

## SECTION 1. TERMS AND DEFINITIONS

1.1 Terms and definitions in these Rules shall have the following meanings, unless otherwise stated herein or the content or the context otherwise requires.

**"Rules"** - these basic (general) rules for opening and servicing bank and unallocated metal accounts as published by "ARMBUSINESSBANK" closed joint stock company are deemed public standard form for all customers and establish the public standard terms and the procedure for opening and servicing bank and unallocated metal accounts by customers, the provisions of banking and anonymized metal account agreement, and also regulate the relations of the parties (including contractual) related to opening of a banking and anonymized metal account. The terms for opening and servicing banking and unallocated metal accounts are approved by the authorized body of "ARMBUSINESSBANK" CJSC and are published on the official website [www.armbusinessbank.am](http://www.armbusinessbank.am), the Head Office and branches of "ARMBUSINESSBANK" CJSC.

**"Bank"** - "ARMBUSINESSBANK" CJSC.

**"Customer"** - Resident and non-resident natural person or a notary, resident legal entity and resident individual entrepreneur having concluded an account agreement with the Bank.

**"Parties"** - Bank and Customer together.

**"Account agreement (Agreement)"** - Public agreement concluded with the Bank by fully joining the Customer to these rules pursuant to which the Bank shall open a banking and(or) unallocated metal account(s) for the Customer and carry out operations on these accounts stipulated by law, other legal acts and these rules.

These rules apply to Customers who apply to the Bank to open a banking and (or) unallocated metal account subject to the terms and tariffs announced (published) by them.

Application-agreement for joining to the Rules, these Rules, terms and tariffs for opening and servicing banking and unallocated metal accounts together are deemed an Account Agreement in the form of a single integral document.

**"Electronic banking service"** – Electronic maintenance of the Customer’s banking account defines the procedure (rules) for the exchange of electronic documents between the Bank and Customer, including the instructions of Customer to carry out operations through the banking account, the procedure for transferring other documents to the Bank, bank account statements, the procedure for the receipt of information on operations through the Banking account by Customer by use of bank account and electronic banking service.

**"Application-agreement" (Application)** - An application on joining the Bank's basic (general) rules for account opening and servicing, executed by Customer in the standard form as established (determined) by the Bank and submitted to the Bank for concluding Account agreement(s).

**"Account closure application "** - an application executed by Customer and submitted to the Bank for purpose of canceling Account agreement(s).

**"Servicing subdivision"** - Bank subdivision (including separated (territorial) division of the Bank), where documents required for opening banking and/or unallocated metal account can be submitted and account is serviced.

**"Rules"** - These basic (general) rules for opening and servicing of bank and unallocated metal accounts of the bank.

**"Electronic bank servicing system (System)"** - a corporate information system for electronic banking service which is a kind of electronic document circulation system of "bank-client", «internet-banking», «mobile-banking» and of other electronic type and is a complex of software and hardware and organizational measures for creating, protecting , validation with Electronic Digital Signature, transfer and processing of Electronic documents through general telecommunication means.

**“Electronic document”** - one of the documents specified in Annex 1 constituting an integral part of this Agreement, which was created electronically by the System and was approved with Electronic Digital Signature. The types of Electronic documents and requirements to them are defined in Annex 1.

**“Electronic Digital Signature” /EDS/** - A digital code, which is generated by a secret key or is received on a mobile phone in the form of a text message and is used for each Electronic document sent to the Bank for its identification and verification. The receipt of a document by the Customer through the System with electronic signature is a necessary and sufficient prerequisite to consider such document validated.

**“Secret key”** - a device which generates one-time password used for entering into the System, generating the EDS and approving the transactions /Electronic documents/.

**“Application-agreement for electronic service” (Application)** - An application on joining the rules for electronic servicing of a banking account via internet-bank system, which was executed by the Customer in the standard form determined (established) by the Bank for concluding an Agreement on electronic account service.

**“Customer’s banking account” (Banking account)** – an account opened between the Parties based on the Agreement on bank and/or unallocated metal account, through which the Bank shall carry out Customer’s settlement and cash servicing in accordance with these Rules, which includes crediting of funds on Customer’s account, carry out Customer’s instructions for making remittances from the Account, providing relevant sums, and conducting other operations on the Account.

**“Customer’s unallocated metal account” (Metal account)** – 999.9 purity gold account opened on the basis of Bank and(or) unallocated metal account, which the Parties have signed and which is provided for recording unallocated gold, and on which the Bank shall conduct operations provided under RA legal acts and these Rules.

**“Account”** – Banking and(or) Metal account unless otherwise specified under these Rules or where the context otherwise requires.

**“Tariffs”** – fee schedule for cash maintenance of individuals, legal entities, sole entrepreneurs and notaries, which define the amount of the Bank’s charges for Account maintenance, including commission fees charged from Customer for Account opening and servicing, for conducting operations through Account and other actions to be carried out during the execution of Agreement, as well as other fees chargeable for the Bank’s services connected with Account servicing and maintenance, settlements (transfers) through Account (as well as tariffs(fees) which are subject to changes and amendments from time to time).

**“Annexes”** – any published document generated in written form, which regulates the execution of operations through Accounts, agreements (contracts) signed between the parties severally, including agreement on electronic bank servicing, Application-agreement, terms and peculiarities stipulated by the Bank unilaterally.

Unless otherwise stated herein or where the content or the context otherwise requires:

- a) the titles of sections are used only for reference and do not limit or affect their meaning;
- b) any terms (words) defined in the singular include their plural and vice versa;
- c) any reference to a section, party or annex shall be construed as a reference to that section, party or annex to this Agreement;
- d) any reference to a person shall be construed as including also its occasional substitute or successor in title;

## **SECTION 2. GENERAL PROVISIONS**

2.1 These Rules establish the order and terms of opening and maintenance (service) of Customers’ Account, and govern relations arising between the Parties in connection with the Account, and which are stipulated by Civil Code of the Republic of Armenia, chapter 50 (BANKING ACCOUNT).

The peculiarities of opening and maintenance (service) of special banking accounts provided by chapter 50.1 (SPECIAL BANKING ACCOUNTS) of the Civil Code of the Republic of Armenia are governed by other rules, internal legal acts and contracts of special banking accounts as defined by the Bank.

2.2 The Rules are standard for all Customers and define the terms of Agreement to be signed between the Bank and Customer.

The Agreement is concluded when Customer joins to these Rules in accordance with article 444 of the Civil code, and is executed upon acceptance by the Bank (Account opening resolution made by the Bank on

Customer's written Application for joining to the Rules) of Customer's offer (written Application on joining to the Rules to be executed in the standard form of the Bank and signed by Customer, and in case of legal entities to be signed by the manager of Customer's executive body or its authorized person(s) and bearing Customer's seal (at Customer's wish). A notice on opening of Account may be given to Customer to confirm the conclusion of Agreement.

2.2.1 The standard forms of the Application-Agreement on joining the Rules are defined by the Bank unilaterally. Making amendments to the Bank's Standard Application Form on joining the Rules shall not be deemed unilateral amendments to the terms of Agreement by the Bank. The standard Application form on joining the Rules is provided to Customers intending to conclude an Agreement by publishing it subject to the procedure set out in clause 2.4 of these Rules

2.2.2 In the event that in the Application on subscribing to the rules the Customer requests the Bank to open several Accounts, such Application on subscribing to the rules shall be recognized by the Parties as an Application on subscribing to the rules containing multiple quotations for concluding several contracts (equal to number of Accounts stated in the Application on subscribing to the rules). Bank's acceptance of such quotation shall be deemed acceptance for concluding contracts equal to the number of Accounts stated in the Application on subscribing to the rules.

The number of existing contracts with the Customer is not limited.

If the Application-agreement provides for limited operations through the Account, then only the operations specified in the Application-agreement can be executed.

2.3 Customer Service through Account is executed in accordance with the current legislation of the Republic of Armenia, normative legal acts of the Central Bank of the Republic of Armenia and their respective banking rules (Bank rules), customary business practices applicable in the banking sector, rules used in international practice, as well as these Rules. In the case of any amendments to legislation or regulations of the Central Bank of Armenia, these Rules shall apply to the extent that they do not contradict legislation, the requirements of the Central Bank of Armenia normative legal acts before relevant amendments are made to them.

2.4 In order to familiarize themselves with these Rules and Tariffs by Customers, the Bank shall publish these Rules (including Amendments and Additions to the Rules) and Tariffs at own its discretion through such information media that enable them to get acquainted with such information. Accordingly, the Bank shall publish information relating to the Rules and Tariffs:

- a) on the Bank's corporate website [www.armbusinessbank.am](http://www.armbusinessbank.am);
- b) by locating announcements on information stands available at the Bank's branches and Customer service departments.
- c) by sending to Customers' e-mail addresses;
- d) through electronic banking service system (if an Agreement on electronic banking service has been signed between the Bank and Customer);
- e) through other communication means, which allow Customer to receive and make sure that such information was sent by the Bank.

The Bank shall publish information through one or several of the above facilities at its sole discretion.

2.5 The Customer hereby agrees and acknowledges that in the cases established by international treaties, conventions, laws, legal acts (including international) on combating money laundering and terrorist financing, upon inclusion of the Customer or persons directly or indirectly related to him, consultants, advisers and employees to the lists of persons connected with terrorism published under or in accordance with the resolutions of the UN Security Council, lists of persons related to terrorism published by the authorized body of the Republic of Armenia or any other state, where a criminal case is initiated against the Customer on charges of money laundering and terrorist financing or where the supervisory authorities and criminal prosecution authorities (both in the Republic of Armenia and other states and international organizations) a claim under such case is filed to the Bank, the Bank has the right to suspend operations on the Account until the Bank becomes aware of the elimination of the circumstances having caused such suspension.

2.6 The Bank may refuse the Customer to conclude an Account Agreement and to open a Banking and(or) Metal Account and, consequently, to perform the corresponding transactions on the account, if the Client has failed to provide consent to the Bank for the request of personal data.

2.7 Governing Law - The Agreement (including Annexes) shall be governed by and construed in accordance with the material laws of the RA. All relations or issues not regulated by the Agreement are regulated and resolved in accordance with the provisions of the legislative and regulatory legal acts of the Republic of Armenia.

### **SECTION 3. BANK ACCOUNT OPENING AND MAINTENANCE PROCEDURE**

3.1 Opening and servicing of a banking account is carried out in accordance with the legislation and these Rules.

The Bank may refuse to conclude the Agreement and reject opening of the Account only in cases provided under legislation.

The Bank shall maintain settlement and cash service of Customer, which includes crediting of funds to Customer's account, executing Customer's instructions for making remittances from account, providing respective sums and conducting other operations on the account.

3.2 The Bank shall open a Banking account for Customer providing that:

- Customer has submitted to the Bank all documents necessary for opening and maintenance of a Banking account, and

- no decisions of state and other authorities obstructing opening of the Banking account are available at the Bank,

3.3 The Banking account is opened in the currency, which Customer has specified in the application of accession. Currencies in which the Banking account can be opened, as well as the types of transactions to be channeled through the Banking account opened in the relevant currency are defined by the Bank unilaterally.

3.4 The Banking account number is assigned by the Bank independently and can be changed by the Bank unilaterally in the case and order provided by legislation and normative legal acts of the Central Bank of the Republic of Armenia.

3.5 The rights of persons entitled to give instructions for the transfer and payment of funds on behalf of legal entity and sole entrepreneur Customers are certified by submitting to the Bank (at Customer's wish) the card of specimen signature and/or seal stamp (hereinafter referred to as Signature card), as well as the documents provided for by law, bank rules subject to law and Agreement. Until and unless the Customer has provided a new Signature card to the Bank, the existing Signature card shall be considered to be the only valid document on the basis of which operations are conducted on the Banking account.

In the cases when Customer submits contradictory information to the Bank about persons who are authorized to give instructions for transfer and payment of sums on its behalf, which are based on the resolutions, directives of Customer's competent managerial authority and which do not coincide with the authorized persons listed in the Signature card submitted by Customer, the Bank shall carry out operations on the Banking account, accept settlement, cash documents and other instructions, enquiries about the Banking account signed only by persons whose rights were certified by Customer by submitting to the Bank any and all documents provided for by law, normative legal acts of the Central Bank of Armenia, bank rules pursuant thereto and internal rules of the Bank, including by the Signature card.

In the cases where the persons who are authorized to give instructions for transfer and payment of sums on Customer's behalf are unable to exercise their powers temporarily, the Bank shall carry out operations on the Banking account by common power of attorney prepared by Customer in writing in compliance with the law within the time frame indicated therein or on the basis of an order, resolution.

In any case the Bank shall suspend operations on the Banking account where any contradictions exist between the persons in the Bank who are authorized to give instructions for transfer and payment of sums on behalf of the Customer. The suspension shall be revoked upon elimination of such inconsistencies.

3.6 Customer shall dispose of funds on the Banking account without any limitation, except for cases of seizure of funds on the Banking account or suspension of operations on the Banking account in cases provided

by law or cases when other restricting measures are applied to limit the directions, terms of the disposal of funds on the Banking account as provided by law or these Rules and Annexes thereto.

Types of Banking accounts are defined by the Bank unilaterally.

3.7 The Bank shall debit sums from the Banking account within the limits of monetary funds available on Customer's Banking account.

The Bank shall accept instructions submitted to the Banking account for performance regardless of the amounts stated therein and existence of funds on the Banking account, unless otherwise provided under separate contract between the Bank and Customer.

Where funds on the Account are sufficient to satisfy all the claims presented to the Account, such funds shall be debited from the Account in the priority (chronological order) of the receipt of Customer's instructions and other documents for funds debiting, unless otherwise provided by law. The fact of sufficiency of funds on the Banking account shall be determined by the Bank pursuant to the normative legal acts of the Central Bank of Armenia governing funds transfers, unless otherwise provided in these Rules or separate contract between the Bank and Customer.

Where funds on the Account are insufficient to satisfy (execute) Customer's instructions and all claims presented against it, in such case the Bank may accept Customer's instructions for performance in the order of their occurrence and shall be included in the waiting list of outstanding orders. Such instructions shall be executed by the Bank within the time frames provided under these Rules subject to the order of priority of funds withdrawal as prescribed by legislation.

Where the resolutions of state and other authorities encumber conducting operations on the Banking account, then Customer's instructions (including the outstanding ones) to which such resolutions are applicable shall be included in the waiting list of outstanding orders. Such orders shall be executed by the Bank in the cases and in the order of priority prescribed by legislation then in force upon receipt of a permission or abolition of restrictions to carry out operations on the Bank

3.7.1 In the cases when Customer wishes to make a payment (transfer) from the Banking account regardless of the lack or insufficiency of funds on it, the Bank may provide financing to Customer's Banking account by issuing an "overdraft" subject to the procedure and terms provided by separate contract (agreement) signed between the Bank and Customer.

3.8 Unless otherwise provided by these Rules, its Annexes or additional agreement constituting an integral part of Agreement, the Bank shall debit sums from the Banking account based on:

- payment orders, cash documents and other instructions of Customer;
  - collection orders and other instructions submitted to the Banking account by authorities (enforcing forfeiture) and(or) persons empowered (entitled) to withdraw monetary funds from the Banking account by virtue of law without additional instruction (consent) of Customer;
  - collection orders presented to the Banking account by the payee in case of making collection payments;
  - other instructions (direct debit) executed in the manner prescribed by the Bank and presented to the Banking account by the payee in case of making settlements of funds transfers upon claims for payment and payee's demands;
  - cheques drawn by Customer executed on the Bank's cheque-books (forms of cheques) and containing mandatory details prescribed by current legislation and these Rules.
- - settlement documents and other instructions of the Bank including, but not inclusive of the Bank's orders made in accordance with the instructions of Customer or other entities subject to the existing legislation, normative legal acts of the Central Bank of Armenia and these Rules without Customer's additional order (agreement).

Any orders (instructions) for which no mandatory requisites and forms are prescribed by legal acts must be prepared subject to the forms stipulated by the Bank.

The Bank accepts the above mentioned documents for performance providing that they meet the requirements of legislation in force, normative legal acts of the Central Bank of Armenia, and these Rules.

The list of orders (instructions) for conducting operations on the Banking account is defined by the Bank unilaterally.

3.8.1 In case funds are debited from the Banking account based on Customer's order (instruction) executed in the manner prescribed by the Bank to carry out currency conversion transactions, then such transactions are carried out at exchange rates set by the Bank on the date of funds debiting.

3.9 Unless otherwise provided in these Rules, Annexes or additional contracts constituting the integral part of the Agreement, the Bank shall credit sums to the Customer's Banking account based on cash, settlement documents and other orders (instructions) for transfer of funds.

Where any sums have been transferred to the Banking account in a currency other than the currency of the Banking account, the Bank shall credit Banking account with equivalent amount calculated at the exchange rate defined by the Bank for cashless transactions as of the date of such operation.

3.10 The Bank determines on its own the length of the operational day (hereinafter the "Operational day") during which the Servicing division shall accept settlement, cash and other documents and orders (instructions) presented to the Banking account.

3.11 Any orders (instructions) of Customer and other parties for the performance of operations on the Banking account, which have been submitted to the Bank during the Operational day shall be accepted by the Bank for execution during the same Operational day.

Any orders (instructions) of Customer and other parties for the performance of operations on the Banking account, which have been submitted to the Bank after the close of Operational day shall be accepted by the Bank for performance during the following Operational day.

In case an Agreement on electronic banking service is concluded between the Bank and Customer, the Bank shall accept Customer's orders (instructions) for conducting operations through account pursuant to the procedure and conditions provided under Agreement on electronic banking service.

The order (procedure) for acceptance, withdrawal, return (cancellation) of orders (instructions) is defined by the Bank unilaterally and, at the Bank's option, is made available to Customer by one of or several communication means set forth in clause 2.4 of these Rules.

3.12 Funds are credited on Customer's Banking account in the manner established by the Bank not later than on the following day of the receipt of funds or the relevant payment document by the Bank, providing that the Bank has received duly executed documents within the fixed time limits from which it definitely follows that the payee of funds is the Customer and the funds must be credited to Customer's Banking account. Moreover, unless otherwise stipulated (provided) by existing legislation, these Rules or separate contract (Agreement) between the Parties, it is permitted to credit funds on Customer's Banking account with two requisite details, which are defined by the Bank unilaterally and are made available to the Customer by one of or several communication means set forth in clause 2.4 of these Rules at the Bank's option.

If the payment document, which the Bank has received, does not allow to clearly identify the recipient Customer of funds (for example, the document contains distorted or incorrect name of Customer, Bank account number, etc.), the funds shall be credited to Customer's account only after appropriate measures to identify the payee have been implemented in the manner and terms provided by the Bank in accordance with the existing legislation, and normative legal acts of the Central Bank of Armenia.

3.13 The Bank shall provide cash (if the provision of cash from the Account is not prohibited by law) or make cashless transfer from Banking account upon Customer's order (instruction) not later than on the next day of the receipt of a relevant payment document at the Bank, as well as based on other duly executed documents, which have been submitted to the Bank by Customer for conducting debit operations from Banking account in the cases prescribed (provided) by legislation, normative legal acts of the Central Bank of Armenia and these Rules. The Bank may at its own discretion carry out the above mentioned operations in shorter periods, in accordance with the procedure and conditions provided by the Bank, including the Tariffs.

3.14 The Bank shall provide cash from Customer's Banking account based on the Customer's application, while for the receipt of cash totaling to 5.000.000 (five million) drams and over or equivalent foreign currency the Customer must give verbal notice or submit a written application to the Head Office or branches of the Bank 1 (one) day before, by 2 p.m.

3.15 The Bank may provide cash funds from Customer's (Legal entity and Sole entrepreneur) Banking account on the basis of a Cheque-book (blank cheques). A Cheque-book shall be handed over to Customer at any time during the validity of application-agreement. Provision of cash from Customer's Banking account is carried out with nominal unlimited bank cheques unless otherwise specified by additional agreement.

For the purpose of Account servicing through a cheque-book (blank cheques) the Bank shall charge relevant fee from Customer in the amounts provided under the Tariffs, and a subsequent waiver by Customer from bank Account servicing through a cheque-book may not serve as a basis for the recalculation or refund of paid interests.

Cash funds are paid from Customer's account against cheque within the following timeframes:

a) a cheque drawn in the territory of Armenia must be presented to the Bank for payment within ten calendar days,

b) a cheque drawn in a territory other than Armenia must be presented to the Bank for payment within thirty calendar days,

Such time limits are not applicable to the provision of cash funds from Account with the cheque-book.

Moreover, these terms for cheque payment shall be valid unless otherwise provided by the Central Bank of Armenia while regulating the operations for conducting settlements with cheques.

The Bank shall honor the cheque from the sums available on one or several accounts of the Customer opened in accordance with these Rules.

The Bank shall be held liable in the manner established by law for failure to honor a cheque presented to the Bank by Customer for payment containing all the necessary details as prescribed by legislation.

3.16 Bank's obligation towards the Customer for the transfer of funds from the Banking account shall be deemed duly performed in the following cases:

- upon crediting funds in the respective amount on the correspondent account of the operator maintaining payee's funds if such funds are remitted to a payee's account that is not a Bank customer or;

- upon crediting funds in the respective amount on Banking account opened with the payee's Bank if such funds are remitted to the Bank customer's address.

In case the term for foreign currency funds transfer is a nonbusiness day in the country of issue of such currency where the Banking account is opened, the Bank shall transfer such funds on the next business day in that country.

Bank's obligation towards the Customer for the provision of funds from the Banking account shall be deemed properly performed upon payment of funds from the Bank's cash-desk in the respective amount and to Customer's authorized person specified in the bank cash-book, and where a contract (agreement) on the collection of funds is available - upon delivery of funds to cash-in-transit collection company.

3.17 Any funds credited on Customer's Banking account erroneously by the Bank, as well as fees for the Bank services provided under these Rules, Annexes and Tariffs, costs made by the Bank for the execution of operations through Banking account (hereinafter called "Commission fees"), including the fines and other pecuniary penalties provided under these Rules, as well as for the performance of Customer's obligations towards the Bank under these Rules and Tariffs shall be debited by the Bank without acceptance from Customer's Banking account within the time limits provided under these Rules without Customer's additional order (instruction), based on settlement and other documents of the Bank.

3.17.1 By joining these Rules the Customer gives its preliminary agreement to the withdrawal of funds from Banking account based on settlement and other documents of the Bank in cases set forth in clause 3.17 of these Rules with the option of partial execution of settlement and other documents of the Bank.

3.18 The Bank shall debit funds from the Customer's Banking account without acceptance (without Customer's additional order (instruction)) payable to the Bank under agreements of loan (including credit line, overdraft), surety, collateral, bank guarantee, and other agreements (contracts) between the Bank and the Customer, as well as under recourse liabilities to Customer if the above agreements (contracts) contain a condition about the right of the Bank to make collections in such manner. The withdrawal of funds is made within the time limits specified in the above agreements (contracts) or upon receipt of funds on Banking account.

3.19 Customer may instruct the Bank to debit funds from Banking account at the request of the third parties in connection with the fulfillment of Customer's liabilities towards such entities.

The Bank shall accept such instructions providing that essential written data must be indicated therein to enable the Bank to identify the person entitled for such claim.

3.20 Funds available on the Banking account shall be debited without Customer's additional instruction (agreement) based on collection orders in the following cases:

3.20.1 Seizure of funds upon executors' order;

3.20.2 In the manner provided under contract (agreement) signed between the Parties for funds withdrawal from the Banking account through collection settlements.

3.21 Statements of operations through the Banking account and annexes to them are provided to Customer in the order and manner prescribed by the Bank, and where an Agreement on electronic bank service is signed between the parties – in the order and manner provided under such agreement. The frequency of free provision of Bank account statements shall be stipulated by the Bank unilaterally.

3.22 If a cheque-book (blanks) of the Bank are used for providing cash from Account to Customer or the person specified by Customer, then for the receipt of cash funds Customer may write out a nominal unlimited cheque, which must be filled out pursuant to the following rules:

a) The cheque is filled out by hand and without corrections. The cheque with corrections shall be deemed invalid and not subject to acceptance and payment by the Bank.

b) All the lines on the cheque are filled out immediately from the beginning of the line without leaving any free space or by closing blank space with “=” symbol.

c) The cheque is filled out in Armenian. Along with Armenian, the cheque may be also completed in English or Russian.

d) The cheque that has been drawn in the Republic of Armenia must be presented to the Bank for payment within ten calendar days.

e) The cheque that has been drawn in a country other than the Republic of Armenia must be presented to the Bank for payment within thirty calendar days.

f) “Drawer’s name (title)” line specifies the title of legal entity or sole entrepreneur;

g) “Place of drawing the cheque” line specifies the city where the Head office or its affiliate where the Cheque is presented for payment is situated;

h) “Account number” line must include the account number from which the funds shall be cashed out;

i) “Affiliate” line specifies the name of the Head office or the branch where the Cheque is presented for payment.

j) “Date of drawing the cheque” line specifies in words the Cheque was drawn;

k) “I hereby order to pay” line specifies the first and last names of the payee;

l) “Armenian dram” line specifies the amount on Cheque in numbers.

m) “Amount in words” line specifies the amount on Cheque in words (first letter must be upper-case).

n) “Signature” line includes signature of the Drawer, as well as the seal, if available; The signature is affixed on the reverse side of the Cheque.

o) “Purpose” line specifies the purpose of transaction and the amount equal to the purpose.

Customer shall be liable for non-observance of requisites specified hereunder.

3.23 The provisions concerning cheque-books (forms of cheques) referred to in these Rules are applicable to those Customers who have the status of a legal entity or private entrepreneur.

#### **SECTION 4. PROCEDURE FOR METAL ACCOUNT OPENING AND MAINTENANCE**

4.1. Metal account is provided for recording non-cash gold, for which only fineness and weight of the gold is indicated and no other individual data are stated.

4.2. Metal account is opened in gold with the fineness of 999.9.

4.3. Non-cash gold on metal account is recorded in Armenian drams at the gold accounting price published by the Central Bank of Armenia and weight expressed either in grams accurate within 0.01g. or in troy ounces accurate within 0.001 troy ounce, one troy ounce to equal 31.10348 grams.

4.4. The Bank defines buy/sell rates per 1g. of non-cash gold, which shall serve as a basis while conduction operations through account.

4.5. Minimum quantity of non-cash gold on metal account, as well as a minimum amount of transaction for metal account replenishment is defined under Tariifs.

4.6. The following operations shall be conducted through a metal account:

a. Replenishment of metal account by buying non-cash gold from the Bank and crediting it to the metal account;

b. Replenishment of metal account by cashless transfer of gold from metal account of Customer or other person opened in the Bank or other bank;

c. Withdrawal from metal account by selling non-cash gold to the Bank;

d. Withdrawal from metal account by cashless transfer of gold from metal account of Customer or other person in the Bank or other bank;



- 4.7. No other operations, including issuance of loans on Metal account, as well as replenishment or debiting of Metal account with non-cash means, are allowed to be conducted through Metal account except those specified in clause 4.6 of these Rules.
- 4.8. A metal account may be pledged.
- 4.9. In case of operations that are stipulated under sub-paragraphs a. and c. of clause 4.6 of these Rules the Bank shall provide to Customer a receipt confirming non-cash gold purchase and sale transactions and containing the requisites (information) defined by normative legal acts of the Central Bank of Armenia.
- 4.10. The Bank shall credit non-cash gold received to the Metal account of Customer not later than the day following the day of the arrival of the respective payment document at the Bank, unless shorter time period is provided by statute or the agreement on bank metal account.
- 4.11. In case of demand metal account the Bank shall withdraw non-cash gold from the account on order of Customer not later than the day following the day of the arrival of the respective payment document at the Bank.
- 4.12. In case of time metal account, the Bank shall withdraw whole or part of non-cash gold upon the very first request of: (i) a natural person or sole entrepreneur, within the time-frame specified in clause 4.10 of these Rules, (ii) a legal entity, within 10 days.
- 4.13. No interests are paid on Metal account.
- 4.14. The existence of a Banking account in Armenian dram is mandatory for using the Metal account.
- 4.15. **Metal accounts are not guaranteed by Deposit Guarantee Fund.**

## **SECTION 5. OBLIGATIONS OF THE PARTIES**

### **5.1 The Bank shall:**

5.1.1 subject to the procedure and terms established under these Rules, carry out operations for the Customer for given types of accounts in accordance with law and banking rules adopted pursuant to it, customary business practices applicable in banking and international practice, as well as operations provided under these Rules, except for settlements under uncovered letters of credit (unless otherwise provided under separate agreement between the Bank and Customer).

5.1.2 Carry out operations through the Account pursuant to the time frames and procedure established by these Rules and legislation.

5.1.3 Debit sums from Account without Customer's additional instruction (consent) in cases prescribed by legislation and/or these Rules.

5.1.4 Accept and debit funds from the Account according to the procedure established by legislation, normative legal acts of the Central Bank of Armenia, and these Rules.

5.1.5 Provide statements of account and annexes to such statements to Customer pursuant to the time frames and procedure established by legislation, normative legal acts of the Central Bank of Armenia, and these Rules.

5.1.6 Preserve documents (photocopies) submitted by Customer pursuant to clause 5.3.1 of these Rules for Account opening not less than 5 years from the date the Account agreement has been terminated.

5.2 Where any peculiarities for the execution of operations through the Account are provided under separate contract (agreement) between the Parties:

- Certain obligations specified in clause 5.1 of these Rules may not be performed by the Bank or may be performed with certain peculiarities.

- additional obligations may be imposed on the Bank.

### **5.3 Customer shall:**

5.3.1 Submit all documents to the Bank required to open the Account subject to the list established by the Bank.

5.3.2 Dispose of funds available on the Account in accordance with the requirements of legislation, normative legal acts of the Central Bank of Armenia and these Rules.

5.3.3 Ensure proper execution of settlement and cash documents and other instructions in accordance with the requirements of legislation, normative legal acts of the Central Bank of Armenia and these Rules and submit them to the Bank during the Operational day, while in case of conclusion of Agreement on electronic banking service in the manner and terms indicated therein.

5.3.4 In the manner and terms established by legislation, normative legal acts of the Central Bank of Armenia or these Rules submit information to the Bank on consent or refusal for the payment of sums from the Account upon payer's agreement based on settlement documents.

5.3.5 In order to check compliance of Account operations with the requirements of legislation and regulations of the Central Bank of Armenia, as well as the requirements of Currency Regulation and Currency Control, Money Laundering and Terrorism Financing laws, submit all necessary documents and information to the Bank in due time.

5.3.6 In the order and terms provided under these Rules and Tariffs pay Commission fees to the Bank for conducting operations on the Account, as well as reimburse the Bank for expenses incurred in connection with executing Customer's instructions, including the maintenance of Customer's Account on other tariffs of the Bank.

5.3.7 In case of any objections to Account statements and operations on the Account submit written objections to the Bank within 30 days after receipt of Account statement.

5.3.8 Return funds credited to the Account by mistake (erroneously) by the Bank, by transferring such funds to the account of the Bank (regional subdivision of the Bank) from which they were credited to the Account or by transferring them subject to the details indicated in the Bank's request not later than within 2 (two) business days upon disclosure of erroneous crediting or receipt of the Bank's written request relating to it.

5.3.9 In case the funds on the Account are insufficient to debit sums from the Account without acceptance and Customer's additional order (agreement) subject to clause 3.17 of these Rules, pay Commission fee to the Bank in accordance with the Tariffs within 2 (two) business days after receipt of the Bank's written notice about it and transfer the funds that have been credited to the Account erroneously (by mistake) subject to the details indicated in the Bank's request.

5.3.10 Carry out cross-checks with the Bank of the Account balance as of January 1 of each calendar year, but not later than January 31;

5.3.11 In case of legal entities and sole entrepreneurs, provide duly executed documents to the Bank relating to the changes in the firm-name, reorganisation, legal address, location address, residence or registration address, seal (at Customer's wish), list of persons entitled to conduct transactions on the Account not later than within 5 (five) business days from the date such changes and(or) relevant decisions have been made (registered).

5.3.12 While concluding Account agreement provide true and trustworthy information to the Bank about communication facilities: (telephone, e-mail address, mailing address, other data), as well as information about actual location or residence or registration address (if other than the one indicated in Customer's documents), and in case of any changes therein promptly provide updated data on the communication channels to the Bank.

5.3.13 In case of collection settlements, reply in due time in writing to Bank's enquiries about proof of payee's rights;

5.3.14 Duly perform additional obligations provided under separate contract (agreement) of the Parties for servicing the operations on the Account taking into account certain peculiarities.

5.4 Customer failing to submit the Account statement it has received or to file written objections relating to the operations through the Account within the period specified in clause 5.3.7 of these Rules, such operations through the Account and the balance of sums on the Account shall be deemed to have been approved by Customer.

5.5 In the event that no written confirmation or written objection is received from Customer within the term specified in clause 5.3.10 of these Rules the Account balance shall be deemed approved as of January 1.

## **SECTION 6. RIGHTS OF THE PARTIES**

### **6.1 The Bank may:**

6.1.1 Use funds on Customer's account guaranteeing Customer's right of free disposition of such funds.

6.1.2 Change the Account number unilaterally in the manner and cases established by legislation, normative legal acts of the Central Bank of Armenia.

6.1.3 Reject operations through Customer's Account in cases when:

a) There are facts indicating that Customer has failed to comply with the requirements of legislation, normative legal acts of the Central Bank of Armenia and banking rules governing the execution of settlement and cash documents, and has violated the timeframes of their submission to the Bank;

b) Customer has failed to submit documents to the Bank, which serve as a basis for conducting operations through the Account prescribed by existing regulation, normative legal acts of the Central Bank of Armenia, including legislation on currency regulation and currency control, as well as documents, which are necessary to keep documentary record for the purpose of preventing legalization of illicit proceeds (money laundering) and terrorism financing by the Bank;

c) Customer has submitted settlement and other documents, which give rise to doubts with regard to the authenticity of signatures and(or) seal stamp affixed on them;

d) The funds on the Account are insufficient for the execution of Customer's settlement documents or other instructions, including the Commission fee charged by the Bank for that transaction or it is even impossible at least partly to execute the settlement document or instructions of Customer;

e) In the manner and in cases prescribed by law, there are limitations on Customer's rights to dispose of funds on the Account;

f) Customer has failed to comply with the procedure provided by the Bank for the submission of preliminary applications and supporting proof of the receipt of cash amounts;

g) In other cases provided by separate contract (agreement) concluded between the Parties.

6.1.4 Unilaterally amend Tariffs for settlement and cash servicing of Customer, and also tariffs related to Account maintenance and execution of operations through it, by way of establishing new rates for Commission fees and premiums, amending and(or) eliminating such rates, and(or) providing for new types of Bank services related to servicing and maintenance of Account, including execution of operations through Account by giving at least 5 (five) days' prior notice to Customer before these changes and amendments come into effect, using any of the delivery means specified in clause 2.4 of these Rules.

6.1.5 Upon request (instruction) of the Bank or the third parties debit sums from the Account without acceptance and without additional instruction (agreement) of the Customer in the manner, cases and terms established under these Rules or RA legislation.

6.1.6 Convert without acceptance and without additional instruction (agreement) of the Customer any sums available on the Account to the amount required to fulfill Customer's liabilities towards the Bank in the currency other than the Account currency, and direct such funds generated from the conversion for the discharge of Customer's liabilities towards the Bank. The exchange transaction is, inter alia, made at exchange rates established by the Bank upon concluding the transaction, unless other exchange rates are provided for the fulfilment of Customer's commitments under agreement (contract) of the Parties;

6.1.7 In cases provided by normative legal acts of the Central Bank of Armenia or these Rules submit written claims (orders) to Customer for debiting of funds from Account;

6.1.8 Amend and supplement these Rules unilaterally, including the approval of a revised edition of these Rules and Annexes to them, by notifying Customer about them in accordance with clause 10.2 of these Rules.

6.1.9 Suspend operations on Customer's account and take measures to identify and prevent suspicious transactions and business relations of the Customer in the manner and in the cases prescribed by law on "Combating Money Laundering and Terrorism Financing", requirements (by virtue of) the sanctions of the third countries and internal legal acts of the Bank (mandatory legal acts: order, regulation, procedure, instruction, decree and other acts) adopted by the collegial or sole management body of the Bank (the board, the executive board, chairman of the executive board of the Bank) regulating relations between the Bank and customers in combating money laundering and terrorist financing.

6.1.10 Discharge the obligation prior to the term defined under Account agreement.

## **6.2 Customer may:**

6.2.1 Dispose of funds on the Account, including the withdrawal of cash from the Account in accordance with the existing legislation and the requirements of the normative legal acts of the Central Bank of Armenia subject to the procedure provided under these Rules, and in the event of Banking account crediting by the Bank in the form of an overdraft, dispose of funds in the manner and cases provided under these Rules and Banking account crediting (overdraft) agreement signed by and between the Parties.

6.2.2 Independently choose the forms of cashless settlements provided by legislation and normative legal acts of the Central Bank of Armenia.

6.2.3 In the manner provided under these Rules receive Account statements (information), other documents relating to operations on the Account with the reimbursement for expenses incurred by the Bank in the amounts provided under the Tariffs and other documents;

6.2.4 Get free consulting services at the Bank on issues directly related to banking transactions, settlements, as well as the Account agreement.

6.2.5 Instruct the Bank to debit sums from its Banking accounts at the request of the third parties connected with the fulfillment of its obligations due to such entities.

6.3 Customer shall instruct the Bank:

6.3.1 To credit the Banking account with surplus amounts revealed as a result of recounting of cash delivered to the Bank's cash-office through collection service.

6.3.2 To transfer funds via payment and settlement system of the Central Bank of Armenia or other payment and settlement systems at the discretion of the Bank.

6.4 The Parties are entitled to sign a contract (agreement) pursuant to which the Bank shall open an uncovered letter of credit for Customer in accordance with the procedure and terms provided under that contract (agreement).

6.5 In case any peculiarities relating to conducting operations on the Account are provided under Annexes, the Parties may have additional rights in accordance with them.

## **SECTION 7. INTEREST ACCRUAL**

7.1 The Bank shall pay interest for using the funds available on Customer's Banking account, which amount is credited on the Account unless otherwise stated in the Annexes or Tariffs or by agreement of the Parties.

Interests which have been accrued (accumulated) for using the funds available on Customer's Banking account shall be credited to Customer's Banking account on the last day of each calendar month.

7.2 Taxation of income paid by the Bank to non-resident customers is carried out in the manner prescribed by law.

## **SECTION 8. LIABILITY OF THE PARTIES**

8.1 Parties shall be held liable for non-performance or improper performance of obligations under the Account agreement in the manner and in the cases prescribed by legislation.

8.2 Neither Party shall be held liable for full or partial non-fulfillment of their obligations under these Rules caused by force majeure (emergency and irreversible) events, which have occurred after the Account agreement was signed and which neither Party could have foreseen or prevented. A Force Majeure Event includes: earthquakes, floods, war, declaration of martial law and state of emergency, political excitements, strikes, interruption or failure in the operation of communication means, acts of public authorities, etc., which make impossible the performance of obligations under Account agreement.

If force majeure event continues for more than 1 (one) month, the Parties must come to an agreement on further actions, including their intentions to terminate the Account agreement.

8.3 The Party failing to fulfil its obligations under the Rules by force majeure events shall notify the other Party in writing within reasonable time through communication facilities, including the internet of the occurrence of a force majeure event and non-fulfillment of obligations. Failure to notify of the occurrence of a force majeure event within reasonable time shall deprive the party bearing such obligation to make reference to force majeure event as a basis for exemption from liability.

### **8.4 Liability of the Bank:**

8.4.1 The Bank shall be held liable for failure to credit funds (gold) on the Account in due time received in the name of the Customer or for debiting such funds from the Account without any justification, as well as for non-performance or improper performance of Customer's instructions for the transfer or payment of funds (gold), in the manner and amounts prescribed by law, except for the cases provided in these Rules.

8.4.2 The Bank shall not be held liable for failure to execute Customer's instructions for the transfer of funds (gold) in due time providing that such non-performance was not caused by the actions and (or) inactivity of the Bank's correspondents, including the Central Bank of Armenia or the third parties.

8.4.3 The Bank shall not be held liable for non-performance or improper performance of its obligations due to insufficient (incorrect) information in settlement or other documents of the Customer for the transfer of funds and (or) which did not afford to clearly identify the payee of funds and (or) settlement or other

documents did not comply with the requirements prescribed by legislation and (or) normative legal acts of the Central Bank of Armenia.

8.4.4 The Bank shall not be held liable for refusing to perform operations through the Account on the basis of settlement, cash and other documents that have been executed in violation of the requirements prescribed (provided) by the Central Bank of Armenia or the Agreement and (or) on the basis of documents which have been submitted in violation of the time frames provided by legislation or these Rules.

8.4.5 The Bank shall not be held liable for Customer's losses and consequences caused by the fulfilment of instructions bearing the signatures of persons having no authority to carry out operations on the Account for the transfer of funds or payment of cash from the Account, caused by the fulfilment of Customer's instructions to pay by cash cheques bearing forged signatures and (or) seal stamp and (or) fulfilment of Customer's orders subject to cash and (or) other documents, as well as caused by debiting and (or) transferring sums from the Account without Customer's additional agreement on the grounds of counterfeit executive and (or) documents, including the legislation, if in accordance with the procedures provided by legislation, banking rules and these Rules the Bank was unable to find out the circumstances of giving instructions by non-authorized persons, forged signatures or seal stamp or executive documents.

8.4.6 For non-performance and/or improper performance of payment instructions towards persons who use Bank services caused by decisions, regulations, international treaties, agreements of state/governmental bodies, international institutions, organizations which directly or indirectly prohibit or impede the Bank to perform its obligations, including the initiation of prohibitive or restrictive measures that have impact on the performance of the Bank's obligations towards users of the Bank services, and other circumstances which make it impossible for the Bank to execute payment orders irrespective of the will of the parties and all reasonable measures taken by the Bank;

#### **8.5 Liability of the Customer:**

8.5.1 The Customer is liable for conducting operations through the Account in accordance with the legislation, as well as for the execution and reliability of documents which are submitted to the Bank and serve as a basis for opening the Account and conducting operations through the Account.

8.5.2 The Customer is liable for the actions of persons who have authority to submit relevant documents to the Bank for opening the Account and conducting operations through the Account.

8.5.3 The Customer is liable for non-fulfillment or improper fulfillment of its obligations to return any amounts (gold) to the Bank that have been transferred to the Account by mistake.

In case the Customer fails to return to the Bank within the timeframe provided under these Rules any funds that have been transferred to Account by mistake, interest shall be paid on such funds for each day of delay, equal to the twofold amount of the settlement rate of the bank interest set by the Central Bank of Armenia.

8.5.4 The Customer shall be held liable for non-performance or improper performance of its obligations to provide the Bank with accurate and reliable information for feedback (Customer's telephone and (or) fax numbers, e-mail address, mailing address for correspondence, other information), as well as to submit timely updated data.

8.5.5 The Customer shall be held liable and take all adverse consequences for non-performance or improper performance of its obligations to give timely response to the Bank inquiries about confirmation of the payee of funds based on the collection order to the Account and (or) for submission of unreliable replies to such inquiries.

### **SECTION 9. SETTLEMENT OF DISPUTES**

9.1 All disputes arising during the execution of Account agreement shall be settled through negotiations to make mutually acceptable decisions.

9.2 In the event of unsuccessful negotiations and/or consultations or mutually unacceptable decisions or unresolved disputes the parties agree to refer the settlement of disputes to the consideration (decision) of the competent courts of the Republic of Armenia in accordance with the procedural legislation of the Republic of Armenia.

A Customer who meets the requirements of the RA Law "On the Financial System Mediator" may submit the claims arising from Account agreement to Financial system mediator of RA subject to the procedure, cases, and conditions defined under RA law on "Financial System Mediator". Pursuant to the contract signed between

the Bank and the Office of Financial System Mediator, the Bank waives its right to challenge the decisions of Financial System Mediator only to the extent of property claims, which amount does not exceed 250000,00 drams or the equivalent in foreign currency, while the amount of transaction does not exceed 500000,00 drams or the equivalent in foreign currency.

9.3 The Parties hereto agree that any correspondence, court notice, including any procedural document, related to the disputes arising from Account agreement, shall be sent to last known notification addresses of the Parties.

## **SECTION 10. PROCEDURE FOR MAKING AMENDMENTS TO THESE RULES**

10.1 All changes and amendments to these Rules, including the revised edition of the Rules shall be approved (made) at the Bank's initiative subject to the procedure provided in this section.

10.2 The Bank shall notify Customer about changes and amendments to the Rules, approving the revised edition of the Rules 5 (five) days prior to their entry into force by one of the means set forth in clause 2.4 of these Rules.

10.3 Any changes and amendments to these Rules, including the revised edition of the Rules shall take effect from the date following the expiry of the term specified in clause 10.2 of these Rules.

10.4 After having entered into force, any and all changes and amendments to these Rules, including the revised edition of the Rules shall equally apply to all persons that have joined these Rules, including persons that have joined these Rules before taking effect.

10.5 In case the Customer does not agree with any changes and amendments to these Rules, including the revised edition of the Rules, the Customer may terminate Account agreement subject to the procedure provided in clause 11.2 of these Rules.

## **SECTION 11. TERM OF ACCOUNT AGREEMENT VALIDITY. WAIVER FROM RULES.**

### **CANCELLATION OF ACCOUNT AGREEMENT**

11.1 The Account agreement shall come into force upon signing and shall be valid for an indefinite term.

11.2 The Customer may terminate Account agreement at any time. In order to terminate the Account agreement, the Customer shall submit to the Bank an application about terminating the Account agreement in the manner established by the Bank, hand over to the Bank the unused cash cheque-book with unused cash-cheques, and regulate mutual clearing and settlements with the Bank under Account agreement.

Submission by the Client of a request to the Bank to revoke or suspend the agreement on the processing of his/her personal data is also deemed a requirement to terminate the Account Agreement and the procedure for terminating the Account Agreement as described in the previous paragraph shall apply.

Based on the application for Account closing, only the Account agreement signed for given banking account shall be annulled, while in cases specified in the 2nd paragraph of this clause, the Account Agreement concluded for all types of banking accounts shall be terminated.

11.3 The Bank shall confirm acceptance of the application for Account closing by making appropriate inscription on such document.

11.4 The Account agreement shall be deemed terminated upon receipt of Customer's application specified in clause 11.2 of these Rules. The Bank shall provide to Customer by cash any funds (gold) that are available on the Account and have remained after repayment of Customer's debt towards the Bank (this procedure applies only for sole entrepreneurs and individuals) or shall transfer them to another account upon Customer's instruction in accordance with legislation and not later than within 7 (seven) days after receipt of Customer's relevant written application subject to the terms and conditions provided by these Rules.

11.5 The Customer hereby agrees that the Account Agreement may be terminated at any time at the Bank's discretion, by giving 30 days' prior notice to Customer at the last known address if the circumstances referred to in paragraph 2 of this clause are available.

The Bank shall be entitled to unilaterally refuse to comply with these Rules in relation with Banking account if no transactions have been made on Banking account during one year or the amount of funds held on Customer's Banking account is less than the minimum requirement provided by the Tariffs, and if such amount has not been recovered within 1 (one) month from the date of the Bank's notice. Bank account agreement shall be deemed cancelled upon expiry of one (1) month's period from the date of the Bank's written notice about it in case no transactions have been made on the Banking account during such period or the amount of

funds held on the Customer's Banking account has not been recovered at least in the minimum amount provided by the Tariffs.

11.6 Termination of Account agreement is a basis for closing Customer's Account, except for the cases where there concurrently exist funds (gold) on the Account and decrees of state and other competent authorities to suspend operations through the Account or impose an attachment on funds (gold) on the Account. In such cases the Account shall be closed upon receipt by the Bank of notices on the reversal of aforesaid decisions.

## **SECTION 12. MISCELLANEOUS**

12.1 Any and all legal relations connected with Customer service, collection and delivery of Customer's funds by the Bank and (or) third parties to Customer, calculation (accrual) of interest on funds available on the Banking account, protection of electronic document circulation, including electronic signatures, codes, passwords, analogs of other means and (or) information by use of the Electronic banking service system (commonly applied telecommunication channels) may be regulated by additional contracts (agreements) of the Parties.

12.2 Customer gives its agreement (permission) to the Bank for the provision (disclosure) of any information constituting banking secret to the managers and other employees of the Bank in accordance with their job responsibilities, as well as to the third parties involved by the Bank for the enforcement of the Bank's rights and fulfilment of its obligations under Account agreement, as well as of the obligations assigned to the Bank by legislation and other regulations.

12.3 Any claim, notice, application or other communication by Customer requested or provided under this Agreement must be sent using the details of the Banks' service department set forth on the Bank's website [www.armbusinessbank.am](http://www.armbusinessbank.am) or other details, while any claim, notice or other communication by the Bank must be delivered to Customer by one of the mediums indicated in clause 2.4 of these Rules.

Any claim, notification, application or other communication to the Bank must be submitted by Customer in the form of a written document bearing the signature of its authorized person listed on the card of specimen signature and seal stamp, as well as Customer's official seal (at Customer's wish).

Where Electronic banking service agreement is available, Customer may file a claim, notice, application, communication or other document to the Bank through Electronic bank service system, in the manner provided under Electronic bank service agreement. Where it is provided under these Rules that any document should be prepared by Customer subject to the Bank's approved sample form, then such document must be submitted to the Bank via Electronic banking service system only if the possibility of preparing the relevant document in the standard sample form is ensured by the setting adjustments of Electronic banking service system.

All Bank notices provided by Account agreement relating to the issues of servicing unlimited persons are sent to the Customer by the Bank by using the mediums or one of the mediums set forth in clause 2.4 of these Rules, while notices connected with Customer servicing are sent by using Electronic banking service system (in case Electronic banking service agreement is signed between the Parties) or such notifications are delivered (sent) to the Customer through courier or postal delivery service as provided by RA law on "Special delivery of documents", subject to mailing details indicated in the accession application submitted to the Bank by Customer or in other document in accordance with these Rules or the last mailing (postal) address of the Customer known to the Bank.

Any written documents (notices, claims, communications, written correspondence, etc.) specified in these Rules are deemed properly received by (delivered to) the addressee even if the addressee is no longer located (residing) at such address if the Parties have failed to inform each other in writing about the change of their mailing/notification addresses (location/residing/registered places) subject to clause 12.4 of these Rules.

The Parties have agreed that the Bank shall unilaterally determine the procedure and mode of exchanging documents and information related to the execution, recording and control of foreign currency transactions, and shall inform the Customer by information mediums or one of such mediums indicated in clause 2.4 of these Rules.

12.4 The Parties shall notify each other of any changes in their mailing (location/residing/registered, e-mail, etc.) addresses within 3 (three) business days, otherwise any written correspondence arising from these Rules or Account agreement shall be conducted to the last known address of the Party. The risk of legal

consequences due to failure to notify the other party(parties) of such changes shall be borne by the Party having such liability.

12.5 The obligations of the Customer arising from Account agreement cannot be terminated completely or partially by Customer's statement without written unconditional agreement of the Bank, by offset of the Customer's counter-claim to the Bank.

12.6 Where any amendments are made to the legislation and normative legal acts of the Central Bank of Armenia, which have their influence on the terms and conditions of Account agreement, such Account agreement shall be valid and enforceable to the extent which is not in conflict with law and normative legal acts of the Central Bank of Armenia.

12.7 While opening a Banking account, the Bank shall deliver a written notice to the Customer who is a natural person/sole entrepreneur on the terms and procedures of guaranteeing compensation of bank deposits provided by RA Law on "Guaranteeing Compensation of Bank Deposits of Individuals".

12.8 Upon opening of the Banking account the Bank delivers "What to do if you have a complaint" standard form to the Customer.

12.9 Annexes are an integral part of these Rules.



*"ARMBUSINESSBANK" CJSC basic (general)  
rules for opening and servicing bank and unallocated metal  
accounts*

**FEATURES OF ELECTRONIC SERVICE OF A BANKING ACCOUNT  
THROUGH THE SYSTEM OF ELECTRONIC BANKING SERVICE**

1. Where based on the Application-Agreement, the Customer is provided with an Electronic Banking Service System ("Bank-Client", "Internet-Bank", "Mobile-Bank", etc.) (System), the Account (Accounts) are serviced also electronically.

When servicing the Account (Accounts) through the System, the Parties unconditionally acknowledge and confirm that:

- a) The Customer has read the procedure of conducting settlement transactions in electronic form through account/s/ (hereinafter called "Account") with the Bank, the execution of which is supported by the System composed of subsystems for information processing, storage, security (including encoding) and transmission through Internet (hereinafter called the "Internet").
- b) Electronic Documents, which are used while performing electronic transactions on Account and are verified with an EDS by the Bank and Customer in compliance with the requirements of sections 3 and 7 of this Annex to the Rules, are equivalent to corresponding paper documents, causing respective rights and obligations for the Parties specified under Agreement.
- c) The subsystems for information processing, storage, security and transfer are sufficient to ensure reliable, efficient and secure maintenance of Account.
- d) Information security System, which the Parties use subject to Agreement and which provides control over information integrity and authenticity through encoding and EDS, is sufficient to protect it from unauthorized use by the third parties, as well as to authenticate the Electronic Document and identify the person who has affixed the EDS on it.

**2. PROCEDURE OF EXECUTING TRANSACTIONS THROUGH THE SYSTEM**

- 1) Customer shall execute any and all settlement transactions on the Account via the System that are accessible to Customer via the System, as well as shall receive complete information about the account.
- 2) The Customer shall determine its Account users to operate in the System by completing the Bank's approved form, and shall submit the completed form to the Bank. Where an individual Customer designates other parties as his/her Account users, such Customer must also submit to the Bank a notarized/or a duly executed power of attorney, which must without fail be validated in the premises of the Bank in the presence of both the Customer and the party to be designated as a user.
- 3) The Electronic Payment Document must be executed by Customer in the manner specified in the Rules and Section 6 and then sent to the Bank. Upon receipt thereof, the Bank shall verify and execute the document providing that it is complete and has no missing data.
- 4) The Bank shall notify Customer of the results, whether negative or positive, of such verification of the Electronic Document, and consequently of rejecting to execute Customer's instructions given in the Electronic Document, by changing the document status in the System.

- 5) The Parties may transfer and/or receive Electronic Documents indicated in Section 6 of this Annex to the Rules through the System. It is also permitted to transmit other information via the System, which, however, shall cause no liabilities under Agreement for the receiving Party.
- 6) The Electronic Document shall cause liabilities providing it is duly made by Customer and certified with EDS/s. In such case the Bank shall accept such Electronic document for execution upon receipt and verification of such document.

### **3. RIGHTS AND OBLIGATIONS OF THE PARTIES**

- 1) Each of the Parties shall:
  - 3.1.1. Be guided by the requirements of the Agreement while performing operations via the System, and where the issue cannot be regulated by them, then the Republic of Armenia laws, as well as the existing international business practices for electronic service of accounts shall apply thereto;
  - 3.1.2. Upon request of the other Party, not later than the banking day following the receipt of such request submit to such Party duly executed hard copies of Electronic Documents, which have served as a basis for executing the operation through Account;
  - 3.1.3. Maintain confidentiality of Secret keys during the Agreement validity, as well as for 1 /one/ calendar year following its termination.
- 2) **Customer may:**
  - 3.2.1. Where it is impossible to deliver Electronic documents through the System, carry out required operations through the Account by submitting duly made hard copies of such documents to the Bank.
- 3) **Customer shall:**
  - 3.3.1. Exercise control over the correctness and accuracy of the essential details in its Electronic documents;
  - 3.3.2. Use the System only on a computer in good working condition and free of viruses. The Bank is not responsible for uninterrupted and accurate operation of the System for failure to comply with this requirement;
  - 3.3.3. Take all measures to ensure safekeeping of the Secret keys from unauthorized access by the third parties and hold the Bank exempt from any claim related to the loss caused to Customer by non-performance or improper performance of obligations under this subparagraph;
  - 3.3.4. Immediately inform the Bank where an event of loss of the Secret key or unauthorized access by third parties comes to its knowledge, by submitting /sending/ to the Bank within 24 /twenty-four/ hours duly made and approved /certified/ written statement;
  - 3.3.5. In case of receiving the EDS on mobile phone through SMS messages, immediately notify the Bank in the event of change or loss of the phone number stated in the application, by submitting a written application or informing about such event in electronic form.
  - 3.3.6. Send Electronic Documents to the Bank in duly made form;
  - 3.3.7. After completing the work session in the System, logout by pressing "Logout" button on the Internet browser's window. During any interruptions caused by software errors and failures of working session /pending browser, disruption of communication with the Network, etc./ logout from the operational system /LogOff, Log Out, End of session, etc., depending on the operating system of the computer/. The Bank is not responsible for uninterrupted and accurate operation of the System for failure to comply with this requirement;
  - 3.3.8. Upon request of the Bank, but not later than the banking day following the receipt of an electronically documented request for executing the transaction, submit duly made hard copies of

Electronic Documents, which have served as a basis for executing the transaction through the Account.

**4) The Bank may:**

- 3.4.1. Make hard copies of the Electronic documents executed by Customer and approve them subject to the requirements of existing internal regulations of the Bank;
- 3.4.2. Where any technical malfunctions or analogous cases whatsoever occur in the Bank impeding the transmission of Electronic Documents through the System, unilaterally terminate any deliveries of the Electronic documents or other information through the System for an indefinite period, by giving notice to Customer of such occurrence. In such cases all documents should be circulated in paper form, in accordance with the existing internal procedure of the Bank. The Bank shall not be held liable for any loss or damage caused to Customer for the cases specified in this subclause;
- 3.4.3. Terminate the Agreement before the appointed time by disconnecting Customer from the System where:
  - 3.4.3.1. Customer has violated the requirements of the Rules;
  - 3.4.3.2. Customer has failed to use (enter) the system for 3 (three) consecutive months (except for individuals who are entitled solely with view option);
  - 3.4.3.3. Customer's accounts have been closed or in the absence of any flows for one year;
  - 3.4.3.4. Any technical malfunctions or analogous cases whatsoever occur in the Bank impeding the transmission of Electronic Documents or other information through the System by giving notice to Customer of such occurrence;
  - 3.4.3.5. Customer regularly breaches the rules of safe application of the system;
  - 3.4.3.6. Customer's actions constitute a threat to the safety of the system (for example, Customer attaches an infected file).

**5) The Bank shall:**

- 3.5.1. Execute settlement transactions through Customer's account based on duly made Electronic Documents sent by Customer via the System. The Bank undertakes to execute Electronic Documents which instructions were received during the operational day within the same banking day. The Bank is obligated to execute any documents received after the close of the operational day no later than on the next banking day;
- 3.5.2. Inform Customer about Electronic Documents that have been accepted for execution or have been rejected, indicating the status of such Electronic Document and the reason of its refusal;
- 3.5.3. Accept funds on Customer's account sent by other customers through correspondent banks, clearing centers, the Central Bank of Armenia on the basis of Customer's Electronic documents;
- 3.5.4. Prior to the execution of Customer's instruction check compliance of Electronic Documents with the prescribed requirements delivered by Customer via the System;
- 3.5.5. In the event of a loss of Secret key provide Customer with a new Secret key within 3 /three/ banking days after receipt of Customer's notice requesting a new key;
- 3.5.6. Not execute Electronic Documents filled out incorrectly and sent by Customer via the System;
- 3.5.7. Not correct Electronic Documents on its own sent by Customer via the System;
- 3.5.8. Ensure the confidentiality of electronic transactions made by Customer via the System.

**6) Customer shall have the following rights via the System:**

- 3.6.1. Customer may only view the accounts and agreements stated in the Application,
- 3.6.2. Customer may view the accounts and agreements stated in the Application and carry out settlement transactions through the Account.

- 7) Where Customer may only be entitled to view its Account through the System, the provisions provided under this Annex to the Rules with respect to the execution of settlement transactions through the Account shall not apply.

#### **4. FINANCIAL RELATIONSHIP**

- 1) The Bank shall charge a fee without acceptance from Customer's settlement account in the amount prescribed by the Bank's tariffs and rates for furnishing Customer with a new Secret key.
- 2) For services /hereinafter called "Services"/ rendered by the Bank to Customer for conducting settlement operations through the System, the Bank shall charge a fee /hereinafter called "Service fee"/ from Customer in the amount, terms and manner subject to the Bank tariffs and rates, which may be amended during Agreement validity. Where Customer refuses to agree with the amendments to the fee schedule, Customer may terminate this Agreement prior to expiration, by giving at least 5 /five/ days' prior notice to the Bank to this effect and paying for the Services rendered until termination of the Agreement.
- 3) Service fee is chargeable starting from the following month the Agreement was signed, while annual commission for the first year is payable on the day the Agreement has been signed, and for the following consecutive years – on the last business day of the following month after the expiry of the successive year of Agreement validity. One-time fees shall be charged on the date of signing the Agreement. The Bank shall charge Service fee from Customer's account without acceptance, while in case of insufficiency of funds on Customer's account the Service fee shall be charged from Customer's other accounts with the Bank, including the accounts in a currency other than the currency of the Account, in which case the currencies shall be exchanged at the rate applicable by the Bank for that day /exchange time/.
- 4) In case the funds on Customer's accounts with the Bank are insufficient for debiting amounts and such deficiency continues for the term of over 1 /one/ month, the Bank may suspend services to Customer through the System until full repayment of liabilities.
- 5) If within 1 /one/ month after expiration of a one-month period specified in clause 4.4. of this Annex to the Rules Customer:
  - 4.5.1. Repays the indebtedness, then it will be reconnected to the System and a fee specified under clause 4.2. of this Annex to the Rules shall be charged from Customer without acceptance in the amount defined under Bank tariffs and rates;
  - 4.5.2. Fails to repay the indebtedness, the Bank acquires the right to terminate the Agreement unilaterally requesting the Customer to repay the full amount of debt and close the Accounts by notifying the Customer within the time period established under the Rules.

#### **5. LIABILITY OF THE PARTIES**

- 1) The Party in breach of the rules established under this Annex to the Rules shall be held liable for the consequences caused due to such event.
- 2) The Bank may not be held liable for:
  - 5.2.1. Any loss incurred by Customer through no fault of the Bank, including execution by the Bank of the Electronic Payment Documents completed by Customer erroneously although in conformity with the requirements of Sections 2 and 6 of the Rules, providing that such documents have been appropriately made and transferred to the Bank by Customer, and the Bank has received and checked them and has ascertained in their accuracy;
  - 5.2.2. Any loss incurred by Customer caused by non-execution of the payment order due to the fact that the Electronic Document comprising the payment order has not been executed accurately and properly by Customer;

- 5.2.3. Any loss incurred by Customer caused by omission (inaction) and/or untimely actions of those parties in whose favor a settlement transaction is being carried out upon Customer's order;
  - 5.2.4. Any loss incurred by Customer caused by the execution of payment orders by the Bank that have been transmitted to it by using the Secret keys which came to the knowledge of a third party through no fault of the Bank;
  - 5.2.5. Other cases prescribed by the Agreement and/or RA legislation.
- 3) The Bank will be held liable solely and exclusively for any direct, properly substantiated and proved damages incurred by Customer due to non-observance of or non-compliance with the time frames for conducting settlement transactions through Customer's account as indicated on the Electronic Document made and sent to the Bank by Customer in due form and time.
  - 4) Customer shall be held fully liable for any technical, operational and other eventual risks associated with the System operation, as well as for maintaining confidentiality of the Secret keys.
  - 5) The Parties shall be held liable for other cases of nonperformance or improper performance of their obligations under Agreement in the manner established by RA legislation.

## **6. TYPES OF ELECTRONIC DOCUMENTS AND REQUIREMENTS TO THEIR COMPLETION**

- 1) **Types of Electronic Documents sent to the Bank by Customer:**
  - 6.1.1. Payment orders, including in Armenian drams and foreign currency,
  - 6.1.2. Currency exchange application,
  - 6.1.3. Application for loan repayment,
  - 6.1.4. Application for deposit replenishment,
  - 6.1.5. Free format messages connected with and related to the Account.
- 2) **Types of Electronic Documents sent to Customer by the Bank:**
  - 6.2.1. Statement of account,
  - 6.2.2. References and other information,
  - 6.2.3. Free format messages connected with and related to the Account Free format messages.
- 3) **Requirements applicable to Electronic Settlement Documents:**
  - 6.3.1. All Electronic Documents should contain necessary bank details in accordance with the requirements of the Central Bank of Armenia.

## **7. MISCELLANEOUS**

- 7.1 The Electronic Service of the Banking account through the System shall come into effect upon concluding the Electronic Service Application-Agreement and shall be valid for the duration of Account Agreement, but whatever the case is, until full performance of the obligations under Agreement. Electronic Service Agreement may be terminated early by either Party upon at least 5 /five/ days' prior notice to the other Party.
- 7.2 The Electronic Service of the Banking account through the System may be suspended any time at the request of the Customer, upon at least 5 /five/ days's prior notice to the Bank. The Electronic Service of the Banking Account through the System may be suspended at the request of the Bank only in the cases and in the manner specified in this Annex to the Rules.
- 7.3 All notices arising from and pertaining to Electronic Service of the Banking account through the System must be in writing sent to addresses indicated in the Application-Agreement; where any changes are made thereto, all subject notices must be delivered to the changed addresses.

*"ARMBUSINESSBANK" CJSC basic (general) rules  
for opening and servicing bank and unallocated metal accounts*

FEATURES OF MAINTAINING ACCOUNTS FOR THE COMPENSATION FOR DAMAGE CAUSED TO THE LIFE  
OR HEALTH OF MILITARY PERSONNEL DURING THE DEFENCE OF THE REPUBLIC OF ARMENIA

1. The accounts for the compensation for damage caused to the life or health of military servicemen during the defence of the Republic of Armenia are special banking accounts provided by Chapter 50.1 of the RA Civil Code, and the funds invested there cannot be pledged, placed under arrest, confiscated for the client's obligations or in the event of the client's bankruptcy be a liquidation instrument for the fulfilment of obligations.
2. Subject to the RA Law "On the Compensation for Damage Caused to the Life or Health of Military Personnel during the Defense of the Republic of Armenia" (hereinafter the Law), a Beneficiary is the serviceman whose life or health has been damaged as a result of hostilities, and in the event the serviceman is dead or is recognized missing – the spouse /wife/, child /children/, parents or other persons established by Law.
3. The funds available on the Account are only the property of the beneficiary (beneficiaries). The Accounts can only service the payments and interests accrued to the Account provided for by Law.
4. The Bank shall open Accounts and shall credit funds to the Account received from the Fund for the Compensation for Damage Caused to the Life or Health of Servicemen (hereinafter the Fund) on the basis of the application submitted by the Fund and the information regarding the beneficiaries attached thereto within one business day of the receipt of such application.
5. The Bank shall pay interest to the beneficiary (beneficiaries) for the use of the funds available on these Accounts equal to the amount of the annual interest rate of refinancing established by the decision of the Board of the Central Bank of the Republic of Armenia as of the end of each quarter. In the event of a change in the refinancing interest rate the Bank shall notify the beneficiary (beneficiaries) of such change in the interest rate to take effect 1 month after such notice to the beneficiary. The amount of interest specified in this clause shall be credited to the Accounts.
6. By the end of each quarter (June, September, December, March), if the refinancing interest rate does not change, then during the next quarter the interest rate in effect during the previous quarter shall apply until the interest rate changes as of the end of given quarter.
7. The Bank maintains the Accounts under the terms and conditions set forth in the contract concluded with the Fund until the beneficiary (beneficiaries) receive the full amount of compensation in the manner prescribed by law, as well as upon expiration or termination of the contract.
8. The fee schedule for services provided under the contract with the Fund are established under the article on the Tariffs "The Bank accounts of beneficiaries prescribed by the RA Law "On the Compensation for Damage Caused to the Life or Health of Military Personnel during the Defense of the Republic of Armenia".