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Position of the signing person
First name, last name՝ Artak Ananyan

RU-1510.0.01
Mediation Rules for Securities registry keeping

1. Purpose
These Rules regulate mediation of registry keeping services provided by the Central Depository in accordance with the agreements concluded with the Central Depository of Armenia OJSC in ARDSHINBANK CJSC.

2. Application Scope and Responsibility
2.1 These Rules shall pertain to the Investment Business Development Division (**151**).
2.2 These Rules shall apply to participants of the Registry keeping Service.

3. Definitions and Abbreviations
Bank – ARDSHINBANK CJSC,
Law – Law of the Republic of Armenia on Securities Market,
CB RA – Central Bank of the Republic of Armenia,
CDA – Central Depository of Armenia OJSC,
ISIN – International Securities Identification Number,
SIN – Securities Identification Number,
Issuer – the person who issues (has issued) securities or makes an offer to issue securities on his/her behalf,
Register of Securities Owners or Register – system of data on the Issuer, nominal securities issued by him/her and owners (nominees) of those securities,
Account Operator – person who is a member of the System and within authorities prescribed by the agreement concluded with the CDA and by the Rules transfers the orders and other information (documents) received from the Issuer, the Account Holder or other competent persons to the CDA for performance of such operations in the System, and who acts as an intermediary for such services provided by the CDA which do not immediately lead to conclusion of transactions with securities in the regulated market,
System – set of technical and legal means ensuring registration of securities, fulfilment of mutual obligations resulting from conclusion of transactions with securities, and ensuring fulfillment of those obligations,
Software System – set of software programs (DEPEND) ensuring performance of CDA functions,
Account Holder or Client – person who has (there is in his/her name) a securities account opened in the System,
Operation – action performed in the System on the basis of an order from the securities Account Holder, the Issuer, their authorized representatives or other persons in accordance with the legislation of the Republic of Armenia, which results in opening of a securities account, change in information in the securities account,

closure of the securities account, change in the balance of securities recorded on the securities account, record of other actions in the issuer securities register and/or provision of information from the System,
Corporate Action – by the decision of the Issuer, change of the nominal value of securities of any class (type) of the given Issuer, securities' conversion, split, consolidation, buyback, acquisition, redemption, annulment, or reorganization of the Issuer, payment of revenues related to securities,
Split of Securities – conversion of securities of the given class of the Issuer into securities of the same class in a larger amount,
Consolidation of Securities – conversion of securities of the given class of the Issuer into securities of the same class in a smaller amount,
Acquisition of Securities – purchase by the Issuer of a part of the securities placed by the Issuer when the decision to do so shall not be a liability prescribed by law for the Issuer,
Buyback of Securities – purchase by the Issuer of a part of the securities placed by the Issuer (with the exception of the securities of open investment funds) when it shall be mandatory in accordance with the decision on issue (placement) of those securities or with law,
Conversion of Securities – removing from circulation the securities of the given class of the Issuer and their annulment (removal from the System) through exchange with securities of the same issuer or another issuer,
Order – document underlying performance of operations in the System (with the exception of provison of information),
Inquiry – document underlying provision of information from the System, as well as other documents that cannot be qualified as an order,
Nominee – person in whose name, without transfer of ownership right, nominal securities owned by other persons shall be registered,
Merger of Companies – creation of a new company by transferring to it rights and obligations of two or more merging companies and by termination of the merging companies,
Split of Company – termination of the company through transfer of all of its rights and obligations to the newly created companies,
Reorganization of Company - change of the organizational and legal form of the organization,
Agreement – Registry keeping agreement.

4. Annexes and Related Documents

4.1 Annexes

Title	Code
List of Submitted Documents and Information for Providing Services in the Unified System of Registration and Settlement of Securities	**LI-1510.0.01.01**

5. Description

5.1 General Provisions

5.1.1 The Bank is a member of the Unified System of Registration and Settlement of Securities that received the status of Account Operator from the CDA.

5.1.2 The Bank acts as an intermediary for services provided to Issuers by the CDA in the System, within authorities prescribed by the agreement concluded with the CDA that shall not include the services relating to clearing and final settlement of transactions with securities in the regulated market.

5.1.3 In order to work in the Software System, a Bank employee may use respective "guides" developed by the CDA, which are placed and updated on the official website of CDA.

5.1.4 The Bank shall enter the received Orders into the Software System within timeframes established by the CDA rules, unless the person giving the Order sets a later date.

5.1.5 Before entering the Inquiry of the received Order into the Software System, the Bank shall examine the powers of the person who submitted the Order. When providing services prescribed by these Rules the Bank shall only act on the basis of the Order or Inquiry submitted by the Issuer, Issuer's authorized representative, Account Holder, Account Holder's authorized representative unless otherwise provided by Law or the CDA rules.

5.1.6 The Bank shall examine the correctness of Orders on performance of operations by the Bank in the Software System. The Bank shall bear responsibility for breach of requirement provided for by this clause.

5.1.7 The Bank shall examine the Order (Inquiry) and other related documents submitted to the Bank by the Issuer and, when necessary, provide a written conclusion on disputable provisions.

5.1.8 The Bank shall store the documents underlying the entry of data in the System, including the Orders and the Inquiries, within at least 10 (ten) years after their receipt.

5.2 Rules for Providing Information and Counselling for the Client

5.2.1 Through advertisement, marketing events, advertising booklets, Bank's website, information provided by the Bank employees, the Issuers shall get acquainted with all the terms of registry keeping services for nominal securities of Issuers in the System through the mediation of the Bank.

5.3 Rules for Conclusion and Renewal of Agreement

5.3.1 Through the mediation of the Bank the Client's registry keeping may be transferred to the CDA through conclusion of an Agreement if the Issuer transfers maintenance of his register to the CDA for the first time or through renewal of the Agreement if there is an agreement concluded between the Issuer and the CDA through the mediation of another Account Operator or without such mediation.

5.3.2 The standard form of the Agreement shall be established by the CDA.

5.3.3 In order to use all the services relating to registry keeping through the mediation of the Bank, the Issuer shall conclude/renew trilateral agreement for registry keeping. The agreement shall be drafted in 3 (three) copies.

5.3.4 The Agreement shall be concluded through the mediation of the Bank unless the Issuer's register is maintained by the CDA – the Issuer has not concluded an Agreement with the CDA.

5.3.5 The Agreement shall be renewed through the mediation of the Bank if the Issuer's register is maintained by the CDA – the Issuer has an Agreement with the CDA concluded without the mediation of the Account Operator or through the mediation of another account operator (with the exception of the Bank).

5.3.6 The Agreement shall be concluded on the basis of the application of the Issuer.

5.3.7 In case of renewal of the Agreement through the mediation of the Bank the earlier agreement for registry keeping and agreement for custody of securities of the Issuer (if available) shall be deemed dissolved from the moment of renewal of a new agreement for registry keeping.

5.3.8 The Bank shall conclude or renew the Agreement if it makes sure that the documents submitted by the Issuer are complete, are drafted and approved in a proper manner, as well as the information contained in them has no discrepancies or flaws.

5.3.9 When providing registry keeping services the Issuers shall submit the documents provided for by the annex of these Rules (**LI-1510.0.01.01**) and other required documents approved by the CDA, and if these documents are incomplete, the Bank shall not initiate fulfilment of respective function.

5.4 Rules for Concluding Issuer Securities Custody Agreement with the Issuer

5.4.1 Parallel to the process of renewal of Agreement the Bank shall also conclude with the Issuer agreement for custody of Issuer's securities and shall open Issuer's securities account for the Issuer, if the Issuer has boughtback (acquired) and unredeemed securities, in particular, has securities account of Issuer with non-zero balance in the Software System, as well as if the Issuer has not yet concluded such agreement with the Bank. If in the case provided for by this clause the Issuer refuses to conclude Issuer securities custody agreement with the Bank, the Bank shall also refuse to conclude agreement of registry keeping.

5.4.2 Within 3/1 (three/one) business days respectively after conclusion/renewal of the Agreement the CDA shall provide access to the given Account Operator to serve the given Issuer, unless such access is already given, and in case of change of Account Operator at the same time shall block access of former Account Operator to serve the Issuer, and notify the latter about dissolution of agreement of registry keeping and agreement of custody of Issuer's securities with the given Issuer. If, when renewing agreement of registry keeping a new Issuer's securities account is opened for the Issuer, within 3 (three) business days the CDA shall also notify the former Account Operator about the new account number for Issuer's securities. Within 1 (one) business day from the moment of receiving the notification the former Account Operator shall transfer the portfolio of boughtback or acquired securities (if available) on the securities account of the given issuer to the securities account specified in the notification, and close the former securities account.

5.5 Rules for Operations Relating to Placement of Securities

5.5.1 The securities placement operation shall be registered in the Software System in the form of primary placement of securities or additional placement of securities.

5.5.2 In case of placement of securities the Bank shall enter into the register and verify the information existing in the register about the securities and their issuer.

5.5.3 In order to register the operation of primary placement of securities, the Issuer shall submit to the Bank the list of documents specified in the annex of these Rules (**LI-1510.0.01.01**).

5.5.4 According to the CDA rules, after the end of the operation of securities placement the accounts including the securities envisaged for placement shall be zeroed out.

5.6 Operations Relating to Corporate Actions

5.6.1 In case of registration of operations relating to change of nominal value of securities, their consolidation, split, conversion of securities of one class (type) into securities of another class (type) by the decision of the Issuer, placement of securities (in the regulated market and beyond), Issuer's reorganization, acquisition/buyback of securities, redemption or annulment of securities, dissolution of registry keeping agreement, transfer of securities, requirement for mandatory purchase/sale of shares the Issuer shall submit to the Bank a respective application and/or Order of Corporate Action, in which and attached to which information and documents shall be submitted in accordance with the annex of these Rules (**LI-1510.0.01.01**) and other required documents approved by the CDA.

5.6.2 If fractional (non-complete) securities (including shares) have arisen as a result of corporate action, they are subject to buyback by the Issuer according to the procedure and within timeframes established by the legislation of the Republic of Armenia and and/or the CDA rules (with the exception of cases stipulated by the legislation of the Republic of Armenia).

5.6.3 In order to register the Corporate Action relating to acquisition and buyback of securities, the Issuer shall submit an application, mentioning about the request of entering such data in the System, and submit respective decision on conducting a shareholder meeting.

5.6.4 The shares of the joint-stock company shall be annulled (removed from the securities registration system) only as a result of liquidation, reorganization of the joint-stock company, in case of termination of its activities or conversion of the shares in full.

5.6.5 In case of redemption of securities they are deemed annulled after the redemption on the basis of application or expiry of redemption period.

5.6.6 When performing any corporate action the head of the Client's executive body or his authorized representative, besides the information mentioned above, shall also submit to the Bank their identity document.

5.7 Rules for Changing Information about the Issuer in the Register

5.7.1 At the request of the Issuer provision of the List, references and other information from the Software System shall be performed according to tariffs.

5.7.2 In case of change of information relating to the Issuer in the register not leading to change of the securities class, the Issuer shall submit to the Bank an application and the changed information, as well as copies of state registration documents of the change, if the change is subject to state registration.

5.7.3 In case of making a decision on liquidation of Issuer, initiation or termination of bankruptcy proceeding against the Issuer, change of Issuer's name, state registration details, registration address or location, contact data, person authorized to submit Orders or Inquiries on behalf of the Issuer, change of information in the System on securities issued (placed) by the Issuer, as well as in case of revealing inaccuracies or flaws (omissions) in information submitted to the CDA as part of the registry keeping, the Issuer shall immediately inform the Bank about it, and submit required documents attesting to the changes or in order to correct the inaccuracies and flaws.

5.8 Rules for Providing and Publishing Information from the Software System

5.8.1 Information shall be provided from the Software System on the basis, in the amount and in accordance with the procedure stipulated by the legislation of the Republic of Armenia, these Rules and other legal acts of CDA regulating provision of services. With the exception of cases stipulated by the legislation of the Republic of Armenia and the CDA rules, information shall not be provided from the System on the basis of inquiry from third persons, as well as information relating to third persons shall not be provided from the System.

5.8.2 The following persons and bodies shall be entitled to receive information from the System:

a) the Issuer,

b) the Account Holder, his authorized representative, the organization conducting Account Holder's foreign audit with the written consent of the Account Holder,

c) notaries, in particular, in case of notarial inquiries, for the purpose of receiving information from the Software System the Bank shall submit the inquiry to the CDA within 1 (one) business day,

d) other authorized persons in accordance with Law and the CDA rules,

5.8.3 The Issuer shall be entitled to receive information from the register on the basis of the written application (on paper or electronically) within his authorities, in consideration of the restrictions established by the CDA rules.

5.8.4 On the basis of the written application of the Issuer, the Bank shall provide to the Issuer the List of owners (nominees) of securities (hereinafter referred to as the List) for the period specified in the inquiry, which shall not exceed the period of contract relations for registry keeping with the CDA or shall not exceed and shall include the period of presence of information on securities being subject of operation in the Software System.

5.8.5 At the request of the Issuer the Bank shall provide to the Issuer the list of securities owners registered on the account of nominee included in the List of securities owners (nominees), which the Bank receives from the CDA.

5.8.6 The Bank shall refuse to provide information required by the Issuer's inquiry, if the Issuer's inquiry does not correspond to requirements established by the CDA rules or the Issuer refuses to pay for provision of information in accordance with the Bank's tariffs.

5.8.7 The Bank shall inform its Issuers about the process of fulfilment of their Orders, as required by the Issuer.

5.9 Rules for Dissolving the Register keeping Agreement

5.9.1 The Agreement may be dissolved in case of reorganization of the Issuer (from joint-stock company to limited liability company or other type of company/association, cooperative, etc. in accordance with the legislation of the Republic of Armenia) or in other cases prescribed by law.

5.9.2 As a result of dissolution of the Agreement a contract on dissolution of the Agreement shall be signed between the Client and the CDA through the mediation of the Bank.

5.9.3 In case of renewal of registry keeping Agreement with another account operator the Issuer shall pay the Bank the unpaid liabilities before the Bank (if any). Within 1 (one) business day the CDA shall block the access of serving the Bank's Issuer.

5.9.4 The Bank shall be notified by the CDA about dissolution of the Agreement with the given Issuer, with the number of the newly opened securities account of the Issuer also specified in the notification.

5.9.5 Within 1 (one) business day from the moment of receiving the notification the Bank shall transfer the portfolio of boughtback or acquired securities (if any) on the securities account of the given Issuer to the securities account specified in the notification, and close the previous securities account.

5.10 Mediation Rules for Additional Services Provided by the CDA

5.10.1 The meditation of additional services provided to the Issuers by the CDA shall be implemented in accordance with the procedure established by the Rules for Activity of the Unified System of Registration and Settlement of Securities of CDA and the Agreement for Providing Additional Services.

5.10.2 The fee for additional services shall be established in accordance with the tariffs set for operations implemented by the Bank.

5.11 Final Provisions

5.11.1 The Bank shall suspend provision of services to Issuers who concluded registry keeping agreement through the mediation of the Bank, if they have overdue liabilities of payment for services before the Bank of 3 (three) months and more and/or, in accordance with the court's effective ruling were declared bankrupt in accordance with the entry made by the CDA in the Software System. In case of suspension of services the settlement of fees for services shall also terminate from the moment of suspension.

5.11.2 When providing registry keeping services, according to the type of the operation, the Issuer shall submit to the Bank a package of documents in accordance with the annex of these Rules (**LI-1510.0.01.01**) and other required documents approved by the CDA.