision over the execution of the requirements hereof and apply administrative sanctions for their violation, according to the Armenian law “On Advertising”.
(Amended according to AL-73-S, 11.05.04, AL-44-S, 25.12.06)

ARTICLE 46. Exchange of Banknotes and Coins (including souvenir coins)

1. In the manner defined by the Central Bank, the Central Bank shall exchange outdated and damaged banknotes and coins (including souvenir coins) that meet solvency criteria at no charge, and there shall be no limitations on amounts in the case of the bank notes and coins that meet these solvency criteria.

2. The Central Bank shall not compensate for banknotes and coins (including souvenir coins) not meeting the protection and solvency criteria set forth by the Central Bank and such currency shall be removed from circulation.
3. The Central Bank does not indemnify lost banknote or coins (including souvenir coins).
(Title is amended according to AL-44-S, 25.12.06)
(Article 46 is amended according to AL-243, 23.10.01; AL-44-S, 25.12.06)

ARTICLE 47. Revoking and Withdrawing Banknotes and Coins (including souvenir coins)

1. The Central Bank may revoke from circulation any bank note or coin (including souvenir coins) issued and may withdraw it by issuing a new bank note or coin with the same face value with new protective features, or another bank note or coin with new face value.

Revoking or withdrawing banknote or coins (including souvenir coins) in the cases not envisaged by this law is done according to the procedure set by the legislation.
The Central Bank defines terms and conditions for exchange of the revoked banknote and coins (including souvenir coins), which terms may not be less than one year. The quantity and amount of banknote and coins (including souvenir coins) submitted for exchange may not be restricted.

2. Upon completion of the period envisaged by the clause 1 of the present Article, the revoked banknote and coins (including souvenir coins) quit being legal tender, yet can be exchanged without restriction.
(Title is amended according to AL-44-S, 25.12.06)
(Article 47 is amended according to AL-243, 23.10.01; AL-44-S, 25.12.06)

CHAPTER 7

FOREIGN EXCHANGE REGULATION, SUPERVISION AND TRANSACTIONS INTERNATIONAL RESERVES

ARTICLE 48. The Central Bank as a foreign exchange dealer

1. The Central Bank acts as a foreign exchange dealer of the Republic of Armenia and is authorized to conduct foreign exchange policy.

2. In accordance with the provisions of this law, the Central Bank can make statements and provide data on its foreign exchange policy.

ARTICLE 49. Foreign Exchange Regulation

1. The Central Bank shall establish procedures for foreign exchange transactions, by setting exchange rate of Armenian Dram and licensing foreign exchange sale and purchase operations.

2. The Central Bank shall be empowered to:
a. set procedures, terms and conditions of and adopt rules and regulations for carrying out foreign exchange operations,
b. control and regulate activities of foreign exchange dealers, brokers, including banks,
c. set foreign currency management norms by the dealers, brokers, including bank, investment companies, investment fund manager, insurers,

d. define methods to determine the exchange of Armenian Dram,
e. exercise other powers stipulated by law and other normative regulations.

(Title is amended according to AL-243-S, 23.10.01)
(Amended according to AL-243, 23.10.01; AL-44-S, 25.12.06 and AL-183-S, 09.04.07)

ARTICLE 50. Reporting on Foreign Exchange Transactions

1. Foreign exchange dealers and financial and crediting organizations which have licenses for implementation of foreign exchange transactions submit reports to the Central Bank on their foreign exchange transactions.

2. The Central Bank defines the format and order of submission of reports on foreign exchange operations.

(Title is amended according to AL-243-S, 23.10.01)
(Amended according to AL-245-S, 08.12.05)

ARTICLE 51. Foreign Exchange Operations of the Central Bank

1. The Central Bank may acquire, own, use and manage:
a) golden coins and bars, other precious metals;
b)foreign exchange;
c) securities issued or guaranteed by foreign Governments, central banks and international financial organizations of foreign top-rank banks.

2. The Central Bank may define the exchange rate at which it purchases or sells foreign exchange, or conduct other foreign exchange transactions.

(Amended according to AL-44-S, 25.12.06)

ARTICLE 52. International Reserves of the Republic of Armenia

1. The Central Bank shall hold on its balance sheet the international reserves of the Republic of Armenia, which may incorporate the following assets:
a. coins and bullions of gold and other precious metals,
b. foreign exchange in the shape of notes and coins (including souvenir coins), as well as demand and term deposits, deposit certificates in and repurchase agreements with foreign central and outstanding class commercial banks,
c. other reserves, including Special Drawing Rights (SDRs) in the International Monetary Fund,
d. forward, futures, swap and other derivatives,
e. bonds with fixed or floating interest rates, assets, mortgage-backed securities, issued by foreign governments, foreign central banks, agencies or international financial organizations backed directly or indirectly by government.

2. The primary criterion for allocation of reserve resources shall be the security and liquidity of the allocated resources. The Central Bank shall endeavor to maintain the international reserves at a level that shall be adequate for accomplishment of the monetary policy and shall ensure carrying out of sound foreign exchange policies.

3. The Central Bank shall, once in a quarter, report to the Government on the current situation and structure of the international reserves and shall make it public. If the

international reserves of the Republic of Armenia go into decline, or, in the Central Bank's opinion, tend to be declined in such an extent as to jeopardize the implementation of monetary and foreign exchange policies, the Central Bank shall file a special information to the Government on the international reserves position and causes which have led or may lead the reserves to such a decline and on remedial measures to be taken therefore, and shall accordingly inform the President and the National Assembly of the Republic of Armenia.
(Amended according to AL-36-S, 25.12.06; AL-44-S, 25.12.06)

ARTICLE 53. Foreign Exchange Gains and Losses
(Annulled according to AL-45-S, 03.03.04)

CHAPTER 7^1

COMPULSORY BANK DEPOSIT GUARANTEE

ARTICLE 53^1. Object of Compulsory Guarantee (Insurance)
(Article 53^1 is added according to AL-243, 23.10.01; amended AL-45-S, 03.03.04; annulled according to AL-147-S, 24.11.04)

ARTICLE 53^2. Guarantee Payments (Insurance premiums)
(Article 53^2 ***is added according to AL-243, 23.10.01; amended AL-45-S, 03.03.04; annulled according to AL-147-S, 24.11.04)***

ARTICLE 53^3. Insured Amounts and the Case of Receipt of Insured Amounts
(Article 53^3 is according to AL-243, 23.10.01; amended AL-45-S, 03.03.04; annulled according to AL-147-S, 24.11.04)

Article 53^4. Right of CBA to Claim against the Receipt of Insured Amounts Reimbursed
(Article 53^4 is added according to AL-243, 23.10.01; amended AL-45-S, 03.03.04; annulled according to AL-147-S, 24.11.04)

Article 53^5. Formation of a Special Fund for Bank Deposit Guarantee (Insurance)
(Article 53^5 is added according to AL-243, 23.10.01; amended AL-45-S, 03.03.04; annulled according to AL-147-S, 24.11.04)
(Chapter 7^1 is added according to AL-45-S, 03.03.04; annulled according to AL-147-S, 24.11.04)

CHAPTER 8.

ADDITIONAL PROVISIONS

ARTICLE 54. Exclusive Priority Right of the Central Bank

The Central Bank has the exclusive priority right to satisfy all its claims as to holders of monetary and other values kept in the Central Bank, except for the cases when:

- on receiving such values the Central Bank is aware, or must be that they are pledged, or of third parties claims on them;
- otherwise envisaged by the contract signed with the Central Bank.

ARTICLE 55. Taxes, Duties and Customs Duties

The Central Bank shall be exempt from all kinds of taxes and duties. The defined privilege shall not apply to taxes, customs duties and fees due to payment at customs for imported goods.

(Amended according to AL-49-S, 25.12.03)

ARTICLE 56. Other Transactions by the Central Bank

The Central Bank may perform the following transactions:

a. make investments in the capital of those legal entities, the activities of which are directly related and adhered to the objectives of the Central Bank.

b. acquire or lease any real estate necessary for carrying out of its functions,

c. acquire, own, use and alienate property or proprietary rights against its obligations, provided that the Central Bank shall alienate the mentioned property and proprietary rights at an earliest possible date,

d. provide, in a manner it prescribes for, loans to the Chairman, Deputy Chairman, and other members of the Board and the employees of the Central Bank.

(Amended according to AL-243-S, 23.10.01, and AL-200-S, 11.10.07)

ARTICLE 57. Protesting Activities and Decrees of the Central Bank

The normative and individual legal acts of the Central Bank may be appealed to the court in the cases prescribed by law. The effectiveness of the normative and individual legal acts of the Central Bank shall not be suspended during the whole court examination process.

(Article 57 is amended according to AL-243, 23.10.01; AL-45-S, 03.03.04, and AL-200, 11.10.07)

ARTICLE 58. Restructuring of the Central Bank

Restructuring of the Central Bank is regulated by the law. No bankruptcy case may be conducted against the Central Bank.

CHAPTER 9

TRANSITIONAL PROVISIONS

ARTICLE 59. Transitional Provisions

1. This law becomes effective in 60 days after publication.

2. The Chairman of the Central Bank performs his duties according to this law, until the end of the term of office.

3. The Deputy Chairman of the Central Bank performs his duties according to this law, until the end of the term of office.

4. The authorities of the members of the Board are ceased from the day this law goes into effect.

5. Within one week after this law goes into effect, the President of Armenia appoints five members of the Board.

6. After the General Reserves of the Central Bank are replenished, according to Article 12 of this law, the remainder of the profit gained during 1996 fiscal year is transferred to the statutory capital, according to Article12 of this law.
After the General Reserves of the Central Bank have been replenished, if the remainder of the profit is not enough for the replenishment of the statutory capital, according to Article 12, the Government of Armenia within 30 days after the end of the fiscal year, allocates to the Central Bank perpetual State Treasury Bills at an average market interest rate as an investment in the capital of the Central Bank. Repayment of the Treasury Bills is done at the expense of the budget or through the procedure stipulated in Article 12 of this law. Until the T-Bills are fully repaid, the Government before December 15 of each fiscal year pays the interest rate to the Central Bank at an average market rate of the year.

7. If the law on the state budget for 1997 envisages repayment of the interest on the Central Bank loan to the Government through netting, the amount of the allocation defined by Article 12 of this law is calculated as the difference between the Central Bank profit and the budget netting amounts.

8. The Central Bank issues the decrees which are necessary for the execution of this law within two months after the adoption of this law.

9. Until the year 1999, the laws of Armenia on the budget can set a procedure on crediting the Government which is different from Article 34 of this law.
10. After this law goes into effect, the law “On the Central Bank of the Republic of Armenia” of April 27, 1993 is declared void.

11. After this law goes into effect, the Resolution of the Presidium of the Supreme Council of Armenia “On the adoption of the Central Bank charter” of February 10, 1995 is declared void.

12. After this law goes into effect, the words “the Council of the Central Bank” are amended to “the Board of the Central Bank” in the law “On Bankruptcy of Banks”.

ARTICLE 60.

Instructions to provisions of Article 55 of this Law as well as relevant explanations thereof shall be approved by the State Tax Service at the Government of the Republic of Armenia and the State Customs Committee at the Government of the Republic of Armenia after coordinating them with the Ministry of Finance and Economy of the Republic of Armenia and the Central Bank.
(Amended according to AL-49-S, 25.12.03)

Levon Ter-Petrossyan
President
Republic of Armenia
Yerevan, June 30, 1996
AL-69