Translated from Armenian into English

APPROVED BY

by Protocol N. 2 of
Shareholders' General Meeting of "Ardshinbank" CJSC
on February 24, 2003

Amended by Decision N. 2025-2-2 L of
Joint Meeting of Shareholders of "Ardshinbank" CJSC and "Ardshininvestbank" CJSC as of February 25, 2025

Chairman of Joint Meeting [signed]
Karen Safaryan

REGISTERED

in the Central Bank of the Republic of Armenia

President of the Central Bank of
the Republic of Armenia

Digitally signed by Martin Galstyan
Date: 2025.04.29; 16:03:52 AMT
Reason: Registered on 21.04.2025

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"INDUSTRIAL CONSTRUCTION BANK" CLOSED JOINT-STOCK COMPANY

C H A R T E R

(new edition)

LIST OF CONTENT

SECTION 1. GENERAL PROVISIONS

Chapter 1. Main Provisions

1.1 “Industrial Construction Bank” closed joint-stock company (former name - “Ardshininvestbank” CJSC) /hereinafter referred to as “Bank”/ was established by the Decision of the Founding Meeting dated December 28, 2002.

As per Decision N. 03/16-01 of the Special Meeting of the Bank’s Shareholders held on October 14, 2016 and Decision N. 2 of Sole Shareholder of “Areximbank-Gazprombank Group” CJSC held on 14.10.2016 and in the procedure stipulated by the Legislation the above banks were reorganized through mergence of “Areximbank-Gazprombank Group” CJSC with the Bank, as a result of which the operation of “Areximbank-Gazprombank Group” was ceased and the Bank continued its operation also as a legal successor of “Areximbank-Gazprombank Group” CJSC.

As per Decision N. 2024-4-1 of the Special Meeting of the Bank’s Shareholders held on December 23, 2024 and Decision N. 2024-1-1 of Sole Shareholder of “Ardshininvestbank” CJSC (previously, and until November 29, 2024 named under HSBC Bank Armenia CJSC) held on 23.12.2024 and in the procedure stipulated by the Legislation the above banks were reorganized through mergence of “Ardshininvestbank” CJSC with the Bank, as a result of which the operation of “Ardshininvestbank” CJSC was ceased and the Bank continued its operation also as a legal successor of “Ardshininvestbank” CJSC.

The Bank shall be a commercial organization under the Legislation of the Republic of Armenia.

The Organization-legal form of the Bank shall be a Closed Joint-Stock Company.

The founding document of the Bank shall be this Charter (hereinafter referred to as “Charter”), the requirements of which shall be binding upon the Bank’s shareholders and the Management Bodies.

1.2 The Bank shall be included in the Bank system of the Republic of Armenia and during its activities it is governed by the Constitution, the Civil Code of the Republic of Armenia and RA Laws “About Banks and Bank activities” (hereinafter referred to as “Law”), “About the Central Bank of the Republic of Armenia”, “About Joint-stock companies”, “About Bank confidentiality”, other RA laws and other laws and the normative acts of the Central Bank of the Republic of Armenia (hereinafter referred to as “The Legislation of the Republic of Armenia”) and this Charter in cases and within the limit as envisaged by them.

1.3 The Bank’s firm name shall be:

in Armenian (full): «Արդյունաբերաշինարարական բանկ» փակ բաժնետիրական ընկերություն

in Armenian (brief): «Արդշինբանկ» ՓԲԸ

in Russian (full): Закрытое Акционерное Общество “Промышленно-Строительный Банк”.

in Russian (brief): ЗАО “Ардшинбанк”.

in English (full): “Industrial Construction Bank” Closed Joint-Stock Company.

in English (brief): “Ardshinbank” CJSC

1.4 The location of the Bank (postal address) shall be G.Lusavorich Str., Bld.13 and 13/1, 0015 Yerevan city, Republic of Armenia.

1.5 The Bank has acquired a status of a legal entity in the Central Bank of the Republic of Armenia (hereinafter referred to as “The Central Bank”) upon its registration and has acquired the right of implementing Bank and financial activities upon obtaining a respective license from the Central Bank.

1.6 The Bank shall have a round seal with its firm name and trademark in the Armenian and other languages, as well as numbered seals and other identification means of its territorial subdivisions.

Chapter 2. Bank responsibilities and rights. The Bank property

2.1 The Bank shall be held liable with its entire property for its duties.

2.2 The Bank shall not be held liable for the duties of its shareholders. The Bank’s shareholders (hereinafter referred to as “Shareholders”) shall not be held liable for the duties of the Bank and shall bear the risk of loss relating to the Bank’s activity within the amounts paid against the shares.

The Bank shall not be held liable for the duties of the Republic of Armenia, Communities and their bodies. The Republic of Armenia, Communities and their bodies shall not be held liable for the duties of the Bank.

The Bank shall not be held liable for the duties of the Central Bank of the Republic of Armenia. The Central Bank shall not be held liable for the duties of the Bank.

2.3 The Bank shall be entitled to:

1) in any manner not prohibited by the RA Legislation acquire property, including securities, possess, use and dispose of such property, as well as income and other beneficial outputs derived from it;

2) arrange its financial means independently, obtain Bank and commercial loans in the Republic of Armenia and other states; issue and allot securities in the procedure prescribed by the law;

3) alienate, grant on financial lease, exchange, and otherwise not prohibited by the law transfer property rights; act as a pledger and pledgee;

4) according to the procedure provided by the Legislation render paid services to resident and non-resident legal entities, private entrepreneurs and citizens, make use of the works and services provided by them;

5) make investments in the Republic of Armenia and other countries;

6) create legal entities or become a member of their associations in conformity with the requirements of the applicable Legislation;

7) exercise other rights stipulated by the Legislation of the Republic of Armenia.

2.4. The Bank shall be obligated to:

1) in compliance with the Legislation of the Republic of Armenia conduct accountancy and submit statements to the authorized state bodies of the Republic of Armenia;

2) enter into employment contracts with the Bank employees;

3) bear responsibilities and reimburse for damages caused to third parties as a result of non-performance or improper performance of its obligations or violation of third persons' rights;

4) ensure the safekeeping of the Bank documents (the Bank Charter, right-certifying documents, annual and current statements, statements, business accounting documents, minutes of Management Bodies' meetings, other documents envisaged by the Legislation of the Republic of Armenia);

5) bear other obligations prescribed by the Legislation and this Charter.

2.5 The Bank shall be the owner of:

- the cash means invested in the statutory capital by the founders and later by shareholders during the establishment of the Bank;

- income obtained as a result of its activities;

- the property acquired in the manner not prohibited by the applicable Legislation of the Republic of Armenia.

The Bank property shall be separated from the shareholders' property and shall be recorded in an independent balance.

The Bank may in its name acquire and exercise property and personal non-property rights, enter into transactions, bear responsibility, act in the court as a plaintiff and respondent.

Any property may be the ownership of the Bank, except for the types of property which under the Legislation of the Republic of Armenia may not be the ownership of the Bank.

2.6 The Bank shall independently effect the possession, use and disposal of its fixed and other assets, including reassessment of property.

2.7 Under RA Law "About Bank Confidentiality" in the procedure prescribed by RA Law the Bank shall ensure the safe-keeping of the Bank confidential information regarding its customers.

2.8 Only the authorized state bodies shall have the right to exercise ban, sequestration or attachment upon the transferred property of the Bank and the Bank deposits, cash assets of the Bank's Customers in the cases and procedure stipulated by the Legislation of the Republic of Armenia. The Bank shall not be held liable for the damages of the customers which occur in respect of the said property and accounts as a consequence of the exercise of ban, sequestration and attachment in the procedure prescribed by the Legislation of the Republic of Armenia.

Chapter 3. Bank goals and objectives

3.1 The principal goal of the Bank activity shall be the profit earning out of the use of the fixed and involved assets for the purpose of ensuring the development of the Bank and distribution of a part thereof among the shareholders.

3.2 Along with the pursuance of profit earning, the Bank shall have the following goals and objectives:

- Accumulation and efficient use of the financial resources for the expansion and development of the business activity in the Republic of Armenia;

- contribution to the development of the market relations due to providing full and comprehensive Bank services to customers;

- development of the potential of the economy in Armenia due to lending (financing) and contribution to the introduction of the results of scientific-and-technological development in different areas of economy;
- contribution to the development of the spheres through the protection of the culture, education, science, health case and environmental protection and financing of other similar objects (projects;
- promotion of the integration of the Armenian capital with the world commercial and financial markets,
- expansion of the international financial and commercial-economic relations with the participation of the Republic of Armenia;
- involvement of foreign investments in the economy of Armenia.

Chapter 4. Banking operations. Financial operations and other transactions

4.1 In the manner prescribed by the Legislation of the Republic of Armenia the Bank and/or its Branches may:

1) accept on-demand or fixed-term deposits;
2) grant commercial and consumer loans, including mortgage loans, carry out financing (factoring) of debts or commercial transactions;
3) grant Bank guarantees and letters of credit;
4) open and maintain accounts, including other corresponding Bank accounts;
5) provide other payment-settlement services and/or otherwise maintain customers' accounts;
6) issue, purchase (discount), sell and service securities and perform other related operations;
7) carry out investment and subscription activity;
8) provide services of financial agents (representatives), manage the securities and investments (accreditation management) of other individuals;
9) purchase, sale and manage Bank gold bars, standardized ingots and commemorative coins;
10) purchase and sell (exchange) securities, as well as conclude dram and foreign currency futures, options and other similar transactions;
11) carry out financial leasing;
12) accept for custody precious metals, stones, golden items, securities, documents and other valuables;
13) provide financial and investment consultations;
14) create and maintain the information system of customers' credibility; carry out operations with regard to receiving debts back;
15) execute insurance certificates and/or contracts, carry out operations of an insurance agent in the manner prescribed by law.
16) carry out the Account Operator's operations in accordance with the law of the Republic of Armenia “”About cumulative pensions.

4.2 By the permission of the Central Bank, the Bank shall be entitled to carry out activities or operations which are not directly envisaged by the Law if the latters proceed from or are closely related to the banking operations or operations provided for by the law.

4.3 The Bank may conclude any civil-and-legal transaction required or appropriate for the implementation of its activity permitted by the Law.

4.4 The Bank may not carry out industrial, commercial and insurance activity if nothing otherwise is provided for by the laws of the Republic of Armenia.

4.5 The Bank may on its own determine the remuneration amount of its own services and the amount of the invested deposits, the interest rates of the loans granted and the securities issued.

4.6 The mutual relationship between the Bank and the customers shall be based on the contract and shall be regulated by the Legislation of the Republic of Armenia and the contracts signed between the Bank and a customer.

Chapter 5. Bank Branches, Representative Offices and Establishments

5.1. The Bank may establish Branches and Representative offices in the Republic of Armenia and outside it. The Bank may create establishments in the procedure prescribed by the Legislation of the Republic of Armenia.

5.2 The Bank branch shall be a separated subdivision without a status of legal entity and located outside the Bank, which shall act within the powers delegated by the Bank and conduct a banking operations on behalf of the Bank and/or financial operations envisaged by the law.

5.3 The Bank representative office shall be a separated subdivision without a status of legal entity and located outside the Bank, which shall represent the Bank, survey the financial market, enter into contracts and conduct other similar operations on behalf of the Bank. The representative office has no right to conduct banking operations and/or financial operations envisaged by the law.

5.4 The Bank establishment shall be an organization without a status of legal entity created by the Bank for carrying out governmental, social-cultural, educational or other noncommercial activity.

5.5 The Bank Branches, Representative offices and Establishments shall operate on behalf of the Bank. The Bank shall be held liable for the duties of the Branches, Representative offices and Establishments.

5.6 The Bank Branches, Representative offices and Establishments shall operate by virtue of the Charters approved by the Bank Board (hereinafter referred to as "Board").

5.7 The decision about the creation of the Bank Branches, Representative offices and Establishments shall be adopted by the Board. The Bank Branches and Representative offices shall be deemed created upon their registration in the Central Bank, whereas the Establishments shall be deemed created upon the adoption of a decision about the creation thereof.

5.8 Creation, registration and termination of the activities of the Bank Branches, Representative offices and Establishments shall be carried out in accordance with the procedure provided for by the Legislation of the Republic of Armenia, but in foreign countries – by the permission the Central Bank and in compliance with the Legislation of the country where its subdivision is located.

5.9 The property of the Bank Branches, Representative offices and Establishments shall be provided granted by the Bank which shall be recorded both in their separate balance sheets and the balance sheet of the Bank. The Bank Establishments, in compliance with its activity objectives, the Bank's assignments and designation of the property allocated to it, shall possess, utilize and manage such property.

5.10 The Managers of the Bank Branches, Representative offices and Establishments shall be considered as Bank officials and shall be appointed by the Bank's Management Board Chairman (hereinafter referred to as "Management Board Chairman") in compliance with the procedure provided for by the internal legal acts of the Bank and shall operate by virtue of the power of attorneys issued by the Bank.

SECTION 2. BANK STATUTORY FUND. BANK SHARES AND OTHER SECURITIES. PROFIT DISTRIBUTION

Chapter 6. Bank statutory fund

6.1 The statutory fund of the Bank reflects the minimal size of the Bank's property ensuring the interests of the creditors. The Bank statutory fund totals 102,454,400.000 (one hundred two billion four hundred fifty-four million four hundred thousand) Armenian drams which is divided into 1 004 544 (one million four thousand five hundred forty-four) ordinary shares, each with face value of 100.000 (one hundred thousand) Armenian drams, and 20.000(twenty thousand) convertible privileged shares of A class with variable dividends, each with face value of 100.000 (one hundred thousand) Armenian drams.

6.2 The Bank may additionally allocate 8,000,000 (eight million) ordinary shares (declared ordinary shares), each with face value of 100,000 (one hundred thousand) Armenian drams.

6.3 The Bank may additionally allocate 2,780.000 (two million seven hundred eighty thousand) privileged shares (declared privileged shares), each with face value 100,000 (one hundred thousand) Armenian drams. The total face value of the privileged shares allocated by the Bank shall not exceed 25(twenty-five) percents of the total amount of the Bank's statutory fund.

Chapter 7. Bank statutory fund increase

7.1 The Bank may increase its statutory fund by increasing the face value of the shares or allocating additional shares.

7.2 The Bank may make a decision with regard to the allocation of the additional shares only within the quantity of the shares declared in the Charter and only in the event the previously allocated shares are fully paid up.

7.3 After summarizing the financial results of its activities the Bank may increase its statutory fund by means of increasing the face value of the allocated shares by transferring a part thereof to the authorized capital.

7.4 The Bank may not increase the statutory capital more than the value of the net assets determined on basis of the results fixed in the last balance sheet as approved by the meeting and the last audit through the increase of the par value of the shares.

7.5 The Bank may not issue shares against the damages arisen out of its economic activity.

Chapter 8. Bank statutory capital decrease. Share repurchase.

8.1 The Bank may not decrease its statutory fund, except for the case when the Bank repurchases the allocate shares from the shareholders who under Clause 10.13 of the Charter shall be entitled to require from the Bank to repurchase their own shares or the part thereof.

8.2 Permission of the Board of the Central Bank is required for the repurchase of the shares. The Central Bank may refuse to grant a permission if

1) in case of repurchase of the shares, the Bank is in no condition to completely meet the requirements of its creditors,

2) the Bank violates the principal economic regulations,

3) repurchase of the shares results in the destabilization of the Bank system for the Republic of Armenia

8.3 In case of repurchase of its shares by the Bank, the decision on the decrease of the statutory fund or the sale of the given shares shall be adopted by the Bank Shareholders' General Meeting (hereinafter referred to as "General Meeting"). In case of sale of the shares, the Bank shall be obligated to sell the shares within 2 (two) months upon their repurchase. The Central Bank in consideration of the market existing on the equity market, as well as the financial standing of the Bank, may extend the period determined for the alienation of the aforementioned shares on more beneficial terms by 6 (six) months.

Chapter 9. Bank's ordinary shares and other securities. Owners' register of Bank nominal securities.

9.1 The Bank's ordinary shares shall be allotted in non-documented form.

9.2 Additional shares of the Bank shall be allocated in the form of closed subscription providing that the payment is effected in the currency of the Republic of Armenia and which was previously allocated through the exchange of the bonds stipulating a right of exchange of the shares and/or exchange of other securities.

9.3 The Bank's ordinary shares cannot be converted into the Bank's bonds and/or other securities.

9.4 Exempting the shareholder from the liability of paying the Bank shares, as well as the offsetting of the claim against the Bank shall not be allowed.

9.5 Payment of allocated additional shares of the Bank shall be effected in the procedure and at price determined by RA Law "About joint-stock companies".

9.6 The Bank shall be entitled to unite (consolidate) or divide the allocated shares in the manner prescribed by the Legislation of the Republic of Armenia.

9.7 The Bank shall be entitled to issue bonds and other securities as stipulated by the Legislation of the Republic of Armenia.

9.8 The Bank may issue converted bonds and other securities which give a preferential right to purchase the bonds and other securities of the Bank on condition of conversion of the Bank shares or on privileged condition. Moreover, the Bank shall not have the right to issue converted bonds of other securities if the number of the shares declared by the Bank is less than the number of the shares required for ensuring the capability of the Bank shares to be converted into the converted bonds and other securities.

9.9 Allocation of the bonds and other securities shall be carried out by the Decision of the Board. Issuance and allocation of the bonds and other securities shall be carried out in the procedure determined by RA Law "About securities market".

9.10 The decision about the issuance of the bonds shall determine the mode, periods and conditions of their redemption. In case a period for premature redemption of the bonds is determined at the will of their owners, then the decision on the issuance of the said bonds shall stipulate the size of the redeemed amount and the period the bonds may be submitted for premature redemption.

9.11 The bonds shall have nominal values. The amount of the nominal value of all the secured bonds issued by the Bank shall not exceed the statutory fund or the secured amount granted to the Bank for the issuance of the bonds.

9.12 The Bank may issue both nominal and bond warrant to bearer.

9.13 Keeping of the register of the owners of the nominal securities issued by the Bank shall be carried out by the respective individuals (specialized organization) as envisaged by RA Law "About Joint-stock companies". The Bank shall be exempted from the liabilities of keeping and maintaining the register upon its transfer to the specialized organization.

At the request of the shareholder (nominal holder) the registrar of the shareholders' register of the Bank, that is the Central Depository of the Republic of Armenia shall have to certify the right of ownership of the shareholder in respect of the Bank shares by granting the given person a respective extract form the register. The procedure of granting the extract shall be determined by the Legislation of the Republic of Armenia.

Chapter 9.^{1}. The bank's privileged shares, the dividends payable against them and the shareholder's rights as owners of the privileged shares.

9^1.1 The Bank's privileged shares shall be allotted in the documented form.

9^1.2 the bank shall issue convertible privileged shares of A, B, C, D, E, F, G, H, I, J, K, L, M, N classes with variable dividends and privileged shares with 0 class fixed dividends.

9^1.3 The amount of dividends payable against the privileged shares shall be calculated din the following manner:

1) the amount of the dividend payable against 1 (one) convertible privileged shares of the with variable dividends shall be calculated on the basis of the following formula (hereinafter referred to as "Formula")

D=(Q*R*Exr t/Exr t-1) x m/365

Where

D is the sum of the annual due dividend,

M is the number of days of the circulation of the privileged shares of the given class convertible with the variable dividend during the reporting yeast starting the date of payment during the allocation,

Q is the nominal value of the privileged share convertible with the variable dividend,

R is the adjustment coefficient, which is equal to

2) for Class A – 0.08

3) for Class B – 0.075

4) for Class C – 0.07

5) for Class D – 0.065

6) for Class E – 0.06

7) for Class F – 0.055

8) for Class G – 0.05

9) for Class H – 0.045

10) for Class I – 0.04

11) for Class J – 0.035

12) for Class K – 0.03

13) for Class L – 0.025

14) for Class M– 0.02

15) for Class N – 0.015

Exr t is the average exchange rate of AMD vs USD in the currency market published by the Central Bank of the Republic of Armenia as of the date of payment of the dividends

Exr t is the average exchange rate of AMD vs USD in the currency market published by the Central Bank of the Republic of Armenia as of the date of payment against the privileged shares convertible with the variable dividend during the allocation thereof.

The final sum of the annual dividends of the driveled shares of class 1 in case of convertibility of the other class shall be calculated in proportionate with the period of circulation of each class of the privileged shares.

2) the dividend payable against 1 (one) privileged share wit the declared fixed dividend of Class 0 shall be calculated at the interest rate of 1.5 (one point five) percents against the nominal value of the given share.

9^1.4 by the decision of the Bank's Shareholders' general meeting the shares may be converted into the privileged shares of another class with the same nominal value 5 (five) years after the allocation of the privileged shares convertible with the variable dividend.

9^1.5 Payment of dividends per the classes of the privileged shares shall be made successively, in the following order: O, N, M, L, K, J, I, (Hereinafter referred to as), G, F, E, D, C, B, A.

9^1.6 Dividends against the Bank's privileged shares shall be paid in drams.

$9^1.7$ The share deemed as an owner of the Bank's privileged shares shall be entitled to
1) receive the dividend in the manner prescribed by the Charter
2) enjoy other powers vested in it by the Legislation of the Republic of Armenia.

Chapter 10. Bank shareholders. Rights and duties of the shareholders as owners of the ordinary shares

10.1 Any resident and non-resident citizens and legal entities may be shareholders of the Bank in the procedure provided for by the Legislation of the Republic of Armenia. The peculiarities (limitations) of purchasing the Bank shares by certain category of people shall be determined by the Legislation of the Republic of Armenia.

10.2 The number of the shareholders of the Bank may not exceed the number determined by the Legislation of the Republic of Armenia.

10.3 The shareholders being the owners of the ordinary shares of the Bank shall be entitled to:

1) either in person or through their representative participate in the General Meetings, vote with regard to all the matters which are within the competence of the meeting;

2) during the voting exercise the voting right as per the number of the shares paid in full by him/her;

3) assist in the management of the Bank either in person or through their representative;

4) receive dividends in the manner prescribed by this Charter;

5) receive its due part of the Bank's property in case of the liquidation of the Bank;

6) the preferential right to purchase the additional shares allocated by the Bank in conformity with number of the existing shares;

7) the preferential right to purchase the shares sold by the Bank shareholders in conformity with the number of the existing shares;

8) receive information about the banking operations, as well as get acquainted with the accounting balance sheet, statements, the Bank's productive-economic activity in the procedure stipulated by the Charter and the information indicated in Clause 20.1 of this Charter, save for the documents containing bank, commercial and other secrets;

9) receive the copies of the latest annual statement of the Bank and the external auditor's report, get acquainted with the minutes of the Computing Committees;

10) apply to the court with an aim of appealing the decision adopted by the General Meeting in violation of the Legislation of the Republic of Armenia;

11) donate or otherwise irrevocably transfer to other individuals the Bank shares owned by them;

12) sell or otherwise transfer the Bank shares owned by them to other persons if the other shareholders do not exercise their preferential right to purchase the shares in the procedure provided for by Clauses 11.1 – 11.6 of this Charter;

13) require from the Bank to buy back their shares in the case and procedure provided for by the Legislation of the Republic of Armenia and this Charter;

14) familiarize themselves with the list of persons entitled to take part in the General Meeting;

15) exercise other rights envisaged by the decision adopted under the Legislation of the Republic of Armenia, this Charter and by the General Meeting within its competence.

10.4 At the request of a shareholder the Bank shall grant him/her a reference about the inclusion him/her on the list of the individuals entitled to take part in the General Meeting.

10.5 The shareholder owning 1 (one) or more percents of the ordinary shares allocated by the Bank shall be entitled to apply to the court requiring from the Bank Managers to reimburse the damage caused to the Bank;

10.6 The shareholder owning 2 (two) or more percents of the ordinary shares allocated by the Bank shall be entitled to raise questions on the agenda of the annual General Meeting, as well as propose candidates for the Board members.

10.7 At the request of a shareholder owning 2 (two) or more percents of the ordinary shares allocated by the Bank, the Bank shall irrevocably provide him/her with the following information, regardless of the fact whether they are bank, commercial or other secrets:

1) information about the Chairman and Members of the Board, Chairman of the Management Board and the Chief Accountant as provided for by Clause 20.10 of this Charter;

2) the information about the whole remuneration amount (including the awards, fees for accomplishment of certain kind of operation, other salary-equivalent incomes) of the Board Chairman, Management Board Chairman sand the Chief Accountant received by the Bank during the previous year, as

well as the their loans and other borrowings (also including the redeemed ones) received from the Bank by the persons affiliated with them;

3) the information about the shareholders who have had significant participation in the Bank, their names, the number of the Bank shares held by them (save for the persons who've had indirect significant participation who do not have the Bank shares); the information about the loans and other borrowings (including the redeemed ones) received by the Bank by them or their affiliated persons, as well as the amount, interest rates and periods.

4) the information about major transactions signed between the Bank and their affiliated persons, as well as the transactions concluded within two years' time proceeding the submission of the claim and the acquisition of such information and related to the implementation of any of the following operations;

- acceptance of on-demand or fixed-term deposits;

- granting of commercial and consumer loans, including granting of mortgage loans, implementation of financing of debt or commercial intents, factoring;

- granting of Bank guarantees and letters of credits;

- purchase, sale and management of Bank gold bars and standardized ingots and commemorative coins;

- purchase and sale (exchange) of foreign currency, including the conduct of futures, options of the dram and foreign currency and other similar transactions;

- financial leasing

5) the information about the duties assumed by the Bank in respect of the persons affiliated with the Bank;

6) the presence of the contracts directed at the creation of the groups of Bank shareholders conducting the similar policy, as well as the names of the Bank shareholders who are the party to the said contract;

7) the list of the legal entities, in the statutory fund thereof the Bank managers or their affiliated persons have 20 and more percents of participation or chance to influence their decisions;

8) the copies of the following documents:

- the documents certifying the property right of the Bank against the property reflected in the balance sheet of the Bank;

- the internal acts of the General Meeting and other Management Bodies as approved by the Bank, Charters of the separated subdivision and establishment of the Bank;

- financial and statistical statements submitted by the Bank to the State Management Bodies;

- the minutes of the sittings of the General Meeting, Board and the Management Board;

- conclusion of the reaudit conducted by the Central Bank;

- the decision of the Central Bank regarding the punitive measures applied by the Central Bank to the Bank and/or the Bank manager, the statements submitted by the Internal Auditing Manager to the Board and the Management Board.

Under this clause the information obtained from the Bank may be transferred by the shareholder to other persons, also, they may not be used for abusing the business fame of the Bank, for the violation of the rights and legal interests of the shareholders and customers of the Bank or for other similar purposes. Otherwise, they shall be held accountable in the manner prescribed by the Legislation of the Republic of Armenia.

10.8 The shareholder holding 5 (five) or more percents of the voting shares allocated by the Bank shall be entitled to request the convocation of the Board sitting for the consideration of the issues stated in the request.

10.9 The shareholder holding 5 (five) or more percents of the voting shares allocated by the Bank shall be entitled to conduct an independent audit of the financial and economic activity of the Bank. In this case the auditing services shall be paid by the shareholder requesting it.

10.10 The shareholder holding 10 (ten) or more percents of the voting shares allocated by the Bank shall be entitled to be included in the Board composition without election or appoint his/her representative within it.

10.11 The shareholder holding 10 (ten) or more percents of the voting shares allocated by the Bank shall be entitled to convene a special General Meeting of the shareholders of the Bank, and in the case provided for by Clause 26.13 of this Charter, the said shareholder shall be entitled to convene a special General Meeting on his/her own.

10.12 The rights indicated in Clauses 10.5- 10.11 of this Charter may be exercised both by one shareholder and the group of shareholders if the latters jointly possess the required number of shares.

10.13 The owners of the Bank's shares entitled to vote shall be entitled to require from the Bank to make a decision about the repurchase of the shares and repurchase their own shares or repurchase of a part thereof, if

1) a decision has been adopted about the reorganization of the Bank, the suspension of the preferential right and conclusion of major transactions and the given shareholders have voted against the reorganization of the Bank, the suspension of the preferential right or conclusion of the major transaction and have not participated in the voting with regard to such issues;

2) Amendments or supplements have been made to the Charter or a Charter with a new edition has been approved as a consequence of which the rights of the aforesaid shareholders have been limited and they have voted against or have not participated in the voting.

The list of the members entitled to request from the Bank the right to buy back their participations shall be drawn up on basis of the data recorded in the Bank Shareholders' Register as of the day of the compilation of the list of the members entitled to take part in the General Meeting, the agenda of which contains issues, the admission of which has led to the limitation of the shareholders' rights indicated in the first subclause of this clause.

The cost of repurchase of the shares by the Bank shall be determined in the manner provided for by Clause 18.3 – 18.6 of this Charter without consideration of the changes arising as a result of the Bank operations by granting a right to claim evaluation and repurchase of the shares.

10.14 The shareholders of the ordinary shares shall be obligated:

1) to pay the full value of his/her share within the term and in the procedure stipulated in the decision on the issuance of shares;

2) not to disclose any bank, commercial or other secret-containing information regarding the Bank activity,

3) to provide complete and reliable information and statements to the Bank (Bank Management Bodies), the Central Bank and other state bodies in the volume and procedure provided for by the Legislation of the Republic of Armenia,

4) to timely inform the Registrar of the Bank Shareholders' Register about the following data and their changes:

- the name (last name);
- for legal entities: state registration data, location; for natural persons: passport data and place of residence;
- other information provided for by the Legislation of the Republic of Armenia.

5) comply with the requirements of the Legislation of the Republic of Armenia and the Charter.

In case of failure to submit the information and their changes as indicated in subclause 4 of this Clause, the Bank shall not be held liable for the damage caused to the shares as a result thereof.

Chapter 11. Share transfer transactions

11.1 The transactions relate to the transfer of the Bank shares shall be executed in compliance with the requirements of the Legislation of the Republic of Armenia between both the shareholders and the individuals who are not shareholders.

11.2 The shareholders in the procedure prescribed by this chapter shall be entitled to alienate or transfer the Bank shares which are their ownership to other individuals in the manner not prohibited by the Legislation of the Republic of Armenia.

11.3 The other shareholders of the Bank shall have the preferential right to purchase the sold shares in proportionate to their shares at the price and on terms offered to the buyer within 30 days upon the sale offer.

11.4 The sale of the shares and the preferential right to purchase them shall be exercised in the following procedure:

1) the shareholder selling the shares shall give a written notice to the Bank on behalf of the Bank President about his/her intention to sell the shares or a part thereof by mentioning the essential conditions of the transaction (the number, price of the sold shares, the mode and periods of payment etc).

2) The Bank shall give a written notice to the Bank shareholder within 3 (three) days upon the receipt of the sale offer by annexing the copies of the letter of the shareholding selling the shares and all the dispatched documents and mentioning the procedure and periods for the exercise of the preferential right of acquiring the share, as well as the consequences of failure to respond to the notification. At the request of the

shareholder selling shares the Bank shall provide him/her with the copies of the notifications delivered to the other shareholders and the copies of the documents certifying the fact of dispatch thereof.

3) The shareholder shall perform the actions stated in the notification within the period and in the procedure indicated in the notification for the exercise of the preferential right.

11.5 In the event the exercise of the preferential right to purchase the sold shares in the manner prescribed by the Legislation of the Republic of Armenia is related to the receipt of the consent from the Central Bank or other authorized body, then the period indicated in Clause 11.3 of this Charter shall be suspended until a respective consent (consent rejection) is obtained, but not more than the period determined for the receipt of the consent. The period indicated in Clause 11.3 of this Charters shall resume upon the receipt of the respective consent (consent rejection).

11.6 If one or a few shareholders do not exercise their preferential right, then the General Meeting shall be entitled to make a decision about the distribution of the preferential right to purchase the sold shares in other manner. The given decision shall be adopted unanimously by the shareholders who have such preferential right. Moreover, the shareholder selling the shares shall not partake in the voting of the issue.

11.7 In the event the Bank shareholder do not exercise their preferential right in the procedure and within the periods stipulated by the Charter, then the shareholder selling the shares may sell the shares to third person(s).

11.8 The Bank shares may be transferred to the heirs of the Bank shareholders who are not citizens in the general procedure of inheritance. The Bank shares may be transferred to the legal successors of the Bank shareholders who are legal entities by the unanimous decision of the General Meeting in the order of succession.

11.9 Pledging of the Bank shares shall be made in the manner prescribed by the Legislation of the Republic of Armenia. The sale of the pledged share shall be effected for the sale of the share in the manner prescribed by the Legislation of the Republic of Armenia.

Chapter 12. Bank profit distribution. Dividends.

12.1 The Bank shall on its own determine the principles of the distribution of its net profits. The Bank's balance and net profit shall be determined in the procedure prescribed by the Legislation of the Republic of Armenia. The net profit of the Bank (accumulated profit) shall remain in the possession of the Bank and by the decision of the General Meeting may be utilized for the formation of the reserves and other funds or distributed among the shareholders in the form of dividends, as well as it may used for other purposes under the Legislation of the Republic of Armenia, the decisions of the General Meeting and the internal legal acts of the Bank.

12.2 A surplus fund (main reserve) is formed within the Bank at the rate of actually replenished 15 (fifteen) percents of the statutory fund. The surplus fund shall be utilized for covering the losses of the Bank, as well as the redemption of the Bank bonds and repurchase of the shares if the Bank profits and other resources do not suffice.

12.3 The surplus fund shall be formed due to the annual deduction of the Bank profits. The size of the deductions of the surplus fund shall be at least 5 (five) percents of the annual net profit.

12.4 The Bank shall form funds of formation and utilization of possible losses of investments, classification of loans and receivables and funds of possible losses and other funds in the securities of fixed assets, securities revaluation and investment securities, the procedure of their formation of which shall be determined by the internal legal acts of the Bank in compliance with the Legislation of the Republic of Armenia.

12.5 By the decision of the General Meeting other funds may also be formed which shall contribute to the economic development of the Bank and the satisfaction of the social and economic requirements of the Bank employees.

12.6 The decision about the utilization of the surplus and other funds shall be adopted by the Board.

12.7 The Bank shall be entitled to take a decision (declare) about the payment of quarterly, semi-annual or annual dividends of its members.

12.8 The decision about the payment of annual dividends, the dividend size and its payment mode shall be adopted by the General Meeting at the request of the Board. The decision about the payment of interim (quarterly and semi-annual) dividends, the dividend size and its payment mode shall be adopted by the Board.

The size of the interim dividends may not exceed 50 (fifty) percents of the dividend allocated as a result of the previous financial year. The size of the annual dividends may not be less than the size of the interim dividends already paid. If by the decision of the General Meeting the size of the annual dividends shall be determined to be equal to the size of the interim dividends already paid, then the annual dividends shall be paid with regard to the difference of the amount of the annual dividend and the interim dividends already paid.

12.9 The period for payment of annual dividends shall be determined by the decision on payment of dividends taken by the General Meeting. The period for payment of interim dividends shall be determined by the decision on payment of interim dividends taken by the Board, but not later than 30 (thirty) days after the adoption of such decision.

12.10 For each payment of dividends the Board shall compile a list of the shareholders entitled to dividends which shall include:

1) in case of payment of annual dividends, the shareholders of the Bank who are included in the Bank Shareholders' Register as of the day of the compilation of the list of the individuals entitled to take part in the General Meeting.

2) in case of payment of interim dividends, the shareholders of the Bank who are included in the Bank Shareholders' Register 10 (ten) days prior to the adoption of a decision about the payment of interim dividends by the Board.

12.11 Distribution of the dividends of the Bank shall be prohibited if at the given moment the losses (damages) incurred by the Bank are equal or exceed the undistributed net profit amount existing in the Bank.

12.12 In case of failure to pay dividends within the periods stipulated in the decision of the General Meeting, they shall be accumulated and paid in future at the first request of the shareholder.

12.13 Dividends for the Bank's ordinary shares shall be paid in the Armenian dram and/or Bank's shares.

Chapter 13. Customers' interests guarantee

13.1 The Bank shall ensure the maintenance of the cash and other assets of the customers and associates in the Bank. Their maintenance shall be guaranteed by the movable and immovable property, cash funds of the Bank, the reserves created under the Legislation of the Republic of Armenia and in the procedure prescribed by this Charter and the Central Bank, the measures ensuring the financial stability and liquidity undertaken by the Bank.

13.2 The Bank shall ensure the timely and complete execution of its duties by independently regulating the structure of its balance sheet within the economic regulations determined by the Central Bank.

13.3 The Bank being a participant of the system ensuring the reimbursement of the Bank deposits of individuals, shall effect guarantee payment to the founder ensuring the reimbursement of deposits in the manner prescribed by the Legislation of the Republic of Armenia.

13.4 The Bank shall maintain and guarantee the confidentiality of the information with regard to the Bank deposits, cash assets of the customers, the property entrusted with the Bank and the related operations.

13.5 The Bank shall be entitled to independently determine the list of the information relating to its operation which contains a commercial secret. The list of the information of a commercial secret shall be approved by the Board.

SECTION 3. TRANSACTIONS. TRANSACTION PROCEDURE. PROPERTY MARKET VALUE.

Chapter 14. Transactions with bank-related individuals.

14.1 An individual shall be deemed affiliated with the Bank if he or she complies with the regulations determined by Law and the Central Bank.

14.2 The Bank shall determine the internal regulations of making transactions with the individuals affiliated with the Bank. Moreover, the conclusion of the transaction provided for by Clause 4.1 of this Charter (except for subclauses 4), 5), 10) and 12) of this clause) between the Bank and the individuals affiliated therewith shall be approved by the Board upon the presentation of the Chairman of the Management Board. The transaction made between the individuals affiliated with the Bank in violation of this clause shall be null and void.

Chapter 15. Property acquisition and alienation major transactions. Conducting major transactions.

15.1 Major transactions shall include:

1) one or a few associated transactions which in addition to the transactions within the regular economic activity of the Bank, are directly or indirectly related to the acquisition, alienation of the property by the Bank or the opportunity of acquisition and alienation of the property, the cost of which shall total 25 (twenty-five) and more percents of the balance value of the Bank assets as of the moment of adoption of a transaction-making decision.

2) one or a few associated transactions, the subject matter of which shall be the allocation of the Bank's simple (ordinary) shares or priliveged shares convertible to simple (ordinary) shares which shall total 25 (twenty-five) and more percents of the simple (ordinary) shares already allocated by the Bank.

15.2 The cost of the property and the shares which are the subject matter of major transactions shall be determined by the Legislation of the Republic of Armenia and in the procedure prescribed by Clauses 18.1 – 18.6 of this Charter.

15.3 The major transaction-making decision, the subject matter of which is the property and the cost of which makes up more than 50 (fifty) percents of the balance value of the Bank assets as of the moment of the adoption of a transaction-making decision, shall be adopted by the General Meeting. A major transaction, the subject of which is the property, and the cost of which makes up from 25 (twenty-five) to 50 (fifty) percents of the balance value of the Bank assets as of the moment of the transaction-making decision, the transaction-making decision, may be transferred to the General Meeting by the Decision of the Board.

15.4 The major transaction-making decision, the subject matter of which is the property and the cost of the transaction as of the moment of the transaction-making decision makes up from 25 (twenty-five) to 50 (fifty) percents of the balance value of the Bank assets shall be adopted unanimously by the Board.

15.5 Nonobservance of the of the clauses 15.3 - 15.4 of this chapter shall lead to the cancellation of the transaction, save for the case when an individual who has entered into transaction with the Bank has acted conscientiously and has been unaware or could not have been aware of nonobservance of the aforesaid requirements by the Bank.

Chapter 16. Bank transaction interest. Bank transaction procedure in case of interest existence.

16.1 The interested individuals to the Bank transactions shall be the Board member, Chairman and Members of the Management Board or the Bank shareholders who along with his/her associated individuals jointly own 10 (ten) and more percents of the Bank voting shares if such individuals or their associated persons

1) are a party to the transaction or participate in the transaction as mediators or representatives;

2) own 20 (twenty) and more percents of the voting shares of a legal entity who is a party to the transaction, mediator or representative,

3) hold posts in the Management Bodies of a legal entity who is a party to the transaction, mediator or representative,

16.2 The individuals indicated in Clause 16.1 of this Charter shall have to grant information to the Board, the individuals conducting internal or external audit:

1) about those legal entities in which they independently or jointly with their associated person(s) own 20 (twenty) or more percents of the voting shares.

2) about those legal entities in the Management Bodies of which they hold posts,

3) about the transactions conducted or envisaged for conducting transactions known to them in which they may be interested individuals.

16.3 The transaction-making decision in which there is interest shall be adopted by the Board by the majority of the votes of the Board members who do not any interest in the transaction.

16.4 In case of the presence of interests, the Board shall arrive at a conclusion for the adoption of a transaction-making decision, to the effect that:

- as a result of making a transaction, the amount received by the Bank is not less that the market value of the property transferred to the other party to the transaction, provided service or operations performed calculated in the manner prescribed by the Legislation of the Republic of Armenia and Chapter 18 of this Charter, or

- as a result of the transaction the amount paid for the property acquired by the Bank, the service received or the work perform for the Bank does not exceed the market value of the said property, service or work calculated in the manner prescribed by the Legislation of the Republic of Armenia and Chapter 18 of this Charter.

16.5 If all the members of the Board are interested persons or conclude a transaction and/or associated transactions for the purpose of allocating the Bank voting shares or other securities of the converted Bank of the voting shares, the number of which is more than 2 (two) percents of the number of voting shares of the Bank already allocated, then the transaction-making decision shall be adopted by the General Meeting by the majority of voles of the shares who haven't their interests in the transaction.

The transaction may be conducted without the decision of the General Meeting if:

1) the transaction is a loan granted by the Bank interested individuals,

2) the transaction is a result of a regular economic activity conducted between the Bank and the other party till the recognition of the fact of the presence of the interest (no decision is required until the next convocation day of the General Meeting).

16.6 If the transaction in which there is an interest at the same time is a major transaction on alienation or acquisition of the Bank property, then its conclusion shall be carried out in view of the provisions of the Charter regarding the conclusion of major transactions.

16.7 The interested individual shall be held accountable before the Bank at the rate of the damage caused to the Bank. If a few individuals are held accountable, then they shall bear joint and several liability before the Bank. An individual shall be exempted from the liability provided for by this section if he or she has acted conscientiously, has been unaware or could not have been aware as to whether the Bank shall incur damages as a result of the transaction.

16.8 In the event of presence of interest, the requirements of this chapter with regard to the conclusion of the Bank transactions shall not be applied if,

1) all the shareholders exercise their preferential right to purchase the shares,

2) the conversion of the converted securities of the shares is carried out.

16.9 Nonobservance of this chapter shall lead to the cancellation of the transaction.

Chapter 17. Other bank transactions

17.1 A transaction-making decision, the adoption of which under Chapters 15 and 16 is not reserved to the General Meeting or the Board shall be adopted by the Management Board of the Chairman of the Management Board within the authorizations stipulated by the Charter and the internal legal acts. The procedure of making such a decision shall be determined by the internal legal acts of the Bank.

Chapter 18. Bank property market value determination.

18.1 The market value of the property shall be determined by the decision of the Board, save for the cases provided for by the law when the market value is determined by the Court, other body or a person.

18.2 If an interested person in one or a few transactions, for which the market value is to be determined, is a Board member, then the market value of the property shall be determined by the decision of the members of the Board who do not have an interest in the transaction.

18.3 By the decision of the Board, the Bank may make use of the services of an independent appraiser for the determination for the market value.

18.4 The determination of the market value of the property by the independent appraiser shall be mandatory when repurchasing the shares held by the Bank shareholders as envisaged by Clause 10.13 of this Charter.

18.5 In case of the determination of the market value of the shares and other securities of the Bank, the information regarding the acquisition of such shares, as well as the price offers and the information regularly published in respective mass media shall be considered.

18.6 In case of the determination of the market value of the Bank shares it is required to consider the value of the Bank net assets (fixed capital), as well as the price which the buyer possessing the complete information about the Bank property agrees to pay for all the allocated shares of the Bank, as well as other factors which the body (person) determining the market value of the Bank property shall consider significant.

The market value of the Bank shares may not be less than the price which has been calculated on basis of the value of the net assets (fixed capital) of the Bank.

SECTION IV. BANK STATEMENTS. PUBLICATION OF INFORMATION. SUPERVISION.

Chapter 19. Financial and other statements

19.1 The Bank shall draw up, publish and submit annual, quarterly financial and other statements to the Bank. The Central Bank may also determine other periodicity of submission of the statements.

19.2 The Bank shall also publish its financial statements in the press within the periods provided for by the Law and other legal acts, as well as publish them in the form of separate record-books and other forms accessible for the public (in the Head Office of the Bank, Bank Branches and Representative offices).

19.3 The operational (financial) year of the Bank shall commence from January 1 and end on December 31 of the same year.

Chapter 20. Information publication

20.1 In the manner, cases, procedure and within the periods determined by the Central Bank, the Bank shall submit to the Central Bank the following documents not less than once a year, particularly:

1) the financial statements of the legal entities who have a significant participation in the statutory fund of the Bank, the information about the managers of such legal entities and those who have significant participation.

2) the financial statements of the legal entities affiliated with the persons who have significant participation in the statutory fund of the Bank, the information about the managers of such affiliated legal entities and those who have signification participation.

3) The statements of those who have significant participation in the statutory fund of the Bank to the effect that due to their participation any new individual in the Bank has not acquired a status of an individual who has a direct significant participation. If another individual has acquired the status of an indirect significant participation in the Bank, then the Bank ought to submit to the Central Bank the documents determined by the Central Bank about the individual who has an indirect significant participation in the Bank within 10 days' time upon the acquisition of the direct significant participation of the given individual in the Bank with an aim of obtaining consent of the Central Bank, as well as the documents (including the name, location, financial statements, information about the managers, information about the individuals who have significant participation) about the legal entities in which the individual who has a direct significant participation in the Bank is an individual who has a significant participation.

The responsibility for the submission of statements and information to the Bank under this clause shall be assumed by the individuals who have a significant participation in the statutory fund of the Bank.

20.2 The statement and other information submitted to the Central Bank by the Bank shall be complete and reliable.

20.3 The Bank shall conduct an accountancy and submit financial, tax and statistical statements in the procedure provided for by the Legislation of the Republic of Armenia.

20.4 The Bank on the home page section of its own website shall constantly publish:

1) the financial statements of the Bank (at least the last annual and last quarter statements) and the copy of the auditor's report regarding the statements;

2) announcement about the convocation of the annual General Meeting;

3) the copies of the decision about payment of dividends, as well as the copies of the acts defining the policy on dividends, if any;

4) information about the shareholders who have significant participation in the Bank, their names, the number of the existing Bank shares, the data about the credits and loans (including the redeemed ones) received from the Bank by them and their affiliated persons during the previous year, including the size, interest rates and periods,

5) the list and personal data of the Board and Management Board members, their names, date of birth, biography, the remuneration amount (rewards, fees for the performance of certain operations for the Bank) of the Board members, the Chairman of the Management Board and the Chief Accountant received from the Bank during the previous year, including the data about the credits and loans (including the redeemed ones) received from the Bank by them and their affiliated persons during the previous year, including the size, interest rates and periods.

20.5 In addition to the information indicated in Clause 20.4 of the Charter, the Central Bank may also request form the Bank to publish other information on the home page section of the webpage of the Bank, in the press or via other mass media means in the periodicity and procedure determined by the Board of the

Central Bank, except for commercial, Bank and other secret-containing information. This exception shall not be applied to the publication of the decisions about the violations of the laws and other legal acts committed by the Bank and/or the Bank Managers and the punitive measures applied b the Central Bank in respect of the Bank and/or the Bank Managers and shall not be a publication of a Bank secret.

20.6 The Bank shall publish the amendments to the information indicated in Clause 20.4 of this Charter within 10 (ten) business days following the day they occur.

20.7 The Bank shall publish announcements about the convocation of the annual General Meeting in the press.

20.8 At the request of any individual the Bank shall

1) afford him/her an opportunity to get acquainted with Charter, the supplements and amendments thereto within 5 days' time;

2) grant him/her the copies of the state registration certificate of the Bank and the application Charter of the Bank,

3) in case of public allocation of the bonds and other securities issued by the Bank, provide him/her information under RA Law "About regulation of equity market", as well as in the volume and procedure stipulated by the normative legal acts adopted on the basis thereof;

4) provide him/her information and the copies of the documents indicated in Clause 20.4 of this Charter.

The fee charged for the provision of the information indicated in this clause may not be more than the actual costs made for their preparation and/or postal delivery thereof.

20.9 The Bank shall be obligated to post announcement in the visible area of its head office, Branches and Representative offices about the procedure, place and time of the receipt of the information indicated in Clause 20.8 of this Charter.

20.10 The Board Chairman and the members, the Chairman of the Management Board, the Chief Accountant, as well as the candidates of the mentioned posts shall submit the following information to the Bank:

- their last names, names, date, month and year of birth;
- profession (occupation) and education;
- the posts held during the last 10 (ten) years,
- the year, month, date of appointment (election) to the given post and year, month, date of the discharge from the post,
- the number of reelection to the given post,
- about the number of existing Bank share if such persons are the shareholders of the Bank;
- information about the legal entities in which the given person holds the post of a manager;
- the nature of mutual relationship of such a person with the Bank or the individual affiliated with the Bank;
- other data envisaged by the Charter and the internal legal acts.

The individuals indicated in this clause shall form the Bank about the amendment to any information indicated in this clause.

Chapter 21. Supervision

21.1 The exclusive right of the supervision over the Bank activity shall pertain to the Central Bank. The Central Bank shall exercise a supervision in the procedure stipulated by Chapter 5^1 of RA Law "About the Central Bank of the Republic of Armenia".

21.2 The Bank and the Bank Branches shall receive and support the employees of the Central Bank. In exercising supervision and audit it is prohibited to hinder or interfere with the legal actions of the employees.

SECTION V. BANK MANAGEMENT

Chapter 22. Bank Management Bodies

22.1 The Management Bodies of the Bank shall be:

- the General Meeting of the Bank Shareholders
- the Bank Board,
- the Collegiate Executive Body of the Bank, i.e. the Management Board
- the Sole Executive Body of the Bank, i.e. the Chairman of the Management Board

22.2 The General Meeting shall be the Supreme Management Body of the Bank. The powers of the General Meeting shall be determined in compliance with the Legislation of the Republic of Armenia.

22.3 The general management of the Bank activity shall be exercise by the Board within the maters not reserved for the authorizations of the General Meeting by the Charter. In the case and procedure stipulated by the Legislation of the Republic of Armenia and the Charter, the General Meeting shall be entitled to assign the authorizations with regard to the adoption of decisions on certain matters to the Board.

22.4 The management of day-to-day activity of the Bank shall be exercised by the Collegiate Executive Body of the Bank, i.e. the Management Board and the Sole Executive Body, i.e. the Chairman of the Management Board. The executive bodies of the Bank shall be competent to manage all the issues which under the Charter are not the powers of the General Meeting and the Board. The powers of the Management Board and the Chairman of the Management Board shall be divided under the Charter.

Chapter 23. Supervision in the Bank

23.1 The internal supervision shall include the complex actions taken by the Bank (Management Bodies, subdivisions of the Bank and the employees) which pursue the following goals:

- financial activity during the Bank operations and other transactions, ensuring the management of assets and liabilities and proper efficiency of risk management;

- ensuring the timely preparation and submission of financial, accounting, statistical and other statements based on reliability, competent, objectiveness, as well as ensuring information security,

- ensuring the observance of the Legislation of the Republic of Armenia, Charter and the Bank internal legal acts,

- ensuring the prevention of the Banks and its employees from being involved in the criminal acts, including the turnover of the assets acquired through criminal ways and financing territories; ensuring the submission of respective information to the Central Bank and other state authorized bodies in the manner prescribed by the Legislation of the Republic of Armenia.

23.2 The Bank internal supervisory system shall include (consist of)

- the Management Bodies of the Bank (General Meeting, the Board, the Chairman of the Management Board and the Management Board, including the Chief Accountant and its deputies),

- the managers (their deputies) of the Bank Branches and the Chief Accountant,

- the manager and employees of the Bank’s internal audit subdivision

- the managers of the separated subdivisions of the Bank and other employees of the Bank,

- the individual conducting an external audit of the Bank

Chapter 24. Bank managers and their responsibilities

24.1 The Bank’s managers shall be the Chairman and the members of the Board, the Chairman of the management body and its deputies, other members of the Management Board, the Chief Accountant, its deputy, the head of the internal audit, its members, as well as the managers of territorial subdivision of the Bank, the managers of structural subdivisions (embassies, administrations, departments etc), as well as the employees who in the opinion of the Board of the Central Bank are associated with the main activity of the Bank or are under the direct management of the Chairman of the Management Board or have an influence on any matter regarding the decisions taken by the Management Bodies of the Bank substantiated by the standards provided for by the Board of the central Bank.

24.2 The managers of the Banks may not be:

1) persons convicted for deliberate crimes,

2) persons deprived by the court of the right to hold posts in financial, bank, tax, customs, commercial, economic, legal spheres,

3) persons declared bankrupt and having unredeemed liabilities,

4) persons, whose qualification or professional knowledge do not conform to the standards of professional or qualitative compliance provided for by the Central Bank,

5) persons who have committed such an offense in the past which in the opinion of the Central Bank serves as a basis to suspect that the given person as a manager of the Bank may not properly manage the respective sphere of the Bank as substantiated by the guidelines of the Central Bank or his/her actions may

lead to the bankruptcy of the Bank, deterioration of the financial standing or abuse of authority and business fame,

6) persons who are involved on criminal matters as suspects, defendants or accused.

24.3 The procedure of qualification of the Bank's managers and the standards of professional compliance shall be determined by the Central Bank.

24.4 The Bank's managers during the performance of their duties ought to act in the interests of the Bank, exercise their rights and execute their duties before the Bank conscientiously and reasonably.

24.5 The Bank's managers shall be held accountable before Bank for the damage caused to the Bank as a consequence of their deliberate actions (inactivity) in compliance with the Legislation of the Republic of Armenia and the employment and civil contracts signed with them. A person shall be exempted from the responsibility of causing damage to the Bank if he or she has acted conscientiously in the belief that his or her actions proceeded from the interests of the Bank. The responsibilities of the Bank's managers shall include, but not limited to the following possible cases:

1) the Chairman of the Management Board shall be held liable for the reimbursement of the actual damages caused to the Bank as a consequence of the loans, borrowings granted or other transactions conducted in violation of the normative envisaged in regard to one borrower, major borrowers, the individuals associated with the Bank, and in case a decision of the Board is required for the conduct of the given transactions under the law or the Charter, then the Board members and the Chairman of the management body shall be held liable;

2) the Chairman of the Management Board and the members shall be obligated to reimburse for the actual damages caused to the Bank as a result of the transactions conducted in violation of the internal legal acts approved by the Board of the Bank,

3) if the statements submitted to the Board reveal violations of the laws, other normative legal and Bank internal legal acts and in the future the Bank has incurred the damage resulted by such violations, then the Board members shall jointly and severally assume a liabilities for the reimbursement of such actual damages, save for the cases when the Board member within his or her powers has undertaken sufficient and reasonable action directed at the prevention of such violations,

4) if the information with regard to the violations of the laws, other legal acts revealed as a result of the audit conducted by the internal auditor have not been submitted, and in the future the Bank has incurred damaged resulted by such violations, then the head of the internal audit shall reimburse for such actual damages;

5) if the transaction made with the individual affiliated with the Bank in violation of the Bank internal procedures on basis of the positive conclusion submitted to the Board, then the Chairman of the Management Board shall be held liable for the reimbursement of the actual damages caused to the Bank as result of such a transaction;

6) the managers and other employees responsible for the Bank values, including the cash funds and other values available in the cash department who have been recognized responsible by virtue of the Bank internal legal acts and have signed full material liability contract, shall assume joint and several liability for the safeguard of the Bank values, including the cash assets and other values available in the cash department in violation of the Bank internal legal acts and shall be obligated to reimburse for the actual damages caused to the Bank as a result thereof on a joint and several basis;

7) the official of the Bank who has signed void transactions shall be held liable for the reimbursement of the actual damages caused to the Bank as a result of the void transactions concluded with the Bank,

8) if penalties are imposed on the Bank or the Chairman of the Management Board or the Chief Accountant by the state authorized bodies for the violations of the Legislation during the Bank operations, which are caused by nonperformance or improper performance of the duties by other officials of the Bank, then as a result thereof the given officials of the Bank shall assume joint and several liabilities for the reimbursement of the actual damages caused to the Bank.

24.6 The members of the Board and the Management Board shall be exempted from the liabilities for the damage caused to the Bank, who have voted against the adoption of a decision on causing damages to the Bank or have not attended the sitting. An individual shall be exempted from the liabilities for the damages caused to the Bank if he or she has acted conscientiously in the belief that his or her actions proceed form the interests of the Bank, particularly:

1) proceeding from the reasonable business logic, decisions have been made even if they caused such damages to the Bank in the future, the occurrence of which when making such a decision has been considered as a business risk.

2) if the inaccurate or imperfect decisions by the managers were adopted on bona fide basis without causing damage, and if by the adoption of such decisions the laws and other legal acts have not been violated.

24.7 Discharge from the posts of the Bank's managers does not exempt them from the liability for causing damage to the Bank through their fault.

24.8 The Bank or the Bank shareholder(s) who jointly own(s) 1 (one) or more percents of the allocated simple (ordinary) shares of the Bank shall be entitled to lodge a claim against the managers with a request of claiming reimbursement for the damage caused to the Bank.

SECTION VI. GENERAL MEETING

Chapter 25. Powers of General Meeting

25.1 The following issues fall within the competence of the General Meeting, namely:

1) the approval of the Bank Charter, making of amendments and supplements thereto;

2) the reorganization of the Bank;

3) the liquidation of the Bank;

4) the approval of summary, interim and liquidation balance sheets of the Bank, the appointment of Liquidation Committee;

5) the approval of the number of the Board members, their election and early termination of their powers. The matters concerning the confirmation of the quantitative number of the board and the election of its members shall be reviewed only ay annual general meetings. The matter concerning the election of the board members in the extraordinary general meeting may be reviewed if the latter resolves to prematurely terminate the powers of the board and its separate members.

6) the determination of a maximum number of the volume of the declared shares

7) the increase of the Bank's Statutory Fund through the increase of nominal value of the allocated shares or allocation of additional shares, approval of the results of allocation of additional shares;

8) adoption of a decision about the decrease of the statutory fund or the sale of the given shares through the redemption of the shares repurchased by the Bank;

9) the approval of the person in charge of the conduct of the Bank's external audit in the presence of the Bank Board;

10) the approval of the Bank's annual financial statements, profit and loss distribution; taking a decision on annual dividends payment and the approval of annual dividends size;

11) adoption of a decision about non-exercise of the preferential right to purchase shares in the cases envisaged by the Legislation of the Republic of Armenia;

12) the approval of the procedure for holding General Meetings;

13) formation of the Computing Committee

14) the mode of granting notification about the convocation of the General Meeting and providing information and materials to the shareholders, including through the mass media in which the notification is to be published;

15) the consolidation and splitting of shares, conversion of the shares of the one type and/or one class into the ones of another type and/or class.

16) adoption of a decision about concluding transactions in the existence of interests as provided for clause 16.5 of the Charter;

17) adoption of a decision about concluding major transactions as provided for by clause 15.3 of the Charter;

18) purchase and repurchase of the Bank shares in the cases provided for by the Charter;

19) the remuneration amount of the Board members;

20) approval of a decision about the creation of subsidiary and dependant companies and participation of subsidiary and dependent companies if the total price (value) of similar transaction(s) conducted in the given financial year exceeds 10 (ten) percents of the total capital of the Bank;

21) approval of internal legal acts regulating the activity of the Bank Board;

22) reallocation of the resources between the founders formed out of the net profits;

23) adoption of a decision as provided for RA Law "About equity market";

24) adoption of other decisions as provided for by the Legislation of the Republic of Armenia and the Charter.

The adoption of the decisions on the issues indicated in this clause shall pertain to the exclusive competence of the General Meeting and may not be assigned to the other Management Bodies and the managers of the Bank, except for the issues indicated in subclause 20) of this clause on basis of which the adoption of decisions by the decision of the General Meeting or the internal legal acts approved by the General Meeting may be assigned to the Board.

Chapter 26. Annual and special general meetings

26.1 The Bank shall convene an annual General Meeting of Shareholders every year. Annual General Meetings shall be convened within 4 (four) months upon the end of the financial year.

26.2 Annual General Meetings shall be convened in the joint presence of the shareholders. Decisions of the Annual and Extraordinary General Meetings may be adopted in such a sitting during which the participants of the meeting may communicate with each other via phone, video communication or other communication means in a real time mode. This sitting is not regarded as a sitting held in absentia (by inquiry).

26.3 The decision envisaged in subclauses 5) and 10) of Clause 25.1 of the Charter shall be adopted solely in the annual General Meetings, except:

- the matter of the election of the Board members in the special General Meeting may be considered if the latter has made a decision about premature termination of the authorizations of the Board and its separate members or has not convened an annual general meeting within the time period stipulated by the Charter and the period of the authorizations of the previous Board structure has expired under Clause 32.2 of the Charter,

- if the annual meeting has not taken place within the stipulated period then the special General Meeting may be convened only for the consideration of the matters regarding the annual financial statements of the Bank, distribution of profits and damages, the size and payment of annual dividends. Other issues may not be considered in the convened special meeting on the aforementioned issues.

26.4 Decisions on the issues indicated in subclauses 2), 3) and 10) of Clause 25.1 of the Charter may not be adopted in absentia (by inquiry). An Annual General Meeting cannot be conducted in absentia (by inquiry).

26.5 The meeting convened in addition to annual General Meetings shall be deemed special.

26.6 The special General Meeting shall be convened by the decision of the Board on its own initiative, by the Management Board of the Bank or the Chairman of the Management Board, the person conducting an audit of the Bank or as of the day of submission of the claim at the request of the shareholder-owners owning at least 10 (ten) percents of the Bank voting shares.

26.7 Special General Meetings shall be convened in the joint presence of the shareholders or in absentia (by inquiry). Decisions of the Special General Meetings may be adopted in such sittings during which the participants of the meeting may communicate with each other via phone, video communication or other communication means in a real time mode. This sitting is not regarded as a sitting held in absentia (by inquiry).

Decisions envisaged by subclauses 5) and 10) of clause 25.1 of the Charter in the special General Meeting may be adopted under the provisions of clause 26.3 of the Charter.

26.8 The request about the convocation of the special General Meeting shall contain such issues which are proposed to be included on the agenda of the meeting and the substantiation of the need for their consideration.

26.9 The Board shall be entitled to make amendments to the agenda proposed in the request about the convocation of the special General Meeting, as well as amend the proposed formulation of the issues of the agenda subject to consideration without the consent of the party submitting the request. By the consent of the party submitting the request about the convocation of the special General Meeting, the Board shall be entitled to supplement the agenda with the given issues.

26.10 The request about the convocation of the special General Meeting shall be signed by the person(s) submitting the request about the convocation of the meeting.

26.11 The decision of the Board about the rejection of the convocation of the special General Meeting or the special meeting shall be adopted within 10 (ten) days upon the submission of the request thereof. The decision of the Board about the rejection of the convocation of the special General Meeting shall be forwarded to the individuals submitting the request within 3 (three) days upon the adoption of the decision. In the availability of the request about the convocation of the special meeting, the Board shall convene the special meeting within 45 (forty-five) days upon the submission of the request thereof.

26.12 The Board may adopt a decision about the rejection of the convocation of the special meeting only in such cases when

1) the procedure of submission of the request about the convocation of the special meeting as envisaged by the Charter has been violated,

2) the request about the convocation of the special meeting has been submitted by the individual who is not entitled to submit such request;

26.13 If the Board does not adopt a decision about the convocation of the special meeting within 10 (ten) days upon the submission of the request about the convocation of the special meeting or has adopted a decision about the rejection thereof, then the special meeting may be convened by the individuals submitting the request about the convocation of such a meeting. In the cases above the meeting may adopt a decision on the compensation of the expenses relating to the convocation of the meeting at the expense of the Bank resources.

Chapter 27. Right of participation in the general meeting. List of shareholders

27.1 The following persons are entitled to attend the General Meeting:

1) the Bank shareholders who are the owners of the Bank ordinary shares, as well as nominal holders of shares

2) the members of the Board, who are not the Bank shareholders, the Chairman and the members of the Management Board who are not shareholders of the Bank by a deliberative vote;

3) the manager and the members of Bank's internal audit subdivision as observers;

4) the person conducting the Bank's external audit as an observer (if his/her conclusion is provided in the agenda of the General Meeting);

5) the Central Bank representatives as observers;

6) the Bank managers and employees as reporters on issues included in agenda.

7) other persons envisaged by the Charter or the decision of the General Meeting.

27.2 The list of the Bank shareholders entitled to take part in the General Meeting shall be drawn up on basis of the data of the Bank shareholders' Register as of the year, month and day specified by the Board.

27.3 The year, month, date of compilation of the list of the Bank shareholders entitled to take part in the General Meeting may not be determined earlier than the adoption of a decision about the convocation of the General Meeting and not later than 45 (forty-five) days prior to the convocation of the General Meeting.

27.4 If the General Meeting is convened in absentia, then the year, month, date of compilation of the list of the Bank shareholders entitled to take part in the General Meeting shall be determined at least 35 (thirty-five) days prior to the date of convocation of the general meeting.

27.5 The list of the Bank shareholders entitled to participating the general meeting shall contain data about the name, location (place of residence) of the each bank shareholder and the shares held by him/her.

27.6 The Bank shareholders may exercise their right to take part in the General Meeting either in person or through the authorized representative.

The shareholder shall be entitled to any time change his or her authorized representative or take part in the meeting in person.

The representative of the shareholder in the meeting shall act on basis of the power of attorney constructed in writing. The power of attorney shall contain information about the shareholder and his or her representative (first and last names, place of residence or location, passport or state registration data). Power of attorneys may be executed in the manner prescribed by the Legislation of the Republic of Armenia. The representative of the shareholder may take part in the General Meeting only on basis of the power of attorney.

In the availability of 2 (two) and more power of attorneys granted by the same shareholder, the latest constructed power of attorney shall be valid.

27.7 The manager of the legal entities who are the Bank shareholders shall be present at the General Meeting without any power of attorney.

Chapter 28. Notification about the convocation of the general meeting. Decisions of the general meeting. Minutes of the general meeting sittings.

28.1 Individuals entitled to take part in the General Meeting shall be notified of the convocation of the meeting via registered letters or delivered in person at least 15 (fifteen) days prior to the convocation date of the General Meeting.

28.2 Notification about the meeting shall indicate the following information:

1) the brandname and location of the Bank

2) the year, month, date, time and venue of the convocation of the meeting,

3) the year, month, date of the compilation of the list of the shareholders entitled to take part in the meeting,

4) items of the agenda of the meeting,

5) the procedure of familiarization of the shareholders with the information and material relating to the items to be considered,

6) other information as specified by the decision of the Board

28.3 In the course of preparation for the annual General Meeting, the information and material provide to the shareholder shall include the following:

1) the annual statement of the Bank,

2) the report regarding the annual financial and economic activity submitted by the person conducting an audit of the Bank,

3) information about the promoted candidates for the Board,

4) draft decision of the meeting

5) other information specified by the decision of the Board.

28.4 The information and materials shall be granted (sent) to the shareholders in a paper or electronic mode within at least 10 (ten) days prior to the convocation of the General Meeting.

28.5 By the decision of the General Meeting or the internal legal acts approved by the General Meeting, other modes, procedures and periods may be determined for the granting of notifications, materials and information, as well as additional requirements with regard to the information granted to the shareholders during the preparation for the meeting.

28.6 In case of convocation of the meeting in absentia, the information and materials indicated in clause 28.3 of the Charter along with the ballot-papers and the agenda of the meeting shall be sent to all the shareholders entitled to take part in the General Meeting.

28.7 If the individual registered in the Bank shareholders' Register is a nominal holder, then the notification about the convocation of the meeting shall be sent to him/her.

Chapter 29. Preparation for the general meeting

29.1 During the preparation for the meeting, the Board and (a) person(s) convening the meeting, in cases envisaged by clause 26.13 of the Charter shall determine:

1) the year, month, year, time and venue of the convocation of the meeting

2) the agenda of the meeting

3) the year, month, day of the compilation of the list of the shareholders entitled to take part in the meeting,

4) the list of information and materials granted to the shareholders in the course of the preparation of the meeting

5) the mode and content of the ballot-papers if the voting is to be conducted via ballot-papers;

6) the procedure of notification about the convocation of the meeting to the shareholders.

Chapter 30. General meeting sittings. General meeting decisions. Minutes of the general meeting.

30.1 The General Meeting shall be deemed to be competent (has a quorum), if the Bank shareholders (their representatives) who jointly possess more than 50 percents of the Bank's allocated voting shares are present at meeting.

The presence of the quorum shall be verified prior to the commencement of the meeting during the registration of the participants. If the meeting lasts more than 1 (one) day, then the registration of the participants shall be effected for each day.

30.2 Decisions adopted in absentia shall be valid if the shareholders (their representatives) who jointly possess more than 50 percents of the Bank's allocated voting shares took part in the voting.

30.3 The Chairman of the Board shall preside over the General Meetings if the meeting has not elected an individual who is to act as a chairman.

30.4 Voting at the General Meeting shall be conducted on the principle "One voting share of the Bank – one vote".

30.5 Voting in the General Meeting may be conducted via ballot-papers.

Ballot-papers shall be granted to the shareholder (his/her representative) registered for participation in the meeting in case of presence of the quorum of the General Meeting. In the event the General Meeting is held in absentia, the ballot-papers shall be granted at least 30 (thirty) days prior to last day of the acceptance of the ballot-papers completed in the Bank. In case of convocation of the General Meeting in absentia, the last day of acceptance of the completed ballot-papers shall be the business day proceeding the date of the convocation of the General Meeting.

30.6 The decision on the issues indicated in subclauses 2), 9), 19) and 20) of clause 25.1 of the Charter shall be adopted by the General Meeting only upon the presentation thereof by the Board.

30.7 The decisions of the Board shall be adopted by the net majority of votes of the owners of the voting shares participating in the meeting, if nothing otherwise is envisaged by the Legislation or the Charter.

30.8 The decisions on the issues indicated in subclauses 1), 2), 4), 6) and 17) of clause 25.1 of the Charter shall be adopted by the General Meeting by 3/4 of votes of the owners of the voting shares participating the General Meeting.

30.9 The decisions on the issues indicated in subclauses 3) and 8) of clause 25.1 of the Charter shall be adopted by the General Meeting by 3/4 of votes of the owners of the voting shares participating the General Meeting but not less than 2/3 of votes of the owners of the voting shares.

30.10 The voting results and the decision adopted by the General Meeting shall be announced in the given meeting in which the said voting has taken place or after the end of the meeting the shareholders are informed of the voting results through the publication of the reports or sending them to the shareholders.

If the voting results and the decision adopted by the General Meeting may not be announced in the given meeting, then they shall be submitted in the procedure specified for granting information and material to the shareholders under the Bank Charter within 45 (forty-five) days upon the holding of the meeting.

30.11 On basis of the voting results the Computing Commission or an individual conducting affairs of the Commission of the General Meeting shall draw up a minutes about the voting results which shall be signed by the member of the Computing Commission or the individual conducting the affairs of the Commission.

After drafting and signing the minutes, the ballot-papers shall be frozen by the Computing Commission or the individual conducting the affairs of the Commission and shall be transferred to the archive of the Bank Board for the custody thereof.

The minutes of the meeting shall be drawn up within 5 (five) days upon the end of the meeting in at least 2 (two) copies which shall be signed by the Chairman and the Secretary of the meeting. The Chairman of the meeting shall be held liable for the authenticity of the information recorded in the minutes.

30.12 Any Bank shareholder shall be entitled to juridically appeal the decision adopted by the General Meeting in violation of the Legislation of the Republic of Armenia and the Charter. The court shall be entitled to keep the decision in force if the participation of the given shareholder in the voting could not have affected the voting results and the violations made are not essential.

30.13 If the decision of the General Meeting has been adopted by a unanimous vote of all the owners or nominal holders of the Bank shares entitled to vote, then nonobservance of the requirements specified by Section 2 of Clause 58; Section 10 of Article 68; Section 4 of Article 69, Sections 2-6 of Article 70, Article 71, Article 73, Sections 2-4 of Clause 1 of Article of 74 of RA Law "About joint-stock companies" may not serve as a basis for the invalidation the decisions.

SECTION VII. BOARD

Chapter 31. Board Powers

31.1 The Board shall have the following powers:

1) the determination of the main directions of the Bank activities, including the approval of the Bank's perspective development plan;

2) the convocation of Annual and Special General Meetings, the approval of their agendas, as well as ensuring the performance of preparatory works connected with their convocation and holding in the procedure and within the periods stipulated by the Legislation of the Republic of Armenia, the Charter and the internal legal acts of the Bank;

3) the appointment of the Bank's Management Board Chairman, his/her deputies, Chief Accountant and other members of the Management Board, premature termination of their powers and approval of their remuneration conditions

4) the determination of the internal control standards in the Bank, the appointment of the head and members of the internal audit subdivision and early termination of their authorizations, the approval of their remuneration terms, approval of the annual business plan of the internal auditor,

5) the approval of the Bank's annual estimate on expenses and writ of execution;

6) the approval of the Bank's administrative-organizational structure

7) the distribution of the operational duties among the independent structural subdivisions of the Bank,

8) the compilation of the list of the Bank shareholders entitled to receive dividends for each payment of dividends, as well as the determination of the size and the payment mode of the interim dividends with regard to Bank shares;

9) the submission to the General Meeting proposals on dividends payment

10) the preliminary approval of the Bank's annual financial statements and submission to the General Meeting for approval;

11) the representation of the person who will conduct the Bank's external audit to the General Meeting for approval;

12) the determination of the size of the remuneration for the person conducting the external audit of the Bank

13) taking measures, when appropriate, directed at the elimination of the violations revealed as a result of audits or other inspections conducted at the Bank, and control over their implementation;

14) the adoption of the internal legal acts defining the procedure of implementation of the financial operations by the Bank envisaged by the law, as well as the adoption of the internal legal acts regulating the affairs of the management and internal supervisory bodies of the Bank

15) the adoption of the decision about the creation (termination of the activity) of the Bank Branches, Representative offices, Establishments and independent structural subdivisions

16) the approval of Charters of the Bank Branches, Representative offices, Establishments and independent structural subdivisions and making amendments and supplements thereto;

17) the submission of the issues referred to in subclauses 2), 9), 19) and 20) of Clause 25.1 hereof to the General Meeting for consideration;

18) taking a decision on allocation of the Bank's bonds and other securities;

19) the utilization of the Bank's reserve and other funds;

20) the establishment of the Bank's accounting policy principles, methods, rules, forms and procedures applied for conducting accounting and preparation of financial statements;

21) the approval of the decisions about the creation and participation of subsidiaries and dependent companies, if the total price (value) of similar transaction or transactions concluded during the given financial year does not exceed 10 percent of the Bank's total capital;

22) the establishment of associations of commercial organizations or participation therein;

23) the creation of the standing and interim commissions (committees) of the Board and appointment of members, their formation and the adoption of internal legal acts regulating their activity;

24) the conclusion of contracts (agreements) with the Central Bank on elimination of violations of the Banking Legislation, prudential economic standards;

25) taking decisions on the implementation of the Central Bank references issued to the Bank;

26) the determination of the market value of the property, including shares and other securities in the cases and manner prescribed by the Charter;

27) suspension and termination of the calculation of interests and/or penalties (fines and penalty) determined in favour of the Bank based on transactions, the determination of the procedure of making decisions about the concession thereof,

28) approval of the transactions conducted between the Bank and its associated person based on the presentation of the Chairman of the Management Board as envisaged by clause 14.2 of the Charter.

29) the adoption of the decision about the transactions conducted in the availability of the interests as envisaged by Clause 16.3 of the Charter;

30) the adoption of the decision about the conduct of major transactions as envisaged by clause 15.4 of the Charter;

31) the approval of the list of confidential documents and information of the Bank;

32) the election of the Chairman of the Board

33) the adoption of other decisions envisaged by the Legislation of the Republic of Armenia and the Charter, the regulations of the Board and other internal legal acts.

31.2 If the reports submitted to the Bank Board reveal violations of the Legislation of the Republic of Armenia and other internal legal acts of the Bank, the Board shall be liable to undertake measures aimed at their elimination and prevention of their further occurrence.

31.3 At least once a year the Board shall discuss the report (a letter to the management) of the individual conducting an external audit of the Bank, as well as discuss and if necessary review the main directions, strategy, procedures of the Bank operations and other internal legal acts.

31.4 At least once in quarter the Board shall discuss the reports of the subdivision of the Bank's internal auditor, the Chairman of the Management Board (Management Board) and the Chief Accountant in the procedure and mode determined by the Board itself.

Chapter 32. Board composition and formation procedure. Terminating of powers of the Board member.

32.1 The quantitative structure of the Board shall be determined by the decision of the General Meeting. The Board shall be composed of at least 5 (five) and maximum 15 (fifteen) members.

32.2 If no other period is determined by the decision of the General Meeting, then the Board members shall be elected until the opening of the next annual General Meeting. If the annual general meeting of the Bank has not taken place within the period stipulated by the Charter, then the powers of the Board members shall be suspended, save for the powers related to the preparation and holding of the Special General Meeting for the consideration of the issues indicated in clause 26.3 of the Charter.

32.3 The Bank shareholders, who own 10 (ten) and more percents of the allocated voting shares of the Bank as of the day of compilation of the list of shareholders entitled to take part in the General Meeting, shall be entitled to be included in the Board composition without election or appoint their representatives therein. The procedure of the exercise of the right indicated in this clause shall be determined by the internal legal acts of the Bank approved by the General Meeting.

32.4 The Bank shareholders, who own up to 10 (ten) percent~~s~~ of the allocated voting shares of the Bank as of the day of compilation of the list of shareholders entitled to take part in the General Meeting, may be united and in case of replenishment of own up to 10 (ten) and more percent~~s~~ of the allocated shares of the Bank, they may include their representatives in the Board composition with the election by the Board. The inclusion of the representative in this manner shall take place only in case there is a respective contract about the creation of the group of Bank shareholders and the General Meeting is duly notified of such a contract.

The said contract shall cover the following conditions and information:

1) data about the united shareholders of the Bank, including the number of the allocated voting shares of the Bank held by them,

2) information about the candidate for the Board member proposed by the united shareholders as provided for by clause 20.10 of the Charter,

3) a condition to the effect that the contract is signed for at least 1 (one) year and shall not be subject to change or termination until the expiry of the given period,

4) other conditions at the discretion of the united shareholders.

The copies of the contract shall be provided to all the members of the General Meeting 30 (days) prior to the holding the General Meeting, and the last date of the period determined for the acceptance of the completed ballot-papers by Bank in case of voting in absentia.

32.5 The shareholders owning less than 10 (ten) percents of the allocated voting shares of the Bank who have not signed the said contract (hereinafter referred to as "minority shareholders") indicated in clause 32.4 of the Charter shall be entitled to include the united representative representing their interests without the election by the General Meeting in the procedure provided for by clause 32.6 of the Charter.

32.6 The nomination of the candidacy of the representative of the minority shareholders, the election and inclusion thereof in the Board shall be carried out in the following procedure:

- the minority shareholders shall nominate the candidacy of the united representatives in the Board by providing information stipulated by clause 20.10 of the Charter which is to be signed by the candidate. Each minority shareholder shall be entitled to nominate only 1 (one) candidate. The nominated candidates are to comply with the requirements envisaged for the Bank managers under the Legislation of the Republic of Armenia and the Charter.

Election shall be conducted by an open voting at the sitting of the General Meeting on the principle “One minority shareholder– one vote”. Only the minority shareholders shall take part in the voting even if their number is one,

- the candidate who has earned the most number of votes shall be deemed elected,
- if only 1 (one) candidate has been nominated, then he or she shall be deemed elected if more than half of the minority shareholders has voted in his or her favour,
- on basis of the voting results of the minority shareholders the Secretary of the General Meeting shall draw up a minutes which shall be signed by the Secretary of the General Meeting and at their will by the minority shareholders.

The representative of the minority of shareholders elected (appointed) as a result of the voting conducted in the manner specified by this clause shall be included in the Board composition without additional elections by the General Meeting.

If there is only one minority shareholder and he or she has nominated a candidate of the representative in the Board composition, then the given candidate shall be included in the Board composition without election.

The election of the united representative of the minority shareholder shall be conducted prior to the election of the other Board members, but after the submission of the contract about the creation of the group indicated in Clause 32.4.

32.7 The Bank shareholders, as well as the Board may submit proposals to the General Meeting regarding the candidates of the Board members. Information about each candidate regarding him or the individual nominating him or her shall be submitted under clause 20.10 of the Charter.

32.8 The General Meeting may prematurely terminate the powers of the members without compensation:

based on their application or if

1) they were was declared legally incompetent or limited competent by virtue of the court award in force;

2) there are such circumstances which arise in the course of their period of office which forbid them to be a Board member (Bank manager);

3) during one year they are absent from at least ¼ of the Board sitting for inexcusable reasons or, on the whole, (including excusable and inexcusable reasons) from at least half of the sittings. In terms of this clause participation in a real-time mode and in absentia shall be deemed a full participation;

4) they are disqualified or deprived of their right to hold a certain post in the manner prescribed by the Legislation of the Republic of Armenia,

5) other grounds stipulated by the contracts signed with the Board members.

32.9 The authorizations of the Board members may also be prematurely terminated on the condition that the Bank compensates them the wages of the remaining period of the authorizations.

The Bank shall be entitled to request back the compensated salary form the individual dismissed from the post of the Board member under the first paragraph of this clause in the juridical procedure by proving in the court the fact of dereliction of official duties of the Board member.

Chapter 33. Board members. Board membership limitations.

33.1 Any capable individual being the citizens of the Republic of Armenia or overseas citizens may be a Board member who shall comply with the requirements determined for the Bank managers by the Legislation of the Republic of Armenia and the Central Bank.

33.2 Each shareholder may hold only 1 (one) seat in the Board.

33.3 The Board members shall not be affiliated with one another. The Board members and the Chairman of the Bank Management Board or the members of the Management Board cannot be affiliated with each other.

33.4 The Board Chairman or the Board member may not simultaneously be the Chairman of the Bank Management Board, the member of the Management Board or another Bank employee, as well as the Board member of another Bank or credit organization, a member of the executive body or other employee, save for the circumstances when the Bank and another Bank or a credit organization are entities associated with one another.

33.5 The Bank shall keep the register of Board members which is accessible to the Bank shareholders. The information set forth in the Register shall be determined by the Legislation of the Republic of Armenia and the internal legal acts of the Bank.

33.6 The Board members shall act conscientiously and reasonably to the benefit of the Bank. The Board members may not make use of the opportunities afforded and the information received to the contrary of the Bank property and non-property interests.

33.7 The procedures and size of the remuneration and/or reimbursement for the Chairman and members of the Board shall be defined by the decision of the General Meeting and/or the internal legal acts approved by the decision of the General Meeting.

Chapter 34. Board Chairman

34.1 The Board Chairman shall be elected by the Board from among the Board members.

34.2 The Board Chairman shall:

1) organize proceedings of the Board;

2) convene and preside at the Board sittings;

3) organize the keeping of minutes of the Board sittings;

4) preside over the General Meetings if no other individual is elected a Chairman by the meeting

5) organize affairs of the Board commissions;

6) sign the decisions made by the General Meeting and the Board and documents approved by such decisions (Charters, regulations, procedures, etc.);

7) in the name of the Bank enter into employment (civil-legal) contracts with the Board members, Management Board Chairman and its deputies and other members of the Management Board, as well as with other Bank managers appointed by the Board;

8) sign on behalf of the Bank contracts on auditing services with the persons conducting external audit.

34.3 The Board Chairman may have a deputy who shall be elected by the Board from among the Board members. The deputy of the Board Chairman shall execute the duties of the Board Chairman in the latter's absence.

34.4 An employment (civil-legal) contract signed with the Board Chairman shall be signed on behalf of the Bank by the deputy of the Board chairman, if not available, then by the authorized Board member on basis of the Board decision.

Chapter 35. Board sittings

35.1 Board sittings shall be convened by the Board Chairman on his/her initiative or at the written request of the following individuals:

- Board member
- Head of internal audit subdivision
- Management Board or the Chairman of the Management Board
- Central Bank
- Shareholder(s) owning 5 (five) or more percents of the Bank voting shares

35.2 Board sittings may be convened in the joint presence of the participants of the sitting, including in a real-time mode when the participants of the sitting may communicate with one other via means of communication or in absentia through enquiries. Adoption of decisions provided for by subclauses 1), 3), 4), 7), 11), 16) and 32) of Clause 31.1 of the Charter, as well as adoption of perspective development plan of the Bank, the election of the Board Chairman may not be carried out during the meeting in absentia.

35.3 Board members in the joint presence of the participants shall be convened and held in the following manner:

- the Board Chairman shall notify the members of the Board and the Chairman of the Management Board, as well as the party granting the request for the convocation of the Board

sitting, if any, by indicating the date, month, year, time, venue and the agenda of the Board sitting. The procedure and periods for the granting of materials and documents with regard to the items of the agenda shall be determined by the Regulations of the Board.

- a registration of the participants present at the Board sitting shall be effected prior to the commencement thereof which shall result in the determination of the presence of the quorum of the sitting.

- the Board Chairman shall familiarize the Board members, the Chairman of the Management Board (hereinafter referred to as "Participants of the Sitting") and other individuals present at the sitting with the procedure of voting with regard to agenda of the sitting and the items covered therein;

- each participant of the sitting shall be entitled to express his/her opinion about any issues covered in the agenda,

- the Board shall adopt a decision about the given matter as a result of the consideration and voting of each issue

- after all the items on the agenda are reviewed, the Board Chairman shall notify of the procedure of familiarizing with and signing the minutes of the Board sitting.

35.4 Board sittings in a real-time mode shall be conducted via phone, video communication or other means of communication (hereinafter referred to as "Means of Communication") via which all the participants of the sitting shall have an opportunity of communicating with each other. The participants of real-time mode sittings shall be the participants of the proceedings of the sitting present or absent from the venue of the sitting via means of communication. The procedure and technical regulations of the convocation and holding of Board sittings shall be determined by the internal legal acts of the Bank. The materials and opinions of the participants of the sitting may be audio and/or video recorded.

35.5 Board sittings in absentia shall be held via enquiries in the following procedure:

- the Board Chairman shall send the Board agenda, materials, documents relating to the issues covered therein as, as well as ballot-papers to the Board members and the Chairman of the Management Board, as well as the party requesting the convocation of the Board sitting, if any, by mentioning the period (date, month, year) and the preconditions specified for the return of the completed ballot-papers. The documents and materials indicated in this clause shall be sent via e-mail or facsimile transmission.

- within 1 (one) business day Board members shall complete and sign the ballot-papers and return them to the Bank via e-mail (in the format excluding the making of changes) or facsimile transmission. The ballot-paper shall be deemed valid if completed and returned in the procedure and within the period indicated in the ballot-paper.

- the minutes of the Board sittings held in absentia shall be drawn up on basis of the obtained minutes which shall be annexed by the completed ballot-papers.

35.6 The Board sitting shall be competent (have a quorum) if attended or via means of communication attended by Board member which constitute more than hard of the total number of the Board members, while during the sitting held in absentia the ballot-papers of more than half of the total number of the Board members are reviewed and found valid.

Chapter 36. Board decisions. Board sitting minutes.

36.1 Board decisions shall be adopted by the net majority of votes of Board members present at the sitting if a larger number of votes is not envisaged by the Charter and the Board regulations.

36.2 Decisions about major transactions provided for by clause 15.4 of the Charter shall be adopted by the Board unanimously.

36.3 Assignment of the vote and voting right to another individual (including another Board member) is not permitted.

36.4 During the adoption of Board decisions in case of equality of votes the vote of the Board Chairman shall be decisive.

36.5 The board sittings shall be minutes. The minutes of the sitting shall be drawn up within 10 days upon the end of the sitting. The procedure of drawing up, signing, keeping and archiving shall be determined by the Bank's internal legal acts.

36.6 The minutes of the board sitting shall be signed by all the Board members present at the meeting who shall be held liable for the accuracy and authenticity of the data recorded in the minutes.

36.7 Decisions of the Board sitting shall be signed by the Board Chairman who shall be liable for the authenticity of the information indicated in the decision.

Chapter 37. Board committees (commissions) and other bodies.

37.1 To efficiently organize its affairs, the Board may create standing and interim committees.

37.2 The committees shall be a standing deliberative collegiate bodies of the Board which within the sphere reserved to them, shall coordinate all the issues of the Bank regarding the given sphere, systematize the implementation of the processing, acceptance, introduction of the internal legal acts related to the given sphere.

37.3 The Board may have its staff with respective workplaces. The remuneration of the Board staff shall be effected at the Bank means.

SECTION VIII. BANK EXECUTIVE BODY. BANK AUDIT.

Chapter 38. Bank executive body. Executive body formation.

38.1 The management of the day-to-day operation of the Bank shall be carried out by the Chairman of the Management Board and the Management Board. The Chairman of the Management Board may have deputies. The Chairman of the Management Board, its deputies and other members of the Management Board shall be appointed by the Board. Moreover, the deputies of the Chairman of the Management Board and the Chief Accountant shall be appointed by the Board in the presence of the Chairman of the Management Board.

38.2 The quantitative composition of the Management Board shall be determined by the Board. The Chairman of the Management Board, its deputy or deputies and the chief accounts shall be obligatory included in the composition of the Management Board.

38.3 The Management Board shall act on basis of the Charter, as well as the internal legal acts of the Bank approved by the Board who shall determine the periods and procedure of convocation and holding of the Board sittings, as well as the procedure of adoption of its decisions, including the approval of the internal legal acts within its authorizations.

38.4 The rights and duties of the Chairman of the Management Board and the members of the Management Board shall be determined by the Legislation of the Republic of Armenia, the Charter, the internal legal acts of the Bank and the contracts signed related thereto.

The contracts concluded with the Chairman of the Management Board and the members of the Management Board shall be signed on behalf of the Bank by the Chairman of the Board or authorized persons by the decision of the Board.

38.5 The Chairman of the Management Board, the deputies of the Chairman of the Management Board and other members of the Management Board may not simultaneously be an Executive Director, deputy of the Executive Director, Chief Accountant, a member of the manager, head and member of internal audit subdivision of another Bank.

38.6 The Chairman of the Management Board, the deputies of the Chairman of the Management Board and other members of the Management Board may carry out other paid jobs except for scientific, pedagogical and creative activities only by the permission of the Board.

38.7 The Board may take a decision about the premature termination of the authorizations of any member (all the members).

38.8 The authorizations of the Chairman of the Management Board shall be prematurely terminated by the Board

1) based on their application or if

2) they were was declared legally incompetent of the limited competent by virtue of the court award in force

3) there are such circumstances which arise in the course of their period of office which forbid them to be a Board manager,

4) they are disqualified or deprived of their right to hold a certain post in the manner prescribed by the Legislation of the Republic of Armenia,

5) other grounds stipulated by the contracts signed with the Chairman of the Management Board.

38.9 Authorizations of the Chairman of the Management Board may also be prematurely terminated on the condition the Bank compensates them the wages of the remaining period of the authorizations, but if the said period is more than 1 (one) year, then the Bank compensates the wages determined of 1 (one) year.

The Bank shall be entitled to request back the compensated wages form the individual dismissed from the post of the Chairman of the Management Board under the first paragraph of this clause in the juridical procedure by proving in the court the fact of dereliction of official duties of the Chairman of the Management Board.

Chapter 39. Management Board powers

39.1 The Management Board undertakes to

1) preliminary consider and submit to the Board's approval internal legal acts of the Bank, Charters of the Bank Branches, Representative offices, Establishments and independent structural subdivisions, and administrative-organizational structure of the Bank;

2) manage the Bank property, including financial resources;

3) resolve matters reserved to its competence, issue assignments and control them;

4) settle the issues reserved to it by the internal working regulations of the Bank;

5) establish commission rates for services rendered by the Bank, and interest rates of loans and deposits etc., except for individual tariffs and interest rates of contractual nature;

6) preliminary consider the perspective development programs of the bank

7) within its competence form permanent work groups, advisory and other bodies;

8) consider the matters regarding the granting of loans in the procedure determined by the Bank internal legal acts;

9) consider the matters about the appropriateness of creating and terminating the activity for the Branches, Representative offices and Establishments;

10) approve the quarterly, annual cost estimates and their writs of execution of the activity of the Branches, Representative offices and Establishments within the annual cost estimates of the Bank;

11) approve the orders, regulations, instructions, procedures, methodological indications and other working documents regulating the day-to-day activity of the Bank, except for the documents which under the Charter shall be approved by the Board.

12) ensure the execution of the decision of the General Meeting and the Board

13) resolve other matters as envisaged by the law, other legal acts, the Charter and the Bank's internal legal acts.

39.2 The Management Board shall submit reports about its activity to the Board on regular basis but not less than once in three months in the procedure determined by the Board.

Chapter 40. Powers of the Management Board Chairman.

40.1 The Chairman of the Management Board undertakes to:

1) issue orders, instructions, indications, gives indications mandatory for execution and supervise over their execution within his/her powers;

2) enter intro employment contracts with the Bank employees, except for the managers appointed by the Board or authorize other Bank managers to enter into some of the contracts and act as a representative of the employer under the labour code of the Republic of Armenia;

3) terminate the contracts signed with the Bank employees, except for the manager appointed by the Board and authorize other Bank managers to terminate some of them,

4) introduce other candidates of the deputies of the Management Board, Chief Accountant and the members of the Management Board to the Board for the appointment thereof;

5) open dram and foreign currency correspondent and/or other accounts in other Banks in the procedure prescribed by the Bank's internal legal acts;

6) sign and submit the Banks' financial, statistical, tax and other reports and legal documents to the authorized bodies;

7) sign the decision of the Management Board

8) organize and supervise over the execution of the decisions of the Management Board;

9) submit the transactions conducted between the Bank and its associated individuals to the Board for approval stipulated by clause 14.2 of the Charter,

10) submit the terms of remuneration of the head of the Bank's independent structural subdivisions to the Board for the approval thereof;

11) apply incentive and disciplinary liability measures towards the Bank employees, except for the managers appointed by the Board;

12) appoint the managers of the Bank's Branches and the heads of the Bank's Representative offices, Establishments, the Bank's independent structural subdivisions and those working under their direct subordination and prematurely terminate their powers.

13) form interim commissions, committees, work groups, advisory and other bodies within its powers,

14) determine individual tariffs for the services and contract-related interest rates at the substantiated request of the representative subdivision or the collegiate body of the Bank;

15) approve the Bank work positions within the annual cost estimates of the Bank approved by the Board in the procedure prescribed by the Bank's internal legal acts,

16) grant loans ion the cases and procedure prescribed by the Bank's internal legal acts;

17) temporarily forbid the managers and other employees appointed by the Board to perform their working duties by giving a prompt notification to the Board;

18) exercise other powers related to the management of the day-to-day operation of the Bank as envisaged by the Charter and the Bank's internal legal acts.

40.2 The Chairman of the Management Board within his/her exclusive competence shall represent the Bank in the Republic of Armenia and foreign countries, conduct transactions in the name of the Bank, act on behalf of the Bank without a power of attorney and grant power of attorneys.

40.3 The Chairman of the Management Board shall be accountable to the General Meeting and the Board.

40.4 Adoption of the decisions regarding the matters which fall within the competence of the Chairman of the Management Board and the Management Board may not be transferred to other Management Bodies of the Bank, the Banks' internal auditor, the Bank Chief Accountant or any other person, except for the cases when the exercise of the powers of the Chairman of the Management Board of the Bank have been duly transferred to the persons replacing him/her.

40.5 The powers of the Chairman of the Management Board may be duly temporarily transferred to the persons replacing him/her, if the latter conforms to the standards of qualification and professional compliance as determined by the central Bank.

Chapter 41. Management Board Sittings. Management Board decisions.

41.1 The sitting of the Management Board shall be organized and conducted by the Chairman of the Management Board.

41.2 The sitting of the Management Board shall be minuted. The minutes of the sittings of the Management Board shall be submitted to the Board, the internal auditor, the persons conducting the Bank's internal audit and the verifying group of the central Bank at the their request. The minutes of the sitting shall be drawn up within 10 days upon the end of the sitting. The procedure of drafting, signing, maintaining and archiving the minutes shall be determined by the Bank's internal legal acts.

41.3 The minutes of the sittings of the Management Board shall be signed by all the members of the Management Board participating in the sittings who shall be held liable for the authenticity of the data recorded in the minutes.

41.4 The decision of the Management Board shall be signed by the Chairman of the Management Board who shall be held liable for the authenticity of the data indicated in the decision.

Chapter 42. Bank Chief Accountant.

42.1 The Bank's Chief Accountant shall be appointed by the Bank Board upon representation by the Management Board Chairman.

42.2 The Chief Accountant shall exercise the rights and perform the duties defined for Chief Accountants by the Law of the Republic of Armenia “About Accounting”.

42.3 The Chief Accountant’s rights and obligations may not be transferred to the General Meeting, the Board, the Management Board Chairman and members, internal auditor and or other person.

42.4 The Chief Accountant shall meet the qualification and professional adequacy criteria established by the Central Bank.

42.5 The Chief Accountant shall nominate to the Management Board Chairman (Management Board) the candidates for positions of its deputy Chief Accountant, Chief Accountants of the Bank Branches and their deputies.

42.6 The Chief Accountant shall at least once in a quarter submit to the Board and the Management Board Chairman a financial statement prepared according to the form and content approved by the Board.

42.7 The Chief Accountant shall be held liable for conducting accounting, its condition and reliability, timely submission of annual statements, financial and statistic reports to state Management Bodies defined by the Legislation of the Republic of Armenia, as well as for reliability of the Bank’s financial information furnished to the Bank shareholders, creditors, the press and other mass media, in accordance with Legislation of the Republic of Armenia and the Charter.

42.8 The Chief Accountant’s deputies shall meet the qualification and professional adequacy criteria established by the Central Bank. In case of the Chief Accountant’s absence, his/her duties shall be performed by one of his/her deputies.

42.9 The Chief Accountant may not simultaneously act as an Executive Director, Deputy

Executive Director, Chief Accountant, member of Directorate, head or member of internal audit subdivision of another Bank.

Chapter 43 Bank’s internal audit.

43.1 The subdivision of the Bank’s internal audit (hereinafter referred to as “Internal audit”) shall be the structural subdivision of the Bank created by the internal supervisory and Management Bodies of the Bank for the support of the guarantee of efficiency of the Bank operations.

43.2 The internal audit shall act permanently on basis of the Charter, the regulations of the internal audit and other legal acts of the Bank adopted by the Board.

43.3 The head and members of the internal audit shall be appointed and discharged from their posts by the decision of the Board.

43.4 The members of the Management Bodies of the Bank, other managers and employees, as well as the Chairman of the Management Board and the persons associated with the members of the Management Board may not be members of the head of the internal audit shall meet shall meet the qualification and professional adequacy criteria established by the Central Bank. The head and the members of the internal audit may not simultaneously act as an Executive Director, deputy, Executive Director, Chief Accountant, member of Directorate, head or member of internal audit subdivision of another Bank.

43.5 The internal audit shall be accountable to the Board.

43.6 The tasks of the internal audit, the rights and duties of the head and the members and the procedure of approval of business plans and submission of reports shall be carried out on basis of the regulations of the internal audit and the Banks’ other legal acts adopted by the Board on the basis thereof.

43.7 Inspection of the internal audit shall be carried out in the procedure determined by the internal audit.

43.8 In accordance with the Regulations approved by the Board, the Internal Auditor shall:

1) exercise control over the Bank’s day-to-day activities, operational and other risks;

2) exercise control over compliance by the Bank Management Board Chairman (Management Board), Branches, Representative offices, Establishments and structural subdivisions with the laws, other legal acts and the Bank’s internal acts, as well as over fulfillment of recommendations issued to the Management Board Chairman (Management Board);

3) prepare conclusions and proposals on issues submitted by the Bank Board and raised at its own initiative.

4) perform other activities envisaged by the regulations of the internal audit.

43.9 Matters reserved to the competence of Internal Audit may not be transferred to the Bank Management Bodies or other persons for the resolution thereof.

43.10 The Head of Internal Audit shall submit to the Board and the Management Board Chairman (Management Board) the following reports:

1) regular, i.e. concerning results of inspections provided by the annual plan;

2) special, if the Internal Audit has reasonable grounds to believe that it has revealed significant violations, and where such violations have resulted from actions or inactivity of the Management Board Chairman (Management Board) or the Board, the report shall be submitted directly to the Board Chairman within 2 (two) working days upon the detection of the said violation.

43.11 In case of revealing violations of the laws or other legal acts, Internal Auditor shall be obligated to inform the Board about such violations, at the same time recommending measures aimed at their elimination and prevention of their further occurrence.

43.12 To exercise an internal control in the Bank Branches, internal audit territorial subdivision may be created under the direct supervision of the head of the internal audit. The affairs of the internal audit shall be carried out by the Bank's internal auditor in the branches which does not stipulate the creation of a respective subdivision.

Chapter 44. Bank external audit

44.1 For the purpose of inspection of the Bank's financial and economic activities each year the Bank shall employ a person conducting a independent audit entitled to provide auditing services /who does not have common interests with the Bank and/or Bank shareholders/ (hereinafter also referred to as "External auditor") in the manner prescribed by the Legislation of the Republic of Armenia.

44.2 The person conducting the Bank's external audit shall be confirmed by the decision of the General Meeting. Election of the external audit shall be carried out in the manner prescribed by the Central Bank. The size of the fees to be paid for the external auditing services shall be determined by the Board.

44.3 The Banks' external audit may at any time also be invited by the Board.

44.4 Inspection of the Bank's financial and economic activities by an external auditor may also be carried out at the request of shareholders owning at least 5 (five) percents of the Bank's allocated voting shares. In such case the shareholders having demanded the audit shall select the person who will carry out an external audit, sign relevant contract with him/her, and pay for his/her services. Moreover, such shareholders may demand from the Bank compensation of his/her expenses, if the General Meeting determines that the audit is justified for the Bank.

44.5 The inspection of the audit of the Bank shall be carried out in accordance with the Legislation of the Republic of Armenia on basis of the contract signed with an external auditor. The report of the external auditors shall contain information about:

- the reliability of the financial statements of the Bank,
- the observance of the standards by the Bank determined by the Central Bank,
- the organization of the Bank management
- the status of the internal control in the Bank
- violations of the laws and other legal acts regulating the accountancy and financial-and-economic activity detected in the course of the audit,
- other provisions stipulated under the Legislation of the Republic of Armenia, the Charter and contracts signed with an external auditor.

The contract signed with external auditor of the Bank, in addition to the preparation for the auditor's conclusion, shall also provide for preparation of auditor's report (Letter to the Bank Management).

44.6 In the event the external auditor detects the facts of essential deterioration of the financial standing of the Bank, as well as drawbacks of the internal systems (including internal control system) in the course of conducting an audit in the Bank, the external auditor shall promptly notify the Central Bank thereof.

44.7 The Central Bank may oblige the Bank to invite an external auditor and publish his/her conclusions within 4 (four) months.

44.8 The Central Bank may demand from the Bank to change the person conducting the Bank's external audit and appoint another person instead of him/her.

44.9 The external audit's conclusion shall be submitted to the Central Bank by May 1 of the year following the Bank's fiscal year.

44.10 In the event the external auditor fails to provide information to the Bank (Board) about the violations of the laws and other legal acts detected as a result of the audit and in the future the Bank sustained damages as a consequence of the said violations, then the person conducting an external audit shall reimburse the said actual damages.

SECTION IX. BANK REORGANIZATION AND LIQUIDATION

Chapter 45. Bank reorganization

45.1 The Bank may be reorganized through mergence of the Bank with another Bank and the reorganization of the Bank (change in the organization-legal form).

45.2 The emergence of the Bank shall be carried out in the procedure prescribed by the law. The reformation of the Bank shall be carried out in the procedure prescribed by the civil code and other laws of the Republic of Armenia.

45.3 During the reorganization of the Bank, the rights and duties of the Banks shall pass on to the legal successors of the Bank.

45.4 In case of mergence of the Bank with one or a few Banks, the merged Banks shall enter into a mergence contract by obtaining the preliminary approval of the Central Bank.

45.5 Within the time periods stated in the mergence contract the Banks adopting a decision about the mergence shall implement the measures provided for by the mergence contract, approve the assignment deed and submit it along with the Bank Charter or the supplements and amendments thereto for the registration thereof in the procedure prescribed by this law and legal acts of the Central Bank.

Chapter 46. Bank liquidation

46.1 The Bank shall get liquidated

1) in case of cancellation of the license

2) in case of the expiry of the license

3) in the cases determined by RA Law “About the bankruptcy of banks, credit organizations, investment fund manager and insurance companies”

4) by the decision of the General Meeting

5) other grounds envisaged by the law

46.2 The Bank liquidation shall be carried out in the procedure prescribed by the civil code and other laws of the Republic of Armenia, where in the cases stipulated in subclause 3 of Clause 46.1 of the Charter, the Bank liquidation shall be carried out in the procedure prescribed by RA Law “About the bankruptcy of banks, credit organizations, investment fund manager and insurance companies”.

46.3 The General Meeting shall be entitled to make a decision about the liquidation of the Bank, if it has not liabilities in respect of the creditors, the bank account holders, as well as the individuals who are deemed lenders in cash (money) transfer transactions.

46.4 By the decision of the General Meeting for the purpose of the liquidation of the Bank the Bank shall submit to the Central Bank an application for obtaining a preliminary consent for the Bank liquidation by annexing thereto liquidation-proving documents so as to obtain a preliminary permission of liquidation from the Bank on basis of the decision on the application to the Central Bank.

46.5 In the event the Central Bank grants a preliminary consent for the Bank liquidation, the Bank may undertake measures directed at the suspension of the Bank duties in respect of the depositors, Bank account holders, as well as the individuals who are deemed lenders in cash (money) transfer transactions, including transfers to other individuals.

46.6 Only after the suspension of the duties set forth in clause 46.3 of the Charter, the General Meeting may take decision about liquidating. After the adoption of this decision the Bank shall immediately submit to the Central Bank an application for obtaining a liquidation permission by annexing thereto the liquidation-proving documents. The list of the documents shall be determined by the Board of the Central Bank.

46.7 To verify the absence of the grounds for rejecting the application for liquidation submitted by the Bank, the Central Bank may exercise an audit.

46.8 In case the General Meeting passes a decision about the Bank liquidation the procedure of maintaining and closing correspondent Bank accounts shall be determined by the Board of the Central Bank.

46.9 The liquidation committee in the Bank shall be created upon the adoption of a decision within at least five-day period in the procedure stipulated by the Bank Charter of the purpose of liquidating the Bank, selling its property (resources) and meeting the legal requirements of the creditors. It shall be composed of at least 3 (three) members. In case no Liquidation Committee is created, the Liquidation Committee of the Bank shall be created by the decision of the Board of the Central Bank. Only the individuals qualified by the Central Bank may be the Chairman and Member of the Liquidation Committee. Prior to the formation of the Liquidation Committee, the powers of the Liquidation Committee shall be exercised by the Chairman of the Management Board of the Bank.

46.10 The powers of the management of the Bank shall pass on to the Liquidation Committee upon its creation, except for the cases when the Bank is a bond issuer as provided for by RA law “About secured mortgage bonds” and a mortgage manager is appointed by the Central Bank. The duties proceeding from the secured mortgage bonds and the assets management which are deemed a collateral are not included in the liquidation balance sheet of the Bank drafted and approved by the Liquidation Manager.

46.11 The list, procedure and periods of the measures directed at the Bank liquidation by the Liquidation Committee shall be determined by the Legislation of the Republic of Armenia.

46.12 The Management Bodies of the Bank shall hand the seal, stamps, documents, tangible and other values of the Bank to the Liquidation Committee within three days’ time after the adoption of the decision about the formation of the Liquidation Committee.

46.13 Meeting of the requirements of the creditors shall be carried out as per the interim liquidation balance sheet in the sequence determined by the law.

46.14 The liquidation value of 1 (one) privileged share is equal to its par value. Payment of the liquidation value per the classes of the privileged shares shall be made in successive, in the following order: O, N, M, L, K, J, I, H, G, F, E, D, C, B, A.

46.15 To exercise a control over the liquidation process of the Bank, the Central Bank may conduct an audit in the course of the liquidation.

46.16 After the settlement with the creditors, the liquidation committee shall draw up a liquidation balance sheet which after being approved by the General Meeting shall be handed by the liquidation committee to the Central Bank within three days’ time.

46.17 The members of the Liquidation Committee during their activities shall be held liable for the damage incurred as a result of any violations committed by them in the procedure prescribed by the Legislation of the Republic of Armenia.

46.18 The activities of the Liquidation Committee may be appealed with the court by the Bank’s creditors, debtors and the central Bank.

SECTION X. FINAL PROVISIONS

Chapter 47. Amendments and supplements to the Charter

47.1 Amendments and supplements to the Charter effected by the General Meeting shall be registered in the Central Bank.

47.2 Amendments and supplements to the Charter shall come into force upon their registration thereof in the Central Bank.

Chapter 48 Charter and Legislation of the Republic of Armenia

48.1 The provisions of the Charter shall not be in conflict with the requirements of the Legislation of the Republic of Armenia.

48.2 In the event of amendments to the Legislation of the Republic of Armenia, prior to making certain amendments, the Charter shall be effective to the extent it does not contradict the applicable Legislation of the Republic of Armenia. If the periods of the compliance of the Charter with the Legislation are not stipulated by the Legislation of the Republic of Armenia, then respective amendments to the Charter shall be effected by the regular annual General Meeting.

I, the undersigned competent certified translator, Anahit Karapetyan (born on [illegible] passport AT0454777, issued on 23.09.2019 by 001), fluent in both Armenian/Russ[illegible] English languages, confirm that the above is a true, accurate and complete tran[illegible] the attached document. License No 11, issued by the Ministry of Justice, RA [illegible] 20.05.2002. /TPIN 27850994, Entrepreneur's Certificate 01A116080.

The text is translated entirely, correctly and completely by Notarial translat[illegible] " Yerevan" Notarial Territory A.S. Karapetyan

On this day April thirtieth, two thousand and twenty five, I, NUNE RAZMIK SARGSYAN, Notary Public of "Yerevan" Notarial Territory, RA, certify the authen[illegible] the translator's signature of the given translation from the Armenian language into the English language.

According to the Law "About Notary of RA ", Article No 68, I, hereby certify the tran[illegible] of the document done by the trusted translator, but not the facts stated therein.

Registration No 6567

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Notary Public / signature / N. R. SARGSYAN

SEAL

արական ակտի կոդ: 437-20250430-67-8965625
արական ակտի գաղտնագիր: B5QZSX

ստի թարգմանությունը կատարված է լրիվ, ճիշտ և ամբողջությամբ վստահված թարգմանչի
ից

ու հազար քսանհինգ թվականի ապրիլի երեսունին

ՀՀ Երևան նոտարական տարածքի նոտար՝ ՆՈՒՆԵ ՌԱԶՄԻԿԻ ՍԱՐԳՍՅԱՆՍ, վավերացնում
ռյալ տեքստի հայերեն լեզվից անգլերեն լեզվով թարգմանչի ստորագրության իսկությունը:

տարիատի մասին> ՀՀ օրենքի 68 հոդվածի համաձայն հաստատում եմ փաստաթղթի
րգմանությունը կատարած թարգմանչի ստորագրության իսկությունը, այլ ոչ թե դրանում
արդրված փաստերը:

նցված է գրանցամատյանում թիվ 6567

ծված է պետական տուրք հինգ հարյուր ՀՀ դրամ և ծառայության վճար հինգ հարյուր ՀՀ
մ, որը չի ներառում ավելացված արժեքի հարկը՝ 20% ՝ համաձայն «Պետական տուրքի
սին» և «Նոտարիատի մասին» Հայաստանի Հանրապետության օրենքների:

տար Նունե Ռազմիկի Սարգսյան