

Code
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December 24th, 2013, No. 310-N

Approving a Procedure for Dealing Out Participants Having Not Chosen Any Particular Pension Fund

Whereas securing sufficient competition and sustainability in the funded pension system as well as reducing the initial costs related to the pension fund management,

By virtue of the Republic of Armenia Law on “Funded Pensions”, Article 34 (3), the Republic of Armenia Law on “Central Bank”, Article 20 (e), and the Republic of Armenia Law on “Legal Acts”, Article 16, the Board of the Central Bank of the Republic of Armenia

(Introduction changed according to Resolution No. 172-N, dated 15.07.14)

enacts:

1. Provide that the following procedure shall be applied by fund managers for dealing out the participants which have not chosen any particular pension fund:

1) participants having not chosen any particular pension fund shall be dealt out between the fund managers by the use of a software module randomly, so that each manager has an equal number of participants;

2) if the selection of the participants which have chosen their particular fund is such that an equal number of participants as referred to paragraph 1 above is impossible (a fund manager has been chosen by more than $1/n$ th part of the participants, where n is the total number of managers), the software module will distribute the participants having not chosen any particular fund between the fund managers in such a way that the number of manager (managers) holding the least number of participants equals the number of participants held by the next manager holding more participants (so that the difference between them is minimal).

2. This resolution shall enter into force on the tenth day following its publication and shall remain in effect by December 31, 2017.

Arthur Javadyan,

Chairman of the Central Bank

December 27, 2013,

c. Yerevan